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WEEKLY **Television Digest**

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The authoritative service for executives in all branches of the television arts & industries

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Directories

Annual AM-FM Directory of Jan. 1; with weekly Addenda reporting current FCC decisions, applications, etc. Listings of all AM-FM stations by states and frequencies, all applications by states and frequencies, call letter lists, etc. (Includes other North American stations.)

Semi-Annual TV Factbooks (Spring-Summer, No. 30, and Fall-Winter, No. 31) with weekly Addenda reporting current FCC grants, applications, new stations on air, etc.

Special Supplements

Hollywood's Candidates for Next Season's Programs. A list of new pilots, ready or in the making, compiled by our Hollywood Bureau. (Vol. 16:5).

Investing in Applied Science. A report based on a St. Louis speech by George Edgar, Research Dept., Carl M. Loeb, Rhoades & Co. A new approach to investments in the electronics industry. (Vol. 16:7).

Television Stations in Operation. A log of U.S. & Canadian stations on the air or due to be operating by Spring of 1960. (Vol. 16:10).

FCC Public Notice on 'Sponsorship Identification of Broadcast Material.' Full text of FCC interpretation of Section 317 of Communications Act. (Vol. 16:14).

Financial Data on Television-Electronic Companies. Statistical summaries of reports of leading public-owned companies. Prepared by Greenebaum & Associates, financial consultants in electronics. (Vol. 16:18).

Television Households by States & Countries. ARB survey-based estimates as of January 1, 1960. (Vol. 16:25).

Report and Statement of Policy on Programming Inquiry. Full text of FCC's Public Notice 60-970. (Vol. 16:31).

Special Reports

Strike Situation at a Glance. Charts. (Vol. 16:6 p16; 13 p12; 14 p15; 22 p11).

Government & Industry Action on Television. A chart. (Vol. 16:7 p5).

FCC Recommendations on Station Sales & Network Regulation. (Vol. 16:21 p6).

FCC TV Station Income and Expenditures for 1959. (Vol. 16:36 p3).

Chronology of 1960's Major Television Events. (Vol. 16:52 p14)

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WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

FORECAST 1960: Good business and "reform" highlight our annual forecasts for telecasting industry (p. 1). Another record year is predicted for home electronics (p. 17).

FCC

PROGRAM PROBE RESUMES, with finale expected end of month. Some industry witnesses due this week (p. 6).

FCC FUNCTIONS DEBATED at speech & theater teachers' convention, where Sen. Proxmire denounces FCC (p. 6).

Advertising

FTC STRIKES AGAIN in anti-payola drive, issuing 11 more complaints citing 14 record firms for illegal payoffs (p. 7).

Networks

NBC'S STATION-SWAP MOVES continue as network prepares to trade its Philadelphia o&o's (p. 9).

NET TV GAINS IN OCT.: National ad volume rose 13% in Oct. over Oct. 1958, reflecting net TV gains of 12% from a year ago, 11% for year to date, 5% over Sept. (p. 10).

Finance

RCA NEVER SOLD MORE: 29% 1959-over-1958 profit increase and 17% sales jump to record high is reported by Sarnoff (p. 22).

Manufacturing & Distribution

HOME ELECTRONICS IN '60: Gains seen on all fronts—retail sales of 6.1 million TVs, 10% increase in phono sales, 10 million domestic home radios. Imports to rise (p. 17).

WINTER TV MARTS to feature added 23-in. sets by most manufacturers. Admiral introduces 23-in. TV at $199.95. Revived Capehart and Sonora lines will be shown (p. 19).

Auxiliary Services

SKIATRON ACCUSED by SEC of concealing $3-million deficit in Matty Fox's pay-TV operations (p. 12).

Film & Tape

THERMOPLASTIC RECORDING, developed by GE, intrigues TV & movie industries as well as Wall Street. TV engineers warn process still seems far off, won't replace tape (pp. 5 & 13).

Other Departments

PROGRAMMING (p. 8). **STATIONS** (p. 11). **FOREIGN** (p. 12). **PERSONALS** (p. 16). **CONGRESS** (p. 16). **ETV** (p. 24).

TV IN 1960—'REFORM' & GOOD BUSINESS: Despite hell (Congress) & high water (competing media), the telecasting industry is headed for another record business year—its 14th in a row. This fact stands out in our staff's forecasts for 1960, gleaned from long personal familiarity with and observation of the broadcast scene, and from discussions with industry leaders.

The fury of official & unofficial criticism will continue, but severe repressive measures are unlikely as the industry gives strong indications that it is achieving its goals of correcting program & commercial excesses through its own internal upgrading program. Here, topic by topic, is what we see in telecasting's crystal ball, 1960 model:

Congress: New records for number of broadcasting bills introduced and old TV-radio regulatory proposals revived probably will be set by 2nd (or post-quiz) session of 86th Congress which convenes this week. There'll be few more popular subjects for law-drafting, floor speech-making and Congressional Record viewing-with-alarm than TV & radio evils uncovered by House Commerce Legislative Oversight subcommittee. Always-vociferous demands for reform of industry by tightening and/or broadening Federal Communications & Trade Commission Acts will be heard louder & clearer on Capitol Hill. Congressional climate will be bad for broadcasters. Whether this session will set record for legislative action is something else again. Anything could happen, from subjecting networks to direct FCC controls to outlawing of program deceits. But working for broadcasters against enactment of punitive legislation will be steps taken by FCC, FTC and NAB —and 2 big factors on Hill: (1) Elections. Race for adjournment in time for July political conventions will be on from start of session, in which much business will be left undone. (2) Oversight subcommittee itself. It builds headline momentum for legislation, but has won reputation for not finishing what it starts. If payola

hearings explore even part of field surveyed by subcommittee staff, proceedings will run far into session, leaving little time for any actual floor work on any new laws.

Federal Communications Commission: FCC's stepped-up surveillance of industry will first take form of sharper rebukes to stations guilty of clear-cut violations of law & Commission rules—for example, false ownership reports to FCC. In programming, the move will be slower. It will come in shape of brisk questions directed to operators whose performance bears least resemblance to promises they've made on paper to Commission. Death penalty of license revocation won't be imposed for programming malfeasance, but some licensees will sweat before year is over. Commission's close watch over licensees will cover whole range of its jurisdiction, particularly in areas spotlighted by Congress—such as trafficking in licenses, as criticized by Harris subcommittee last year.

Commissioners will spend so much time on Capitol Hill that they'll joke wryly about installing a shuttle bus. They'll be grilled about quiz-rigging, payola, programming, allocations, boosters & CATV—and other issues certain to emerge. They'll spend a lot of time interpreting new political broadcasting law. Republican Comr. Robert E. Lee is almost certain to be renominated, and his chances of confirmation by Senate are excellent.

Federal Trade Commission: FTC's TV-radio advertising monitoring unit (set up with 3 staffers in 1956 with paltry appropriation of $100,000) still is so tiny that it doesn't rate listing in agency's official table of organization. As direct result of 1959 broadcasting scandals, that condition—along with importance of FTC itself—is due for change—which could be ominous for industry. If anything at FTC is sure for 1960:

(1) It will get more money—and maybe tough new legislation—from Congress.

(2) TV-radio looking-&-listening post, already doubled in staff size, will be expanded further.

(3) FCC, FTC, Justice Dept., Food & Drug Administration, National Bureau of Standards will work together (as they often haven't in past) to help police fraud & fakery.

(4) Under clean-up-or-else threats, FTC will induce trade organizations—especially those related to broadcasting—to carry on real self-regulating crusades.

(5) Chmn. Earl W. Kintner, a staunchly Republican free-enterpriser, will make new history for FTC as guardian of public against advertising & merchandising gyps. For broadcasters, one effect of all this may be that FTC will come to rival FCC as alphabetical symbol of govt.

NAB & Industry Codes: Paradoxically, broadcasting's time of trouble & disrepute probably will bring year of resurgent strength & prestige to NAB. If for no other reason, common adversity in TV & radio will bring broadcasters together in common fronts as never before. In TV, some of NAB membership holdouts (small-market vhfs, obscure uhfs, go-it-alone independents) may continue refusals to take out cards in industry's club. But as a business necessity, subscribing to TV Code more & more will become a must for non-members as well as NAB card-carriers. In radio, rush by station loners to sign up with NAB—and thereby become eligible for Code subscription—will set roster record.

And TV & radio Codes (regarded by some subscribers in past as collections of pious platitudes which could be ignored safely) will take on new & real meanings for stations & public alike. As never before, right to display Code seals of good practices will become tangible assets for stations. There will be tougher NAB supervision of subscribers' behavior, too. In fear of offending dues-payers, NAB may have been too timid about crackdowns in past. Before 1960 is out, situation may be reversed. Fast-buck operators will begin to think twice about offending NAB (let alone viewers & listeners) before putting questionable stuff on air.

Stations' Financial Health: Unless economic portents for 1960 are wrong, TV will continue onward & upward this year—in terms of broadcast revenues (see below), at least. And radio, whose profit-&-loss graphs waver uncertainly, should have relatively steady year; 1959 was better than 1958 and further improvement by 3% this year wouldn't be surprising.

Network Business: Billing growth will continue, but at slower rate, since networks are moving toward a plateau in nighttime business. According to one (NBC-TV) management study, overall hike in gross time billings & network-controlled program sales probably won't be more than 5-6% in 1960, as compared with

8% last year. Heavy concentration will be made on daytime sales by ABC-TV, with its participation strips, and NBC-TV, with its planned daytime specials. Some exploration of the magazine concept of TV networking (apart from network-owned participation properties) will be done, particularly by CBS-TV which is discussing such a move with FCC. Networks will also continue their diversification trend with overseas investments, non-TV production, licensing deals.

Advertisers & Agencies: TV's rebuilt image should attract a record amount of ad dollars in 1960. TvB predicts a 10% increase in TV revenues (net time & talent) this year with network billings reaching $846 million, an increase of 8% over 1959 (more optimistic than NBC's 5-6% guesstimate) and national & regional spot billings hitting $520 million, a 12% jump. Local spot TV advertising will total $322 million, up 15% over 1959, says TvB. TV's share of all advertising will rise to 15% (over 14% last year). (Consultant Richard P. Doherty's prognosis total is not very different from TvB's, but he holds TV's share of the total ad dollar in 1960 at the same 14% that was achieved in 1959. He predicts that 1959's final tote from all classes & types of sponsors will be $1,505 million. He also forecasts that '60 will see a new all-time high for all ad spending—up 10.8% to $11.9 billion.)

Advertisers will be more concerned with "image programming," such as news specials, and put less emphasis on drive for ratings, ANA officials told us. Agencies forecast higher proportions of their incomes will come from fees, research & marketing consultation, to offset dwindling profit margins from the 15% agency commissions which must cover higher-salaried TV creative staffs.

Allocations: FCC & OCDM will come up with a report stating that no vhf channels can be spared for TV by the military—or that they can be spared only if Congress gives the military hundreds of millions of dollars and a decade to shift to uhf. Congress won't give it the money. Net result will be that FCC will conclude it must make do with present 12 vhf channels and keep trying to utilize uhf. This will produce several vhf drop-ins for major cities via mileage cuts & other technical changes—but no wholesale or drastic moves. At same time, Commission will again look to uhf, perhaps actually proposing a long-range shift of all or part of TV to uhf; but this would be only a proposal.

New 1960 TV Outlets: Our prediction of 20 new stations for 1959 was conservative—24 made the grade. This year we're saying not more than 25 will get on the air—and are fairly confident figure won't go above that mark. At least 5 of 1960 starters will be educational non-commercial outlets. Our prediction for 1958 was "not as many as 40" and 36 got on the air. The 1947 prediction was 40—which turned out to be right on the nose. Our estimates are based on number of CP holders who actually have equipment on hand or who have signed network affiliation. Total CPs outstanding now number 182, but 127 of these are for uhf construction. In Canada, 7 stations began operation in 1959. Slightly more could start in 1960 as there are 7 licenses outstanding for stations which haven't begun operating as yet. However, Canadian picture could change rapidly if BBG authorizes 2nd stations in the large metropolitan areas there (Vol. 15:31, 43).

Network Programming: 1960 will bring the firmer creative control by networks that everyone expects, following the trend that began in the wake of the quiz scandals. But don't expect a major program revolution. Mid-season & summer replacements and even most new shows next fall will still be entertainment packages, and network-purchased film shows will have familiar formats. Scheduled for an increase, however, are prestige information & public-affairs shows on all 3 networks. ABC-TV, although still building its nighttime schedules around telefilms, will make serious efforts to step up its roster of live & tape specials—a field in which NBC-TV will continue to lead, followed by CBS-TV.

Internal program regulation will grow, not lessen, at network level. Networks, producers, clients & agencies will face some stress & strain in learning to live with new rules for program & commercial honesty, but most networks expect self-policing to be operating smoothly by mid-summer. Networks won't back away from their new rules, but some changes may be necessary to create situations that are workable for all.

TV Film: Look for the powerful TV-film industry to gain even more production momentum this year, despite its so-so achievements in quality during 1959. Although there will probably be a record number of cancelations in the spring, most, of not all, will be replaced by new filmed entries, as in past. Growing steadily, industry will probably hit $155 million in film production this year, up $15 million from 1959.
$15 million.

There will be fewer Westerns, less violence, more family series and a resurgence of comedy—even in dramatic shows. Producers will also look for offbeat (but not uncommercial) series, musicals and musical dramas. Odds are for reduced production of 60-min. series because of undistinguished records of most such new shows last year. Producers, despite their reluctance to invest in pilots, will again find this the best way to sell a show, particularly since most series sold via presentations last year did not make good.

The independents will continue to dominate TV film, with Revue an odds-on favorite to retain its No. 1 rank, and Screen Gems will lead the majors. Networks' TV-film subsidiaries will increase production, but won't approach the volume of the top independents. There will be considerable turnover among executive personnel at the telefilm companies, come the spring show-casualty season.

TV guilds will get part of the higher residuals & minimums they seek. Some major film studios may go out of production but remain in the business by financing & releasing independents' pictures. They will thus be able to sell their post-1948s without fear of guild reprisals. Universal-International probably will be the first to sell.

There will be more concentration on vehicles than stars, as a result of disappointing series premieres by June Allyson, Joel McCrea, Keenan Wynn, Dennis O'Keefe, Betty Hutton. Tape will make little progress toward infiltrating the TV film industry this year. The movie & TV-film industries will finally reach agreement on establishment of a registration bureau to avoid title conflicts.

Syndication: Limited growth of domestic syndication market is seen by most large syndicators for 1960. Network expansion into marginal early-evening & late-night time slots and network logjam in 2-station & 1-station markets will continue to keep sales field tight. There'll be some advance in number of syndicated comedies & documentaries launched (paralleling network trends) but most new syndicated shows will be tailored to familiar action-adventure formulas. Overseas film syndication will grow noticeably in terms of percentage sales gain over 1959, but still won't amount to more than 25% of the domestic market value. Daytime TV market, particularly in stripped reruns of comedy shows, will be expanded by syndicators at station level. Features will again be in short supply with no early end in sight to the wrangling between Hollywood majors & talent guilds on TV residual formulas for release of post-1948 movies.

Educational TV: ETV will continue to grow. At least 5 (possibly more) new educational stations certainly will be on air before 1960 is out, bringing total to 50 or more (vs. 35 at end of 1958). It will be year of ETV's most ambitious ventures, too: $7-million "Stratovision" experiment in midwest, launching of $20-million electronic campus project centered at Princeton. Increasing blue-chip financial support for ETV stations will come from corporate foundations in addition to Ford Foundation, whose multi-million dollar outlays will continue. And there's good chance that House Commerce Committee will remove blocks from final Congressional passage of twice-pigeonholed bill by Sen. Magnuson (D-Wash.) for $51 million in grants to states for ETV facilities. Senate-approved measure may be revised in House to require states to match federal funds, but ETV advocats who have pleaded for years for federal help won't argue about that.

Boosters & Community Antennas: FCC's proposed vhf booster (translator) rules will become final with little change, and booster operators will be given plenty of time to conform. Western station and CATV operators will finally call off their debilitating feud when the latter agree to keep from duplicating programs carried by stations in their communities. Pending CATV-regulation bills will then be shelved or drastically watered down—and most pending litigation will be called off or settled through compromise. CATV systems won't increase greatly in numbers, but customers-per-system will show steady but unspectacular growth. It will be a record year for system sales & swaps because CATV systems are running out of depreciation; if they buy or swap they get a new lease on depreciation—and a fine tax break. TelePrompTer will become a name to reckon with as it buys more systems.

Closed-Circuit TV: More diversification in closed-circuitcasting—including regularly scheduled medical seminars, heavy usage in 1960 political campaigns & growing number of permanent TV installations in ad agencies for commercial experimentation—will be seen in 1960. But real backbone of the closed-circuit business will still be business-&-sales meetings, with production budgets being steadily increased. Overall billings in industry should hit $12 million this year, up 30% from 1959. TNT Telesessions & TelePrompTer both expect to go over the $3-million mark in 1960. Most closed-circuit firms plan to increase their creative & service staffs this year to meet demands of non-broadcast TV customers for everything-under-one-roof facilities.

That's how 1960 looks to us—and we think it will balance out to a good year for telecasting industry, both in terms of business & improved product quality. Telecasting's "circulation managers"—the receiver manufacturers—also are gearing up for a good year, and our detailed forecasts for TV, radio & stereo manufacturing & distribution lead off this week's Trade Report, beginning on p. 17.

SIZE-UP OF THERMOPLASTIC RECORDING: Publication of a year-old technical paper on a new method of visual recording last week apparently panicked some Wall Street investors even more than it intrigued TV & movie industry topkicks.

System of thermoplastic recording, based on principle of Swiss Eidophor projection TV, is described in Dec. issue of the Journal of Applied Physics by GE Research Labs scientist W. E. Glenn. Publication of the paper apparently scooped GE's own press dept.—which has scheduled a news conference on the subject Jan. 12, and GE officials have been instructed to make no comment until then.

Story was broken to the public by N.Y. Times, which printed long article based on Glenn's paper Dec. 24. Wall Street reaction was immediate. Ampex stock dropped 11¼ points same day, 7 more Dec. 28, next day of trading, recovering 4 points Dec. 29 to close at 108½, was unchanged Dec. 30. GE rose 3¾ Dec. 24, then lost a point in dull market Dec. 28, climbed 1⅝Dec. 29, another 2½ to close at 98½ Dec. 30.

What is thermoplastic recording (or TPR, as GE has labeled it)? What are its advantages & disadvantages? Does it pose a threat to present methods of electronic recording of TV pictures? We asked a number of leading industry engineers (non-GE) who have been familiar with the work, and present here the synthesis of their size-ups:

TPR system uses Eidophor principles to store color or monochrome images on re-usable film. Pickup is done by electronic camera—the paper doesn't specify whether conventional TV camera could be used. Electron beam is sprayed across special 3-layer plastic film. Beam deposits pattern of negative electrical charges on the tape. An RF heating unit "develops" the electron pattern into a series of ridges & valleys, which can be projected into an optical picture using special equipment working on principle of Eidophor projection unit. For TV, it can be picked up by specially equipped camera or flying-spot scanner. Where Eidophor produces a projectable TV picture from electronically-produced ripples on a liquid surface, the TPR system records & reproduces by means of more permanent ripples produced on a film surface—leading one industry engineer to term it "a sort of Eidophor storage battery." (For summary of Glenn paper, see p. 13.)

Like video tape, thermoplastic film can be played back virtually immediately and can be erased & used again. Advantages over video tape: It has almost same flexibility as film for editing, special effects, projection, trick effects. It may be more compact than video-tape equipment. Like film, same thermoplastic recordings may be shown on TV systems using any set of standards (British, U.S., European, etc.).

Biggest disadvantage as compared with video tape: Thermoplastic playback is an optical process—like film—and in transferring the picture from its optical form (by projection or scanning), there is probability of introducing same picture degradation as in the case of film. With magnetic TV-tape recording, however, live-quality image is theoretically possible, and, as is demonstrated every day, practically attainable.

Another disadvantage—at least momentarily: TPR is still a lab device, presumably on a breadboard layout. Clue to how many years off it is may come from GE next week. GE announcement of Jan. 12 news conference mentions only that system will be "described" (not demonstrated).

Industry comment on system was largely cautious. CBS-TV affiliate relations & engineering vp William Lodge pointed out that development of a working TPR will take a long time and that the network is not taking any stand on the idea one way or the other. ABC engineering vp Frank Marx took similar attitude, pointing out also that the recorder is still in the future & yet to be proved.

Two actively concerned companies were heard from: GE vp-research dir. C. G. Suits expressed belief that "this discovery may eventually rank in importance with the original invention of photography, the phonograph and magnetic recording."

Ampex Pres. George I. Long Jr. said the same principle "has been under study by Ampex research labs for the past several years." It was described, he said, in an Ampex technical bulletin last Sept. If this or any other new recording process becomes practical,he added, "we believe their major application will be as an adjunct to existing magnetic recording techniques rather than as a replacement [and] we are confident Ampex will be among the first companies to offer equipment" for any practical new process.

The FCC

PROGRAM PROBE RESUMES: Some industry spokesmen will get their licks in this week as FCC's programming inquiry resumes Jan. 5. But biggest guns—networks & NAB—are due at the windup starting Jan. 25. The hearings will run this week & next, then take a week's breather while FCC counsel Ashbrook Bryant & James Tierney bone up for the big finale. They hope the hearing will end this month or early in Feb.

This week's witnesses: Jan. 5—Prof. Eric Goldman, Princeton U.; producer-playwright Rod Serling; Assn. of National Advertisers, spokesman still unidentified. Jan. 7—Morris Novik, broadcast consultant; Advertising Federation of America, witness not named; Herman D. Kenin, pres., American Federation of Musicians; Burton Lane, pres., American Guild of Authors & Composers; Philip Cortney, pres., Coty Inc. Jan. 8—Marianne B. Campbell, gen. mgr., radio WJEH, Gallipolis, O.; Tom Chauncey, pres., KOOL-TV Phoenix; Howard B. Hayes, vp, radio WPIK Alexandria, Va.; Cecil Woodland, gen. mgr., radio WEJL Scranton.

NAB is going all out, meanwhile, preparing its case. Constitutional lawyer Whitney North Seymour plans to confer with NAB officials in Washington this week, and NAB's special 12-man task force meets Jan. 11. Seymour, a member of the Simpson, Thacher & Bartlett firm, is not only president-elect of American Bar Assn. but also chmn. of ABA's bar-media committee on Canon 35. (The Canon prohibits the use of cameras & microphones at court trials.) Reached in Hanover, N.H., where he was vacationing, he said he had no observations on the constitutional questions involved, that "I've just begun really to work on the thing."

* * *

"Nationwide expression of indignation" over quiz & payola scandals "is such that broadcasting—and TV in particular—must mend certain of its ways if it is to regain some lost respect & confidence," FCC Chmn. Doerfer warned last week. In a year-end statement on FCC's 25th year, he added: "Whether this can be done by moves to strengthen self-regulation without new & compelling legislation remains to be seen." Doerfer also noted that "many voices are demanding a halt to some broadcast 'commercials' which, if not actually illegal, are unethical or in bad taste and are a disservice to the public." After reviewing Commission work in 1959, Doerfer's report concluded: "Never before in its quarter century has so much of the Commission's time been diverted from the normal administrative process by happenings which require priority attention." Among them: Court actions requiring "new & additional time-consuming procedures" and Congressional activity entailing "an unprecedented number" of appearances at hearings, comments on proposed legislation, special studies, etc. He called again for enactment by Congress of FCC-proposed measures to simplify & reduce FCC's housekeeping chores.

■

"Economic injury" question in Auburn, N.Y. has been slated for hearing by the FCC Comrs. Lee & Cross dissenting. Local radio outlet WMBO had objected to the grant of WAUB on the grounds that the city couldn't support 2 stations. The Commission then told WMBO to file a renewal application so that the body may determine who shall have the only station in town—if WMBO proves that the community can't support 2.

FCC FUNCTIONS DEBATED: Sen. Proxmire (D-Wis.), who has been trying for 2 years to write an FCC "ripper" bill, enlivened an otherwise polite panel discussion at a Washington convention of educators last week by demanding a tough Commission crackdown on TV & radio programming.

What's needed now is a "substantial, drastic revision" of regulations governing the broadcasting industry—perhaps by substituting an administrator-&-court system for FCC, Proxmire said. But at the same time, he added, FCC already has "the power & authority" to force stations to improve programs.

He drew heated retorts from fellow-panelist FCC Chmn. Doerfer at the speech & theater convention of 4 organizations—the Speech Assn. of America, American Educational Theater Assn., National Society for the Study of Communications and National University Extension Assn. And other participants in the session on "The FCC's Role in Broadcasting" gave Proxmire little support.

Once FCC starts regulating programming, Doerfer said, "you go down a road [of censorship] from which there is no turning and no end." And in a ringing mixed metaphor, Doerfer cautioned his audience: "Don't get on the bandwagon that is going to pull the roof down over your heads."

And as for attacks on FCC itself by such critics as Proxmire, who had cited a *N.Y. Times* story quoting unnamed lawyers in protests against FCC procedures, Doerfer said: "Any anonymous charge against the FCC isn't worth the paper it's written on. The whole scandal about FCC is mostly in the minds of those who are afraid to stand up & be counted."

Congressman Backs Doerfer

Rep. Avery (R-Kan.), a House Commerce communications subcommittee member, sided with Doerfer. He said it's up to Congress to provide help to FCC ("guidelines, yes; censorship, no") if tighter program regulation is needed. "The most convenient place to place blame" for faults, Avery said, always is FCC instead of Congress, adding: "If we give the TV industry time to grow up, it will be able to regulate itself."

Dr. David R. Mackey of Boston U. challenged Proxmire's "meat axe" approach to FCC problems. He also asked why the industry "has not stood up a little more for its rights" to have more definite conduct guides in the Communications Act. Now the industry is subjected to Congressional "pressures" instead of clear-cut rules, Mackey said.

Dr. Walter B. Emery of Michigan State U., former legal asst. to ex-FCC Chmn. Paul Walker, suggested it would be a good idea if Congress amended anti-censorship Sec. 326 of the Communications Act to permit FCC rule-making on program standards.

In an earlier session at the speech & theater convention, delegates heard discussions of TV's role in politics. Both Republican campaign dir. Robert Humphreys & Democratic information dir. Samuel Brightman agreed that use of hard-sell advertising gimmicks on the air won't work in this Presidential election year. The public no longer will buy canned political presentations, they said.

"Educational TV & majority taste" was discussed by Prof. William Bluem of Ohio Wesleyan U. in a panel on "persuading the TV producer to give us the kind of programs we want." He said that the big trouble with much educational programming is that it's "boring." ETV needs more entertainment, Bluem argued.

"Televising of Nudes" might not be good public-service programming, acting FCC gen. counsel Edgar H. Holtz and his staff soberly advised the Court of Appeals in N.Y. last week. Filing a friend-of-the-court memorandum in the govt.'s appeal from a District Court ruling (that unexpurgated *Lady Chatterley's Lover* is mailable, not obscene), the FCC attorneys asked the higher court to "avoid any holding that might be construed" as applying to broadcasting as well as book publishing. "The tolerance by the community of sexual frankness on the broadcast media is obviously less than that which is acceptable in books," the brief said. "Radio & TV programs enter the home and are readily available not only to the average normal adult but also to children and to the emotionally immature or disturbed." Citing First Amendment protection given in an earlier court decision to a nudist magazine, the memorandum said "the televising of nudes might well raise a serious question of programming contrary to the public interest under the Communications Act" & criminal law governing indecency on the air. "Similarly," it stated, "regardless of whether the '4 letter words' & sexual descriptions set forth in *Lady Chatterley's Lover* (when considered in the context of the whole book) make the book obscene for mailability purposes, the utterance of such sexual activity over radio or TV would raise similar public interest and [criminal code] questions."

Deletion of Ch. 6 New Bedford (Providence) has been proposed by FCC but the way seems to be clearing for the Commission to keep it there through several developments: (1) Coast Guard, which had told FCC it wouldn't object to a TV site beyond 3 miles from its Loran station on Martha's Vineyard, presumably approves the new site proposed by applicant WNBH 6 months ago—because it hasn't objected. (2) Co-channel WCSH-TV Portland, Me. has filed an application to move to a site which would enable the New Bedford station to meet FCC's mileage rules. Assn. of Maximum Service Telecasters stands ready to withdraw its objection to the New Bedford assignment if WCSH-TV's application is granted. Grant of the WCSH-TV move awaits airspace approval; FCC processing is complete. (3) The 4 New Bedford applicants are ready to merge, and it's expected that WNBH will be the surviving applicant—the other 3 getting a percentage of the grant or being paid for their expenses. (4) ABC has told FCC that it favors the Ch. 6 assignment which would give it a full-time affiliate in the Providence area.

CP for Ch. 10 Helena, Mont. has been granted to Helena TV Inc., operator of CATV system there. Feuding with KXLJ-TV (Ch. 12) Helena, the grantee had told the FCC it would build a station if KXLJ-TV went off the air. KXLJ-TV had previously informed the Commission that it would have to go dark if the CATV were permitted to microwave signals from Spokane stations. The microwave was authorized, KXLJ-TV shut down, Helena TV applied. The microwave authorization was then suspended by FCC following a court order—KXLJ-TV has resumed operation.

Low-power vhf translator rules proposed by FCC (Vol. 15:49 p4) were endorsed quickly by KMSO-TV Missoula, Mont., even though comments aren't due until Jan. 11. The station asserted that "many small settlements located in the canyons of Western Montana . . . can only be served by the use of vhf translator stations. In fact, there are 2 populated canyons located within the city limits of Missoula that cannot be adequately served by KMSO-TV."

Increase from 110 to 316 kw was sought by WABC-TV N.Y. in a petition for a waiver of FCC rules.

Advertising

FTC STRIKES AGAIN: In the second phase of its swift drive against payola on TV & radio, FTC last week issued 11 more complaints charging 14 record manufacturers & distributors with making under-table payments to disc jockeys in violation of fair-competition rules of the Federal Trade Commission Act.

The new FTC clean-up campaign—launched last month with filing of payola charges against 9 firms, including RCA, which promptly agreed to stop payola practices it didn't admit (Vol. 15:51 p6)—still has a long way to go, Commission sources indicated.

With a total of 23 companies now cited, FTC staffers were digging through a mass of reports & rumors involving many other outfits in widespread pay-off customs in broadcasting. Nobody at FTC would say just how many more formal complaints might be issued, but at least 30 additional cases were reported in process of preparation.

"There are matters on payola at all stages in the Commission in substantial numbers," said FTC Chmn. Earl W. Kintner.

In the latest actions announced Jan. 2, FTC accused 5 record manufacturing companies & their top officers of complicity in giving unnamed disc jockeys payola:

Fury Records Inc., 271 W. 125th St., N.Y., Pres. Morgan Robinson & secy.-treas. Clarence L. Lewis.

Laurie Records Inc. (with Abel Productions Inc.), 1755 Broadway, N.Y., Pres. Allan Sussel, vp Gene Schwartz, treas. Robert Schwartz and secy. Eliot Greenberg.

Class Record Sales, 3617 W. Pico Blvd., Los Angeles, Pres. Leon Rene.

Roulette Records Inc., 659 10th Ave., N.Y., Pres. Morris Levy, treas. Morris Gurlek, vp Philip Kohl and exec. vp-secy. Joseph L. Kolsky.

Atlantic Recording Corp., 157 W. 57th St., N.Y., Pres. Ahmet M. Ertegun, vp Nesuhi Ertegun, vp Miriam Bienstock, vp Gerald Wexler and secy.-treas. Vahdi Sabit.

5 Distributors Accused

Five individual record-distributing firms and 4 companies which are affiliated were similarly charged by FTC:

Duke Record Inc., 2809 Erastus St., Houston, Pres. Don D. Robey.

Marnel Distributing Co. Inc., 1622 Fairmount Ave., Philadelphia, Pres. Nelson Verbit.

Lesco Distributors, 71 S. 21st St., Philadelphia, operated by Edward S. Cohn.

Main Line Distributors Inc., 1510 Fairmount Ave., Philadelphia, Pres. Haskel Golder & Barry Golder.

Action Records Inc., 452 46th St., N.Y., Pres. Louis Klayman, treas. Morris Price and secy. Herbert Cohen.

Cosnat Distributing Corp. & Jay-Gee Record Co. Inc., 315 W. 47th St., N.Y.; Cosnat Distributing Corp. of Cleveland, 1233 W. 9th St., Cleveland; Cosnat Distributing Detroit Corp., 3727 Woodward Ave., Detroit. (The FTC identified Jay-Gee as a manufacturer, the other firms as distributors, and cited these officers: Jerry & Elliot Blaine, connected with all 4 companies; Charles Gray of Cosnat Distributing Detroit, and Bennett Blaine of Jay-Gee.)

Names of disc jockeys allegedly involved in the payoffs were withheld by FTC, since they weren't charged with any violations in the agency's jurisdiction. But lists of the jockeys were made available to FCC for use in connection with its station-questionnaire investigation of payola practices (Vol. 15:49 p1), in which first replies are due Jan. 4. In announcing its 2nd batch of complaints, FTC said:

"The disc jockeys conceal the fact that they are receiving payoffs for broadcasting the songs and misinform listeners that these records are selected strictly on their merits or public popularity.

"This deception . . . tends to mislead purchasers into buying the 'exposed' records which they might not otherwise have purchased. And also to advance these recordings in popularity polls, which in turn tends to increase their sales substantially.

"These payoffs are unfair methods of competition forbidden by the FTC Act because they have the capacity to suppress competition and to divert trade unfairly from the respondents' competitors."

The 'Best' Campaigns: Seven admen were given a chance to pick what they considered to be the best TV campaigns of the year last week by *N.Y. Journal-American* ad news editor Doris Willens. Result—there were as many "bests" as there were selectors:

Al Ward, copy chief, BBDO: "Sanka—strong, consistent, always an attention-getter."

Rollo Hunter, TV-radio vp, EWRR: "Timex—forthright, daring. You're convinced the watch is indestructible."

James J. McCaffrey, sr. vp, Ogilvy, Benson & Mather: "Alpine's commercials . . . because they don't shout, and because they contain a touch of whimsy, succeed in getting across the point."

Herman Davis, vp for art, DCS&S: "Duncan Hines—everytime I see this commercial I want to eat my TV set."

Stuart Ludlum, TV-radio dir., Kudner: "Lestoil—no question about the success of this job, because it was strong enough to make other manufacturers introduce competing products."

J. Clarke Mattimore, dir. sales development div., K&E: "Kraft's color commercials are very exciting. The food is beautifully & temptingly presented—showing Kraft's long experience in commercial TV."

W. S. Chesley, exec. committee chmn., KHCC&A: "Procter & Gamble's Mr. Clean . . . because of the combination of animation & live action . . . thoroughly effective demonstration technique."

TV's ad value will not be undermined by the current probes, believe an "overwhelming majority" of TV-radio ad agencies which were surveyed by (Dec. 28) *Broadcasting*. Prevailing opinion is that the medium's ordeal will produce an immediate improvement in ad copy & programming, a long-range gain in overall effectiveness & value. Other findings: Clients are becoming more selective in program choices; most of the agencies, "for the record," support advertiser interest in programming; agencies are stepping up supervision of commercials, exercising more care in hewing to taste & believability.

Advertising Federation of America will hold its 2nd annual midwinter conference Feb. 25 in Washington's Statler-Hilton Hotel, where the theme of sessions will be "Advertising Freedoms & Advertising's Dynamic Role in the 1960s." Top govt. speakers will include FTC Chmn. Earl W. Kintner.

Ad People: Allen F. Flouton & Jack P. Rees elected Compton exec. vps . . . Roland H. Cramer, ex-BBDO, named Lennen & Newell vp . . . Guy B. Mercer named vp & plans board member, Needham, Louis & Brorby . . . Carl Spielvogel, *N.Y. Times* ad news columnist, named McCann-Erickson corporate PR dir.

Programming

Magazine-Concept Explorations: ABC-TV has no intention of following CBS-TV's lead in exploring with a few major agencies the idea of a weekly night of network time set aside for magazine-concept programming. So we were told by ABC officials when queried concerning reports that ABC might join CBS in a trial run.

"We've discussed several new sales plans for the 1960 season," an ABC vp admitted, "and several are loosely based on magazine-concept TV advertising. In fact, we have a total of 8 hour-long shows in prime time now that are, essentially, sold in participation segments. But we aren't planning to adopt a CBS-type pattern, and we have no intention of following the British system."

ABC-TV's plan, we're told privately, involves a network adaptation of a rotating-sponsorship formula long familiar in the spot TV field ("orbit plan," "checkerboard plan," etc.). A series of several (possibly as many as 5) telefilm shows would become part of a sales plan in which the shows would receive prime-time exposure, between 7:30 & 11 p.m., and participations would be sold on a no-fixed-position basis. Sponsors would rotate around the various shows, buying strictly on an audience-reached basis with no creative control. Since ABC-TV's prime-time slots are now almost entirely committed, the start of such a plan will have to wait until Oct. 1960. Meanwhile, ABC will "explore agency-advertiser interest in the idea."

CBS-TV's plan, which has never officially been announced but is common talk around large N.Y. agencies, is one of several ("as many as 40," we were told recently by one CBS contact) plans for the 1960 season under discussion at that network. It's said to be based on the creation of a 3-hour midweek segment in prime time, to be filled with a mixture of entertainment & public-affairs shows in which advertisers would buy magazine-type "inserts" on a rotating basis—a system that's somewhere between existing full-sponsorship programming & Britain's pattern.

Preliminary reaction of major ad agencies to these plans has been varied. BBDO exec. vp for creative services Robert L. Foreman, speaking at a Dec. 21 American Mktg. Assn. workship, said agencies & advertisers were "far from sold" on the idea of magazine-style TV.

And while networks discussed the possibility of magazine-concept operation, editor-in-chief John Fischer of *Harper's* poked some sly fun at TV in his magazine's Jan. issue, pondering what would happen if admen had a hand in deciding the editorial content of magazines. Fischer cited the hypothetical case of feather-edge Safety Razors, which "decides to reprint a Western serial which originally appeared in *Collier's* in 1937 [because] audience surveys prove that Westerns are sure-fire and obviously it is safer to use a proven product."

TV's use of foreign-made music is now being protested by American Federation of Musicians' Local 802 in open-letter newspaper ads "To the TV Audience." The ads claim, in part: "The employment opportunities of professional musicians in the U.S. are being curtailed seriously by a growing, but little-known, practice in many filmed network TV shows . . . The music which you hear on these shows is made abroad at cut rates." Listed as using "foreign-made music" are *Bat Masterson, Black Saddle, Du-Pont Show, Johnny Ringo, Lassie, The Lockup, Men Into Space, Richard Diamond, The Rifleman, The Detectives, Sea Hunt, Tales of the Plainsmen* (sic), *Tombstone Territory, Wanted—Dead or Alive, Wichita Town, Zane Grey.*

TV & radio deadline for applications to the radio & TV correspondents' galleries for arrangements for floor coverage of the Democratic National Convention opening July 11 in Los Angeles is Jan. 22. "Plans are well under way for audio & video pool coverage of convention floor activities inside the Memorial Sports Arena," convention Chmn. Bill Henry (House Radio-TV gallery, Room G-4 Capitol, Washington) said in a memo to correspondents. But he urged them to advise him quickly on work-space requirements: "Do you want to rent desk, install phone, radio loop or do you want a broadcasting booth (state minimum dimensions) to be constructed at your expense?" Requests for hotel sleeping & studio facilities will be relayed by Henry to the Democratic National Committee.

Announcements designed to tell CBS television viewers about program procedures . . . show that the network is trying. . . . CBS has shown leadership in demonstrating its eagerness to do more than go through the motions of reform. But however commendable such steps may be, it should be remembered that the basic evil of television isn't faked laughter, or pre-recorded shows, or artificial beer suds. The basic evil is poor programs. And the overall impression of mediocrity, tastelessness and infantilism is heightened, rather than dispelled, by the contrast of the occasional worth-while show that comes along. So, if it salves a broadcaster's conscience by all means let's have the notices about artificial laughter, pre-filming and the like. But what we're really waiting for is the announcement that says: 'Tonight's program augmented with intelligence, embellished with taste and presented with responsibility.'"—Editorial in *N.Y. Herald Tribune.*

Hedda Hopper vs. Ed Sullivan verbal bout got big headlines in Dec. 30 afternoon papers when Miss Hopper called Sullivan "a liar" following his accusations that she had offered favorable column items and token talent fees in return for appearances of top stars on her Jan. 10 NBC-TV tape special produced by Talent Associates. Sullivan, who wired AFTRA & SAG to investigate Miss Hopper's wage scales and methods of payment, contends he has paid & offered the same, or comparable, stars as Miss Hopper's, as much as $10,000 per appearance. Miss Hopper is paying scale "for much the same reasons Jack Paar pays the minimum," a Talent Associates representatives told us in N.Y. Her guests will not perform, he said, but will appear briefly and "simply chat." AFTRA also has no quarrel with Miss Hopper, we were told by a union spokesman. Sullivan's CBS-TV variety bill is a direct rival of the Hopper Show Jan. 10. On Friday, Charlton Heston withdrew from the Hopper show.

KFMB-TV documentary on anti-submarine warfare, produced by the San Diego station for prime-time telecast, proved so effective that the U.S. Navy has requested kinescope prints for use in its own ASW training program, reports vp-gen. mgr. George Whitney. The 60-min. "Target USA" was produced with assistance from the Navy, which furnished service personnel & 5 tons of equipment.

Al Capone's sister, Mrs. Mafalda Maritote of Chicago, is seeking $1 million damages—$500,000 from Desilu, $250,000 each from CBS and Westinghouse—in a suit alleging that fact & fiction were "intermingled" in *The Untouchables* story about her brother. The 2-part show was telecast April 20 & 27, repeated Oct. 15 & 23.

CBS-TV in the wake of its recent housekeeping memos, is now laying out at least $3,000 weekly to buy prizes for such daytime giveaway shows as *Art Linkletter's House Party, For Better or For Worse* and *On the Go.*

Networks

NBC's Station-Swap Moves: The tempo was quickening last week in the station-swap game of musical chairs being played by NBC, although network officials were still denying that the game was being played at all. The network, however, was reportedly close to a working deal for the Boston-for-Philadelphia swap (Vol. 15:51 p7) that's been discussed with RKO Teleradio—a swap in which NBC-TV will shed its WRCV-TV & WRCV Philadelphia, under a Justice Dept. consent decree, for Teleradio's WNAC-TV, WNAC and WNAC-FM Boston.

As part of the same general swapping process, NBC's Washington o&o stations, WRC-TV, WRC and WRC-FM would also go to Teleradio for cash. Since this would reduce NBC-TV's vhf list of o&o's to 4, the move would free the network to acquire something it has wanted for a long time: ownership of a TV outlet in the San Francisco area. The logical target there, by all indications, is Chronicle Publishing Co.-owned KRON-TV, since KGO-TV is an ABC o&o and KPIX is owned by Westinghouse Bcstg. Co., and neither of the latter owners is likely to sell or swap.

NBC, however, may face a stiff price in negotiating for KRON-TV San Francisco. The Ch. 4 outlet reportedly grosses $5.5 million annually for Chronicle Pub. Co. and is said to produce a better profit for the publishing firm than its newspaper. (One possible answer for NBC might be to offer a 50% purchase under an attractive capital gains deal, a station-group executive in N.Y. suggested last week.) In the realm of station grosses, it's also worth noting that the Teleradio Boston outlets are reportedly out-grossed by the NBC Philadelphia outlets which NBC must shed. The Boston TV-radio stations are classed by most N.Y. reps in the $9.5-million-annually bracket, while the 3 WRCV stations are said to gross more than $12.5 million.

If the Justice Dept., which must approve the NBC moves, gives a green light, the station shifting will create at least one odd situation: There will be no network o&o in Washington, although the webs would probably wind up with 3-way representation via affiliations.

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Show business & farming are strange partners, but ABC is now concerned with both—following FCC's approval of its purchase of the Prairie Farmer Publishing Co. (Vol. 15:47 p9). This gives AB-PT full ownership of radio WLS Chicago, of which it had previously held 50%, plus *The Prairie Farmer, Wallace's Farmer & The Wisconsin Agriculturist.* Price of the whole package was $6 million plus a percentage of the profits of the publications for 7 years. Price of the station wasn't segregated.

AFTRA will appeal FCC's renewal of NBC's WNBQ & WMAQ Chicago (Vol. 15:52 p16). Raymond A. Jones, exec. secy. of AFTRA's Chicago local, wired the Commission: "We were astonished this morning to find through the newspapers that a petition filed by us over one year ago concerning the renewal . . . has not only been denied but that it was denied without notice to us." AFTRA requested exact copies of the FCC order concerning the petition, asked for "sufficient extension of time after receipt of official order" to plan an appeal to the courts.

Another low-power CBC o&o outlet has begun operation: CBLAT (Ch. 8) Kenora, Ont. started Dec. 5 as an unattended English-language outlet carrying CBC network programs only at no additional charge.

Net TV Gains in Oct.: The national ad volume rose 13% in Oct. over Oct. 1958, with all major media, excepting network radio, reflecting the rising tide of ad business. The Oct. *Printers' Ink* index shows network TV up strongly across the board—ahead 12% from a year ago, 11% for year to date, 5% in Oct. over Sept. Network radio was down 14% both from a year ago and cumulatively, but its Oct.-over-Sept. performance showed a 20% gain. Total magazines were up 13% in Oct. from Sept., newspapers dropped 1% and were the only major category to show a loss for the period. Both gained markedly from a year ago —magazines 20%, newspapers 5%. Best performances: outdoor, 26% ahead Oct.-over-Sept., weekly magazines, 27% ahead of a year ago, monthly magazines, 18% ahead for the first 10 months. The general index gain for year to date was 9%.

Medium	Index Oct. 1959	Index Oct. 1958	% Change from 1 month ago	% Change from 1 year ago	% Cumulative change
General Index	242	215	+ 5	+13	+ 9
Total Magazines	195	162	+13	+20	+12
Weekly	232	182	+22	+27	+11
Women's	125	116	+ 6	+ 8	+ 9
General Monthly	233	197	— 1	+18	+18
Farm	105	101	— 2	+ 4	+ 4
Newspapers	213	202	— 1	+ 5	+ 7
Network Television	484	430	+ 5	+12	+11
Network Radio	24	28	+20	—14	—14
Business Papers	242	217	0	+12	+ 6
Outdoor	188	169	+26	+11	— 2

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-49 except for the TV base which covers the years 1950-52. "Cumulative change" in the last column refers to the change from the same period last year of the index average from Jan. through Oct. 1959.

NETWORK SALES ACTIVITY

ABC-TV

Lunch with Soupy Sales Sat. noon-12:30 p.m., renewal through June 25.
Jell-o (Young & Rubicam)

CBS-TV

The Kate Smith Show, Mon., 7:30-8 p.m., starting Jan. 25.
Whitehall & Boyle-Midway Divs. of American Home Products (Ted Bates)

On the Go, Mon.-Fri., 10-10:30 a.m., alt. wk. 15-min. segs. eff. Jan. 8.
Helene Curtis (Edward H. Weiss) & *Lawny's Foods* (Doyle Dane Bernbach)

The Millionaire, Mon.-Fri., 3-3:30 p.m., alt. wk. 15-min. segs. eff. Jan. 12.
General Mills (Dancer-Fitzgerald-Sample)

The Verdict Is Yours, Mon.-Fri., 3:30-4 p.m., alt. wk. 15-min. segs.
Remington Rand (Young & Rubicam)

Professional hockey coverage, Sat., 2 p.m.-conclusion, eff. Jan. 9.
Carling Brewing Co. (F. H. Hayhurst Ltd.)

NBC-TV

Bonanza, Sat., 7:30-8:30 p.m., 4 one-third sponsorships.
DuPont (BBDO) & *Gold Seal* (Campbell-Mithun)

It Could Be You, Mon.-Fri., 12:30-1 p.m. & Queen For A Day, Mon.-Fri., 2-2:30 p.m., six 15-min. segs. starting in Feb.
Block Drug (Grey Adv.)

Circus Boy, Sat. 11:30 a.m.-noon, alt. wks. starting Jan. 16.
Nestle Co. (McCann-Erickson)

Queen For A Day, Mon.-Fri., 2-2:30 p.m. & From These Roots, Mon.-Fri., 3:30-4 p.m., participations, starting Feb. 11.
Nestle (McCann-Erickson)

Network Television Billings

October 1959 and January-October 1959

(For Sept. report, see TELEVISION DIGEST, Vol. 15:47 p10)

Oct. Ahead 12.4%: Network TV's Oct. gross time billings jumped nearly $11 million ahead of the Sept. volume, TvB reported last week, to $59,030,752 from $48,268,555, and gained 12.4% over Oct. 1958's billings of $52,526,147. The year-to-date business increased to $510,136,192. This is 10.7% ahead of the $460,642,737 in billings racked up in Jan.-Oct. 1948. CBS led the networks in Oct. dollar volume, with billings of $23,610,441, and maintained its cumulative lead with $218,961,251 in total Jan.-Oct. business. ABC continued to score the biggest percentage gains: 25.9% ahead in Oct.-over-Oct. billings, 20.5% ahead in year-to-date comparisons.

NETWORK TELEVISION

	Oct. 1959	Oct. 1958	% change	Jan.-Oct. 1959	Jan.-Oct. 1958	% change
ABC	$12,537,020	$ 9,960,524	+25.9	$ 99,103,176	$ 82,212,708	+20.5
CBS	23,610,441	21,901,036	+ 7.8	218,961,251	203,092,867	+ 7.8
NBC	22,883,291	20,664,587	+10.7	192,071,765	175,337,212	+ 9.5
Total	$59,030,752	$52,526,147	+12.4	$510,136,192	$460,642,787	+10.7

1959 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	$10,647,078	$22,129,248	$19,299,853	$52,076,179
February	10,024,460	20,806,220	18,053,828	48,884,508
March	11,565,031	23,265,395	20,728,315	55,558,741
April	10,309,263	22,077,285	19,739,816	52,126,364
May	9,946,570	22,298,271	19,674,494	51,919,335
June	8,930,114	21,171,128	17,984,845	48,086,087
July	8,391,470	21,269,782	17,883,111	47,544,363
August	8,205,520	21,137,261	17,298,527	46,641,308
September	8,546,650	21,196,220	18,525,685	48,268,555
October	12,537,020	23,610,441	22,883,291	59,030,752

Note: Figures revised as of Dec. 24, 1959. These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net-dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on the basis of one-time network rates or before frequency or cash discounts.

Stations

New time-delay monitor to eliminate live TV bloopers, called "the goof trap," has been patented by N.Y. independent electrical engineer Henry M. Hume. The device enables a director to cut off a camera that has picked up an "unfortunate" picture, Hume told us. Signals from each live camera are continuously recorded on separate loops of magnetic tape, with the selected image picked up for telecasting from the tape a few seconds after its appearance on the new studio monitor. Audio signals are similarly delayed to maintain synchronization. The director therefore sees the images and hears the audio a moment before the home viewer, thus giving him a chance to correct or cover an error. Hume has been granted U.S. patent No. 2,918,524 for the device.

Oh (Big) Brother! TV sets that watch & listen back at the viewer were described last week in Washington by Charles L. Allen, research & management consultant now with the Okla. State U. He spoke before the American Marketing Assn. and described an experiment in 2 dozen TV homes, each set equipped with a still camera and an audio tape recorder pre-set to operate periodically. He said that his pictures & tapes showed people viewing—plus fighting, love-making, card-playing, "allegedly studying" and what-have-you. People are developing "ear filters," he said, which allows their attention to wander from the screen until something interesting turns up.

FCC Warns on Controversies: Metropolitan Bcstg. Co. has won FCC approval of 3 station sales but it also received a warning for its handling of "controversial issues." And by implication, the Commission served notice to the industry that it is strongly resuscitating its policy covering controversial programs. It isn't enough, the Commission said, for a station to accede to demands for opportunities to dispute positions taken by others in broadcasts; the station must actually seek out & present such opposing views, whether anyone requests time to present them or not. The Commission approved Metropolitan's purchase of KOVR-TV (Ch. 13) Stockton, WTVH (Ch. 19) Peoria and WIP & WIP-FM Philadelphia, Comr. Bartley dissenting. Accompanying the actions was a letter, to which Chmn. Doerfer dissented, chastising Metropolitan for its handling of 2 labor programs. The first was the Kohler strike case (Vol. 14:16 p6 et seq.).

WTTG Washington had made kines of a Senate hearing, and the National Assn. of Manufacturers distributed them gratis to a number of stations. WTTG didn't identify the donor, and many stations telecast the kines without announcing the source. After a complaint by AFL-CIO, the Commission warned the stations that their failure to seek out the source was "a serious matter." Last week, the Commission told Metropolitan its failure to inform the stations was "a serious omission."

The 2nd case involved the Aug. 25, 1959 telecast on WTTG & WNEW-TV N.Y. of *Special Report on Labor Corruption*, an interview by Matthew Warren of 2 senators. The program, FCC said, "lent support to the advisability of the Congress enacting one labor bill as against the other." AFL-CIO complained about it. FCC noted that AFL-CIO representatives were given a private viewing of the program before it was telecast but that no request was made for an opportunity to present opposing views. Nevertheless, the Commission said, the stations had the duty of presenting opposing views anyway. Therefore, it concluded:

"It is expected that in the future operations of all of your stations you will be guided by the views which we have set forth above. The material before the Commission is being associated with the files on said stations for such consideration as their future operations may warrant."

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Three applications for new TV stations were filed with the FCC last week: For Ch. 12, Lamar, Colo., by Televents Inc., same group which filed for Gallup, N.M. recently; for Ch. 9 Wausau, Wis., by local group headed by W. A. Baumgardt, which also operates a CATV system there; for Ch. 18, Ogden, Utah, by the Weber County school district. Total now on file is 113 (19 uhf).

WTMA-TV (Ch. 4) Charleston, S.C., which had fall target, has been delayed by lack of steel for construction, according to Pres. Charles Smith. It will be an ABC-TV affiliate. New board member & stockholder is Douglas L. Manship, pres.-gen. mgr. of WBRZ Baton Rouge (WJBO).

Facility changes: WSPD-TV (Ch. 13) Toledo, O. began using new 1039-ft. tower in Oregon, O. Nov. 22. WVUE (Ch. 13) New Orleans boosted power Oct. 21 to 250-kw using directional antenna. WKYT (Ch. 27) Lexington, Ky., boosted power Dec. 8 to 215 kw. KALB-TV (Ch. 5) Alexandria, La. went to 100 kw. Dec. 9.

Address of George P. Adair Engineering Co., Washington consulting engineers, should be corrected on page 362 of the TV Factbook No. 29 to read: 1610 Eye St. N.W.

Public Plea for Uhf: The case for uhf was recently presented in an unusual series of folksy nighttime telecasts by Springfield (Mass.) TV Bcstg. Corp. Pres. William L. Putnam (WWLP Springfield, WRLP Greenfield, WWOR Worcester). His 4-part plea traced the development, trials and tribulations of uhf, blasted vhf operators who oppose it, scolded FCC for dragging its uhf feet, and told listeners they were TV-starved with vhf.

"There are today a total of 430 commercial stations operating on the 12 old channels [vhf] throughout the U.S.," Putnam declared. "There are 70 of the new channels [uhf], yet there are only 74 stations operating on these channels because of the economic problems [described previously]. These 70 new channels if fully utilized would allow a local TV service in countless communities."

Putnam explained to his viewers that he is able to operate 2 well-equipped, well-programmed uhf stations profitably on a rate card of $700. "Now if we can run 2 stations with all the high quality & expensive local & live programming that we do on a rate card of $700, then it shouldn't be too difficult for anyone else to do the same kind of thing on one station . . . It is possible to operate a TV station happily & successfully at a $700 figure . . . In Boston there are 3 commercial TV stations with a combined time charge of $8,400," he noted. "If you divide this figure by $700 you come up with income for 12 stations. This means that within the area which those 3 Boston stations are able to cover with their present high power & consequent strong earnings there are 9 unbuilt TV stations & 9 communities that have no support for their United Funds, hospital drives and other local charities, and 9 communities which have no local [TV] service."

Putnam closed his serialized uhf plea with a recommendation: "There lies waiting such a simple solution that it is almost childlike. Why cannot the federal govt. require all TV broadcasters now using one of the old channels [vhf] to switch over to one of the new channels [uhf] of which there are 6 times as many available? Then all these problems would gradually disappear and you the public would get all . . . local . . . service you deserve."

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Site-move of KSWO-TV (Ch. 7) Lawton, Okla. was approved by FCC as it made effective immediately the initial decision recommending dismissal of the "economic injury" protest filed by KFDX-TV (Ch. 3) Wichita Falls (Vol. 15:48 p7). KSWO-TV is moving from 4 miles east of Lawton to a point 32 miles from Lawton & 24 miles from Wichita Falls. It is also increasing its power from 9.12 kw to 316 kw, height from 540 ft. to 1,050 ft.

Radio KJBS San Francisco has been sold in a lease-option deal aggregating $1,125,000 over an 8-year period, by Dolph-Pettey interests to a group headed by West Coast consultant W. R. Twining and including: L. Ray Rhodes, vp & San Francisco mgr. of Paul Raymer Co.; Gil Paltridge, ex-mgr. of KROW Oakland & KGO San Francisco; A. J. Krisik, owner of KNGS Hanford & KFIV Modesto; Ted Wolf, KFIV vp; Washington management consultant William T. Stubblefield.

Control of WLOF-TV (Ch. 9) Orlando is now in the hands of Joseph L. Brechner, FCC approving his $350,000 purchase of John W. Kluge's 24.67% to add to his 17% (Vol. 15:42 p10).

KCPX-TV Salt Lake City, recently acquired by Columbia Pictures (Vol. 15:50 p6) has installed & placed into operation 2 Ampex recorders.

Auxiliary Services

MORE SKIATRON CHARGES: SEC has accused Skiatron Electronics & TV Corp. of failing to reveal that Matthew M. (Matty) Fox's Skiatron of America—holder of the exclusive franchise to develop the Skiatron pay-TV system—has a deficit of $3,297,459. Expanding on its charges against Skiatron Electronics (Vol. 15:51 p20, 52 p20), the Commission issued a "statement of matters" to be considered at a hearing scheduled for Jan. 13—at which Fox is slated to be a major witness. At the same time, SEC extended the suspension of trading in Skiatron Electronics shares for another 10 days, until Jan. 7.

SEC's statement indicated that it is particularly interested in Fox's dealings in Skiatron Electronics stock—and its investigators indicated they wanted to determine whether Fox had hocked his Skiatron pay-TV development franchise. Some of SEC's specific charges were denied last week by Skiatron Electronics Pres. Arthur Levey. Fox's Skiatron of America is a separate corporation, not publicly held.

The charges grew out of Skiatron Electronics' attempts to register 172,242 shares of its common stock, of which 125,000 "had been issued or were issuable to Matthew M. Fox pursuant to warrants received by him in 1956 and exercisable at $3 per share." After an investigation of the registration statement, SEC indicated it suspected hanky-panky & concealment. The Commission's new charges:

Premature Stock Sale Alleged

(1) That nearly 75,000 shares included in the registration statement have already been placed on the market as a result of Fox's default on a loan. SEC said Fox obtained the 75,000 shares & warrants to obtain 125,000 more from Skiatron Electronics, and that he gave the shares as collaterial on 3%-per-month notes. He defaulted and the lender—Judson Commercial Corp.—sold at least some of the securities.

(2) That Skiatron Electronics failed to disclose that Fox pledged his Skiatron license agreement as security on a loan from Skiatron Electronics Pres. Arthur Levey and others of 206,000 shares of Skiatron stock.

(3) That Skiatron Electronics has failed to disclose the financial position of Fox and Skiatron of America "and to disclose the lack of resources available to Fox to pursue exploitation & development of the [pay-TV] system." Skiatron of America's April 30 balance sheet showed current assets of $16,728, total assets of $2,427,459, total liabilities of $5,724,418, deficit of $3,297,459.

(4) That the company failed to disclose vital facts about its pay-TV operations—the extent of efforts to begin operation, the amount it has spent to exploit & develop the system; the purposes for which funds have been expended to date, "including the expenditure of approximately $1.5 million as interest on borrowed funds"; the sources of its funds; details of costs & construction-time of establishing pay-TV systems and the status of any pay-TV arrangements or contracts.

Skiatron Electronics Pres. Levey, in a statement Dec. 28, took issue with some of the charges. He said his & Fox's companies are cooperating with SEC "to resolve misunderstandings." Specifically, he stated, the 206,000 shares loaned to Fox's Skiatron of America "were my own stock—not shares owned by Skiatron Electronics . . . I told some of my actions along this line in a letter to every Skiatron Electronics stockholder on Nov. 12, 1957."

In addition, Levey flatly stated that his company "has financed its developments in the subscription-TV field without borrowing money, without paying any interest whatever on loans for the purpose." Skiatron general counsel Kurt Widder informally conjectured that SEC may have confused Fox's company with Skiatron Electronics in making this charge.

The upcoming SEC hearing originally had been scheduled for Dec. 30, but was postponed until Jan. 13 at the request of Skiatron Electronics.

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Vhf translators should be permitted more than that one watt proposed by FCC, in the opinion of Ben Salmon, chmn. of the Edgemont, S.D. Chamber of Commerce. In comments filed with the FCC, he said satisfactory sites for translators are frequently distant from the town to be served, so that one watt is too little to provide service.

Translator starts: K74AZ Gallup, N.M. began Dec. 1 repeating educational KNME-TV Albuquerque. K79AK Milton-Freewater, Ore. began Dec. 8 repeating KREM-TV Spokane.

Translator for Leadville, Colo. Ch. 72 has been granted to People's TV Inc.

Foreign

United Arab Republic loan of $12 million from U.S. will enable it to build its first TV station, in Cairo. The funds will come from sale of U.S. surplus agricultural products to U.A.R., repayable at 4% interest over a 30-year period. The Cairo TV station is slated for July completion. Meanwhile, U.A.R. has established in that city the first institute for TV studies in the Middle East with an inaugural class of 40 students. Abdel Kader Hatem, U.A.R. Deputy Minister of State for Presidential Affairs, reports President Nasser has ordered the introduction of TV into every Arab village and the installation of receivers in national union clubs throughout the republic.

New director general of the BBC is Hugh Carleton Greene, veteran broadcaster & newsman who succeeded Sir Ian Jacobs last week (1). Greene has been with BBC for 20 years, was named in 1958 as its first director of news & current affairs for both TV & radio. As director general, Greene is responsible for BBC's nationwide TV service, 4 national radio networks, a worldwide broadcasting service in 40 languages, a staff of more than 16,000.

Thailand will have country-wide TV coverage within the next 2 years, announced Pichai Vasnasong, Thai TV producer-dir., in N. Y. recently as a guest of ABC-TV. Thailand's govt. will spend $1.5 million to build 3 relay stations—the 2 existing stations now serve only the Bangkok area. Vasnasong also attributed the decrease in illiteracy in his country (from 50% to its present 40%) to TV's emphasis on education.

Strike by French TV-radio actors, production and technical personnel seeking wage increases & better working conditions took all live programming off the state-operated TV-radio networks last week. The technicians, reports Reuters, were slated to stay out 24 hours, but the actors "are continuing their strike on a day-to-day basis."

House of Commons TV coverage is under study by the British govt. Prime Minister MacMillan said the possibility of permitting telecasts of the chamber in action would be explored following a Labor Party complaint that British newspapers don't cover it adequately.

Film & Tape

More about

THERMOPLASTIC RECORDING: Technical paper on thermoplastic recording, by W. E. Glenn of GE Research Lab (see p. 5), was received by the *Journal of Applied Physics* Jan. 5, 1959 and published in its Dec. 1959 issue. Among highlights:

TPR is described as "a wide bandwidth recording technique . . . in which an electron beam is used to cause deformations in the surface of a thermoplastic film." Deformations "can be detected optically, and by using a special optical system [developed for Eidophor], full-color images can be projected from the film. The film requires no chemical processing and can be erased and re-used. The resolution is comparable to that of photographic film and the bandwidth capability is well in excess of that required for xideo-recording." Processing takes but a few milliseconds.

The film may be erased by heating it well above its melting point so that its conductivity will increase; surface tension smoothes out the deformities. Developing is usually done in a vacuum, but can also be done in air. Erasure of tiny portions is possible.

The electron beam, modulated from an electronic camera, sweeps across the film, providing the horizontal sweep. Vertical sweep along the film is provided by the film motion. A pair of RF electrodes provides the heating to "develop" the film.

A special electron gun is used to lay the charge pattern on the film. For color recording, the electron beam is split into several beams.

In projection of b&w images, the light intensity of the picture element depends on the depth of the deformation in the transparent film. At least 2 different light sources are required for projection of color images. A flying-spot scanner or TV camera may be used to convert TPR images to video information for TV transmission. Using a high-definition electron camera, resolution of the TPR is limited only by the optical system.

The *Journal of Applied Physics* is published by the American Institute of Physics, 335 E. 45 St., N.Y. 17.

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Filmed situation comedies are likely to gain in favor with agencies as replacement shows for mid-season film casualties & new starters next fall, predicted BBDO exec. vp Robert L. Foreman to a meeting of the marketing workshop group of the American Mktg. Assn. Emphasis is shifting, he said, to shows with "warmth & believability." For example, Foreman cited *I Remember Mama*, and added that "the atmosphere in which a commercial is presented is important to the commercial's success." Foreman also stated that agencies & advertisers are "far from sold" on the magazine-concept type of network operation.

Purchase by United Artists of Ziv TV controlling interest (Vol. 15:51 p10) is "still under way," UA-TV Pres. Herbert Golden told us Dec. 30. The discussions are being held between UA and 2 N.Y. banking firms, F. Eberstadt & Co. & Lazard Freres, who hold 80% interest. The principals reportedly have squared all problems but the key one —price. UA's bid is said to be around $16 million (some $2 million more than was paid for the Ziv stock by the banking firms earlier this year). Asking price is $20 million.

Academy of TV Arts & Sciences, N.Y. chapter, has presented its first grant to a university professor of applied TV courses. He is Sydney W. Head, U. of Miami.

CBS-TV's Anti-Plug Drive: CBS-TV's campaign against free plugs is evoking annoyance, bewilderment and confusion among some film producers. When asked about a so-called "Plug List" of banned items, the network's William Tankersley, dir. of editing on the West Coast, denied its existence. His department, he told us, does have copies of PR plug lists containing some 250-300 items—which probably explains how producers got the impression it was a CBS-TV list.

Gordon Oliver, exec. producer of *Mr. Lucky*, confirming that Treasury Dept. had been deleted from one of that show's scripts, said, "CBS told us the Treasury Dept. is on a plug list and they had to delete everything mentioned on those lists." And Hollywood "giveaway king" Adolph Wenland insists that there is a CBS-TV list of taboos, and that the U.S. Treasury Dept. was placed on this list about a year ago. Wenland told us he has been a volunteer, unpaid, worker for the Treasury Dept. for years, aiding its bond drives with special types of public relations, such as incentive contests. But, he declared, he has never planted plugs for the Treasury. Wenland said, "I have a lot of medallions & medals from the department for my work but you can't take them to the grocery store."

In Washington, Edmund J. Linehan, ad & promotion dir. of the U.S. Treasury Dept.'s Savings Bond div., told our Washington bureau: "If CBS has put the U.S. Treasury Dept. on its list of things which aren't to be plugged, it's news to the Treasury Dept., which has heard nothing of any such curious development." He also pointed out that: (1) All broadcast public service notices for bonds are in copy prepared & handled by the Advertising Council as a public service. (2) "The only time I ever heard of Adolph Wenland was in newspaper stories recently. Neither he nor any other middleman has had anything to do with our bond campaign on TV or radio. I have been in this division for 11 years, and nobody in it has ever had any contact with him." (3) Treasury Dept. has paid no retainers to him, ever.

Raisin Pie, Bourbon & Blue Cross

No producer we checked objected to the general policy of plug deletion, but here's the sort of thing they have found annoying:

Reference to raisin pie was cut from *Dobie Gillis*, the contention being this was a plug for the Raisin Institute.

A character in a *Dick Powell's Zane Grey Theater* episode, when offered a shot of bourbon, remarked: "Part of my country is ruled by a Bourbon—Louis Philippe." CBS-TV wanted the line erased on grounds it constituted a plug for the liquor, which is on the plug list. When producer Hal Hudson objected, a compromise was reached by which the line remained in, but the character refused the bourbon, taking rye instead. Rye is not on the plug list.

Among names not allowed in any shows is that of Blue Cross. It's considered a plug.

Producer Sheldon Leonard of *The Danny Thomas Show* said he thought the policy "utterly ridiculous," because, in a sense, everything is a plug. Leonard is bothered about another area—the enforced announcement about laughtracks (Vol. 15:51 p8). "This gives the impression we manipulate our laughs—which we don't."

Defending & clarifying CBS-TV's campaign against plugs, Tankersley told us that a 3-months survey showed a total of 150 plug deletions for the period. He said the drive is not a new policy, but an intensification of an old one. "We use our judgment in weeding out plugs. We may allow some in a show like *The Lineup*, where they would be needed for authenticity & accuracy."

HOLLYWOOD ROUNDUP

Desilu Productions has assigned Cy Howard as producer of a new pilot of *Guestward Ho!*, starring Vivian Vance . . . Steve Cochran will star in *Renegade*, a new series being prepared for NBC-TV by John Lee Mahin and Martin Rackin, and to be co-produced by that team and Robert Alexander Productions, owned by Cochran. NBC-TV will also finance *Playboy*, a half-hour action series to be produced by Cochran's company . . . Guy Madison will star in a series tentatively called *The Man from Oklahoma*, to be produced by his own company. The pilot will go into production Jan. 5. Helen Ainsworth is executive producer.

Warner Bros. and Alan Ladd's Jaguar Productions have negotiated a deal for the producer-star to turn out 4 series. Ladd plans *Saddle Tramp*, a 60-min. Western series in which he and 3 others would be alternate stars, with Ladd playing host. Also planned is an anthology series. The other properties haven't been selected.

Homer Productions, owned by Lou Breslow, Ben Stoloff and Jack Harvey, has arranged with Ziv TV to produce 26 half-hour segments of a baseball series, *Home Run Derby*, which goes into production early this month in Chicago. Breslow is producer.

Producer Lindsley Parsons will make a pilot, *C. Q. Calling*, for ITC in Jan. . . . Kay Lenard has been named pres. of the TV-radio branch of Writers Guild of America West, succeeding Leonard Freeman, who resigned to become a movie producer at Warner Bros.

Producers George Justin and Art Wallace will make a pilot of *36 Maiden Lane* in N.Y. for CBS Films. The property, created by Wallace and originally called *Million Dollar Claim* is about an insurance investigator . . . Jan Clayton will star in *The Brown Horse*, a situation comedy being produced by Jack Chertok. The pilot goes into production in Jan.

Cal. Studios Pres. Philip N. Krasne and producer-writer Phil Rapp's Senior Enterprises are planning several joint ventures, the first of which will be a pilot of a comedy starring Teddy Rooney & his mother, Martha Vickers. It goes into production Jan. 11 at California.

Honeycomb Productions, owned by Jimmie Rodgers & his personal managers, Gabbe, Lutz, Heller & Loeb, plans to finance a pilot of *Varsity Show*, starring Rodgers. Bob Angus will produce the pilot and negotiations are under way for Mobile Video Tapes Inc. to tape it.

Twentieth Century-Fox TV has signed Henry Slate as a regular for its *Adventures in Paradise* series . . . William Fineshriber Jr., consultant to the Television Program Export Assn., will speak at a dinner meeting of the Alliance of Television Film Producers Jan. 5.

Screen Actors Guild has named *Maverick* star James Garner to its board, succeeding William Lundigan, resigned . . . Producer Everett Freeman and star John Forsythe of *Bachelor Father* have bought *G. B.*, novel by Walter F. Morris, as a movie vehicle in which Forsythe will star, with Freeman producing.

Robert E. Kearney has been named vp of Filmaster's new govt. film div., and will also be gen. mgr. of the firm's Orlando, Fla. studio.

NEW YORK ROUNDUP

Screen Gems has scored its 2nd sale of a network film series to ABC-TV within a month. As with the forthcoming SG-ABC documentary series based on Churchill's writings (Vol. 15:51 p8), the new sale involves an offbeat property: *The Flagstones*, a 30-min. situation comedy that's unique in being the only fully animated cartoon show currently scheduled for nighttime viewing. Production of *The Flagstones*, which deals in contemporary language with family-life problems in prehistoric times, will be by Hanna-Barbera productions, currently producing *Huckleberry Hound, Ruff & Reddy* and *Quick Draw McGraw* for SG.

ABC Films offered further evidence that the station-level market for reruns was still holding up last week. WPST-TV Miami, WBRZ Baton Rouge, KIEM-TV Eureka, Cal., KVOS-TV Bellingham, Wash., KOOK-TV Billings, Mont. bought the 42-episode *Meet McGraw* series, putting it in 38 markets. *People's Choice* has been picked up by WDBJ-TV Roanoke, KCEN-TV Temple-Waco Tex., WGAL-TV Lancaster, Pa., WIMA-TV Lima, Ohio, WBTV Charlotte, N.C., KRON-TV San Francisco & KLZ-TV Denver, bringing the station lineup to 116.

Ziv TV plans to increase its 117-man sales staff by 20% in 1960 "to keep pace with the sharply heightened demand" for syndicated telefilms, the film firm reported last week. Ziv's release rate in syndication is customarily about 6 series a year, but in recent months Ziv has launched them at the rate of one-a-month. Syndicated sales for Ziv during 1959 ran 22% ahead of the 1958 level, stated sales mgr. Len Firestone.

MGM-TV is running virtually neck-&-neck with MCA for top grossing honors in the distribution of feature films to TV. Currently, the 700-picture MGM backlog has accounted for $60 million in station sales since it was launched in mid-1956. MCA's gross to date on the Paramount backlog (although scored in a little more than a year of selling) is about the same.

Robert Saudek Associates, ex-*Omnibus* producer, has been appointed by the Lincoln Center for the Performing Arts, to create & produce one or more TV specials for possible network sale next spring. Reginald Allen, exec. dir. for operations of the Center, conceived the TV project which will feature attractions eventually to be made through the center.

John Aaron & Jesse Zousmer, creators and ex-producers of CBS-TV's *Person to Person* who quit in a huff earlier this fall, may provide their old show with a rival. Discussions are being held between NBC-TV and the A&Z team concerning a new property, *Place to Place*, which would be based on location-taped interviews.

Screen Gems will begin production shortly on *The Raven*, a detective-adventure series created by Jonas Seinfield & Donald L. Gold. Seinfield & Gold also created *Two Faces West*, which enters syndication for SG this year.

Jerry Franken has been appointed exec. dir. for advertising, promotion & publicity of NTA, headquartering in Beverly Hills. Martin Roberts will continue as promotion dir., Alfred E. F. Stern as publicity dir., West Coast & Harry Algus, publicity dir., East Coast.

Film Export Assn. Goes West: West Coast independent TV film producers will meet with TV Program Export Assn. consultant William H. Fineshriber this week (Jan. 5) in the latest membership move by the recently incorporated group. A total of 70 film production companies, including Blue Jay, Toreto, Pegasus, Hutton, Hal Roach, Don Sharpe, Wyatt Earp Enterprises, Louis Edelman & Danny Thomas, have expressed interest, Fineshriber told us.

Ten East Coast film companies voted affirmatively to incorporate the Assn. at a Dec. 14 meeting in N.Y. Represented in person or by telegram or message were 17 companies which together account for 90% of American TV program distribution abroad. Those voting included ABC Films, CBS Films, Loew's Inc., MCA-TV Ltd., Wm. Morris Agency (for Four Star Films), NBC, NTA, Bernard L. Schubert, Screen Gems & UA. There were no negative votes. Companies abstaining were "either unable to make final commitments or could not be counted in the vote because their messages of commitment had not covered the specific motion," Fineshriber reported. These included Desilu, Flamingo Telefilm Sales, Ziv International, Official Films, United Artists, Fremantle International.

Also at the mid-Dec. meeting an interim committee was appointed to serve until completion of the legal steps and election of directors & officers takes place. Members are Merle Jones, CBS-TV Stations, temporary chmn.; Harold J. Klein, ABC Films; Morris M. Schrier, MCA-TV Ltd.; Alfred R. Stern, NBC; Lloyd Burns, SG; Herbert L. Golden, UA. Fineshriber and George Muchnic, counsel, were commissioned to continue in their respective capacities for an additional 10-wk. period.

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Writers Guild of America West may next vote strike authorization against TV producers. (Vol. 15:50 p12, 48 p13). It is already striking against independent movie producers and its major-studios negotiations have collapsed. A special membership meeting of its TV-radio & screen writers branches has been called for Jan. 7, at which proposed contract demands on TV-film negotiations (with the networks, the Alliance of TV Film Producers and TV film operations of the major studios) will be discussed. Also to be discussed will be proposed demands for radio freelancers, live TV writers and staff continuity-&-news writers at CBS. The Guild may seek strike authorization against any or all of the employers involved, it told members in a communique. Strike authorization doesn't necessarily mean a strike; it arms the Guild's negotiators with a weapon. Such authorization was voted them for their talks with the major studios, but it hasn't been exercised to date.

First U.S.-Czech TV deal is claimed by Consolidated Marketing Agency's Lester Wolff, producer of the NTA-distributed panel show *Between the Lines*. Returning from a business trip to Prague last month, he brought a tentative agreement with Czechslovakian TV officials for a 6-film swap in music, dance, travel and children's categories. Arrangements for Wolff's negotiations with asst. **Czech TV** dir. Dr. Walter Feldstein were started by Rep. Anfuso (D.-N.Y.), approved by U.S. Embassy in Prague.

CBS-TV will spotlight N.Y. in six 60-min. programs titled *Manhattan* on various Fri. evenings, 9-10 p.m., beginning Feb. 26. The series will feature stories about life on the famous island, concentrating "more on the glamor, less on the grime." Producer will be Albert McCleery, dir., Ethel Frank. Major portions of the productions will be live, but tape & film will also be used.

10 Years of Gunsmoke? Despite the preponderance of Westerns and the general trade sentiment that many current sagebrushers will be cancelled this season, CBS-TV is quietly proceeding with plans for 5 more years of its highly successful show, *Gunsmoke*. The network has already made a deal with star James Arness for the duration of the series; has re-signed Amanda Blake; needs not negotiate with Dennis Weaver for another year when his contract comes up for renewal. It is, however, encountering trouble trying to re-sign Milburn Stone ("Old Doc") to a new 5-year deal. The actor has rejected 2 offers. Explained Stone's agent, Meyer Mishkin: "We aren't asking for a piece of the series. I don't think there are many pieces left. We are asking for a change in Milburn's residual situation, and for certain fringe benefits."

Arness, who once complained that he wanted to get out of the series, has been happy since last summer when CBS-TV handed him a new deal. He has a substantial piece of the show ("CBS asked me not to say how big it is"); he has formed his own company to produce the series; and CBS-TV has agreed to finance pilots to be made by Arness Productions.

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Republic's Post-'48 Solution: Republic Pictures Pres. Victor Carter last week confirmed that his company will finance independent TV film producers, a plan first reported here (Vol. 15:33 p12). When Herbert J. Yates was Republic's pres., he sold the studio's post-1948 movies to TV without paying Hollywood talent guilds. They placed Republic on their "unfair" lists, but, with the studio out of production, this was meaningless. When Carter bought the studio last July, he thoughtfully considered a means of getting into TV film—and around the displeasure of the guilds which provide the talent. His solution: to finance independents which have no involvements with the guilds.

What worries the Hollywood guilds is that other studios may follow the same pattern—sell their post-1948s without payment of residuals, yet escape guild retaliation by the simple method of abandoning production and entering financing & distributing for independents.

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'Pilot Month' at MGM-TV: MGM-TV, with nary a series in production, heads into a big pilot splurge this month, with at least 7 to be done. Another, *The Islanders*, has already been produced, and is now being readied for presentation on Madison Ave. On the agenda are pilots of *Dr. Kildare*, starring Lew Ayres; *National Velvet*, *The Paradise Kid*, *Diamond Jim Brady*, *Steven V*, another version of *Father of the Bride* (a pilot of this was filmed last year, but didn't sell) and (60-min.) *Asphalt Jungle*. MGM-TV executives said there is renewed interest in the pilot of *You're Only Young Once*, shot last year.

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20th Century-Fox passed a major crisis last week. ABC-TV notified the movie firm it was renewing *Adventures in Paradise*, the Mon. 9:30-10:30 p.m. adventure series that's been written off several times this season as a failure, for another 26-wk. stretch, beginning in March. This will put the show on a 52-wk. firm basis, and insure TCF-TV of a recoupment of its over-budget "Paradise" spending. In the final analysis, it was ratings, not critical comment, that swung ABC's decision. The Dec. 28 Trendex reports gave the show a 19.3 rating against 17.5 for CBS-TV (*Ann Sothern*, *Hennesey*) and 16.3 for NBC-TV (*Alcoa Theatre*, first 30-min. of *Steve Allen*).

Television Digest

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Personals: Ernest Lee Jahncke Jr., onetime ABC vp & asst. to AB-PT Pres. Leonard H. Goldenson, more recently with Petrie reps, named NBC standards dir. . . . Louis Dorfsman promoted from CBS radio vp for advertising, promotion & press information (Vol. 15:40 p10) to creative dir., sales promotion & advertising, CBS-TV . . . Robert Pusey promoted from WBC West Coast operations asst. auditor to business mgr., KPIX San Francisco . . . William W. Huffman appointed mgr. of new video recording sales dept., WNBQ Chicago . . . Hugh Kibbey named sales mgr., WFBM-TV Indianapolis; Don Menke appointed station mgr. . . . Clive B. McKee promoted from industrial relations mgr., CBC, to dir. of industrial & talent relations.

Courtney McLeod named West Coast regional mgr., ABC-TV station relations dept.; Robert Curran named Eastern & Midwest mgr., same dept. . . . Jack Emanuel, ex-Warner Bros., named NBC exec. story editor, Pacific div., with responsibility for creative control over scripts for NBC-owned shows . . . Jerome R. Reeves, gen. mgr., KDKA-TV Pittsburgh, named PR chmn., Pittsburgh chapter of the American Red Cross . . . George Sanders named program mgr., KPTV Portland, Ore.

William Whitley, public affairs dir., KNXT Los Angeles and CBS-TV's Pacific network, has resigned to "travel, study and write." . . . Frederick A. Kugel, editor & publisher of *Television* magazine, is expected back at his desk this week after recovering from a heart attack.

David Melamed has been named dir. of administration of NT&T . . . Mort Granas appointed mgr. of budget & administrative services at CBS-TV's Hollywood TV City.

Dr. Herman L. Shibler, Indianapolis general superintendent of schools, and Wayne P. Watson, Terre Haute schools superintendent & pres. of Indiana Assn. of Public School Superintendents, have been named consultants for educational programs by Midwest Council on Airborne TV Instruction; John H. Worthington, U. of Ill. public information mgr., becomes public information dir. of the MCATI project Feb. 1.

Obituary

William Godey Ellis, 64, RCA liaison officer and co-inventor of the first radio compass used by the Navy in World War I, died Dec. 23. Ellis served as a Navy commander during World War I and helped organize the Army-Navy Electronics Agency. He is survived by his wife, a daughter, a son and 7 grandchildren.

Steady viewing decline among school children since 1955 is evidenced in studies released last week by Dr. Paul A. Witty, prof. of education, Northwestern U. Among Witty's findings: Elementary school pupils watch TV 21 hrs.-per-wk. against 24 hrs. in 1955. High school pupils watch TV 12.3 hrs.-per-wk. now as against 17 hrs. in 1953. Viewing does not have an adverse affect on the health of children. TV hasn't restricted outdoor or creative activities. There is little evidence that TV has a harmful effect on school work. The real problems, says Dr. Witty, are the excessive doses of crime and TV's tendency to "generate cultural triviality."

Entries for 1959 Peabody TV-radio awards must be submitted by Jan. 10 to Dean John E. Drewry, Henry W. Grady School of Journalism, U. of Ga., Athens. Submissions may be made by individual stations, networks, TV-radio editors of any individual or organization, to invite consideration by the Peabody board of outstanding programs in the basic categories of news, entertainment, education, youth or children's programs, promotion of international understanding, public service.

Careers in FCC for attorneys & engineers were recommended by Comr. Fred Ford in a short address Dec. 29 before the First Annual Broadcast Career Seminar in Providence, sponsored by radio WICE. After describing the nature of FCC jobs and their potentialities for careers (and stepping stones), the former staff member stated: "The staff of the Commission is one of the most efficient, industrious, considerate and enthusiastic groups of employers in govt. or in private industry that you can imagine."

Meeting next week: RTES timebuying-selling seminar (Jan. 12). H. P. Lasker, Crosley Bcstg. Corp. sales vp, and William E. (Pete) Matthews Y&R vp-dir., media relations-planning, will speak on "How Many Commercials Make Too Many?" Hotel Lexington, N.Y.

Congress

Payola probe plans: House Commerce Committee Chmn. Harris (D-Ark.) will caucus with his legislative oversighters soon after Congress reconvenes this week to decide where—& how far—they should go in public hearings on broadcasting's payola practices. Ready for the investigative subcommittee's first meeting in the new session will be a staff report supplementing a 22-page memo filed in Dec. by Chief Counsel Robert W. Lishman (Vol. 15:51 p6). It's likely the new series of hearings—picking up where the subcommittee's TV quiz probe left off (Vol. 15:45 p1)—will get under way this month. But their scope & duration will depend on how many staff-developed leads the subcommittee wants to explore. In addition to payola & plugola, the leads run into rating systems, for one thing, the subcommittee's principal attorney Beverly M. Coleman told us. "Ratings might come into the hearings," he said. "We've had a lot of complaints about ratings." The subcommittee staff also was drafting an interim report on the quiz probe, due early this month.

TV & radio reform "must be approached most carefully" by Congress, Sen. McCarthy (D-Minn.) warned in a speech to the Okla. Outdoor Advertising Assn. in Tulsa. He said action by Congress, the Administration and the broadcasting industry is needed to bring "substantial improvement" in the industry—but that "the problem is a complex one." McCarthy added: "The recent exposures of dishonesty, misrepresentation and fixing of TV & radio programs raises the fundamental question of the limits of freedom of the press & communication in the U.S."

Trade Report . . . .

JANUARY 4, 1960

1960's PROSPECTS—GAINS ON ALL FRONTS: The industry's leaders expect a continuation this year of the gradual across-the-board increase which made 1959 the record year for consumer electronics. This they indicated almost unanimously in our annual survey printed 2 weeks ago (Vol. 15:51 p14). Emboldened by these generally bullish forecasts—and with the knowledge that we're in the best of company—this week we again venture our own (and more particularized) forecasts of what the new year holds in store for consumer electronics.

Our prediction track record for 1959 was good. Just one year ago we forecast 1959's retail TV sales & production at 5.8 million sets (Vol. 14:52 p11). We were right on the button as far as sales were concerned, but low in our production estimate—not having foreseen the late-1959 inventory buildup. We correctly foresaw "a shade better business" during first-half 1959, "followed by substantial improvement in the last 6 months." Keying the 1959 TV gain, we said, would be such gadgets as improved remote-control devices and the 23-in. square-cornered picture tube.

We were a little bit off in some respects. We said TV inventories would be kept at lower level, and that more than 50% of radio production would be transistorized (actual figure was closer to 40%). But we were probably about right in our prediction that stereo sales would soar from 750,000 in 1958 to approximately 3 million in 1959 (out of a total of nearly 4 million phonos sold).

In forecasting for 1960, we're tempted to qualify our predictions by saying that in case of prolonged major strikes, earthquakes, floods, tidal waves or a Presidential election victory by the Greenback Party, all bets are off. With these qualifications as an escape hatch, here's how 1960 looks to us:

TV Retail Sales: With all of home electronics sharing in anticipated boom in consumer durables, we're still inclined to go along with more conservative industry leaders in predicting an increase of about 5% or a little more in TV unit sales to consumers—bringing 1960 retail sales to between 6.1 & 6.2 million. Increase will be sparked by rising number of sets-in-use now ready for scrap heap, quality of new sets, unprecedented ad campaigns, gimmicks & gadgets—plus excitement of Presidential election campaigns, always a good TV salesman.

TV Set Prices: There will be no across-the-board price increases. Rather, 1960 trend will be continuance of last year's successful practice of upgrading through stress on higher-end units. Trend of prices in low-end promotional sets, in fact, will be downward, with $189.95 a common starting-point for 21-in. table models. Nevertheless, average factory price of TV sets sold will rise from the $140 of 1959 to around $145.

TV Innovations: Don't look for tunnel-diode, parametric-amplifier or genuine picture-on-wall sets in 1960. The 2 innovations will be: the 19-in. tube, which will come out in quantity around mid-year to become an immediate best-seller, taking over much of the 17-in. tube's present territory; 2 or possibly 3 more battery-operated transistor TVs at around $250, which will be good traffic-builders but far from mass items. By year's end the 23-in. tube will replace the 21-in. in all but low-end lines. Fine-furniture trend will get even more emphasis than in 1959. The "home entertainment center" concept—TV-radio-stereo in one cabinet—will put combinations back in the picture.

Industry Competition: Record ad budgets and increasingly improving product will mark the most intensive TV industry competition in history—with each of the industry's "Big 6" battling for honor of No. 1 spot in unit sales. Product improvement drive by all major makers will be aimed primarily at cutting down frequency of service.

Color TV: No major breakthrough here—either in lab or marketplace—but a steady improvement in sales & public reaction, with 1960 color sales 30%-50% higher than 1959 (our guess is that around 120,000 color sets were sold last year). End of 1960 may see some more major manufacturers considering re-entry into color field. There's one 1960-1961 long-shot: possibility of experimental imports of Japanese color sets selling at somewhat lower prices than U.S. models.

Stereo, Hi Fi, Phono: No magic formula here—confusion will be hard to erase—but public will buy about 10% more units than last year, bringing total phono sales well over 4-million mark. Because purchases of stereo will increase, average factory price per phono sold will jump to nearly $100 (from last year's $86). Two-channel vs. 3-channel vs. multi-channel claims will be soft-pedaled. By year's end, stereo hi fi will be on verge of tremendous boom to be keyed by introduction of stereo radio.

Radio: Another really good year coming up—nearly 10 million domestic home & portable sets plus at least 6 million auto sets. Sales of both domestic & imported transistor sets will increase, while prices are held down close to no-profit level on competitive U.S. sets. Expect some rather startling styling & technical innovations in small radios by year's end.

Imports: Japanese radio exports to U.S. will increase—but at lesser rate than in past few years. Best guess: from more than 5 million in 1959 to peak of 7.5 million this year, with FM sets flowing in bigger quantities. Japanese won't make any appreciable dent in U.S. market with phonos, tape recorders or hi-fi equipment—although flow of transistors from Japan will be at least triple the 1959 figure, and may be up as much as tenfold. Although there may be tentative Japanese excursions into the portable TV & color TV set market here, units brought in will be numbered only in the hundreds this year. No federal import restrictions are likely in 1960.

FM Radio: Spurred by public's increasing awareness of good music & high-fidelity reproduction, FM could match its record year of 1948—unless consumer confusion sets in. Manufacturers & dealers could kill FM's golden goose by regaling public with such technical gibberish as "ready for multiplex stereo" or "adaptable to multiplex." Best guess: FM sales of considerably more than 1.5 million units. Motorola & Granco will be followed by other manufacturers into FM auto-radio field.

Stereo Radio: If broadcast standards are established in 1960, they will come near end of year —probably too late for mass production of sets this year. FM standards will probably be established first, 1961 seeing regular operation of both FM & AM stereo radio stations. Little progress will be made toward setting up TV stereo standards in 1960.

New Products: The warhorses will continue to dominate consumer electronics—TV, phonos, radios, in order of dollar sales. Home electronic heating-cooling devices & air conditioners and home closed-circuit TV won't be mass-market items this year. Such items as garage-door openers and electronic cook stoves will continue to make progress on consumer market.

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Summing up: All branches of consumer electronics should have better business this year—phono category showing biggest percentage gain and increasing its dollar-volume lead over home radios. The year will be one of transition—from the "TV decade" of the 1950s, when 66 million TV sets were produced, to the "electronics decade" of the 1960s, promising radical new electronic devices for the home as well as for business, industry and defense. First of the electronics decade's consumer items probably will be available in 1961—most likely a combination food refrigerator-heater—further expanding the horizons of what once was called the "radio industry."

TV-RADIO PRODUCTION: EIA statistics for week ended Dec. 18 (50th week of 1959):

	Dec. 11-18	Preceding week	1958 week	'59 cumulative	'58 cumulative
TV	142,056	147,985	110,021	6,166,782	4,754,486
Total radio	397,375	367,234	319,479	15,119,769	11,185,609
auto radio	154,940	138,659	124,976	5,329,222	3,491,856

GE and Westinghouse have signed separate agreements with Japanese firms to provide technical assistance in the production of silicon semiconductors. GE's agreements were with Hitachi and Tokyo Shibaura (Toshiba), Westinghouse's with Mitsubishi.

Bogen-Presto Co., hi fi & sound equipment div. of the Siegler Co., has named Jack Gilbert Associates, N.Y. as its ad agency.

Cross-licensing agreement on semiconductors signed by Philco & CBS Electronics last week gives each a non-exclusive license to make, use and sell the transistors & diodes manufactured by the other under its inventions, patents and applications for patents. The agreement also provides reciprocal rights to technical & engineering data necessary for production. CSB Electronics has ordered automatic machinery to make Philco-type transistors.

WINTER TV MARTS: The traditional Jan. showings of new & revamped TV-phono-radio lines, beginning this week at Chicago's Merchandise Mart and in satellite displays in Chicago hotels, will be almost completely dominated by the 23-in. square-cornered tube, according to advance indications. Another highlight: first showings of TV sets under old-line brand names recently taken over by new owners—Capehart & Sonora.

Admiral will go almost all-out for the 23-in. tube, revamping its line on the basis of excellent reaction to its 23-in. models of last summer. Hottest news about the Admiral line is a low-end 23-in. table model with suggested list of $199.95—cheapest 23-in. set yet announced. In last-minute price-tag jockeying, it's possible that at least one other manufacturer will throw in a similarly priced promotional 23. Admiral has dropped 5 more 23-in. and two 21-in. sets into its line, for a total of 29 of the former and 12 of the latter.

Electronics vp Ross D. Siragusa Jr. said Admiral currently is selling as many 23- as 21-in. sets and first-quarter production schedules call for more 23s than 21s. All Admiral's 23-in. sets use the Corning bonded-on safety glass. Admiral plans to back its 23-in. models with a $500,000 newspaper & magazine ad campaign in the first quarter featuring "23-in. TV at the price of 21."—in what it says is "probably the biggest campaign ever conducted by a TV manufacturer during a 9-week period." In other promotional plans, Admiral announced its dealer showings of 1961 TV-stereo-radio lines will be held next June in Miami Beach & Las Vegas—providing "some 4,000 Admiral dealers with business-vacation trips."

Capehart, Sonora Showings

The 2 revived brand-names—Capehart and Sonora—will have their own line showings in Chicago simultaneously with the International Home Furnishings Market, the former at the Congress, the latter at the Hilton Hotel.

The Capehart name, purchased last summer from Benjamin & Robert Gross by Dynamic Electronics-N.Y.—which then changed its name to Capehart Corp. (Vol. 15:33 p16)—will show a line which includes TV sets for the first time since Capehart was an ITT property in 1956. The TVs will all be 23-in. units, and all will be incorporated into super-duper TV-radio-phono home entertainment centers, as we reported last Aug.

Capehart's line, including 4 models with TV, will feature fine-furniture cabinets by Tomlinson of High Point Inc., with instruments priced from $150 to $3,000. The TV combinations will list at $1,600 to $3,000. Production is due to start next month.

The Sonora name was recently taken over by Trav-Ler Radio Corp. after it had been buffeted about for more than 2 years in an Internal Revenue auction followed by a bankruptcy in 1958 under Earl Muntz-Frank Atlas ownership (Vol. 15:47 p20). Trav-Ler's new Sonora div. will show 7 TV models ranging from 17-in. at $139.95 to 21-in. console at $249.95 (with 2 "open list" sets), a table-model AM radio-phono at $99.95 and a portable stereo phono at $99.95 and a monaural tape recorder at $149.95.

Muntz TV will introduce 3 new 24-in. TVs at Chicago's Conrad Hilton Hotel—at $169.95, $239.95 & $279.95.

Among TV-phono-radio exhibitors at the International Market in the Merchandise Mart, Chicago, Jan. 4-15: Admiral, GE, Philco, RCA, Motorola, Sylvania, Westinghouse, Zenith. Most of them have already shown their lines to distributors. Elsewhere in Chicago, Olympic & Capehart will show at the Congress Hotel, Muntz, Sonora & Granco at the Hilton.

TELEVISION DIGEST has assigned 2 editorial staffers to cover the Chicago markets this week.

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Private-label manufacturer Wells Gardner & Co. (Montgomery Ward, Western Auto, Gamble-Skogmo) will add 23-in. sets to its line this spring. They will be among the first 23-in. models to use the Pittsburgh Plate Glass bonded-on safety glass (Vol. 15:52 p18). The firm expects to have 19-in. tubes without laminated glass in portables by June. Pres. Robert S. Alexander predicted that 1960 would be a "much better" sales year for WG than 1959.

Du Mont will show 4 new TV sets to franchised distributors Jan. 5-6 at New York's Savoy Hilton Hotel. No 23-in. models will be introduced. Also to be shown will be an AM-FM table radio, 2 stereo consoles and a 9-transistor pocket radio.

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No ban on transistor imports is urged by the British-American Chamber of Commerce, N.Y., in a brief filed in OCDM's inquiry. The group argues that imports of semiconductor devices represent no threat to U.S. security, as claimed by EIA. Meanwhile, Japan says it's modifying its "dangerous game" (Vol. 15:46 p21) of exporting much and banning many imports. The Ministry of International Trade & Industry has announced that 60%-70% of Japan's imports will be free of trade restrictions by April, 1961. Indications are that 24 items will go on the approval list this month. Although it's not yet known whether barriers to imports of TV sets & appliances will be lifted, it's understood the U.S. will be a chief beneficiary, and the items could increase Japan's U.S. purchases by $5 million in the next 3 months.

"RCA Bldg." is name given to new 13-story office building in Washington, at 1725 K St. N.W., in honor of its major tenant. Most RCA Washington divisions, including about 275 employes, will move in about March 1, taking over half the street floor, plus the entire 2nd, 3rd & 4th floors. A $2.5 million 10-year lease was signed last week by Pinckney B. Reed, RCA vp-Washington. The structure will house all RCA people in Washington except those with NBC, RCA Service Co., RCA Communications & RCA Frequency Bureau.

New plants & expansions: **Philco**, multi-million-dollar 2-story research center on 25-acre site at Blue Bell, Pa., near Philadelphia, for completion early 1961 . . . **Sylvania**, 100,000-sq.-ft. electron tube manufacturing center at Brockville, Pa., replacing 3 production facilities there totaling 60,000 sq. ft.; construction begins early this year . . . **Dynamics Corp.**, addition to Carlisle (Pa.) quartz crystal plant, due for completion early this year, to double production of the facility operated by the Reeves-Hoffman div. . . . **Standard Electronics**, transmitter manufacturing div. of Radio Engineering Labs, has moved to new 36,000-sq.-ft. plant at Farmingdale, N.J.; parent REL remains at Long Island City . . . **Hewlett-Packard** to begin construction by mid-1960 of $500,000-$750,000 electronics research, development & production plant near Loveland, Cal.

International Radio & Electronics Corp., Elkhart, Ind., recently announced reorganization into 2 new subsidiaries—Crown International (tape recorders) and International Radio (radio broadcast transmitters & accessories). The firm's new 24,000-sq. ft. plant at S. 17th St. & Mishawaka Rd., will make it possible to triple output this year.

EIA Reports on Land Color: Color discoveries by Dr. Edwin H. Land (Vol. 15:27, 32, 34, 40) should be encouraged but shouldn't affect FCC's color TV standards at this time, a special EIA subcommittee concluded last week. RCA's Charles J. Hirsch, chmn. of the Broadcast TV committee, signed the report, which stated:

"It is artistically & commercially important that a color TV system be capable of producing the best color rendition permitted by the state of the art. Advertised products which depend on color for identification must be faithfully reproduced. In addition, reception of color programs on black-&-white receivers should be reproduced so that each color makes its proper relative contribution to brightness.

"The 'binary' color system studies by Dr. Edwin Land can produce pelasing pictures. However, these are not colorimetrically as faithful as pictures produced with a 3-color process.

"The FCC color TV signal when carrying a 3-color picture contains all the information for reproduction of color pictures by 3-color receivers, by 2-color receivers using earlier methods as well as the methods outlined by Dr. Land, and by monochrome receivers. This leaves to the manufacturer of color receivers the option of designing any type of receiver for the FCC signal.

"Excluding the picture display and associated power equipment, the added complexity, over a monochrome receiver, of a color receiver designed for the present FCC color TV signal, is represented by the increase from approximately 17 tubes in a monochrome receiver to not more than 24 in a color receiver. The receiver for any other color system will undoubtedly be composed of monochrome circuits to which tubes are added for color processing. The increase in tube complement of present FCC color TV receivers does not add unduly to their cost. The bulk of the price increase of these receivers over their monochrome counterparts is due to the color picture tube & associated components.

"The methods outlined by Dr. Land might result in a receiver based on the present FCC color TV signal but using a simpler display based on Dr. Land's techniques. It is possible that a transmitter designed exclusively for the transmission of color pictures by the methods outlined by Dr. Land would be simpler than one built for the present FCC signal. However, such a transmitter would be unable to transmit pictures having as faithful a color rendition as is possible by the present state of the art.

"Since the FCC color TV signal carries simultaneously the information for 3-color reproduction and for the methods outlined by Dr. Land, and since it does not result in a large increase in the cost of receivers, it permits continued investigation of Dr. Land's method without deterioration of pictures reproduced by receivers making full use of the information present in the signal. Therefore, the FCC color TV signal should be left unchanged at this time. It is important that Dr. Land and others be encouraged to continue their studies of the basic phenomena of color perception."

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All-transistor battery portable will go into production this month at Sony Corp., Tokyo, according to *Home Furnishings Daily*, which says the 8-in. set has 19 germanium transistors, 4 silicon transistors and 14 diodes. Initial domestic retail price is given as $194. There are no present plans to export the set. Other Japanese manufacturers have shown prototypes of transistor TV sets, but this is the first announcement of production plans.

Tube-Semiconductor Forecast: Semiconductor sales will increase 37% over 1959 this year, TV picture tube & power tube sales will rise and receiving tube sales will remain at 1959's high level. Those are the trends for 1960 as seen by GE electronic components div.'s knowledgeable gen. mgr. L. Berkley Davis. Highlights of his preview:

Semiconductors—Sales will rise to $550 million from 1959's $400 million. Included are sales of 130 million transistors, a 53% increase over 1959, for a total of $315 million. Transistor sales will break down into a $45-million consumer market, $120-million industrial market and $150 million for military uses. Semiconductor rectifier sales will increase by 18% to $92 million from $78 million in 1960, with controlled rectifier sales doubling.

TV picture tubes—Nearly 13 million will be sold for $260 million, a 5% increase over 1959. A large majority of the replacement tubes will still use reclaimed glass.

Receiving tubes—Sales will be about the same as 1959, or some 435 million, of which about 20 million will be imported. The 415 domestically produced tubes will sell for about $345 million. Nearly 100 million tubes will be used by TV manufacturing industry, biggest single group of tube customers.

Power tubes—Industry sales will reach a new high of $300 million, a growth of 10%—the greatest increase being in military tubes.

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Sample quantities of new tunnel diode, operating in the 1,000-mc range, are now being produced by GE for industry experimentation. It's the 2nd type of tunnel diode sampled by the company and is priced at $60. In his 1960 forecast, Davis predicted that during 1960 tunnel diode samples "will be limited to small quantities pending the development of circuits."

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Report on Lawrence color tube: "Conversations with certain interests in the TV business looking forward to commercial production of the Lawrence color tube in sets, are being carried on," said Paramount Pictures Pres. Barney Balaban in his year-end memo to stockholders. "There are some indications that the public is more receptive to the present color sets on the market than they have been in the past. Progress is being made toward our goal of manufacturing a color set at a lower price than those on the market now." Paramount owns the Lawrence tube; recent development of the tube has been carried on by Du Mont Labs under contract.

Canadian TV improved in Oct. as distributor sales to dealers increased to 56,410 TV sets from 48,670 in Sept.—but sales were down from Oct. 1958's 59,177. For 1959's first 10 months, sales totaled 327,632 compared with 338,985 in the year-ago period. The 10-month breakdown (corresponding 1958 figures in parentheses): portables, 56,385 (52,112); table models, 85,537 (106,817); consoles, 175,077 (169,809); TV-radio-phono combinations, 10,633 (10,157). For Oct. 1959 (vs. Oct. 1958) the breakdown was: portables, 9,548 (8,162); table models, 15,907 (18,786); consoles, 29,151 (30,341); combinations, 1,804 (1,888).

Auto-radio switch kits, sold separately by manufacturers for installation of rear-seat speakers, are subject to the excise tax on auto parts or accessories, according to the Internal Revenue Service (Rev. Rule 59-381). But when the rear-deck assemblies are sold as parts of the speakers themselves they are subject to the excise on TV & radio components.

Zenith's Million-a-Year: Burgeoning Zenith picked up another laurel last week and strengthened its argument that it was No. 1 in TV sales in 1959. It announced that it had already produced more than a million sets this year —thus probably becoming the only company besides RCA ever to have reached the million-a-year mark.

Zenith's million means that it has made one-sixth of all TV sets turned out by the industry this year. Just last Aug., Zenith's output was estimated by financial consultant Edgar A. Greenebaum at 975,000 for this year in his annual guesstimate of TV manufacturer rankings. In 1958, Greenebaum ranked RCA first with an output of 900,000 sets, in 1957 first with a million, in 1956 first with 1.15 million. Actual TV production figures by companies probably never will be known—they're usually closely guarded trade secrets.

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Canadian electronics industry is beset by increasing foreign invasion, leaders note in year-end comments. Said RCA Victor Co. Ltd. vp-gen. mgr. J. D. Houlding: "While Canadians are buying radios in increasing volume, most of the increase has been accounted for by an alarming increase in importation of foreign-made sets, which in 1959 amount to about 40% of such sales. A similar situation exists in sale of replacement tubes, and to a lesser extent in original equipment tubes. If this trend continues into 1960 & subsequent years, it will seriously threaten Canadian tube production." Said Canadian Marconi Pres. S. M. Finlayson: "The outlook for 1960 seems to indicate a continuation of the competitive conditions with the probability that a greater proportion of the domestic market for electronic equipment will be filled by imports from Europe & Japan." (For comments by Dominion Electrohome Industries Pres. C. A. Pollock, see Vol. 15:52 p20).

Record Westinghouse sales in 1960 have been forecast by Pres. Mark W. Cresap Jr. in a year-end statement that predicted a gain by all product lines "to produce billings at least 10% over 1959. At the same time, incoming orders should increase about 15% over the 1959 total." Cresap said Westinghouse will invest some $190 million in 1960 R&D activities, cover such fields as thermoelectricity, molecular electronics. Referring to the latter, he said that "this new means of creating electrical devices 1,000 times smaller & lighter than their conventional counterparts will make possible the compactness & the great reliability of performance which is vital for the equipment which will be used to explore outer space. Westinghouse scientists within the last year have used molecular electronic principles to control the 'growth' of germanium crystals so that the material for semiconductor devices such as transistors can be produced in exactly the form in which it is used."

Britain's expanding Harper Group, engineering & business management team serving electronics, nucleonics, automation and other industries, will open offices shortly at 420 Lexington Ave., N.Y. 17. Harper's embraces various British corporations, is traded on the London Stock Exchange. Pending opening of the N.Y. office, details of the nature & services of the Harper Group may be obtained from Harper Engineering & Electronics Ltd., 19 Hanover Square, London, W.1, England.

Seven-tube FM table model is being offered in the Indianapolis-Bloomington market area for $19.95 by Sarkes Tarzian Inc., Bloomington TV station operator and electronic-equipment manufacturer.

Trade Personals: Richard G. Evans named Sylvania Home Electronics mgr. of special accounts, with responsibility for sales to national accounts, hotels, motels, and educational & institutional accounts . . . Max F. Balcom, retired Sylvania chairman and 2-time pres. of EIA, installed as Grand Master of the Masons of Pa. . . . Don Hughes promoted from ad & sales promotion mgr., Sylvania electronic tubes, to head a new dept. which is a consolidation of ad, sales promotion & merchandising activities.

Francis J. Dunleavy, ex-Yale & Towne Mfg. Co., named RCA industrial & automation div. gen. mgr.; Loren F. Jones appointed to new post of product planning mgr. . . . William T. Buschmann promoted from renewal & equipment sales merchandising mgr., Sylvania Electric Products, to Eastern regional distributor sales mgr., succeeding Samuel J. McDonald, named asst. distributor sales mgr. . . . Samuel Schwartzstein named Admiral Corp. div. vp for Eastern distributing branches . . . Harold F. Cook named sales planning mgr., Tung-Sol; Robert E. Bilby appointed ad & sales promotion mgr.; Donald A. Bewkes named production planning & customer service mgr.

Stanley J. Sadlowski named to new post of mfg. dir., Thomas Electronics; I. J. Posner appointed to new post of sales mgr., branded renewal tube sales, components, & export . . . John F. Bishop named Textron Electronics exec. vp; Mark K. Howlett appointed mktg. vp. Both men were formerly with Beckman Instruments . . . Dr. Leland G. Cole, ex-Consolidated Electrodynamics Corp., elected research vp, Beckman Instruments . . . O. L. Dewey to head Raytheon's new electronic services div., a consolidation of govt. & industrial electronic equipment service & support functions . . . Leonard G. Taggart, ex-Sylvania, named to new post of Stromberg-Carlson's special products div. materials mgr.; Frank P. Norton Jr. promoted from telecommunication div. controller to controller of electronics div., succeeded by Robert L. O'Connor.

Dr. M. John Rice Jr. appointed semiconductor material engineering mgr., CBS Electronics . . . Walter H. Canfield named promotion mgr., International Resistance Co. mktg. div. . . . Rod Kershenstein, ex-Ampex, named gen. sales mgr., Glaser-Steers Corp. (phonos).

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Engineering enrollments of undergraduates at universities & colleges dropped 5.4% to 243,000 in the fall of 1959 from 257,000 a year earlier, reports U.S. Education Comr. Lawrence G. Derthick. And for 2nd straight year freshman registrations for engineering studies declined in 1959 by 3%. Graduate engineering enrollments totaled 35,000 in 1959 vs. 33,000 in 1958. But, said Derthick, the figure reflected increased undergraduate enrollments in earlier years.

Electronic brains are smarter than the men who create them and may one day enslave mankind, MIT math prof. Dr. Norbert Wiener suggested last week in an address before the American Assn. for the Advancement of Science. He said that thinking machines had been developed to a point where they possess sufficient originality to consider, test and then accept or reject suggestions fed into them. The electronic brains, he added, produce answers long before their operators can determine the nature or long-range wisdom of the machines' thinking & decision-making.

Sylvania semiconductor sales office, to serve New England equipment makers & components distributors, has been established in Wilmington, Mass., at 281 Main St. The new office will be HQ for the New England sales force and ad & distributor sales depts. of semiconductor div.

Suggestions for 1960 demands on GE & Westinghouse are being solicited by 5 AFL-CIO unions in a novel joint ballot to their reported 150,000 GE & 70,000 Westinghouse members. The unions assert the common ballot does not constitute unified bargaining, say that each will bargain separately. The ballot, with a Jan. 11 return deadline, asks unionists to mark their order of preference for 19 listed demands, ranging from a wage increase & guaranteed annual wage to shorter hours & more vacations. The 5 unions: IUE, IBEW, IAM, UAW, AFTE.

Automatic check-out computer for supermarkets, which will reduce by two-thirds the time now required manually to total customers' purchases, will be introduced early this year by General Telephone & Electronics. B. K. Wickstrum, marketing senior vp for GT&E subsidiary Sylvania Electric Products, reports that discussions have been held with a number of supermarket chains on the "Score" equipment, that a prototype model will be built this year, that "Score" probably will have a $25,000 price tag when placed on the market. The check-out machine is designed to "read" price data on groceries as they travel a conveyer belt, relay figures to a computer for totaling.

CBS's Columbia ad account is moving out of McCann-Erickson, N.Y., which earlier this season lost the CBS-TV network account. The phono-record div. billings, reportedly in excess of $2 million annually, will be shifted tc Benton & Bowles, which had the account prior to its acquisition by M-E in 1946. No official reason was given for the move, although unofficial reaction in N.Y. was that it was triggered by the acquisition of Magnavox ad billings a year ago by M-E subsidiary Marschalk & Pratt.

New-type hi-fi record, reportedly one-eighth the weight & thickness of conventional discs, will be introduced in the U.S. by a British-French-American combine. The records will be produced by Rank Audio Plastics, owned by motion-picture power J. Arthur Rank & giant publisher Librairie Hachette. Exclusive U.S. manufacturer of the records is N.Y.-based Consolidated Litho Corp.

TV ticker-tape service is now being offered by Trans-Lux Electronics Corp., the same firm which operates conventional ticker-tape projection system in brokerage houses. Available on rental basis, closed-circuit system will show as many as 3 tapes at a time on a single monitor.

Westinghouse engineer Dr. Edgar A. Sack Jr. has been named "Outstanding Young Electrical Engineer" for 1959 by Eta Kappa Nu Assn. Mgr. of the dielectric devices section of Westinghouse Research Labs, Dr. Sack has been working on special applications of electroluminescence.

One of best hi-fi books we've read is Norman Crowhurst's new *Hi Fi Made Easy* (Gernsback Library, 224 pp., paperback $2.90, hard cover $5), written without circuit diagrams or engineeringese and covering technical material in an easy-to-understand & non-technical way.

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Finance

RCA NEVER SOLD MORE: Reflecting the rising tide of electronics business, RCA in 1959 will rack up record sales and a 29% profit increase over 1958, Chmn. David Sarnoff reported in his annual year-end statement last week. Sales will peak at $1.375 billion, 17% ahead of last year's $1.176 billion and well ahead of the previous high of $1,176,277,000, set in 1955. Profits, he calculated, will reach $40 million, equal to $2.65 a common share, compared with 1958's net of $30.9 million ($2.01). The healthy profits, however, still lag far behind 1955's record earnings of $47,525,000 ($3.16).

Gen. Sarnoff attributed the strong sales & profits showing to "increases in virtually all of the company's major operating units;" predicted a continuing increase in RCA sales & profits in the "dynamic decade" ahead, a doubling of RCA volume by 1965. He foresees electronics manufacturing as "the nation's fastest growing industry," expects that total electronic sales in 1960 will rise to $16 billion (including distribution revenues) from $14 billion this year, soar to $25 billion in 1965. (EIA predicts factory sales of electronics at $10.35 billion in 1960, Vol. 15:51 p13.)

RCA color TV was in the black for the first time in 1959, Gen. Sarnoff reported. Although he disclosed no profit figures, he said that 1959 sales of color sets would close out at about 30% ahead of 1958. "As sales volume continues to increase, so will the profits," he said. Sales of b&w TV sets also were well ahead of the 1958 volume. Gen. Sarnoff said that RCA more than doubled its sales of portable TV sets in a year when nearly 40% of all TV sets sold by the industry were portable types.

He noted that radio "enjoyed a buoyant resurgence of popularity." With possible thought to his famous 1915 proposal outlining the "radio music box," Gen. Sarnoff reported that RCA in 1959 sold more radios than in any other year of its history. Pace-setter was the transistor-Portable.

Looking ahead to the next decade, Gen. Sarnoff forecast 10 major developments. Among them: global TV in full color, home electronic heat & cool systems, electronic sight & sound systems built in as standard equipment in new homes & apartments, ETV classes of 100,000 & more students taught by one gifted instructor.

* * *

Motorola anticipates that 1960's rising markets will produce sales topping $300 million, up from the more than $275 million foreseen for 1959. Pres. Robert W. Galvin says that earnings prospects are "equally favorable and the company should improve over the record 1959 year." Despite labor troubles in the steel & transport industries, he said, "all indications point to a continuation of prosperity for the economy in general, and the electronics industry particularly. Motorola expects to continue a sound growth pattern in consumer, industrial and military electronics with an overall increase of about 10% in 1960 . . . Motorola markedly increased its share of the TV business last year and continues to lead in sales of stereo hi-fi instruments."

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Westinghouse employes invested $6,668,000 in the corp.'s common stock during a stock-purchase period—the 16th since 1948—just ended. Finance vp George G. Main reports that 21,115 employes bought a total of 74,089 shares through payroll-deductions.

Magnavox expects record sales & profits for the 2nd fiscal qarter which closed last week (31). Pres. Frank Freimann anticipates a sales jump of some 33% to $35.5 million, with net income increasing to $2.2 million (about 95¢ a share) from $1.5 million (60¢) in the year-ago quarter. For the half-year ended Dec. 31, the outlook is for a 40% sales increase to about $61 million, a 53% gain in earnings to $3.4 million ($1.45) from $2,222,000 (89¢) in fiscal-1959's first half. Freimann noted that TV accounted for the major gains in Magnavox's consumer-products operation, which produces some 70% of total business. "Our bigger-than-industry growth in TV is attributable in part to the company's stereo-theater, a $595 combination stereophonic radio-phonograph & TV," he said. "Half our dollar volume in TV sales is stemming from these high-priced models." He reported that Magnavox is in final stages of negotiations for acquisition of a British electronics firm "that will give us among other things entry into the British market and springboard to the Continent."

Fast amortization for tax purposes has been granted by the Office of Civil & Defense Mobilization on 53 new defense-related facilities totaling approximately $45 million. The largest affected is Texas Instruments' planned $8,750,000 military electronics research & production center. TI has been allowed fast depreciation of the facility's capital cost. The OCDM grant permits a company to depreciate a specified amount of a new facility's costs in 5 years, instead of a normal span of some 20 years. This has the effect of lowering income taxes in the early years of a building's existence. Among other grantees: General Dynamics, 60% of a $1,217,600 missile & space vehicle research facility; GE, 65% of a $1,204,000 development & production center for rocket cases; Motorola, 40% of a $1,005,331 electronics R&D facility.

Thompson Ramo Wooldridge anticipates that 1959's net income will slightly top 1958's earnings of $8,979,200 ($2.86 a share) on a sales gain to $400 million from $340,622,000. Pres. Dr. Dean E. Wooldridge said the steel strike & defense cutbacks have affected sales & earnings, but he forecast 1960 gains in both areas. TRW business is currently about 60% military, 40% commercial. Wooldridge said subsidiary Pacific Semiconductors Inc. is registering sharp improvement. He estimated 1959 sales of $10 million (double the 1958 volume) and said sales of the West Coast subsidiary also will likely double in 1960. TRW, Wooldridge said, spent $15 million in 1959 for research & development of new products, will probably invest a like amount in 1960.

Control Electronics Co. Inc., Huntington Station, N.Y. maker of specialty electronic equipment, proposes public sale of 165,000 common stock shares at $3 per share in an SEC registration statement (File 2-15959). Underwriters are Milton D. Blauner & Co. Inc., David Finkle & Co., and Gartman, Rose & Feuer.

Reports & comments available: Philco, GT&E and Beckman Instruments, discussions, Goodbody & Co., 115 Broadway, N.Y. 6 . . . **Philco**, discussion, A. M. Kidder & Co., 1 Wall St., N.Y. 5 . . . **Dynamics Corp. of America**, analysis, Gude, Winmill & Co., 1 Wall St., N.Y. 5 . . . **Clevite Corp.**, booklet, Clevite Corp., Cleveland 10 . . . **Radio City Products Co. Inc.**, circular, Amos Treat & Co. Inc., 79 Wall St., N.Y. 5 . . . **Electronic Associates Inc.** analysis, W. C. Langley & Co., 220 S. 16th St., Philadelphia 2 . . . **Electronics Capital Corp.**, review, Alkow & Co., 50 Broadway, N.Y. 4.

Television Shares Management Corp., investment manager & principal underwriter for Television-Electronics Fund Inc., scored a 142% increase in net income on "record sales of shares and an increase of $103.4 million in the assets of Television-Electronics Fund" for the fiscal year ended Oct. 31. Pres. William H. Cooley, in the firm's first annual report since becoming a public company, said he anticipated continued progress in 1960. "The outlook for electronics & nucleonics is relatively bright," he said, "and the growing acceptance of the Fund by investors & securities dealers is expected to continue." (For the Fund's fiscal-1959 report, see Vol. 15:49 p22.) For the fiscal year ended Oct. 31:

	1959	1958
Total revenues	$2,714,566	$1,653,431
Net income	702,297	299,074
Per common share	66¢	28¢
Common shares (1959) ..	1,060,000	1,060,000

RCA has changed the conversion price of its 3½% convertible debentures to $49.04 a share from $50. The adjustment, effective Dec. 18, results from the declaration on Dec. 4 of a 2% stock dividend, payable Feb. 1 to holders of common stock on Dec. 18.

Sunair Electronics Inc., Fort Lauderdale, Fla. manufacturer of radio transceivers for light aircraft, has asked SEC (File 2-15975) to register 200,000 common shares for public sale at $3 per share. Northeastern Investors Corp., N.Y., is the underwriter.

Herts-Lion International Corp., to finance TV series, is floating (through Samuel B. Franklin Co.) a $300,000 public issue comprising 300,000 shares at $1 par value.

Educational Television

Russian language is being TV-taught to some 4,000 students in 100 schools via educational KUED Salt Lake City. The instructor is Russian-born Andrei K. Anastasion who turned to language teaching in 1958 with 22 elementary school students, expanded the popular course via ETV. Most of the 4,000 TV students are of elementary school age; the classes are voluntary. Results: "They speak a better brand of Russian than some of our children," appraised one of a group of Russian educators visiting an Anastasion language class.

ETV series on *Art & the Western World* will be produced by the U. of Texas under a $20,000 contract awarded by the National ETV & Radio Center. The series will embrace 13 half-hour programs, video-taped for presentation on the nation's 45 ETV stations. Faculty member Dr. Donald L. Weismann, widely known art historian, painter and lecturer, will write the lecture-demonstration series and appear as featured performer.

ETV programming will comprise 10%-15% of the air time of upcoming WJPB-TV Weston, W. Va. (Vol. 15:52 p8), which expects to go on air Mar. 31. The Ch. 5 station has established an educational advisory committee, under the chairmanship of Bethany College Pres. Dr. Perry Gresham, to formulate its ETV programming. WJPB-TV Inc. Chmn. Thomas P. Johnson explained: "We realize our obligations to ETV and we plan to meet them."

Mutual assistance pact has been signed by National Assn. of Educational Bcstrs. and program-evaluating National Audience Board. The affiliation is a joint effort to aid TV programming.

ETV passed with honors in a survey of 1,210 teachers made by educational KQED San Francisco to evaluate its first year (1958-59, Vol. 15:47 p24) of in-school TV instruction. The "most significant overall evaluation: 95% of the teachers were agreeable to continued ETV participation," reports KQED, despite "widespread administrative apathy among the [participating] school districts." Other findings: "More than 60% of the teachers considered that above-average students benefitted most from instructional TV"; about a third thought average students were the prime beneficiaries. Instructional TV's major contributions to regular school programs: "Furnishing otherwise unavailable illustrative materials, introducing new concepts and permitting the use of outstanding teachers before many classes at one time."

"Educational-Instructional TV & Closed-Circuit TV; A Manual, Directory and Bibliography" by Rudy Bretz, U. of Cal. ETV visual communication dept. head, and Russell H. Ewing, Packard-Bell training coordinator (National Institute of Leadership, 70 pp., $2) is intended "as a ready reference guide to manufacturers of open & closed-circuit TV equipment and to service agencies in these fields; as a handbook for university instructors, school administrators, educators and teachers, and as a manual of general information for political, civic, community, industrial, labor and military leaders."

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Closed-Circuit ETV Network: A new avenue for ETV expansion is now being actively explored—a closed-circuit network that would link by microwave 11 Texas colleges & universities. The U. of Texas is working on a pilot project for the microwave network, under a contract with the U.S. Office of Education. The plan "is contingent on FCC approval which we believe will be forthcoming," reports U. of Texas TV-radio dir. R. F. Schenkkan. "This is a new approach to use of TV for educational purposes, so FCC has not ruled on microwave for such purposes."

FCC's policy on microwaves for educators has been to allow them the use of frequencies above 10,000 mc. However, equipment for these bands isn't available, and educators are seeking the use of conventional lower bands. The Texas group plans to file applications for the lower bands, hoping to persuade the Commission to change its policy. Texas isn't alone with the problem. There are extensive plans in the works for Cal., Pa. and other states. Alabama has connected its ETV stations with studio-transmitter links, but these are regarded as a stopgap, inadequate for long hauls.

The Texas network would carry credit courses & other ETV programming to the colleges & universities from U. of Texas's TV studio and/or San Antonio TV stations. Offers of production support—studios, equipment, personnel—have come from KENS-TV, WOAI-TV and KONO-TV; and KTBC-TV Austin has made equipment available, including a tower for signal distribution. Programming is being planned by a committee representing the participating colleges, with support from the Fund for the Advancement of Education.

Project participants, in addition to Austin-based U. of Texas: St. Edward's U. and Huston-Tillotson College, Austin; Trinity U., St. Mary's U., Incarnate Word College, Our Lady of the Lake College and San Antonio Junior College, San Antonio; Southwestern U., Georgetown; Southwest Texas State College, San Marcos; Texas Lutheran College, Seguin. Serving on the project's advisory committee: U.S. Office of Education representative Richard Hull of Ohio State U., CBS radio network program services dir. Allen Ludden, NET Pres. Dr. John F. White; NAEB Pres. Dr. Harry Skornia, others.

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"Most extensive" ETV workshop in Conn. has been established by the Stamford Board of Education with the aid of a complete studio installation by CBS Labs. The first ETV training course for Stamford teachers & administrative staffs will begin in mid-Jan., under the direction of Southern Conn. State College TV education prof. Michael Hannon. The CBS Labs' gift includes 2 complete closed-circuit TV camera chains, accessory studio equipment, the loan of a 3rd camera chain, and supervision of the installation of studio & control rooms. "The Stamford ETV workshop has been established for the purpose of providing a springboard for the improvement of the education of our children in this city," noted Board of Education Pres. L. Reed Clark. "In the face of the steadily worsening teacher shortage and the population increase, we . . . want to take advantage of the latest technological advances for the betterment of our educational system."

Housewives compose the largest group audience for an *Elementary Spanish* ETV program presented by the U. of Md. twice weekly, 6:30-7 a.m., via WMAR-TV Baltimore & WTOP-TV Washington, D.C. The program has attracted more than 1,700 registrants—only 75 of whom have enrolled for college credit.

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

FCC

FCC'S VHF DROP-INS proposed on basis of broad criteria, with no list of markets suggested. Change of engineering standards also proposed (pp. 1 & 4).

HOT & COLD REACTIONS TO ROGERS report. Harris seeks stronger deception curb. FCC split on "censorship" issue. FTC's Kintner applauds report (pp. 2 & 5).

PAYOLA & SNEAK-COMMERCIAL REPORTS filed with FCC by most of 5,236 stations queried. "Internal controls" listed include employe affidavits, monitoring, instructions & warnings (p. 3).

FCC PONDERS ITS POWERS as programming-hearing witnesses continue to sharpen issues. Advertisers insist on programming role, say they have stake in improvement (p. 5).

Stations

NAB RELEASES CODE LIST to FCC (and public). It's at all-time record (71.8% of stations) of 372 subscribers (pp. 3 & 8).

FTC MAY CITE STATIONS—along with sponsors & agencies—for fraudulent commercials. Five more record firms accused (p. 7).

THEY SEEK CANADIAN STATIONS. Two dozen applicants are vying for 5 new channels (p. 9).

TWO NEW STARTERS open up 1960 as KNBS (Ch. 22) Walla Walla, Wash. and KDSJ-TV (Ch. 5) Deadwood, S.D. begin operation. Reports on upcoming stations (p. 10).

Congress

LULL BEFORE STORM in Congress marks opening of new session for broadcasters. No punitive TV & radio bill introduced—yet (p. 4).

Manufacturing & Distribution

1959 TV PRODUCTION totaled 6,349,008, according to EIA figures. Radio output of 15,619,809 was best since 1947 (p. 17). Eleven-month retail sales figures (p. 22).

OPTIMISM & ENTHUSIASM keynote Chicago marts. Manufacturers agree steel settlement presages banner year. Firm prices, stress on quality are outstanding trends (p. 17).

IMPORTS UP, EXPORTS DOWN in U.S. electronics tally by Commerce Dept., which shows Jan.-Sept. 1959 electronics exports down nearly 5%, imports up 2½ times (pp. 18 & 22).

23-IN. TUBES shown widely at Chicago marts. First 19-in. sets due in 2 months; new size seen as a natural (p. 19).

AUTO INDUSTRY cited by Philco's Skinner as merchandising model for TV-appliance trade; urges selling on quality basis, de-emphasis of price (p. 20).

FULL TV LINE planned by Capehart by June; shows stereos & combinations. Hybrid U.S.-German TV-phono-radio combinations shown by 3 manufacturers (p. 20).

OPTIMISM ABOUT JAPAN THREAT prevails at the winter marts in Chicago; apparent in our conversations with leaders about color & b&w TV, transistor radios (p. 21).

GOVT. ELECTRONICS FORECAST, by BDSA, sees consumer output rising from $1.95 billion to $2.2 billion, with total electronics topping $10 billion for first time; GE, Hoffman see good year (p. 23).

Other Departments

NETWORKS (p. 11). **FILM & TAPE** (p. 12). **PROGRAMMING** (p. 12). **ADVERTISING** (p. 15). **PERSONALS** (p. 16). **FINANCE** (p. 24).

FCC'S 'INTERIM, LIMITED' VHF DROP-INS: Congress is back in town and FCC knows it. Hence the Commission's proposal last week to relieve shortage of vhf assignments in critical major markets—via mileage cuts & changed engineering standards, as predicted (Vol. 16:1 p3).

Sen. Magnuson (D-Wash.) & Commerce Committee colleagues have been getting impatient with FCC ever since Commission on April 23, 1959 stated that "immediate steps must be taken to remedy the critical shortages of facilities in a number of important population centers" (Vol. 15:17 p1).

Commission didn't list the markets it proposed to relieve, for 2 reasons: (1) The 3-man majority (Doerfer, Ford & Cross)—Bartley & Lee dissenting—didn't feel strong enough to do so, undoubtedly are waiting for Craven to join them. (2) It gave industry opportunity to make its own suggestions. Obvious candidates for list are previously mentioned Providence, Grand Rapids, Louisville, Syracuse & Rochester.

FCC asked industry for comments by Feb. 19 (replies March 7), on its proposal to allow short-mileage drop-ins that meet 4 criteria—and your interpretation of the criteria is as good as anyone else's:

"(a) The assignment would make possible a 2nd or a 3rd vhf TV station in an important TV market.

"(b) The need for the additional service outweighs the need for any service lost as a result of additional interference to existing stations.

"(c) The new vhf service would not have substantial adverse effect on established uhf TV services.

"(d) A new assignment would not require an excessive number of channel changes of existing stations."

Coupled with the foregoing policy suggestions was a series of proposed engineering changes, designed primarily to enable those proposing drop-ins to calculate protection to existing stations. FCC said drop-ins must not create any more interference to existing stations than would new stations located at the minimum spacing now specified in the standards. Drop-ins would have to reduce power or height, or both, or use directional antennas—which could employ 20 db suppression.

One of most controversial criteria is "(c)" above. Many uhf operators were just biding time until they might apply for a short-spaced vhf drop-in. The criteria would prohibit that—but comments to come could change FCC's mind.

Engineering standards proposed by FCC are designed to intensify signal in urban areas. FCC & many others have long believed it a mistake to allocate channels way out of town. Another proposal was to reduce adjacent-channel spacing from 60 to 40 miles because interference is believed to be less than anticipated. No changes in uhf standards are proposed.

Comrs. Bartley & Lee dissented on grounds that proposal is premature & prejudicial. They said: "Addition of vhf assignments at reduced mileage separations will [in our judgment], substantially prejudice any long-range program other than an all-vhf system.

"This step is being taken at a time when the majority believes that within the next few weeks we will know whether or not an expanded vhf system is feasible eventually.

"If an expanded vhf system is feasible eventually, the first areas which should be provided for are those areas without vhf service, then those with a single vhf service, and so on.

"If an expanded vhf system is not feasible eventually, the interim plan should mesh with the long-range plan and it may well be that a more vigorous program of deintermixture toward uhf markets is the only such solution."

They were referring to the FCC-OCDM discussions about possibility of releasing military vhf spectrum for TV use. Ford is Commission's representative and he's expected to report within 3 to 4 weeks. (For technical details of FCC's proposal, see p. 4.)

HOT & COLD REACTIONS TO ROGERS REPORT: Attorney General William Rogers' report on broadcasting to President Eisenhower elicited responses from the govt. bodies most concerned—Congress, FCC & FTC—much as was foreshadowed by previous statements from spokesmen for these bodies.

Rogers said FCC & FTC have adequate powers to handle most problems but they haven't exercised them. He did recommend 2 new laws for now: (1) Make it a criminal offense for a station employe, as well as the station, to accept payments for programs without identifying the payer. (2) Give FCC power to impose punishment lighter than license revocation—such as "suspension or conditional renewal." Then, he said, if firmer govt. regulation & greater industry self-discipline prove inadequate, FCC should be given regulatory power over networks, and FTC should be given authority to obtain injunctions to stop immediately false advertising or deceptive trade practices, pending outcome of litigation. As law stands now, FTC can get injunctions covering only "food, drugs, devices, or cosmetics."

In sharp language, Rogers told FTC & FCC how they might better use their existing powers. Particularly, he said, FCC can do a lot more about programming without worrying about censorship. (For his recommendations, see p. 5.)

Rep. Harris (D-Ark.) doesn't believe Rogers goes far enough in trying to curb payola, quiz-rigging and the like. He said his subcommittee will soon recommend law covering not only station employes but everyone concerned—"whether it be sponsors, advertising agencies, producers or anyone." He also agreed with Rogers that FCC & FTC haven't used all their existing authority.

FCC Chmn. Doerfer said he has no quarrel with legislation suggested by Rogers, but he differs vigorously with his assertion that Commission can exert greater control over programming without engaging in censorship. "We'll have the opinions of other lawyers," he said. Doerfer has support, apparently getting stronger, from Comr. Cross, will get more when Comr.Craven returns. For example, Cross became incensed

while questioning Coty Pres. Philip Cortney in the programming hearing last week (see p. 5), asking him how many Westerns are "enough" and then stating:

"The same power that could say 'you can't broadcast that' could go to the pulpit or anywhere else and say 'you can't say that.'" Comr. Bartley, on other hand, spoke for another FCC faction when he said of Rogers report: "Why, most of it sounds like I could have written it myself."

FTC Chmn. Kintner was quick to applaud Rogers' report, stating that FTC had already done some of the things recommended—and there are indications he may adopt the suggestion that FTC go after broadcasters who carry fake or deceptive commercials (see p. 7).

NAB RELEASES LIST OF CODE SUBSCRIBERS: As promised with some misgivings at FCC programming hearing last month (Vol. 15:51 p1), NAB last week submitted its roster of TV Code subscribers (see p. 8) to Commission, thereby revealing (by omission) the identities of non-subscribers.

NAB was able to boast all-time high in Code pledges. Not counting 3 subscribing networks, its list of 372 good-practice seal stations represented 71.8% of 518 operating commercial TV outlets. That was big jump of more than 100 subscribers from low of 270 to which Code Review Board sank just 6 months earlier after it got tough with offending hemorrhoid commercials (Vol. 15:25 p3)—and when nearly nobody had much reason to be worried about such things as quiz & payola hanky-panky.

Unprecedented rally around Code flag was caused by scandals in industry, of course—self-preservation from punitive Washington moves being No. 1 rule for well-being of broadcasters. It was "further evidence of the TV industry's determination to regulate itself," as NAB Pres. Harold E. Fellows put it in spreading subscriber list on official public govt. record for first time. List of Code subscribers will continue to grow, Fellows said confidently.

Radio was stirring with evangelistic Code fervor, too. In Dec. alone, NAB noted, there was 42% jump in number of stations subscribing to NAB's rules for good radio practice, bringing that roster to nearly 900. And NAB's Radio Board voted in mail ballot last week to adopt broadened & tightened TV Code language for Radio Code, as recommended by NAB's Standard of Good Practice Committee (Vol. 15:51 p7). Radio Board will act later on recommendations that "teeth" be put in enforcement of rules and that subscription list be opened to non-NAB members.

PAYOLA & SNEAK-COMMERCIAL REPORTS FILED: Station responses to FCC's payola-plugola questionnaire (Vol. 15:49 p1), filed last week, are about what you'd expect—though with wide variations. Commission isn't making them public, but we've spot-checked station attorneys and have a pretty good idea how they run.

Jan. 5 was deadline only for question 2, asking what "internal controls" stations have established to minimize payola-plugola. Answers to question 1—which sought instances of the practices—aren't due until Feb. 5, but most stations answered both last week.

Answer to question 1 was simple for most. They reported they'd uncovered no under-the-table payments. Some went on to note, however, that they do receive free records & tapes, traditional in the industry.

Answers to question 2 varied greatly, usually simple for small stations, detailed for big multiple owners. A frequent "control" mentioned was requirement that all employes sign affidavits stating no undercover pay had been received. Another was use of monitoring by non-programming personnel, often transmitter engineers who monitor signal anyway. Some stations reported their systems of selecting, approving & rejecting programs & commercials. Some described the instructions & warnings given to staff.

What worries stations is future actions of Harris subcommittee, FTC & Justice Dept. "Suppose," asks one attorney, "that a station tells FCC it found no payola. Then, Harris or somebody comes out with a list including people on the station staff. Won't the Commission jump on the station and accuse it of being lax?"

Another serious problem: What do you do when an employe confesses and says he won't do it any more? Says a lawyer: "Fire him? I think that's unfair. When a big record company can get away with a mild consent decree, why should some poor DJ lose his job?" It's our impression that Commissioners aren't inclined to be harsh about this.

Many of the statements were signed by station managers. Although FCC hasn't decided yet, there's good chance they'll be returned to be signed by licensee officer.

Commission sent out 5,236 questionnaires—one to each TV, AM & FM station. By week's end, it had received 4,500-5,000, and staff of 4 was simply sorting, not reading them. Joseph Nelson, renewal & transfer branch chief, says it will probably take couple months to study the reports.

LULL BEFORE STORM IN CONGRESS: Broadcasting got through opening days of 2nd session of 86th congress last week without suffering any blows threatened by quiz-&-payola scandals (Vol. 16:1).

No anti-TV & radio floor speeches were made on Washington's "topic A." In Senate & House, 135 bills & 48 resolutions were introduced, but in whole batch only one—HR-9448 by Rep. Avery (D-Kan.)—had anything to do with broadcasting. And it wasn't punitive. It just called for statutory confirmation of FCC's policy of reserving TV channels for educational use.

No denunciations of state of broadcasting were made in State of Union message by President Eisenhower. He had been aroused enough by quiz scandals to call them "terrible thing" for country (Vol. 15:43 p2) and to order report on them by Justice Dept. (see p. 2). But TV & radio escaped any mention in his survey of U.S. troubles. In fact, industry issues came alive at session's start only in Congressional Record appendix. Sen. Javits (R-N.Y.) inserted sermon by N.Y. Rabbi deploring quiz frauds. Sen. Proxmire (D-Wis.) inserted Walter Lippmann column commenting on Justice recommendations.

Congressional calm won't last, however. Storm clouds hung over broadcasters on Capitol Hill—and at least one was beginning to break. House Commerce Committee Chmn. Harris (D-Ark.) and his Legislative Oversighters held unscheduled, unpublicized caucus on upcoming payola hearings (Vol. 16:1 p16). They delayed setting date for start of new headline-promising foray, giving staff more time to get ready for it. But it will come soon. Meanwhile, staffers began sending out flock of subpoenas for financial records of undisclosed number of "corporations & individuals"—meaning record firms & disc jockeys. Staffers counted on subpoenaed material alone to keep probe in sensations many weeks.

INDEX TO 1959 TV NEWS & PROGRESS: The only handy reference of its kind in the broadcast & electronics industry, our 14-page Index of 1959 news events, technical advances and network, station and manufacturers' activities, accompanies this issue. The Index is our 11th annual edition and a proved invaluable time saver for those moments when you have to know fast what happened, when & where & why.

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The FCC

DROP-IN TECHNICALITIES: FCC came up with 2 new definitions of service areas in its new vhf drop-in proposal (see p. 1): "Principal City Service" and "Normal Service Area."

Using a new set of 6 propagation curves, the Principal City Service would be 80 dbu for Ch. 2-6, 85 dbu for Ch. 7-13. This, FCC said, would insure an excellent picture to at least 90% of locations at least 90% of the time. Normal service area signal levels are 40 dbu for Ch. 2-6, 50 dbu for Ch. 7-13.

To protect existing stations from interference produced by new drop-ins, the Commission said: "Protection equivalent to that insured existing stations under the rules governing minimum separations & maximum antenna heights and powers will be afforded by requiring stations operating at substandard co-channel spacings to suppress radiation toward the existing station to the extent necessary to insure that the ratio of desired-to-undesired signal will not be less than 28 db (offset operation) at any point where such ratio would occur if the new and the existing station were operating with maximum facilities at the minimum spacing permitted in Sec. 3:610 of the rules."

Adjacent-channel separations would be reduced from 60 to 40 miles, and directional antennas with 20 db suppression would be permitted.

FCC engineers made substantial use of TASO's findings in the new proposal.

The report (Docket 13340, Public Notice 60-1) is due to be published in this week's *Federal Register*. A limited number of copies are available upon request to the Commission. Copies are also available from the Goetz Co., 1030 20th St. N. W., Washington.

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Revocation of license of radio KIMN Denver, proposed by FCC because of "vulgar, obscene" broadcasts (Vol. 15:49 p2), was contested by the station last week. It asked the Commission to call off the proposed hearings, asserting the FCC action is barred by the Administrative Procedures Act and the Communications Act and that the "death penalty" of revocation is inappropriate. The station said the proceeding was started by a disgruntled competitor, that the offending employe had been dismissed and that it took "drastic & effective remedial measures to insure that there would be no recurrence of the unfortunate instances of departures from standards of good taste."

Single TV application filed with the FCC last week was for Ch. 13, Hilo, Hawaii, to be operated as a satellite of Henry Kaiser's KHVH-TV Honolulu. Total pending is now 114 (19 uhf).

More about

WHAT ROGERS WANTS: The most important portion of Attorney General William Rogers' 54-page report to President Eisenhower (p. 2) deals with FCC's powers over programming. Among other things, he said:

"A review of existing authority indicates that the Commission may, without running afoul of Constitutional or statutory safeguards of freedom of speech, give considerable weight to advertising practices & programming in the context of licensing, rulemaking or investigative proceedings. It is true that the statutory provision relating to censorship and the First Amendment delineates the outer limits of the Commission's powers. Yet, within those limits considerable scope is left for effective regulatory action. This would certainly be so with respect to deceptive practices as opposed to problems of taste.

"Although the issue has never been squarely passed upon by the Supreme Court, in every case in which the question has been presented, the courts have upheld the Commission's authority to concern itself with a licensee's program policies & practices. No action by the Commission has ever been held by the courts to constitute censorship or to violate Constitutional protections of freedom of speech or of the press."

Accordingly, said Rogers, the Commission should "adopt a program of more intensive scrutiny of licensees' past performances in connection with renewals." He suggested that FCC might emulate the Internal Revenue Service, picking random stations for "a spot check in depth"; that it might require "narrative & detailed accounts of past operations, and, in addition to acting on specific complaints, choose a certain number of renewal applications or all the licensees in a particular community for close examination . . . The licensees would thus be put on notice that from time to time they might have to give a detailed accounting as to their operation in the public interest." Rogers also recommended that FCC, using existing powers:

(1) Require stations to take steps to assure themselves that their programs are honest. FCC's "cease & desist" powers could be employed here—in preference to the drastic sanction of license revocation.

(2) Require stations to take steps to make sure employes don't accept payola—something FCC has already started in its payola questionnaire (see p. 3).

(3) Require full disclosure of licensee or employe ownership in companies whose products benefit from broadcast exposure.

For FTC, Rogers suggested that it move against broadcasters, as well as advertisers, in cases of false or deceptive commercials; that it call a conference to draft a broadcasting-advertising guide; that it start an "industry-wide investigation of TV & radio advertising to determine the extent to which false, unfair or deceptive practices are used . . ."

President Eisenhower acknowledged the report with a short statement asking Rogers to keep following the matter & make more recommendations whenever he sees fit.

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Unused broadcasting towers would have to be kept painted & lighted under legislation proposed by FCC in a letter from Chmn. Doerfer to House Speaker Rayburn (D-Tex.). FCC recommended that the Communications Act be amended so that regulations covering towers in use would apply to abandoned structures as well. Rayburn turned Doerfer's letter over to the Commerce Committee.

FCC PONDERS ITS POWERS: As the programming hearing lengthens and the transcript mounts into thousands of pages, FCC members continue to express satisfaction with their intense exploration of industry problems & panaceas and their own legal powers. Their questions become more pertinent as even the least experienced members become surer of the knowns & unknowns in the industry they regulate.

Whatever FCC finally does as a result of the whole furore, one thing is certain: The action will be taken by a well-informed group. Summary of last week's testimony:

Rod Serling, brilliant TV writer-producer, cited instances of "ludicrous & timorous" sponsor interference with his writing—but he coupled this with a plea that the industry be permitted to set its own house in order. He admitted frankly he didn't know what FCC could do to halt sponsor interference, and he expressed genuine fear of govt. censorship. Examples of sponsor blue-pencilling given by Serling include:

Cutting the expression, "Have you got a match?" from a play—by a cigaret-lighter sponsor.

Turndown of a script on Nazi atrocities in Warsaw ghettos because it was "downbeat, violent, dated."

Refusal of Army & Navy cooperation because certain characters weren't representative of "all soldiers & sailors."

Food advertisers' objections to themes which might disturb the digestion.

But Serling was TV's defender, too, noting that critics don't mention "the responsibility of the daily press." The press, he said, is just as preoccupied as TV "with making a buck, as opposed to striking a balance between the newsworthy & the tasteful." "TV should not stand alone," he said. "There should be a legion of co-defendants."

Keep Sponsor in Programming

Peter W. Allport, vp-secy. of the Assn. of National Advertisers, asserted that sponsors must continue to have a voice in programming, that their investment entitles them to be "reasonably certain of commensurate value." If sponsors are denied a voice in programming, he warned, they will turn to "other channels of communication." "It is illogical," he asserted, "to think the process of improvement will be stepped up by excluding from programming the one who has so much to gain from improvement—namely the advertiser." He told the Commission that ANA has scheduled a special TV meeting of its members Feb. 2.

James M. Ward, U. of Colo. radio-TV dept. dir., submitted a statement urging that the Commission have field investigators inform community groups "of ways in which they can become active in achieving desirable radio & TV."

Mrs. Edith Nolan Riley, of the San Francisco Motion Picture & TV Council, said steps should be taken to prevent the belittling of govt., religion & family life on TV—and that movies' self-regulation "has fallen on its face."

Herman D. Kenin, American Federation of Musicians pres., attacked the TV-radio industry's "insensitive, dollar-dominated attitude toward live music," which he said had brought a "progressive dimunition" of jobs for his members. Pursuing another long-standing AFM complaint, he also protested use of canned foreign music in TV films—"dull, mechanical, paste-&-scissors music, for which no composer, arranger, copyist or instrumentalist—foreign or American—received one penny." As remedies, he proposed that FCC "require broadcasters to program at least a given amount of live music" and "require all stations properly to label their music, and to explain its origin." Reporting on a poll of AFM locals, Kenin said returns

covering 537 local TV & radio stations in 31 states & D.C. (excluding N.Y., Chicago, Los Angeles network centers) showed "502 stations do not employ a single live musician."

Morton J. Simon, associate gen. counsel of Advertising Federation of America, deplored "guilt-by-association psychology" which sees "an entire industry condemned for the deceits or moral derelictions of a tiny fraction of people in the industry." Listing specific AFA recommendations, he called for: (1) No new legislation. (2) No censorship. (3) Legal controls of advertising limited to claims which are "false, misleading, deceptive or unfair." (4) Retention by FTC of "primary govt. responsibility" for policing ads. (5) Preparation of an FTC guide on "legally improper" TV commercials. (6) FCC-FTC liaison. (7) "Poor taste" self-policing by TV & ad industries. (8) FCC disciplinary procedures "as in the past" if the "FTC-industry program proves insufficient." (9) Consumer education.

Cecil Woodland, gen. mgr. of radio WEJL Scranton, Pa., who also is pres. of the Pa. Assn. of Bcstrs. and a member of NAB's Radio Good Practice Committee, suggested that one station criterion at license-renewal time should be "whether or not a station subscribes and adheres to NAB's voluntary rules." He said that subscribing to the Code meant that "a pledge of creditable operation has been made & sworn to." He also suggested that: (1) Announcers might be licensed by FCC to "provide restraints on the small number of irresponsible air personalities who float from station to station." (2) FCC require license-renewal statements by stations of steps taken to keep personnel in line. (3) FCC institute a "probation" renewal period for stations whose "operation has been of doubtful calibre." (4) The license period be extended from 3 to 5 years to give FCC's staff more time to study performance.

'A Jukebox with a Bulletin Board'

Morris S. Novik, N.Y. radio consultant, said that since the advent of TV, much music-&-news radio has become little more than "a jukebox with a bulletin board [which] is inimical to the public interest." He said it was time for FCC to spell out "in some systematized fashion all of the factors that constitute good programming"—and then "let the broadcaster know when he is living up to his obligations and when he is not." He also said the radio music-&-news format "prohibits talk program of any kind," so that in 1960 the country faces "a virtual blackout of political broadcasts on radio." He recommended that FCC: (1) "Require that all broadcasting stations make time available, at regular commercial rates, to qualified candidates for a month prior to election day and for a week prior to local or state primaries." (2) "Conduct a public inquiry" on political broadcast practices.

Burton Lane, pres. of the American Guild of Authors & Composers (largely ASCAP members), used the FCC hearing to mount another attack on broadcaster-supported BMI, ASCAP's competitor. "The BMI operation is The Big Payola," Lane assured the Commission. He said the "aggregate take of disc jockeys is infinitesimal compared to the $10-million yearly slush fund which the broadcasters have used to promote the music they control." His remedy for this situation: "No license should be renewed nor . . . granted to any station which has an interest in BMI in the form of stock ownership or otherwise." He followed up by filing a formal FCC petition (also signed by composer James McHugh & writer Ogden Nash) asking that licenses of 557 radio stations not be renewed unless they withdrew from BMI.

(Outside the hearing room, BMI promptly issued a retort that "Mr. Lane knowingly distorts the facts." His testimony, said BMI, was "a repetition of misstatements which have already been made [and] part of a campaign to restore monopoly in the field of performing rights to AGAC's own members." Lane picked up his anti-BMI cudgels again at a hotel press conference, however. His theme: "The true story of music payola involves the owners & operators of networks & stations [and] broadcasters' improper use of their licenses to manipulate & degrade the taste of our public." AGAC supporters who joined Lane at the press conference included composer Arthur Schwartz, actress Helen Hayes, playwright Howard Lindsay, composer Virgil Thompson, songwriter Otto Harbach).

'Advertiser, Go Home'

Philip Cortney, Coty Inc. pres., expanded a theme he has developed in speeches since the quiz scandals broke: "Advertisers should take their hands off TV programs." He "urgently" recommended that FCC give thought to a Communications Act amendment "which would specifically make it illegal & punishable by law for any advertiser to exercise control over programs." He suggested other "means of defending the public interest," too: (1) "The creation of a national advisory board on radio & TV." (2) "Pay-TV network. It is worth trying." (3) A "subsidized & endowed" TV network operated for "public service," not profit.

Tom Chauncey, pres. of KOOL-TV & KOOL Phoenix and KOLD-TV & KOLD Tucson and of the Ariz. Bcstg. Assn., warned: "The day this Commission begins to destroy free programming on TV networks or stations will be the day that America's free enterprise system begins to die." He maintained that the public retains "complete faith" in TV, that broadcasters are "conscious of their responsibility," that a "false picture" of broadcasting had been created by quiz disclosures. "It's not as bad as all that," he said, "although nobody in broadcasting condones the rigging of quiz shows or anything else."

Marianne B. Campbell, gen. mgr. of radio WJEH Gallipolis, O., presented a 12-page statement reviewing her station's history and its programming & ad policies, in which she said "we take great pride." In view of WJEH's operations, she said "additional laws & restricting controls are not necessary." Concluded she: "It would seem an impossible task to try to regulate from Washington, D.C. the needs & requirements of our area. We feel we operate completely in the community interest . . ."

This week's witnesses, as scheduled by FCC at last week's end, when the list for Jan. 15 hadn't been set yet: Jan. 11—Peoples Bcstg. Corp.; ASCAP, Pres. Stanley Adams; Good Music Bcstrs., Pres. Theodore Jones; NABET Pres. George W. Smith; AFTRA, exec. secy. Donald Conaway. Jan. 12—Springfield TV Bcstg. Corp., Pres. William L. Putnam; Storer Bcstg. Co., vp-secy. John E. McCoy; Fund for the Republic, Frank Kelly.

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FCC's 25th annual report is a really excellent reference volume, useful for both novice & veteran broadcasters and those in associated industries. Compiled under the supervision of information chief George Gillingham, the 191-page book features digests of Commission actions in all fields, including a special chapter on litigation & legislation. In addition, there are histories of communications and of govt. regulation, a chronology of major events since 1934, a description of the Commission's World War II activities, much statistical information. The document has a silver-colored cover, permitted by special dispensation of Congress's Joint Committee on Printing. It's available for 65¢ from the Govt. Printing Office, Washington 25, D.C.

Doerfer's Anti-Censorship Case: In the best summary of his views so far, FCC Chmn. Doerfer, in a speech prepared for delivery at the Federal Communications Bar annual banquet Jan. 8, presented key passages from what he considers to be contradictory U.S. Supreme Court decisions governing freedom of speech. Then he appealed to the attorneys to come forth with their own analyses, to help the Commission judge its powers over programming.

"The future of the American system of broadcasting hangs in the balance," he said. "By the American system of broadcasting I mean the original Congressional intent, as yet unamended, that it shall be developed within the framework of the competitive system, and that the Commission shall have no power of censorship or impose any regulation or condition which shall interfere with freedom of expression."

Doerfer concluded by quoting from Justice Black's concurring opinion in the Dec. 14, 1959 Supreme Court decision in Smith v. State of California: "If, as it seems, we are on the way to national censorship, I think it timely to suggest again that there are grave doubts in my mind as to the desirability or Constitutionality of this court's becoming a Supreme Board of Censors—reading books & viewing television performances to determine whether, if permitted, they might adversely affect the morals of the people throughout the many diversified local communications in this vast country."

Doerfer then asked: "Will the FCC become a Supreme Board of Censors? How far can it go to achieve balance in program? How can it aid the industry to do more public service programming and still observe the fundamental law of the land?"

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Portland, Ore. Ch. 2 should go to Fisher Bcstg. Co., over the Tribune Publishing Co., FCC examiner Herbert Sharfman recommended in his initial decision. A 3rd applicant, radio KPOJ Portland, had withdrawn. Fisher is 60% owned by Fisher's Blend Station Inc., the owner of KOMO-TV Seattle. Tribune owns KTNT-TV Tacoma & *The Tacoma News Tribune.* Sharfman based his conclusions on: Fisher's 40% ownership by Portland residents vs. Tribune's none; civic activities of Fisher's Portland stockholders; greater diversification of business interests among Fisher principals; Fisher's superior broadcast record. Sharfman had his usual fun with words, starting his conclusion with: "As the significance of the various 'criteria' has been discussed in many Commission decisions, this Initial Decision will not undertake to pass anew on the bases or materiality of these guides to decision as if the present document were a work of seminal originality."

Federal Communications Bar Assn. elects: Frank U. Fletcher, pres.; Robert M. Booth, 1st vp; Harold E. Mott, 2nd vp; Benedict P. Cottone, secy.; James E. Greeley, asst. secy.; John P. Southmayd, treas.; Edward F. Kenehan & John H. Midlen, 3-year terms on the exec. committee.

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Stations

More about

FTC MAY CITE STATIONS: Broadcasters, who so far have escaped legal responsibility for deceptive commercials carried by their stations, may find themselves called to account by FTC, along with sponsors & ad agencies, we learned last week. Current project No. 1 for a task force of FTC lawyers is to draft a plan (to be buttressed by legislative & court citations of the ad-policing agency's broad powers) for including broadcasters themselves as respondents in future ad complaints.

Attorney Gen. William P. Rogers suggested in his TV quiz-scandal report to President Eisenhower (see p. 2) that FTC proceed against broadcasters "in appropriate cases" involving "false advertising of foods, drugs, devices or cosmetics." FTC is not only taking up that recommendation; it contemplates naming networks & stations as co-respondents in cases involving offending commercials. FTC already has begun citing ad agencies (Vol. 15:50 p10).

"A staff is working on this for consideration by the Commission," Chmn. Earl W. Kintner told us guardedly. "Certainly the study looks forward to a position by the Commission on the report. And certainly there is a possibility that we will start proceeding against broadcasters."

Kintner wouldn't say just when FTC might make its decision on the proposed new strategy in its hard-driving campaign to clean up TV & radio practices. But other FTC sources said the move was shaping up rapidly.

Meanwhile, FTC cited 5 more record firms in the payola phase of its TV-radio drive (Vol. 16:1 p7). That brought to 28 the total of record manufacturers & distributors accused of violating the Federal Trade Commission Act by paying disc jockeys to play their products.

Still another batch of complaints against record firms was ready for mailing Jan. 8 to an undisclosed number of additional music firms. But the complaints were called back for more paper work by FTC staffers. They probably will be issued this week—and more will come after that.

"There is more payola coming up," one FTC source told us. "You can be sure. There'll be a steady flow."

Named in last week's complaints, all accused of giving unidentified jockeys payola to "expose" records in which the respondents have financial interest, were:

Jamie Record Co., a distributor, 1330 Girard Ave., Philadelphia; Alpha Distributing Co., a distributor partnership of John Holonka & Harry Apostcleris, 437 W. 45 St., N.Y.; Chess Record Corp., Argo Record Corp. and Checker Record Co., 2121 S. Michigan Ave., Chicago, and their Pres. Leonard Chess & secy-treas. Phil Chess.

FTC's broadcasting week also was marked by a reply by Chmn. Kintner to questions from Senate Commerce Committee Chmn. Magnuson (D-Wash.) about what the agency is doing to prevent deceptive broadcasts (Vol. 15:47 p5). In a 4-page letter, Kintner told Magnuson FTC has "adequate" authority to act against misleading TV & radio commercials—and is acting. But Kintner said it was "not clear whether the Commission has jurisdiction" over programs in which "the name of the sponsor or its product appears visually on the screen throughout the entire program or almost the entire program." He added that in view of FCC's programming hearings (see p. 5) it would be "premature" for FTC to comment now on any need for any legislation in that specific area.

Through his office, Magnuson commented in reply that he hoped FTC wouldn't stall while FCC ponders its powers & responsibilities: "If the FTC delays its action against those who impose upon the American public, we may have to demand legislation that will force it to act."

More about

TV CODE SUBSCRIBER ROLL: Following is a list of 372 TV station subscribers to NAB's TV Code, as supplied to FCC by NAB last week (see p. 3). This comprises the bulk of the 399 subscribers, which total includes the 3 networks and the 24 TV film production firms identified for us by NAB as affiliate subscribers to the Code (and also presented below):

WABC-TV New York, N.Y.
WABI-TV Bangor, Maine
WAFB-TV Baton Rouge, Louisiana
WAGA-TV Atlanta, Georgia
WAGM-TV Presque Isle, Maine
WAKR-TV Akron, Ohio
WALA-TV Mobile, Alabama
WALB-TV Alhany, Georgia
WANE-TV Fort Wayne, Indiana
WAPI-TV Birmingham, Alahama
WAST Alhany, New York
WATE-TV Knoxville, Tennessee
WAVE-TV Louisville, Kentucky
WAVY-TV Portsmouth, Virginia
WBAL-TV Baltimore, Maryland
WBAP-TV Fort Worth, Texas
WBAY-TV Green Bay, Wisconsin
WBBM-TV Chicago, Illinois
WBEN-TV Buffalo, New York
WBIR-TV Knoxville, Tennessee
WBKB Chicago, Illinois
WBNS-TV Columhus, Ohio
WBRC-TV Birmingham, Alahama
WBRZ Baton Rouge, Louisiana
WBTV Charlotte, North Carolina
WBTW Florence, South Carolina
WBZ-TV Boston, Massachusetts
WCAU-TV Philadelphia, Pa.
WCAX-TV Burlington, Vermont
WCBS-TV New York, N.Y.
WCCO-TV Minneapolis, Minn.
WCDC Adams, Massachusetts
WCIA Champaign, Illinois
WCKT Miami, Florida
WCNY-TV Watertown, New York
WCPO-TV Cincinnati, Ohio
WCSC-TV Charleston, S.C.
WCSH-TV Portland, Maine
WCYB-TV Bristol, Virginia
WDAF-TV Kansas City, Mo.
WDAN-TV Danville, Illinois
WDAU-TV Scranton, Pa.
WDAY-TV Fargo, North Dakota
WDBJ-TV Roanoke, Virginia
WDBO-TV Orlando, Florida
WDEF-TV Chattanooga, Tenn.
WDSM-TV Duluth, Minnesota
WDSU-TV New Orleans, Louisiana
WEAU-TV Eau Claire, Wisconsin
WEEK-TV Peoria, Illinois
WEHT Henderson, Kentucky
WESH-TV Daytona Beach, Fla.
WEWS Cleveland, Ohio
WFAA-TV Dallas, Texas
WFBG-TV Altoona, Pennsylvania
WFBM-TV Indianapolis, Indiana
WFGA-TV Jacksonville, Florida
WFIE-TV Evansville, Indiana
WFIL-TV Philadelphia, Pa.
WFLA-TV Tampa, Florida
WFMJ-TV Youngstown, Ohio
WFMY-TV Greensboro, N.C.
WFRV-TV Green Bay, Wisconsin
WGAL-TV Lancaster, Pa.
WGAN-TV Portland, Maine
WGEM-TV Quincey, Illinois
WGN-TV Chicago, Illinois
WGR-TV Buffalo, New York
WHAS-TV Louisville, Kentucky
WHBF-TV Rock Island, Illinois
WHDH-TV Boston, Massachusetts
WHEC-TV Rochester, New York
WHEN-TV Syracuse, New York
WHIO-TV Dayton, Ohio
WHIS-TV Bluefield, West Virginia
WHIZ-TV Zanesville, Ohio
WHO-TV Des Moines, Iowa
WHTN-TV Huntington, W. Va.
WIBW-TV Topeka, Kansas
WIIC Pittsburgh, Pennsylvania
WIMA-TV Lima, Ohio
WINK-TV Ft. Myers, Florida
WINR-TV Binghamton, N.Y.
WIS-TV Columhia, South Carolina
WISC-TV Madison, Wisconsin
WISH-TV Indianapolis, Indiana
WISN-TV Milwaukee, Wisconsin
WITI-TV Milwaukee, Wisconsin
WJAC-TV Johnstown, Pa.
WJAR-TV Providence, R.I.
WJBK-TV Detroit, Michigan
WJIM-TV Lansing, Michigan
WJRT Flint, Michigan
WJTV Jackson, Mississippi
WJW-TV Cleveland, Ohio
WJXT Jacksonville, Florida
WJZ-TV Baltimore, Maryland
WKBN-TV Youngstown, Ohio
WKBT La Crosse, Wisconsin
WKBW-TV Buffalo, New York
WKJG-TV Fort Wayne, Indiana
WKNX-TV Saginaw, Michigan
WKRC-TV Cincinnati, Ohio
WKRG-TV Mohile, Alabama
WKST-TV New Castle, Pa.
WKTV Utica, New York
WKY-TV Oklahoma City, Okla.
WKYT Lexington, Kentucky
WKZO-TV Kalamazoo, Michigan
WLAC-TV Nashville, Tennessee
WLBT Jackson, Mississippi
WLBZ-TV Bangor, Maine
WLOF-TV Orlando, Florida
WLOS-TV Asheville, N.C.
WLUC-TV Marquette, Michigan
WLUK-TV Marinette, Wisconsin
WLVA-TV Lynchburg, Virginia
WLW-A Atlanta, Georgia
WLW-C Columhus, Ohio
WLW-D Dayton, Ohio
WLW-I Indianapolis, Indiana
WLW-T Cincinnati, Ohio
WLYH-TV Lehanon, Pa.
WMAL-TV Washington, D.C.
WMAR-TV Baltimore, Maryland
WMAZ-TV Macon, Georgia
WMBD-TV Peoria, Illinois
WMCT Memphis, Tennessee
WMT-TV Cedar Rapids, Iowa
WMTV Madison, Wisconsin
WMTW-TV Poland Spring, Maine
WNBC New Britain, Connecticut
WNBF-TV Binghamton, N.Y.
WNBQ Chicago, Illinois
WNCT Greenville, N.C.
WNDU-TV South Bend, Indiana
WNEM-TV Bay City, Michigan
WNEP-TV Scranton, Pa.
WNHC-TV New Haven, Conn.
WOAI-TV San Antonio, Texas
WOAY-TV Oakhill, W. Va.
WOC-TV Davenport, Iowa
WOOD-TV Grand Rapids, Mich.
WOW-TV Omaha, Nehraska
WPBN-TV Traverse City, Mich.
WPIX New York, N.Y.
WPRO-TV Providence, R.I.
WPSD-TV Paducah, Kentucky
WPST-TV Miami, Florida
WRAL-TV Raleigh, N.C.
WRBL-TV Columhus, Georgia
WRC-TV Washington, D.C.
WRCA-TV New York, N.Y.
WRCV-TV Philadelphia, Pa.
WREC-TV Memphis, Tennessee
WREX-TV Rockford, Illinois
WRGB Schenectady, N.Y.
WROC-TV Rochester, New York
WRVA-TV Richmond, Virginia
WSAU-TV Wausau, Wisconsin
WSAZ-TV Huntington, W. Va.
WSB-TV Atlanta, Georgia
WSBT-TV South Bend, Indiana
WSFA-TV Montgomery, Alabama
WSJS-TV Winston-Salem, N.C.
WSJV Elkhart, Indiana
WSLS-TV Roanoke, Virginia
WSM-TV Nashville, Tennessee
WSOC-TV Charlotte, N.C.
WSPA-TV Spartanburg, S.C.
WSPD-TV Toledo, Ohio
WSUN-TV St. Petersburg, Fla.
WSVA-TV Harrisonhurg, Va.
WSYR-TV Syracuse, New York
WTAE Pittshurgh, Pa.
WTAP Parkershurg, W. Va.
WTAR-TV Norfolk, Virginia
WTCN-TV Minneapolis, Minn.
W-TEN Albany, New York
WTHI-TV Terre Haute, Ind.
WTIC-TV Hartford, Conn.
WTMJ-TV Milwaukee, Wisconsin
WTOC-TV Savannah, Georgia
WTOK-TV Meridian, Mississippi
WTOL-TV Toledo, Ohio
WTOM-TV Cheboygan, Michigan
WTOP-TV Washington, D.C.
WTPA-TV Harrisburg, Pa.
WTRF-TV Wheeling, W. Va.
WTVC Chattanooga, Tennessee
WTVD Durham, N.C.
WTVJ Miami, Florida
WTVM Columhus, Georgia
WTVN Columhus, Ohio
WTVP Decatur, Illinois
WTVT Tampa, Florida
WTVW Evansville, Indiana
WUSN-TV Charleston, S.C.
WVEC-TV Norfolk, Virginia
WVET-TV Rochester, New York
WVUE New Orleans, Louisiana
WWJ-TV Detroit, Michigan
WWL New Orleans, Louisiana
WWTV Cadillac, Michigan
WXEX-TV Petershurg, Virginia
WXYZ-TV Detroit, Michigan
KABC-TV Los Angeles, California
KAKE-TV Wichita, Kansas
KALB-TV Alexandria, Louisiana
KARD-TV Wichita, Kansas
KARK-TV Little Rock, Arkansas
KAYS-TV Hays, Kansas
KBAK-TV Bakersfield, Cal.
KBAS-TV Ephrata, Washington
KBES-TV Medford, Oregon
KBMB-TV Bismarck, N.D.
KBOI-TV Boise, Idaho
KBTV Denver, Colorado
KCBD-TV Luhhock, Texas
KCBX Salt Lake City, Utah
KCEN-TV Temple, Texas
KCIX-TV Boise, Idaho
KCMO-TV Kansas City, Missouri
KCMT Alexandria, Minnesota
KCOP Los Angeles, California
KCRA-TV Sacramento, Cal.
KCRG-TV Cedar Rapids, Iowa
KCSJ-TV Puehlo, Colorado
KCTV San Angelo, Texas
KDAL-TV Duluth, Minnesota
KDIX-TV Dickinson, N.D.
KDKA-TV Pittshurgh, Pa.
KDUB-TV Luhhock, Texas
KDUH-TV Hay Springs, Nebraska
KEDY-TV Big Spring, Texas
KELO-TV Sioux Falls, S.D.
(with satellites KLDO-TV & KPLO-TV)
KELP El Paso, Texas
KENS-TV San Antonio, Texas
KEPR-TV Pasco, Washington
KERO-TV Bakersfield, California
KETV Omaha, Nebraska
KEYT Santa Barhara, Calif.
KFBC-TV Cheyenne, Wyoming
KFDA-TV Amarillo, Texas
KFDM-TV Beaumont, Texas
KFDX-TV Wichita Falls, Texas
KFEQ-TV St. Joseph, Missouri
KFJZ-TV Fort Worth, Texas
KFMB-TV San Diego, California
KFRE-TV Fresno, California
KFSD-TV San Diego, California
KFVS-TV Cape Girardeau, Mo.
KFYR-TV Bismarck, N.D.
KGBT-TV Harlingen, Texas
KGGM-TV Alhuquerque, N.M.
KGHL-TV Billings, Montana
KGLO-TV Mason City, Iowa
KGMB-TV Honolulu, Hawaii
KGNC-TV Amarillo, Texas
KGO-TV San Francisco, Cal.
KGW-TV Portland, Oregon
KHBC Hilo, Hawaii
KHOL-TV Kearney, Nehraska
KHOU-TV Houston, Texas
KHPL-TV Hayes Center, Neh.
KHQ-TV Spokane, Washington
KHQA-TV Hannibal, Missouri
KHSL-TV Chico, California
KHVH-TV Honolulu, Hawaii
KID-TV Idaho Falls, Idaho
KIEM-TV Eureka, California
KIMA-TV Yakima, Washington
KING-TV Seattle, Washington
KIRO-TV Seattle, Washington
KIVA Yuma, Arizona
KJEO-TV Fresno, California
KKTV Colorado Springs, Colo.
KLEW-TV Lewiston, Idaho
KLFY-TV Lafayette, Louisiana
KLIX-TV Twin Falls, Idaho
KLTV Tyler, Texas
KLZ-TV Denver, Colorado
KMAU-TV Wailuku, Hawaii
KMBC-TV Kansas City, Missouri
KMID-TV Midland, Texas
KMJ-TV Fresno, California
KMMT Austin, Minnesota
KMOT Minot, North Dakota
KMOX-TV St. Louis, Missouri
KMSO-TV Missoula, Montana
KMTV Omaha, Nebraska
KNOE-TV Monroe, Louisiana
KNOP North Platte, Nehraska
KNOX-TV Grand Forks, N.D.
KNTV San Jose, California
KNXT Los Angeles, California
KOA-TV Denver, Colorado
KOB-TV Albuquerque, N.M.
KOIN-TV Portland, Oregon
KOLD-TV Tucson, Arizona
KOLN-TV Lincoln, Nehraska
KOMO-TV Seattle, Washington
KONO-TV San Antonio, Texas
KOOL-TV Phoenix, Arizona
KOSA-TV Odessa, Texas
KOTA-TV Rapid City, S.D.
KOTI Klamath Falls, Oregon
KOTV Tulsa, Oklahoma
KPAR-TV Sweetwater, Texas
KPHO-TV Phoenix, Arizona
KPIC Rosehurg, Oregon
KPIX San Francisco, California
KPLC-TV Lake Charles, La.
KPRC-TV Houston, Texas
KPTV Portland, Oregon
KRBC-TV Ahilene, Texas
KRCA Los Angeles, California
KRDO-TV Colorado Springs, Colo.
KREM-TV Spokane, Washington
KREX-TV Grand Junction, Colo.
KREY-TV Montrose, Colorado
KRIS-TV Corpus Christi, Texas
KRLD-TV Dallas, Texas
KRNT-TV Des Moines, Iowa
KROC-TV Rochester, Minnesota
KROD-TV El Paso, Texas
KRON-TV San Francisco, Cal.
KSBW-TV Salinas, California
KSBY-TV San Luis Ohispo, Cal.
KSD-TV St. Louis, Missouri
KSL-TV Salt Lake City, Utah
KSLA-TV Shreveport, Louisiana
KSTP-TV Minneapolis, Minn.
KSWO-TV Lawton, Oklahoma
KSWS-TV Roswell, New Mexico
KSYD-TV Wichita Falls, Texas
KTBS-TV Shreveport, Louisiana
KTHV Little Rock, Arkansas
KTIV Sioux City, Iowa
KTNT-TV Tacoma, Washington
KTRE-TV Lufkin, Texas
KTRK-TV Houston, Texas
KTSM-TV El Paso, Texas
KTTS-TV Springfield, Missouri
KTTV Los Angeles, California
KTVA-TV Anchorage, Alaska
KTVB Boise, Idaho
KTVE El Dorado, Arkansas
KTVH Wichita, Kansas
KTVI St. Louis, Missouri
KTVK Phoenix, Arizona
KTVU Oakland, California
KUMV-TV Williston, N.D.
KUTV Salt Lake City, Utah
KVAL-TV Eugene, Oregon
KVAR Phoenix, Arizona
KVER Clovis, New Mexico
KVKM-TV Monahans, Texas
KVOA-TV Tucson, Arizona
KVOO-TV Tulsa, Oklahoma
KVOS-TV Bellingham, Wash.
KVTV Sioux City, Iowa
KWTV Oklahoma City, Oklahoma
KWWL-TV Waterloo, Iowa
KXGO Fargo, North Dakota
KXJB-TV Valley City, N.D.
KXLY-TV Spokane, Washington
KXTV Sacramento, California
KYW-TV Cleveland, Ohio
KZTV Corpus Christi, Texas

Film producers who subscribe to the TV Code as affiliates were listed by NAB as:

Brennan-Westgate Prod. Inc.
California National Prod. Inc.
CBS Films Inc.
Chertok TV
Desilu Productions Inc.
Wyatt Earp Enterprises Inc.
Filmaster Productions Inc.
Flying A Pictures Inc.
Four Star Films Inc.
Gallu Productions Inc.
Gross-Krasne Inc.
Key Productions Inc.
Mark VII Ltd.
Marterto Productions Inc.
Robert Maxwell Associates Inc.
McCadden Productions
Overland Productions Inc.
Lindsley Parsons Productions Inc.
Revue Productions
Hal Roach Enterprises
Screen Gems Inc.
Superman Inc.
The Jack Wrather Organization
Ziv TV Programs Inc.

THEY SEEK CANADIAN STATIONS: Canada's Board of Broadcast Governors has started its round of public hearings on competitive TV licenses, with the biggest battle in Toronto. In the 4 sittings now scheduled, 24 applicants will seek 5 channels: 3 applicants seek one channel in Winnipeg; there are 5 for one channel in Vancouver; 7 for 2 channels in Montreal and 9 for the single Toronto outlet. The Montreal situation brings 3 applicants for an English-language TV station and 4 for a French language station.

Until now, the BBG and its predecessor as regulator, the Canadian Broadcasting Corporation's Board of Governors, have permitted only one TV station in a single market. Total English-language TV stations is 37 (excluding satellites), with 8 of them owned & operated by CBC and 7 French, with 2 owned & operated by CBC. CBC operates the only 2 networks—one English, stretching coast to coast, and the other French, largely Quebec province.

Now the door is being opened to competitive TV stations, on the basis of one competitive license in each city where BBG believes population & wealth can support another station. The new stations will operate independently of CBC but there is talk of a tape & film network to give wider programming of Canadian events.

Full details of ownership of companies seeking the new licenses have not been disclosed, but in most cases the newspaper or radio station affiliation of the applicants has been established.

Applicants and Their Backgrounds

Applicants at the Winnipeg hearings, starting Jan. 13, will be J. O. Blick, Joseph Harris and R. S. Misener, each acting separately on behalf of companies still to be incorporated. Blick owns CJOB Winnipeg. The Harris application includes Clifford Sifton, with interests in the *Regina Leader-Post, the Saskatoon Star-Phoenix* and CKCK-TV & CKCK Regina. Also included is brother Victor Sifton, publisher of *Winnipeg Free Press*, and other Winnipeg businessmen. The Misener application is a Winnipeg business group.

Vancouver sittings start Jan. 18. Metropolitan TV Ltd. includes the *Vancouver Sun*, the *Vancouver Province*, radio CKWX Vancouver, radio CKNW New Westminster, and Vancouver businessmen. The A. M. McGavin application is built around radio CFUN Vancouver. B.C. Television Co. Ltd. and Pacific Television Co. Ltd. include B.C. businessmen in all phases of industry, and the Vantel Television Co. application is headed by Art Jones, a swift-rising young film executive.

Montreal hearings are scheduled for March 7. Canadian Marconi Co. seeks the English TV license to add to its CFCF, the oldest radio station in Canada. The other 2 English applicants are Mount Royal Independent Television Ltd. and Sovereign Film Distributors Ltd., both strong Montreal business groups.

The 4 French-language applicants are La Compagnie de Publications de "La Prese" Limitee, which publishes the influential daily newspaper *La Presse*, and operates French-language radio CKAC; radio CKVL of nearby Verdun; Film producer Pail L'Aanglais on behalf of a company to be incorporated, and Raymond Crepault, also on behalf of a company to be incorporated.

Less is known about ownership of the 9 Toronto applicants. To be heard March 14, they include Baton Aldred Rogers Bcstg. Ltd. (*Toronto Telegram* and radio CKFH); Maclean-Hunter Publishing Company and British TV interests; Spencer W. Caldwell on behalf of a company to be incorporated; Rogers Radio Bcstg. Co., which operates the 50-kw CFRB; Consolidated Frybrook Industries Ltd., headed by Jack Kent Cook of CKEY; Henry Borden, on behalf of a company to be incorporated which will include Southam Publishing Co. with newspapers in Vancouver, Calgary, Edmonton, Winnipeg, Hamilton, Ottawa & Medicine Hat; Upper Canada Bcstg. Ltd., including British TV interests; Beland H. Honderich, on behalf of a company to be incorporated and expected to include the *Toronto Star*, Canada's biggest-circulation newspaper; and J. S. D. Tory, Q.C., on behalf of a company to be incorporated and to include Toronto's morning newspaper, the *Globe & Mail*, and British TV interests.

Full details of ownership will be revealed when the applications are heard.

Four other sittings will take place to hear additional applications. The BBG will meet in Edmonton May 9 and then move south to Calgary for its 2nd Alberta hearing; the next will be in Halifax, N.S., on the East coast, June 20, and immediately afterward BBG moves to Ottawa for the cleanup sitting.

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One-watt ceiling for vhf boosters, as proposed by FCC in its new set of standards for translators (Vol. 15:49 p4), won't do. That's the gist of early criticisms filed in advance of Commission's Jan. 11 deadline for comments on 8 major proposals to resolve booster issues. Those who agreed that the one-watt power limitation is too low were: Better Community TV Assn., Omak, Wash.; Edgemont (S. D.) Chamber of Commerce; Upper Methow Valley TV Corp., Winthrop, Wash.; Pateros (Wash.) Brewster TV Assn.; Wash. State TV Reflector Assn. Most said they can't provide adequate service with anything less than 3 watts. On the other hand, Video Utility Co., Spokane, concurred generally with FCC's proposals. It also suggested that an operators' association should be formed to name regional coordinators to advise what channels should be used.

A new vhf channel in Syracuse, if dropped in by FCC, will be applied for by a group headed by Dr. W. R. G. Baker, Syracuse U. Research Corp. pres. and ex-GE vp. His associates in the new W. R. G. Baker Radio & TV Corp., of which he is chmn., are: Pres. T. Frank Dolan, pres.-treas. of the Edward Joy Co.; vps Daniel W. Casey, Flack Advertising Agency, and Robert J. Conan, pres. of the Pomeroy Organization; secy., Richard N. Groves, pres. of the R. N. Groves Co., treas., Leonard P. Markert, vp of the Will & Baumer Candle Co. The board comprises the officers and William V. Stone, exec. vp of the Lincoln National Bank & Trust Co.

Reduction in radio station fees to ASCAP, "estimated at $800,000 a year," was provided for in an order signed by N.Y. Federal Court Judge Sylvester J. Ryan Jan. 5. The settlement was between ASCAP & All-Industry Radio Music License Committee, thus ending litigation between ASCAP and radio stations, which had petitioned for the fixing of a reasonable fee for the right to perform ASCAP music. Negotiations had been in progress for over a year. ASCAP estimates the cut in its income will probably amount to $350,000 a year in sustaining fees paid by stations for non-sponsored programs, and about $400,000 on commercial fees paid by stations.

Facility change: KTWO-TV (Ch. 2) Casper, Wyo. boosted power Jan. 5 to 70.8 kw, using a 5-kw driver. It simultaneously began color telecasting.

TWO NEW STARTERS OPEN UP 1960: The year's first new stations are KNBS (Ch. 22) Walla Walla, Wash. and KDSJ-TV (Ch. 5) Deadwood, S.D., satellite of KRSD-TV (Ch. 7) Rapid City, S.D. KNBS began Jan. 3 with ABC-TV. It's near the SE corner of the state, about 35 mi. from KEPR-TV (Ch. 19) Pasco-Kennewick, Wash. The other nearest outlet is KLEW-TV (Ch. 3) Lewiston, Ida., over 60 mi. distant. KDSJ-TV got program test authorization Jan. 6 to begin picking up NBC-TV programs of parent KRSD-TV. It's near the Wyo. border, only about 30 mi. from KRSD-TV, but the Black Hills block reception between the 2 towns. The new starters change on-air totals to 561 (86 uhf).

KNBS has 12-kw GE transmitter and a 100-ft. guyed Utility tower with helical antenna at its site on Pike's Peak. Studios are at 123 E. Adler St., Walla Walla. Warren L. Gray, ex-KHJ-TV Los Angeles, is pres.-gen. mgr. & 32% owner; William Barclay, ex-KNXT Los Angeles, vp-chief engineer & 20% owner; Lyle Bond, ex-KHJ-TV, PR dir.; William Wallace, ex-KHJ-TV technical dir., operations mgr. & 8% owner. Base hour is $200. Rep is Weed.

KDSJ-TV has 5-kw Gates transmitter on Crusher Hill near Lead, S.D. Owners are Eli, John & Harry Daniels, who also operate KRSD-TV and radio stations KRSD & KDSJ. KDSJ-TV is sold as a bonus with KRSD-TV, which has a $150 base hour. Rep is Meeker.

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In our continuing survey of upcoming stations, these are the latest reports from principals:

KORN-TV (Ch. 5) Mitchell, S.D. hopes to begin operation early this year, reports owner R. V. Eppel, who is also pres. & gen. mgr. Construction of studio-transmitter house has almost been completed and 5-kw Gates transmitter has been ordered. Utility 500-ft. tower, now ready, will have RCA antenna. M. A. Johnson will be commercial mgr., J. Doherty from radio KORN, chief engineer. Network affiliation hasn't been signed, nor has base hourly rate been set. Rep not chosen.

KRET-TV (Ch. 23) Richardson, Tex. plans to ask FCC for program test authorization by Jan. 15 to operate as a non-commercial outlet. Owner is Richardson Independent School Dist. It will use 1-kw RCA transmitter, with Ling Electron studio equipment. Alford antenna was installed on Rohn 100-ft. tower last week. Electron Corp., which is building the station, has asked for authorization for experimental operation of its own 50-watt transmitter at KRET-TV.

WFSU-TV (Ch. 11, educational) Tallahassee, Fla. hopes to begin March 1, writes dir. Roy Flynn for grantee Fla. Educational TV Commission. It has ordered GE transmitter, and will use a 700-ft. Klein tower.

KERA-TV (Ch. 13, educational) Dallas plans to begin programming next Sept. 10, now that it has contracted to take over equipment & property of WFAA-TV (Ch. 8) for $400,000. WFAA-TV plans to move into its new building in 1961 and meanwhile KERA-TV will operate from temporary studios at WFAA-TV site on Harry Hines Blvd. E. O. Cartwright, pres. of KERA-TV, states that over $100,000 is on hand, another $100,000 has been offered by Fund for Adult Education and remaining $200,000 is being collected.

CJCN-TV (Ch. 4) call letters have been requested for Grand Falls, Newfoundland, by owner CJON-TV (Ch. 6) St. John's Nfld., reports vp Don Jamieson. It hopes to begin programming this month from studios on High St. in Grand Falls, but also will pick up some CJON-TV programs via microwave. A prefabricated transmitter house is ready for the RCA transmitter at Norris Arm site, about halfway between Grand Falls & Gander. The base hourly rate is not set, but it will be available in combination with CJON-TV. Reps will be Weed and Stovin-Byles Ltd.

CKSA-TV (Ch. 2) Lloydminster, Alta. has ordered a Canadian GE transmitter and plans to program next June. It has a third of its construction completed, will use 605-ft. Micro tower. The base hour is not set, rep not chosen.

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New $2 million-plus plant of WFAA-TV & WFAA Dallas is scheduled for completion by Feb. 1961. It will be at Young & Houston Sts., adjacent to the building of owner *Dallas Morning News*, and will bring together WFAA, now in the penthouse of the Santa Fe Bldg., and WFAA-TV, which is selling its property on Harry Hines Blvd. to upcoming educational KERA-TV (Ch. 13).

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Recent Ampex Videotape recorder shipments bring total VTRs in use to 561. The latest deliveries, as reported by Ampex: KXTV Sacramento, WPTV Palm Beach, KHVH-TV Honolulu, WHET Evanston, Ind., WANE-TV Ft. Wayne, KVTV Sioux City, Ia., KGGM-TV Albuquerque, KXJB-TV Valley City-Fargo, N.D., WKBM-TV Youngstown, KCPX-TV Salt Lake City (2 recorders), WRVA-TV Richmond, KREM-TV Spokane, WHTN-TV Huntington-Charleston, WNCT, Greenville, N.C., U. of Ala., GE (Philadelphia), U.S. govt.

KCOP Los Angeles was probably first in telecasting history to carry a stock-selling message for a Hollywood movie company. Commercials urged viewers to purchase 22,000 shares of Cary Productions—at $10 a throw. The company seeks financing for its upcoming "Buffalo Soldiers" production.

Assn. of Maximum Service Telecasters adds the following members: KSTP-TV St. Paul-Minneapolis, KHQ-TV & KXLY-TV Spokane, KERO-TV Bakersfield, KXTV Sacramento, KTVU Oakland-San Francisco, WWTV Cadillac, Mich., WTOM-TV Cheboygan, Mich., KVAR Phoenix.

NAB help wanted: Members of NAB have been asked by station relations mgr. William Carlisle to recommend "a qualified prospect" for employment as a field representative. The job, to be filled early this year, entails travel, service calls, recruitment of new members.

NAB's engineering conference committee, headed by Warren Braun (WSVA-TV & WSVA Harrisonburg, Va.), holds its final meeting Jan. 13 at Washington headquarters to prepare for 14th annual engineering sessions at the 38th NAB convention, April 3-7 in Chicago.

New NAB edition of "Engineering Handbook" is scheduled for free distribution to members late in April or early May. It later will be put on public sale by publisher McGraw-Hill at $25 per copy.

TV Code operations were scheduled to be discussed Jan. 11 by asst. NAB Code affairs dir. Harry H. Ward at a meeting of the Motion Picture & TV Council, a local group, in Washington's Cleveland Park public library.

Canadian GE will distribute & service broadcast equipment made by EMI Electronics Ltd., London, including the EMI 4½-in. image orthicon and vidicon cameras which will be distributed in U.S. by Telechrome (Vol. 15:51 p3).

RCA shipped 2 color-TV tape recorders last week to WFBM-TV Indianapolis, Ind.

Networks

CBS LOOKS AT '59: CBS issued its annual summary last week. Stressed throughout the 25-page report were the network's post-quiz-scandal clean-up measures and its emphasis on prime-time public-affairs & news programming. Although sales & ratings were played down in the report, CBS had its most successful year to date.

In industry relations, the first major "image building" project last year was CBS's advocacy of the equal-time amendment (Vol. 15:19 p4) in the spring. Later, in the wake of the quiz investigations, a program practices dept. headed by Joseph Ream was created (Vol. 15:47 p3) "to assure that broadcasts were what they purported to be." Big-money quiz shows were dropped, merchandise plugs were banned and CBS Inc. pres. Dr. Frank Stanton "laid down the law" on payola (Vol. 15:49 p9).

While striving for an industry image, CBS managed, however, to maintain a strong position in the programming & sales areas. Of the 15 nighttime shows introduced last fall, only one, *The Lineup*, died in mid-season (Vol. 15:48 p13). For the first 10 months of 1959 the network showed a 7.8% increase in gross time sales over the corresponding period in 1958 and scored 14% higher sales than "the second network," said the report. A total of 139 sponsors advertised on the network during the year, including 32 new to CBS and 11 new to network TV. Among those new to CBS were Coca-Cola, Bell & Howell and Firestone.

The network increased its affiliates to 205 from 197 the previous year, but delivered only 8.6 million homes per average nighttime minute, as compared to 8.9 million in 1958, CBS told us. This is, however, 13% more homes per minute than NBC and 20% more than ABC, said CBS.

No more dramatic program change was seen in 1959 than CBS' news & public-affairs upsurge. *CBS Reports*, which was announced last May by Dr. Stanton (Vol. 15:19 p3), was implemented in the fall and joined by almost 11 hours of *Eyewitness to History* programs, which covered the Khrushchev & Eisenhower goodwill tours. Both series were sponsored—*Reports* by Bell & Howell and B. F. Goodrich, and *Eyewitness* by Firestone Tire & Rubber Co. In a move to give greater autonomy to its public-affairs programming, the network appointed Sig Mickelson pres. of CBS News in mid-year. John Karol was named vp & dir. of special projects, network sales dept., at year's end.

Among executive realignments, one overshadowed the rest—the appointment of James T. Aubrey Jr. as pres. of CBS-TV, following the resignation of Louis G. Cowan (Vol. 15:50 p9). Last spring programming exec. vp Hubbell Robinson Jr. resigned to become an independent producer and was replaced by Oscar Katz. Later in the year William Dozier resigned as vp, programs, Hollywood, to join Screen Gems, and was replaced by Guy della Cioppa.

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"Major significance" of the RCA-NBC consent decree requiring the network to get rid of its WRCV-TV & WRCV Philadelphia (Vol. 16:1 p9) is cited by Acting Asst. Atty. Gen. Robert A. Bicks in his year-end report on Justice Dept. anti-trust cases. The report lists the RCA-NBC judgment as a highlight of anti-trust div. successes in 1959, which brought "real progress toward efforts to keep calendars current and handle litigation promptly & effectively." During the year, 63 cases were closed, more anti-trust cases were filed than in any year since 1943 and 50% more merger cases were started than in any year since the 1914 Clayton Act became law, according to Bicks.

ARB's Station Coverage Study: American Research Bureau's 1960 coverage study, measuring all TV reception in the 50 states, has been signed for by ABC-TV & CBS-TV. Negotiations with NBC-TV are currently in progress. ABC & CBS now subscribe to all ARB services, NBC to all but this latest report. The new study is based on 2 "nationwide sweeps" of over 125,000 homes each. The first survey was concluded in Nov. 1959, the second will take place in March, coinciding with the U.S. census.

The new report will be broken down by individual city, state or county, as requested by the individual subscriber. In addition to station coverage, the study will measure total audience, viewer preference, audience composition and the percentage of overlapping coverage. ARB indicated that "most major agencies have expressed interest" in the study and "are expected to sign for national coverage following formal presentations this week."

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Outgoing NCAA TV committee recommended that the Association's new contracts with TV networks for telecasting of college football games be extended to 2 years. The new committee, selected Jan. 8 at NCAA's N.Y. convention, is to formulate a plan for the extension and meet with the networks by early spring. Participating colleges in nationally televised grid games last season received as much as $125,000 (to be divided between the school & its conference), it was also learned. At the same time the NCAA indefinitely suspended nationaal TV coverage of U. of Oklahoma football games because of infractions of athlete-recruiting rules.

NBC-TV is lowering its 10-11 a.m. rate from 50% to 40% of the Class A rate, putting the network "in line competitively with CBS," which lowered the rate for this hour last Dec. from 50% to 33⅓% of its Class A rate. ABC's rate for this time will remain at 33⅓% of its Class A rate. NBC's change is effective Feb. 1.

Walt Disney was denied a motion for summary judgment in its suit against AB-PT by N.Y. Supreme Court Justice Edward Weinfeld Jan. 6. No date has yet been set for the trial.

NETWORK SALES ACTIVITY

ABC-TV

Sugarfoot-Bronco, Tues., 7:30-8:30 p.m., participations.
Haggar Co. (Tracey-Locke)

CBS-TV

Rawhide, Fri., 7:30-8:30 p.m., alt. wk. one-third sponsorship.
Colgate-Palmolive (Ted Bates); *Binney & Smith* (J. T. Chirurg Co.)

Captain Kangaroo, Mon.-Sat., 8:15-9 a.m., alt. wk. 15-min. segs.
Wyler & Co. (R. J. Scott)

Douglas Edwards with the News, alt. wk. 15-min. seg.
American Home Products (Ted Bates)

NBC-TV

Racing from Hialeah, Sat., 4:30-5 p.m. eff. Jan. 15. Half-sponsorship.
Phillies Cigars (Werman & Schorr)

Programming

Public say in programming and a definition of the term "public interest" were urged by Gilbert Seldes at the Jan. 5 Radio & TV Exec. Society seminar. Louis Hausman, dir. of TIO, cautioned against 2 extreme points of view about programming—the huckster's and the ivory-tower egg-head's—"the one that says 'if the public likes it, it's good,' and the other one that says 'if the public *doesn't* like it, it's good.'" The average run of programming, he said, has "risen some in the past 10 years." However, if the medium is to "upgrade the taste of its audience and still maintain that audience," it must "move the people literally inch by inch without cheating them of what they came to TV for—entertainment." Seldes, who is dir. of the Annenberg School of Communications, at U. of Pa., suggested the public might be heard from in "open hearings prior to renewal of a station's FCC license," or by "regularly scheduled on-the-air discussions of programming content." In defense of the industry he said "TV has had the job of defining its own principles while going about the day to day task of securing business."

Higher viewing ratings & more news scoops from fringe areas are being obtained by KREM-TV Spokane with a novel *Community Profile* program. The show, which operates with the cooperation of some 100 community newspapers, is a 5-7 min. spotlight (history, govt., economy, etc.) on a particular community in the Ch. 2 station's broadcast area. Script data is furnished by the local community newspaper which also gives the program editorial space. Station mgr. Robert Temple says that "KREM-TV isn't just a TV station anymore; it's becoming a personal friend to each community in our market. We are amazed at the far-reaching effects of this 'grass roots' program." *Community Profile* is presented twice weekly during the 6:30-7 p.m. newscast.

NBC affiliates will preview new program series planned for presentation on the network, it was decided at a meeting last week of NBC management and the TV affiliates board of delegates. The previews will be carried to all interconnected NBC-TV stations by closed circuit on regular network lines. Special screenings of film shows also will be held for affiliate managers visiting N.Y. Heretofore network-station programming liaison has been confined to advance brochures & press releases describing forthcoming shows, and meetings with network personnel.

KTTV Los Angeles has obtained exclusive TV rights to the International Beauty Congress to be held in Long Beach, Cal., in Aug. It plans to video tape, film and microwave it for global distribution. KTTV will feed the 10-day event to as many U.S. & foreign stations as request it, utilizing film for overseas distribution, and live & tape for domestic. KTTV has covered the Miss Universe contest at Long Beach for 5 years. That competition has moved to Florida.

NBC will not negotiate with Gillette for renewal of the Fri. boxing bouts, N.Y. *Journal-American* sports columnist Jimmy Cannon reported last week—as we reported in Nov. (Vol. 15:47 p9). He says the last TV fight likely will be that of the last week in June, when the current contract runs out.

Sports Network Inc. is televising Big Eight basketball this season, Sat. 2:45 p.m. The series, sponsored in part by the American Tobacco Co., debuted Jan. 9, and will be seen throughout the Midwest for 8 more weeks.

Film & Tape

ABC-TV BROADENS FILM BASE: "All our new nighttime 60-min film shows will receive 26-week renewals, including *The Alaskans* and *Adventures in Paradise*," (Vol. 16:1 p15) ABC-TV program vp Tom Moore told us last week. He said he considered the rating performance of the telefilm lineup "an indication of real success," contrary to critical opinion (Vol. 15:52 p9).

There's growing evidence, however, that several 60-min. properties on ABC-TV are by no means out of the woods, renewals & ratings notwithstanding. For one thing, the renewals cover only 13 new film episodes (to complete the usual 39) plus 13 reruns during the summer—they do not extend into the fall-winter season of 1960-61. For another, ABC-TV program executives are making an unusally large number of telefilm production deals designed to: (1) provide the network with a generous selection of replacements for next fall and (2) spread the program risks among manv, rather than a handful, of film suppliers, with ABC-TV involved as a co-owner through pilot financing.

The broadening of ABC-TV's film-supply base suggests a tapering-off of the financial romance between Warner Bros. & ABC-TV, despite the 10-program WB telefilm lineup on that network; a swing away from Disney Productions (a pioneer ABC-TV supplier, but currently suing the network and represented on ABC by only one show); and from 20th Century-Fox (one show on ABC-TV, which managed to gain ratings in time for renewal; one show, *Five Fingers*, cancelled on NBC-TV).

ABC-TV's 1960-61 Film Plans

Here is a rundown on ABC-TV telefilm plans as gathered by our N.Y. & L.A. bureaus from network & independent production sources:

Screen Gems: The Columbia Pictures-owned telefilm firm will soon rival Warner Bros. as a prime supplier of ABC-TV shows. Already on the network from the SG stable are *The Donna Reed Show* & *The Man From Blackhawk*. Scheduled for fall start are 2 more 30-min. shows: the public-affairs series based on Sir Winston Churchill's writings and an all-cartoon comedy series produced by SG subsidiary Hanna-Barbera, *The Flagstones*. ABC-TV is currently using daytime reruns of *Rin Tin Tin*. Recently completed, with ABC-TV financing, was a 60-min. SG pilot of a revamped *Naked City* series, and other SG-ABC series are being discussed.

Four Star Productions: Already one of ABC-TV's major suppliers with 3 shows currently scheduled (*The Rifleman*, Robert Taylor in *The Detectives*, *Black Saddle*), this producer is involved with ABC-TV in at least 2, possibly 3 new pilots. The most elaborate is a 60-min., ABC-financed *Stagecoach West* pilot, with deals also in the works for pilots of *J.P.* (Justice of the Peace) and a remake of an earlier pilot starring James Whitmore, to be titled *The Law & Mr. Jones*.

MGM-TV: Two major 60-min. film properties have already been optioned by ABC-TV from MGM: *The Islanders* (pilot completed) and *Asphalt Jungle* (pilot being made). ABC-TV is directly involved in the financing of these series, and will participate in all residual & rerun deals as a co-owner, we're told by MGM.

Desilu Productions: One of ABC-TV's strongest successes this season has been the Desilu-produced *The Untouchables*, whose rotating sponsorship policy could be a head start for ABC-TV in magazine-concept selling. Desilu & ABC are planning to co-produce a new pilot of *Guest-*

ward Ho!, originally conceived as a CBS-TV project based on the John Patrick book. They are discussing other shows.

CBS Films: Currently preparing "at least 4 and as many as 6" pilots for network sale, program vp Robert Lewine told us he has "discussions scheduled in the near future with ABC." Since current ABC policy is to seek co-production deals through financing, a unique situation could easily develop here in which ABC-TV would be, in effect, co-producing a TV series with an offshoot of rival network CBS-TV. It would not, however, be the first CBS Films series on ABC-TV; that distinction rests with Sam Gallu's *Navy Log* series.

William Goetz: Known in the film industry primarily as a feature-film producer (*Sayonara*, etc.), Goetz & ABC currently have a production deal which calls for him to produce two 60-min. dramatic films on location in Israel, dealing with Biblical events in the life of King David. These are expected to be aired as semi-cultural specials on ABC-TV, and may possibly be shown in other countries, combined into one film, as a theatrical attraction.

Other Organizations: A checkup among other producers shows that ABC-TV is ranging widely through the telefilm industry in its search for new liaisons. Deals are known to be in the discussion stage between ABC and Goodson-Todman (currently represented on ABC-TV with *The Rebel & Philip Marlowe*), Irving Pincus (co-producer of *The Real McCoys* on ABC with Walter Brennan), Jack Webb's Mark VII Productions (whose long-term exclusive deal with NBC-TV is expiring) and Marterto Enterprises (producers of *The Danny Thomas Show* on CBS-TV).

Few of these deals are mere "indications of interest" on the part of ABC-TV. Most bring ABC-TV into direct partnership with leading producers on a number of big-budget projects in which the network will participate as a co-owner in rerun deals. They also provide ABC-TV with a steady & varied source of supply of 60-min. & 30-min. shows for any form of multi-program magazine-concept sales plan (Vol. 16:1 p8) the network may launch next fall.

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Canada TV Film Asks Aid: Trans-Video Productions Ltd. officials—Robert Maxwell, exec. vp, & Guy Herbert, vp & managing dir.—have charged that the content requirements of BBG are blocking development of the Canadian TV-film industry. They told Dr. Andrew Stewart, chairman of BBG, and member Carlyle Allison that the Canadian rules make it virtually impossible to produce there a high budget, internationally-salable TV series. Trans-Video cannot produce for Commonwealth consumption alone, and must have quality production values to enable it to compete in the U.S. market with the Hollywood-produced product. To do so, it needs to import key technical personnel and some performers, although Trans-Video saw Canadian performers and technicians taking over almost completely, in time.

Maxwell and Herbert proposed a new formula that would recognize TV films as Canadian, provided (1) they were produced in Canada and (2) more than 55% of the production cost is spent on Canadian talent & materials. "The Canadian TV film industry," they added, "will never get on its feet unless it allows American capital to invest in its future with some hope of gain."

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Purchase by United Artists of controlling interest in Ziv TV productions (Vol. 15:51 p10) was "still under way," a UA-TV spokesman told us Jan. 7. Problem: the price. We are reliably informed deal will probably be concluded.

Film Writers Vote Strike: Membership of the Writers Guild of America voted last week to strike the major film studios in both TV and movies Jan. 16. The Guild received authority from its members to extend the strike to the networks and independent telefilm producers if current negotiations fail (Vol. 15:52 p4; 16:1 p4).

Michael Franklin, executive director of WGA West, told us the action against the majors was motivated principally by the studios' refusal to budge on the Guild demands for a cut of any post-1948s sold to TV. He said virtually no progress has been made in 3 months of negotiations with the majors, the Alliance of TV Film Producers and the networks.

While the post-1948 issue is the key in talks with the majors, the chief issues in negotiations with the TV independents and networks involve increase in minimums; increase in residuals so that reruns would be based on the fee a writer receives rather than minimum; payment for foreign reruns; separation of rights, and recognition of adapters' rights.

WGAW's contract with the independents expires Jan. 15 and with the networks Jan. 30, and Franklin said there is every likelihood of strikes in those areas also. WGAW's last strike in TV, against the Alliance, was in 1952-53 and lasted 14 weeks. The Guild's contract with the major studios in movies expired last Nov., but a strike had been delayed in hopes a settlement would be reached.

Meanwhile, presidents of the major film companies agreed to a precedent-setting face-to-face showdown meeting with the Screen Actors Guild to avoid the imminent strike against their studios (Vol. 15:52 p4; 16:1 p4). The conference will take place late this month, before SAG's contract expires on Jan. 31. The crisis, which threatens to close every major studio in Hollywood, was precipitated when the talent guilds demanded a cut of post-1948 movies sold to TV, and the majors flatly refused.

Due in Hollywood from N.Y. for the key talks are Loew's Inc. Pres. Joseph R. Vogel; Columbia Pictures Pres. Abe Schneider; Paramount Pres. Barney Balaban; 20th-Fox Pres. Spyros Skouras and Universal-International Pres. Milton R. Rackmil. Other company presidents, headquartered in Hollywood, are Jack L. Warner of Warner Bros. and Steve Broidy of Allied Artists.

Studios, meanwhile, were making preparations for a strike. William Dozier, vp in charge of Coast operations for Screen Gems, the Columbia subsidiary, told us if there is a strike by both actors and writers guilds, "we'll just put on reruns." He wasn't too concerned about the writers' action, commenting "We're way ahead on scripts—we had been anticipating this possibility."

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Adolphe Wenland, Hollywood "giveaway king," whose statement that he has been an unpaid, voluntary worker for U.S. Treasury Dept. savings bond div. for years, was met with skepticism by Edmund J. Linehan, bond ad & prom. dir. (Vol. 16:1 p13), has provided us with evidence that he has done such work for 14 years. Wenland has in his possession letters of commendation for his work from Treasury Dept. officials, including Jacob Mogelever, chief of the press section, when he praised Wenland in 1951; Earl O. Shreve, national dir. of the bond div., when he wrote his commendation in 1955; Vernon Clark, also once a savings bond drive dir. Wenland also has press releases from the Treasury Dept. mentioning his work for it. He repeated that he has never received a cent for his work, and said he's sending photostatic copies to Linehan.

HOLLYWOOD ROUNDUP

SAG-AFTRA Merger Gets Cole's OK: Recommendation of a merger of the 2 largest actor unions, the Screen Actors Guild and AFTRA, was made last week by David Cole in the report prepared at the request of the unions (Vol. 15:24 p19). The proposal will probably be submitted to the memberships of both unions for their approval. AFTRA has long sought the merger, but SAG brass have been cool to the idea. SAG has received a proposal from AFTRA that the merger study committees of the unions meet in Hollywood during the week of Jan. 18 to discuss the Cole report. SAG's board will consider it at Jan. 11 meeting.

Production of a pilot, *Here's Hollywood*, is planned by Jess Oppenheimer for NBC-TV. Mobile Video Tape will be used for the pilot of the daily daytime series which will feature interviews . . . **Producer** Hal Hudson and Four Star are planning 2 new Western pilots, which will be showcased on *Dick Powell's Zane Grey Theatre*. Dean Jones will star in one, the other is uncast.

Producer Bill Burrud plans a new travel-adventure series, *Flight to Adventure*, with the pilot to be filmed in La Paz, Baja California, late in Jan. Jon Lindbergh, son of the famous Charles, will supervise flight sequences . . . **Bischoff-Diamond Corp.** plans a pilot of *K-9 Corps*, a series to deal with the use of trained dogs in the prevention & solution of crime.

Producer Hal Kanter has been signed to create, produce and direct pilots for 2 new comedy series for 20th-Century Fox Television. One series, *Down Home*, will star Pat Buttram. The other is an untitled comedy to star Luciana Paluzzi, of the studio's *5 Fingers* series which has been cancelled. William Self is exec. producer of "Home." Both pilots go into production in Feb.

Rodney-Young Productions, owned by producer Eugene B. Rodney and Robert Young, plans an expansion of its activities by producing pilots and financing independents "with a good track record." The company previously has confined its schedule to production of the successful *Father Knows Best* series, a co-production deal with Screen Gems.

Producer Ben Brady has signed the Wiere Bros. to star in *Oh! Those Bells*, a situation comedy which his Davana Productions will produce with CBS-TV financing. The pilot's production date hasn't been set. Brady is currently producer of CBS-TV's *Have Gun—Will Travel*.

Paramount has closed a deal for Jerry Stagg, John L. Greene and Phil Shuken to make 2 pilots for its TV operation. The first will be a situation comedy, *Happily Ever After*, with Stagg as exec. producer and his partners writing it. Stagg, producer of *John Gunther's High Road*, has moved from the Hal Roach lot to Paramount Sunset.

Warner Bros. plans to reshoot the pilot of its comedy *Room for One More*. It will also do a pilot for a 60-min. series, *The Roaring Twenties*.

Donald Tait, ex-Ziv TV, has joined Cinema Research as production consultant . . . **Four Star Television** has signed Joe Hoffman to produce its 60-min. pilot, *Michael Shane*, for NBC . . . **Hans Conreid**, who starred in 20th-Fox Television's pilot, *Mr. Belvidere*, has obtained his release from the studio . . . **Zsa Zsa Gabor** has resigned from the board of Herts-International Corp. . . . **James Pratt**, TV producer for Walt Disney, leaves Feb. 1.

NEW YORK ROUNDUP

Ben Adler Adv. Service has been appointed by Trans-Lux TV to design & distribute station-level promotional aids for T-L's syndicated *Felix the Cat* cartoon series. The Adler firm has hitherto specialized in theatrical movie promotion campaigns, and has promoted such not-for-kiddies fare as "The Lovers," "And God Created Woman," "Love Is My Profession," and "Lady Chatterley's Lover." New exploitation kits include the usual trailers, slides & stills but also have special National Safety Council tie-ins, decals, Day-Glo banner strips, life-size standees for displays, shopping bags, autographed Felix postcards, etc.

WNTA-TV received over 15,000 letters or telegrams last week urging that *Play of the Week* be kept on the air. The public response followed *N.Y. Times* TV critic Jack Gould's Dec. 30 column depicting the show's economic plight. WNTA-TV newscaster Mike Wallace also made an on-the-air plea for public support of the show. The station informed us Jan. 7 that the 2-hour show will be continued, although the weekday starting time will be moved from 8 p.m. to 8:30 p.m. effective Jan. 18.

Fremantle Italiana S.R.L. has been granted a charter under Italian law and will operate in Rome as a full affiliate of Fremantle International. Lionello Torossi, Fremantle's agent in Italy since 1953, will head the new organization. Fremantle now has 4 foreign affiliates, including Fremantle of Canada Ltd., Fremantle de Mexico S.A., & Talbot TV Ltd. The latter handles distribution in the United Kingdom and Continental Europe with the exception of Italy. Fremantle of Australia Ltd. is expected to begin operation early this year.

Ziv's *Tombstone Territory* was sold in 18 markets during the second half of Dec. 1959, putting the off-network first run syndicated series in 151 markets to date . . . ITC's *Four Just Men* has been bought by Studebaker (Lark) Dealer's Advertising Assn. for N.Y., Syracuse, Albany, Binghamton, Watertown & Plattsburg. The series is now in 151 markets, with auto-industry sponsorship accounting for "nearly 40% of total sales."

NBC-TV will strip reruns of *The Loretta Young Show* in the Mon.-Fri. 2-2:30 p.m. time period starting Feb. 8. The network purchased the rerun distribution rights to the 226 film backlog, as well as future episodes, from Miss Young. Reruns of *Yancy Derringer* will be the first series stripped in NBC's anthology *Adventure Theatre* which goes in at 4:30-5 p.m. on the same date. The 34-episode "Derringer" backlog was bought from Don Sharpe Productions. The network will replace *House on High Street* (4 p.m.) with *The Comedy Hour*, comprised of *The Thin Man* repeats and other comedy shows.

Dynamic Films Pres. Nathan Zucker predicted last week an increase in "every type of film production for N.Y. in 1960." The use of film in TV commercials "will regain much of the ground lost through experimentation in the new tape product," Zucker said, adding "tape is a valuable tool but not the panacea it has been claimed to be."

Ken Marthey, ex-McCann-Erickson & Benton & Bowles TV commercial producer, has been appointed a film-commercial staff dir. at Robert Lawrence Productions, N.Y. . . . **Louise N. Stone** has been appointed dir. of sales of Robert Lawrence Animation, N.Y. . . . **Peter F. De Caro** has been elected treas. of Bob Klaeger Productions.

Film Export Assn. Adds Members: Several Hollywood telefilm production companies, including Desilu Productions, joined the TV Program Export Assn. last week, after hearing a talk by consultant William H. Fineshriber, outlining the purposes of the group (Vol. 16:1 p15). Fineshriber told us he didn't think the smaller, one-series companies would join because of the stiff annual dues ($7,500), but all the major TV-film companies are or will be members, he's convinced. He and the interim committee will meet in N.Y. this week (Jan. 14) to discuss further plans and the first meeting of the association's board will be held there late this month.

Addressing the Alliance of Television Film Producers, Fineshriber emphasized the growing importance of the foreign market for syndicators. He said a first-run syndicated series, costing $30,000-$35,000 an episode, is a risky gamble on the domestic market today, and that about $20,000 is a good return for domestic syndication. The figures are lower than they were a year ago, and the returns now obtainable in the foreign market are far lower, but Fineshriber predicted the latter will eventually account for more than 50% of total income—as it does for the movies today. He hit the "inequity" of Japanese TV import regulations, the United Kingdom's 14% quota, increasing difficulties for American exporters throughout Latin America and dollar obstacles in the Philippines, France, Brazil and Thailand.

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Revue Revs Up Pilots: Revue Productions, Hollywood's leading telefilm company, has stepped up pilot-production tempo with 8 definitely scheduled and more than that number planned. The programming is versatile, with comedy a dominant factor in the new properties.

Just completed is *Barnaby Hook*, an adventure series about a newspaperman. Dan Duryea stars, Richard Irving produces. An untitled situation comedy, starring Fred Clark, is also in production.

A joint venture of Revue and producer Jack Chertok is *The Brown Horse*. Revue plans to pilot *Bulldog Drummond*, a private-eye series, the pilot to go into production in Feb. at Lake Louise, Canada. Another location pilot is the tentatively titled *Texas State Trooper*, not yet cast. It is aimed at the syndication market, will be filmed in Texas. Producer Nat Holt, who turns out *Wells Fargo* for Revue, has finished a pilot on *The Tall Man*, starring Barry Sullivan. It's a co-production deal with Revue. Definitely scheduled for production, but not yet cast, are pilots of *Love and Wahr*, a comedy-drama, and *This Gun for Hire*, an action series.

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Producers Resent Payola Quiz: Hollywood telefilm producers are receiving questionnaires from the 3 networks asking them to state whether they have ever received any benefits from anything heard or seen on their shows. Most of the producers we checked on this were resentful, and some said flatly that they wouldn't sign. They believe the networks are going beyond the intent of FCC's survey of TV stations seeking to determine the incidence of payola (Vol. 15:49 p6). Not being employes, producers think they are being unfairly dragged into a mess not of their making.

TV film does imitate a practice of its cinematic older brother—that of using free props. Example: A car is obtained at no cost for use in the story; it thereby gets a hidden plug, so to speak, on screen. Not all, but most producers practice this and they see nothing unethical in it.

Advertising

Special ANA session "to give membership a first-hand account of the important developments affecting all advertisers," since ANA's annual meeting last Nov. has been called for Feb. 2 at the Hotel Plaza, N.Y. FTC Chmn. Earl Kintner will address the session along with representatives of newspapers & magazines as well as the broadcast media. "Definite action is called for on the part of responsible advertisers, agencies & media, in view of public and government reaction to certain advertising practices," ANA Pres. Paul West said. "It is self-evident that there must be a higher degree of self-regulation & standards of practice for advertisers, agencies & media if private industry is to continue to employ advertising to the full extent."

TV camera trickery wasn't used in its automobile commercials featuring Libbey-Owens-Ford safety glass in side windows, GM has asserted in a denial of FTC charges that the advertising was deceptive (Vol. 15:45 p2). Moreover, GM said in its formal reply to FTC's complaint, the challenged commercials were discontinued voluntarily before the charges were filed. Asking dismissal of the case, in which L-O-F also was cited, GM said "everything that could be accomplished by this proceeding has already been accomplished by the voluntary good faith discontinuance." The charges were disputed by L-O-F in a statement issued when the complaint was filed.

TV's a built-in salesmaker for rugs, TvB's Louis Sirota noted for the Associated Merchandising Corp. Video has intensified family use of the livingroom, producing a gratifying & lucrative increase in the wear & tear on floor coverings, he told the meeting of department store rug buyers. "The market is a ready & ripe one for new sales," he advised, and can be tapped by a TV ad campaign.

Branham Co. will open a Minneapolis office Feb. 1 in the Northwestern Bank Bldg., with Robert Brockman in charge of TV-radio operations.

New reps: WNEW-TV New York to Petry Jan. 1 from Weed. WISH-TV Indianapolis to H-R Television Jan. 1 from Bolling.

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Ad People: Henry R. Bankart, Henry A. Haines, Willard J. Heggen named Compton senior vps . . . Guy B. Mercer appointed vp & plans board member, Needham, Louis & Brorby, Chicago . . . Floyd G. Van Etten, Theodore E. Schulte, Mable C. Anderson elected J. Walter Thompson vps, Chicago office.

Richard Mercer, Harold Longman and E. E. Norris elected BBDO vps . . . Brantz M. Braun, William L. Ballard and James R. Kavanagh elected Ted Bates vps . . . John Egan, ex-Compton Advertising, named Doyle Dane Bernbach TV-radio programming dir. . . . Michael Barnett named Doherty, Clifford, Steers & Shenfield vp . . . Henry M. Calder named a Lennen & Newell vp . . . Len Carey, ex-BBDO, appointed exec. vp, C. J. LaRoche.

Obituary

Willson (Bill) Tuttle, 47, vp for TV-radio on the Coast for Fuller, Smith & Ross, died in Hollywood Jan. 6 following intestinal surgery. Surviving is his widow.

Edgar Parker Small, 50, a founder and retired vp of Ted Bates & Co., died Jan. 3 of a heart attack in Easton, Md. Surviving are his wife and 4 sons.

Television Digest

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Personals: Alfred R. Beckman appointed ABC vp in charge of the Washington, D.C., office, succeeded as ABC-TV station relations dir. by Robert Coe, promoted from regional mgr., ABC-TV station relations dept.; Edgar G. Shelton Jr., asst. to the pres. for national affairs in Washington, elected vp . . . Lester Bernstein, NBC corporate affairs dir., elected vp . . . W. Thomas Dawson, ex-CBS-TV, appointed ad & promotion vp, CBS radio.

Howard Berk promoted from publicity dir. to dir. of information services, CBS-TV Stations & Spot Sales, succeeding Charles J. Oppenheim, who resigned to enter family business, Parfums Raphael . . . Charles A. Henderson named to new post of press relations mgr., NBC press & publicity dept., Cornelius K. Sullivan to new post of administration & services mgr., same dept. . . . Joseph J. Jacobs named asst. gen. counsel, ABC . . . Richard Kallsen promoted from CBS News correspondent in Beirut, Lebanon, to chief of new Caribbean bureau; Russell L. Jones moves from CBS News, Washington, to succeed Kallsen in Beirut.

Joseph S. (Dody) Sinclair, WJAR-TV Providence, R.I., mgr., elected a vp of parent company, The Outlet Co. (dept. store) . . . Robert E. Draughon promoted to sales promotion mgr. of Griffin group's KTUL-TV Tulsa and KATV Little Rock . . . John J. Gemma named operations & traffic dir for KNXT Los Angeles and CBS-TV Pacific network, replacing Henry J. Schaefer, now WBBM-TV Chicago bus. mgr. . . . Thomas B. Fitzpatrick promoted to asst. chief of FCC hearing div., succeeding David I. Kraushaar, recently named a hearing examiner . . . Eugene F. Mullin Jr. & J. Parker Connor establish law firm of Mullin & Connor, Suite 300, Southern Bldg. (Sterling 3-2455), Washington, leaving Rhyne, Mullin, Connor & Rhyne . . . Walter E. Branson named vp of TV Stations Inc., station-owned film buying organization . . . Richard D. Lane named ARB Midwest agency sales mgr.

Louis Wolfson, ex-radio WLOS Asheville, N.C., to vp, WFGA-TV Jacksonville, Fla. (both Wometco stations) . . . Rex King, ex-WSTV-TV Steubenville, Ohio, named gen. sales mgr., KELO-TV Sioux Falls, S.D. . . . Judd A. Choler, ex-WCAU-TV Philadelphia, appointed sales promotion dir., KMOX-TV St. Louis, succeeding Thomas Stanton, now an account exec. . . . Norman G. Gray promoted from salesman to local sales mgr., KXTV Sacramento, Cal. . . . Dr. John W. Dempsey, U. of Detroit political science professor, named news & public affairs dir., WJBK-TV Detroit. He will continue teaching.

J. Luckett Yawn Jr., Miami News bus. mgr., elected secy. & a dir. of Biscayne TV Corp. (WCKT Miami), replacing John L. Foy, resigned . . . John R. Heim promoted to dir. of FTC's Bureau of Consultation, in charge of voluntary compliance program . . . Arthur Mermin & Ralph O. Winger advance to partnership in Cahill, Gordon Reindel & Ohl, N.Y., NBC legal counsel . . . Sylvia D. Kessler joins Washington law firm of Krieger & Jorgensen.

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Bud Rogers Moves to Taft: One of TV's pioneer telecasters decided to have a look at greener pastures last week. Lawrence H. (Bud) Rogers, who's been synonymous with pre-freeze WSAZ-TV Huntington-Charleston, W.Va., since its inception in 1948, quietly announced he was moving over to Taft Bcstg. Co. as vp in charge of operations. He'll make the switch March 1, report direct to Taft Pres. Hulbert Taft Jr., and assume supervisory charge of Taft's 5 TV & 4 AM-FM radio stations (WKRC-TV & WKRC Cincinnati; WTVN-TV & WTVN Columbus, O.; WBRC-TV & WBRC Birmingham, Ala.; WKYT Lexington, Ky.; WBIR-TV & WBIR Knoxville, Tenn.).

Huntington won't seem the same without Rogers, and he told us it was no easy matter to resign as pres.-gen. mgr. of the station and as pres. of the corporation which operates WSAZ-TV & WSAZ. However, he felt that he needed more challenge.

Behind the switch is a conflict of interests. Majority control of WSAZ-TV has passed from Roger's family (his father-in-law, *Huntington Herald-Dispatch* and *Advertiser* Pres. Walker Long, owns 40% of WSAZ-TV), and Rogers has been unable to effect the plans & policies he believes necessary for the station's growth. Rogers will remain on the WSAZ Inc. board until the end of the fiscal year, July 31. He will also continue as pres. of Kanawha Valley Bcstg. Co., which owns radio WKAZ Charleston.

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Meetings next week: RTES timebuying-selling seminar (Jan. 19). Carl Lindemann Jr., NBC-TV for daytime programs, and Frank Minehan, Sullivan, Stauffer, Colwell & Bayles vp & media dir., discuss "What's the Difference in Daytime Audiences?" Hotel Lexington, N.Y. . . . National Religious Bcstrs. 17th annual convention (19-21), Mayflower Hotel, Washington . . . Ninth annual Sylvania awards (21), Hotel Plaza, N.Y.

Bipartisan broadcasts by Sens. Scott (R-Pa.) & Clark (D-Pa.), who started a unique home-state public service program series last year (Vol. 15:40 p4), will be resumed during this session of Congress. They issued a joint announcement that the filmed & taped political discussions will be carried every 2nd Sunday by 7 TV & 14 radio stations in Pa. The first program in the new series was prepared in Senate studios for Jan. 10.

Applications for 8 CBS Foundation fellowships for 1960-61 "to help increase understanding of TV & radio as news & public affairs media" are being accepted by the foundation. Staff members of CBS News, CBS o&o stations and CBS-TV & radio affiliates are eligible for the grants, if they are affiliated with news & public affairs depts.

Obituary

Claire Mann, 48, TV & radio commentator on beauty & health, and for 10 years producer of a daytime series on WABC-TV, died Dec. 24 of cancer at her home in N.Y. She is survived by her husband, Dr. Stephen Nordlicht, and her father.

Trade Report . . . .

JANUARY 11, 1960

1959 TV PRODUCTION—6,349,008: EIA officially tallied 1959 TV set production at 6,349,008 units last week, as it supplied its members with output figures for the final statistical week (ended Jan. 1) of last year. Radio figures showed 15,619,809 sets produced—highest yearly output since 1947 and tied with 1946 for 2nd biggest radio production year in history.

TV production for 1959 marked healthy comeback from the 4,920,428 produced in 1958, but set no record (production has exceeded 7 million units 5 different years). Eleven-month retail sales figures (p. 22) also issued this week, indicate that year's TV sales may come out slightly more than 5.8 million, while radio sales (excluding auto) will reach 9 million or a little more.

Here are the TV-radio production figures for the final 2 statistical weeks of 1959 (year's totals subject to slight changes after final EIA audit):

	Dec. 18-25	Dec. 26-Jan. 1	1959 total	1958 total
TV	103,342	76,643	6,349,008	4,920,428
Total radio	278,550	218,846	15,619,809	11,747,449
auto radio	130,156	94,868	5,554,855	3,715,362

OPTIMISM & ENTHUSIASM AT CHICAGO MARTS: When steel strike settlement was announced during opening day of Chicago markets, the last barrier to all-out optimism was removed—and TV-radio-appliance manufacturers almost unanimously used same phrase in forecasting 1960: "A banner year." Dealers, too—attending new-line showings & NARDA convention—were enthusiastic about prospects.

Rarely have we attended an industry event where good feeling was so nearly universal. There was even optimism in the 2 product areas which troubled the industry most last year: the Japanese radio import situation and the disappointingly slow movement of stereo. And in many cases, more orders were being written than last year—although the winter marts are not primarily selling events.

From our talks with manufacturers & dealers at the show, and from our own observation of the main-tent show at the Merchandise Mart as well as the sideshows clustered in Loop hotels, here is the Spirit of 1960 in consumer electronics, as it looks to us (further information on the various topics will be found on the pages indicated):

Biggest news of all in every branch of the trade is that product upgrading will continue, with emphasis this year continuing & expanding last year's trend to quality, as opposed to price. Prices as such, on model-for-model basis, probably won't increase, but average price of TVs & stereos sold at retail will. Although increase in steel prices undoubtedly will cause rises in white goods, some manufacturers felt that steel settlement actually has staved off boosts in TV & stereo—because such higher priced steel substitutes as aluminum and wood now won't have to be used.

The market signaled full-fledged industry-wide launching of the 23-in. tube. Virtually every TV manufacturer now has it in its line. Principal exceptions: Magnavox & Emerson, both expected to add 23-in. sets this spring. Admiral's 23-in. set at $199.95 list (dealer price $132) had everybody talking—and there's no doubt other manufacturers will add a model at this price by next summer.

The coming of the 19-in. square-cornered tube this spring & summer brought twinkles to the eyes of just about every set maker. Everybody sees it as the big new development of 1960, and there's feeling that it may be a more significant development than the 23-in., being a really "new size." No 19-in. sets were far enough along to be shown—even in mock-up form—but there's no doubt that this size is as uncontroversial as the 23-in. was controversial last year. No 2 ways about it—it's in. (For summary of new tube size developments, see p. 19.)

Fine-furniture trend was never more in evidence. Styling of most higher-priced drop-in TVs & stereo had most pronounced furniture look yet—and there were more fine-furniture or furniture-designer "name" tie-ins in TV-stereo—a la Motorla's Drexel connection and its new tie-in with Heritage, Westinghouse-Perlmutter and Capehart-Tomlinson.

Even the industry's traditional "tin can"—the boxy table model—is getting a fine-furniture upgrading. Much more prevalent at this year's show were furniture "bases" (not tables), which surround & disguise the prosaic table TV in period or modern dress. Almost every major maker showed them.

"Home entertainment centers"—TV-AM-FM-stereo-phono—were added by several manufacturers, and the combination seemed to be showing strong signs of new life, keyed to stereo. For example, Westinghouse dropped in 4 new ones. Magnavox added whole new combination series. In lower priced field, Muntz discontinued all non-TV stereo units in favor of TV combinations.

In stereo, "3-channel" approach definitely is taking hold as are outriggers & tiny satellite speakers. Unhappy about Better Business Bureau's censure of the term "3-channel" as possibly misleading (Vol. 15:51 p14), manufacturers are casting about for another name. Three-channel leader Motorola seems to be soft-pedaling the phrase and highlighting instead "3 separate amplifiers, 3 separate speaker systems." Others are saying "3 sound channels." Optimism about stereo is guarded, but most makers agreed with our forecast last week (Vol. 16:1 p17) that business this year will be about 10% better than 1959.

There was more interest in color TV than at any time in last few years. At meetings with manufacturers, some dealers were asking "when will you have it?" Set makers were eyeing the possibility of going into color on the same scale and by the same approach as Admiral (whose full color line uses RCA-made chassis) because of that manufacturer's success in its limited-quantity flyer into color last year.

Rumors abounded that this manufacturer or that one was going into color with a line of RCA-built sets —but if there was any truth to them, no set maker mentioned was willing to confirm. Denials of plans for 1960 color sets came from Zenith, Motorola, Westinghouse, Sylvania, others. It's known, however, that RCA is negotiating with set makers to supply more color lines this year. Nevertheless, no one saw a major technical or price breakthrough—or any real mass market—in color's near future.

Another sign of the expanding market this year is re-entry of old names and entry of at least one new one into TV field—a unique phenomenon in the light of the attrition of TV brand names in recent years. Capehart showed magnificent line of furniture stereo & TV-stereo combinations, promised full TV line, including portables & table models, next June. Sonora label, revived by Trav-Ler, was present in Chicago with short low-priced TV line. Metz of Germany showed stereo lines which included combinations with RCA Victor 21-in. TV chassis. Metz officials said they had placed initial order for 5,000 RCA TV chassis (see p. 20).

There were more competitive U.S.-made pocket transistor radios shown this year—but also more Japanese ones. Manufacturers were sharply divided on whether imports have reached their peak, and what effect the midgets have had and will have on U.S. radio market. Some even argued that Japanese had done American radio makers a favor by expanding market, opening new channels of distribution, etc. (see p. 21).

Not that everything was milk & honey at the Chicago 1960 kick-off. Some trade experts—but not all —predicted that the extremely tight credit situation would blunt the sales boom both with regard to new housing starts & consumer installment buying. And other industry leaders warned of continuing threats in industry practices—Philco Pres. James M. Skinner Jr. in "price selling," Westinghouse consumer products vp Chris J. Witting in "shoddy practices" by manufacturers, distributors & dealers, Zenith Pres. Joseph Wright in U.S. electronics firms' technical assistance to foreign competitors. (For details, see pages 19 & 20.)

ELECTRONICS IMPORTS UP, EXPORTS DOWN: Growing international electronics competition has resulted in a drop of nearly 5% in U.S. exports of electronic products during the first 9 months of 1959. And U.S. imports of electronic items were more than 2½ times greater than those of same 1958 period.

Nevertheless, U.S. electronics' balance-of-trade is favorable—our country still exports well over 5 times more than it imports. These figures were compiled by the electronics div. of the Commerce Dept.'s Business & Defense Administration on basis of U.S. & foreign govt. statistics. They show that Jan.-Sept. 1959 electronics imports totaled more than $48.8 million, while exports totaled $261 million.

Lion's share of electronics exports to the U.S. were Japanese radios. U.S. govt. figures show more than $30-million worth were imported here during the 9-month period. Japanese figures, using different base, place the total radio exports to U.S. at $37.5 million.

Other foreign electronics sources for America are West Germany ($10.2 million in radios, radiophonos & TVs plus $3.9 million in sound recording equipment last year), United Kingdom ($9.2 million in record players last year) and the Netherlands.

In U.S. electronics exports, biggest single decline from 1958 was registered in radio communications equipment—from $91.4 million to $69.9 million—while TV-radio broadcast equipment exports increased by 65% to $7.4 million from $2.2 million, mainly as a result of the rise in demand for TV studio equipment. TV picture tube exports rose 21%, while receiving tube exports dropped 17%.

Noting trend to greater competition from foreign electronics firms, Commerce Dept. adds that "there is also evidence of greater participation by U.S. firms in international trade through licensing arrangements with or direct investments in foreign firms."

For your convenience, the Commerce Dept. tables on U.S. electronics imports & exports and on shipments of radios from selected countries are reprinted on page 22.

THE 23 AND THE 19: Although they're look-alikes, the new 23-in. and the upcoming 19-in. picture tubes will serve entirely different functions in TV lines, in the opinion of manufacturers with whom we discussed the subject at the Chicago market last week.

While some set makers gave the impression that they were being dragged, kicking & screaming, into the 23-in. set field, every manufacturer we contacted was enthusiastic about the square-cornered 19-in. and there are indications that some unique set designing is now being carried on around the newcomer.

The 23-in. is now in nearly every major line—and will be in all of them by summer—although some manufacturers are giving it more emphasis than others. Admiral and Sylvania still seem to be staunchest proponents, with longest lines & greatest stress on the new size. Admiral sales vp Carl E. Lantz predicted that by year's end the 23-in. would account for 75% of his company's large-screen TV set sales.

Probably 3rd most enthusiastic 23-in. set manufacturer is Zenith, which prominently displayed its new long lines of square-corner tube sets. Zenith has gone to 110-degree deflection for the new tube, abandoning the "dog-house" on back of the set rather than slimming cabinets.

Most other set makers exhibiting in Chicago had 23-in. tubes in new high-end merchandise. The Corning twin-panel approach was used in most—but not all—cases. It's the most widely available 23-in. tube now. Westinghouse showed 2 new 23-in. sets using the Corning bonded safety glass approach as the predecessors of 16 new models, due this week. But Westinghouse officials said they planned to use the Kimble non-bonded 23-in. with standard safety glass when the tube is more plentiful.

GE introduced two basic models of the 23-in. set in Syracuse last week, but did not include them in its Chicago display. GE became the first manufacturer to use Kimble Glass non-bonded 23s, and announced the new sets would retail for about $30 more than comparable 21-in. models.

Motorola is the only company using 2 different 23-in. tubes. Two 23-in. models in its Drexel furniture series have 110-degree Corning twin-panel tubes, while the 2 in its regular line use 90-degree Kimble bulbs with Pittsburgh Plate Glass bonded-on implosion plate.

Magnavox, which has not yet introduced a 23-in. tube, is stressing 24-in. sets, and the official company line is "a bigger tube at less cost." But it's understood that Magnavox is also readying 23-in. models this spring.

* * *

The 19-in. square-cornered tube will be featured in nearly every TV line by this summer—and in some as early as next March.

Where will the 19-in. fit in the line? We asked several manufacturers and found there's no general agreement whether the 19-in. will end up as a substitute for the 17-in. portable, the low-end 21-in. table model, or as a completely new size unto itself. A slight majority seems to feel that the latter will probably be the case.

"The 19-in. set," we were told by Sylvania Home Electronics Pres. Robert L. Shaw, "is a table model. It will start a new category, beginning in the 2nd quarter of this year." He indicated it would fall between the 17-in. portable and the 21- or 23-in. table model.

Westinghouse TV-radio mktg. mgr. C. J. Urban told us he saw the new size cutting into the 21-in. table model's market more than the 17-in. portable. He said it also will arouse considerable interest for hotel, motel & institutional use—since it has a bigger picture (19 sq. in. more) than a 17-in., but isn't as bulky as a 21-in.

Motorola plans to have 19-in. portables & table models in its June lines. "We've found that weight is no longer an important consideration in a portable" (the 19-in. is heavier than the 17-in. tube), said a top official. Nevertheless, Motorola plans to design the 19-in. as "a distinct new set," not a replacement for any sets now in the line.

Other major set makers told us they were counting on the 19-in. to replace the 17-in. in portable lines, except at the low end.

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Zenith's Wright Looks Ahead: The 1960s will see a wider variety of new electronic products & services than the '50s —along with an increasing consumer interest in quality of goods. So said Zenith Pres. Joseph Wright in a luncheon address to NARDA's Chicago convention last week.

Reiterating Zenith's claim to the No. 1 TV sales rank for 1959, he said the industry had underestimated the public's willingness to pay for quality—but now "the highest-price line is also the biggest selling line." He said Zenith will "very shortly" introduce a new home magnetic-tape music system. This was understood to be the system being developed by Minnesota Mining and others in which cartridge-loaded tapes are stacked for automatic playing. He predicted the perfection of electronic refrigeration for the home during the '60s, and said "developments in the next few years to simplify receivers & transmitters" would make color a mass item.

He injected the traditional Zenith plug for pay TV, predicting that the Phonevision system will be in "full-scale commercial operation in the next 5 years." He blamed the 1958 TV-receiver sales slump at least partly on poor programming. And, with what may even have been a note of sadness in his voice, he pointed out that broadcasters have stopped attacking the pay-TV proponents. "They're in so much hot water," he said, "they're not paying any attention to us."

(For his comments on Japanese imports, see p. 21.)

APPLIANCES VS. AUTOS: "No industry sells price as much as ours and no industry degrades itself more than we do." Philco Pres. James M. Skinner Jr. gave that message to TV-appliance dealers at last week's NARDA convention in Chicago. In a comparison of the automobile & TV-appliance industries, he pointed up these similarities & contrasts:

The TV-appliance industry has done as good a job as the auto industry in product development, "but we have not sold it as well." He cited Commerce Dept. figures showing that, while prices of all commodities have risen 20% in the last 10 years, appliances have gone up only about 4% as against a 43% rise in car prices. TV prices have been reduced 43% in the same period, while the product has been vastly improved.

"In spite of talk about service problems," TVs & appliances are at least as reliable as autos. A TV set has "the same magnitude" of component parts as an automobile. "We normally expect to service our automobile 6 or 8 times a year, and, in addition, to buy new tires, spark plugs, brake lining, replace the coolant, the battery, fan belt, etc., at regular intervals—these are expensive service operations. Do we have nearly as much trouble—really—with our TV sets whose tubes wear out with use just as automobile tires, and whose internal mechanism is far more sophisticated than that of our automobile?"

The challenge for both TV & appliances is to "increase our share of the consumer's dollar," the Philco president told the dealers. Since 1958, the percentage of the consumer's income spent for food, clothing and similar necessities has dropped from 49% to 39% "and is expected to decline further." Major appliance expenditures have remained constant at 4% of total consumer spending for goods. And "it should also be noted that the appliance industry is in competition with such items as swimming pools, power mowers, travel, college educations, etc., for the consumer's discretionary income."

In the past decade the consumer has averaged 8.4% of his total-goods spending on new cars. But the auto industry, said Skinner, "has elected to charge him more per car in succeeding years, rather than to provide the lower costs which our industry has done . . . They have done this, in my opinion, by doing a better selling job as an industry than we have done."

Secret of the auto industry's constant improvement: selling up. Car manufacturers & dealers, said Skinner, have continually emphasized product rather than price—price-cutting being effected only by larger trade-ins.

Conceding that he had no "panacea," he urged dealers to exploit product advances in TV & appliances rather than price—thereby increasing both the prestige & the profitability of the industry.

* * *

"Code of ethics" for TV-appliance dealers was proposed by Westinghouse consumer products vp Chris J. Witting addressing a NARDA convention luncheon Jan. 4. He enumerated these "senseless practices" which have injured the industry and "have sent consumers elsewhere with the dollars that should have been spent with us:"

(1) The switch and the "spiff" to dealers for switching brands. (2) The manufacturer- or distributor-sponsored trip, which uses money which should be applied to advertising or brand-development. (3) Poor TV & appliance service. (4) "Cherry-picking"—the stocking of only top models & specials instead of a full line. (5) Buying of distressed goods.

Full Capehart TV Line: One of TV-radio's oldest names—Capehart—was doing business again last week in a Chicago new-line showing. The former Dynamic Electronics-N.Y., which purchased the Capehart business last year (Vol. 15:33; 16:1), showed a high-priced furniture-styled stereo line which included 4 TV combinations.

This June, Capehart plans to have a complete TV line, including portables, table models & consoles, in addition to its present combinations—encompassing all price ranges except the very lowest. Capehart also plans to have portable phonos, tape recorders, transistor radios (made by Shriro of Japan) and a complete line of hi-fi components (tuners, amplifiers, changers, speaker systems).

The stereo line shown in Chicago consisted of 2 series—the Signature, with cabinets by Tomlinson of High Point, N.C., ranging from $795 to $3,000, and the Panamuse series from $345 to $815.

Capehart hopes to franchise 500 dealers nationally during its first year, on an exclusive-territory basis. Franchise agreement has already been signed for N.Y.-N.J. with the MARTA 72-dealer group. All Tomlinson furniture dealers also are entitled to carry all Capehart items.

The company has discontinued the Dynamic phono label, but Pres. Jack Winer says his firm's private-label business in 1959 was 40% ahead of 1958. Capehart's plant has undergone expansion and is capable of "doing at least twice our present business." The firm will make its own TV chassis as well as its stereo systems & hi-fi components.

* * *

Novel hybrid combination—German stereo & radio with U.S. TV—was displayed in Chicago by West German cabinet & TV-radio phono maker Metz. Heading group which is importing the Metz units is David Krechman, TV-radio industry veteran who headed the old TV-producing Jackson Industries Inc. and Trans-Vue Corp.

What makes the Metz combinations unique is the fact that they contain U.S.-made RCA TV chassis (Vol. 15:52 p18). Krechman told us he had initially ordered 5,000 RCA 21-in. chassis, which are installed in the imported stereo sets by RCA technicians at Metz International's depot in Carlstadt, N.J.

The Metz AM-FM-SW-stereo-TV combination lists at $595 (selling price about $500), is priced to dealers at $375. Krechman said he plans to use 23-in RCA chassis in the West German sets as soon as they're available. Metz also has a stereo line priced from $199 to $699.

* * *

Another line of U.S.-German hybrids was announced by Majestic International Corp., distributor of Grundig radios & hi fi. Majestic showed 3 Grundig TV-stereo combinations containing German-built TV chassis with U.S.-made picture tubes. Two are 23-in. sets; one is 21-in. Majestic has previously marketed German-made TV sets here. Pres. Leonard H. Ashbach predicted 1960 sales of the line would total $25 million, as opposed to the previous record of $15 million.

* * *

A German table-model TV was shown in Chicago by Videola-Erie, which merchandises the West German Fonovox and Loewe Opta lines. The Loewe Opta deluxe set, studded with piano-key type pushbutton tone switches & channel selectors, probably won't be imported because of the high price, company officials said. Videola-Erie had one hybrid combination on display—West German stereo-radio unit with U.S. TV chassis built by Tech-Master, an affiliate of Videola-Erie.

More about

OPTIMISM ABOUT JAPAN THREAT: Far-away Japan was far & away the most ubiquitous presence at the Winter Marts in Chicago. It was everywhere, in name & emulation. Studding the displays of virtually all manufacturers were American versions of Japanese-inspired mite-size transistor radios—and some were Yankee-made with Nippon components. Studding our conversations with industry leaders in Chicago were numerous references to Japanese progress in color TV, transistor TV, instrument styling and, of course, in radio-market swallowing.

TV executives we interviewed were unanimous in their conviction that Japan represents no threat to the U.S. TV market, that no color-TV "breakthroughs" are brewing in Nippon, that American engineering is constantly widening the technical gap between the 2 countries. Sylvania Home Electronics Pres. Robert L. Shaw also stressed that Japanese designers so far have shown little understanding of American furniture tastes, that Nippon cabinetry will find no home in U.S. homes.

The same industry leaders parted company on the question of Japan's position in the U.S. radio market. For every U.S. manufacturer who told us Japanese radio imports were at high tide, there was one who warned that the flood is yet to come. For every one who claimed that American know-how is pushing Japanese radios back where they came from, there was one who foresaw smaller, better and cheaper Japanese imports.

Has Japan Broadened U.S. Radio Base?

Most surprising, we found that U.S. leaders are sharply divided on the damage the foreign invasion is doing to the American market. It would appear that while some publicly belt foreign imports, they privately take off their hats to the Japanese for broadening the radio market, finding new retail outlets, spurring product improvement.

One forthright TV-radio marketing executive told us: "How can the American radio market say it's being hurt by Japanese imports? Sure, share-of-market is down, but our smaller share of a much bigger market enabled most U.S. radio makers to sell more sets last year than they have in a long while. The Japanese have stirred things up. They've shown us new ways to retail, new distribution outlets—such as jewelry & hardware stores—and they're making us produce smaller, better product at lower prices. This is good for industry, as last year's sales clearly show."

Admiral sales vp Carl E. Lantz believes the worst is over. "We at Admiral believe that the Japanese transistor radio imports have reached their peak and should begin to taper off during the year ahead, with American manufacturers increasing their share of the market," he said. Admiral electronics vp Ross Siragusa Jr. told us that American manufacturing techniques & increasing know-how are rapidly overtaking the Japanese. He pointed to Admiral's 7-transistor $29.95 radio as an example of the industry's retaliatory power.

Both can get quick argument on the subject. Motorola consumer products exec. vp Edward Taylor believes we're far from high tide. He points out that Japan makes a good product for a good price, and that Motorola has sold and continues to sell a slew of radios with Japanese parts.

Zenith Pres. Joseph S. Wright, conversely, warned that the home electronics industry in effect is digging its own grave by giving aid & comfort to foreign competition. He pointed to the sharp imbalance of U.S. & Japanese wage scales and said foreign competition is producing & selling products here at some 60% of the prices of comparable products offered by companies helping them. "Before we're through," he said, "those who helped foreign competition will realize they've made a serious mistake." He suggested: "Let's send Japan Jimmy Hoffa, Reuther and the others—to help even things out."

The made-in-Japan confusion is apparent. Companies like RCA, Admiral & Zenith continue to plow an All-American course. Others, like GE & Motorola, use Japan-made componets. Still others, like Columbia, Olympic and revived Capehart, have made-in-Japan radios in their lines. Obviously, the answer to whether the Rising Sun has set depends on where you sit.

* * *

Battery-operated transistor TV sets, due to be announced this spring by at least 3 U.S. manufacturers, are also planned for production soon in Japan by a half-dozen set makers. First to be announced were by Sony (Vol. 16:1 p20) and Victor Co. of Japan. Both are 8-in. sets. The Sony set will sell domestically at slightly under $200. U.S. TV makers have stated that transistor portable TV sets here must be sold for less than $250 to be acceptable. This is the price of Philco's reflex transistor portable Safari.

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Gas-operated TV set was demonstrated by Westinghouse at Chicago's Merchandise Mart last week in an experimental adaptation of a thermoelectric generator which converts heat from a butane bottled-gas flame. A standard portable TV chassis was used. Other developmental products displayed by the company's new products dept.: (1) A civil defense 2-band portable radio with built-in radiation detector, which can be operated from battery or by means of a hand-cranked generator. Either house current or the hand crank can be used to recharge the battery. (2) A 3-dimensional TV set on which visitors could view their "frozen" pictures on storage tube polarized glasses.

EIA's "end the stereo & hi-fi confusion" campaign (Vol. 15:49 p17) has been approved by the phonograph section under Pilot vp L. M. Sandwick, after a presentation by the N.Y. ad firm of Muller, Jordan & Herrick. The program now goes to manufacturers, who will be asked to contribute "on a sliding scale related to equipment sales in various price categories." EIA requested their responses by Feb. 1. The major aspect of the campaign will be a series of ads in mass-circulation magazines, EIA said, "emphasizing the faithfulness of today's reproduced music and its values for the American family." Trade ads & the production of an informational booklet are also planned.

Revised TV-radio excise tax rules, bringing them in line with technical changes in the 1958 Excise Tax Act, have been formulated by the Internal Revenue Service. It set Jan. 18 as a deadline for "submission of views" by any interested manufacturers. The new regulations leave the present 10% manufacturer's excise tax on sets unchanged. The principal proposed changes apply the tax to sets generally, but exempt equipment which is "suitable only" for military, marine & navigation purposes. Under the old rules, taxable sets were defined as "entertainment" sets.

New Philco research div. will consolidate all the company's research operations under one roof in a new plant in Whitpain township in suburban Philadelphia. Research dept. chief Donald G. Fink will be director & gen. mgr. of the division.

More about

ELECTRONICS IMPORTS & EXPORTS: Tables of U.S. electronics imports & exports compiled by the Commerce Dept. (see p. 18) are the best available, even if they're incomplete—thanks to the antiquated product classifications still used by the U.S. govt. Such items as radio-phonos, record players & changers, radar equipment and microphones aren't included in the tables because they are not separately tallied in official import statistics—but included in catch-all classifications.

U.S. IMPORTS OF ELECTRONIC PRODUCTS
(add 000)

Commodity	1957	1958	Jan.-Sept. 1958	Jan.-Sept. 1959
TV cameras & parts	$ 28.2	$ 44.2	$ 11.2	$ 79.3
TV tubes & parts	105.4	324.0	215.1	207.8
Other TV apparatus & parts	165.6	1,036.7	570.4	469.2
Radio apparatus & parts	15,324.9	28,171.0	16,548.8	43,260.9
Photocells, tubes & parts	486.7	528.8	374.9	955.6
Phonographs, etc.	187.5	137.6	75.9	771.9
Phonograph needles, etc.	124.7	13.1	12.1	11.6
Other phono parts	354.1	399.9	210.8	475.7
Subtotal	$16,777.1	$30,655.3	$18,019.2	$46,232.0
Phonograph records	2,476.7	2,974.2	2,177.2	2,568.0
TOTAL	$19,253.8	$33,629.5	$20,196.4	$48,800.0

U.S. EXPORTS OF ELECTRONIC PRODUCTS*
(add 000)

Commodity	1957	1958	Jan.-Sept. 1958	Jan.-Sept. 1959
Radio & TV best. equipment	$ 11,200	$ 12,823	$ 8,826	$ 14,603
Radio communication equipment	116,516†	123,404	91,405	69,882
Detection & navigational app.	45,871	44,175	35,302	35,030
TV receivers	19,584	25,036	15,965	14,989
Radio receivers	7,101	7,848	5,401	4,801
Radio-phonographs	867	1,367	846	694
Coin-operated phonographs	16,594	14,277	10,667	10,387
Other phonographs & parts	8,746	9,724	6,518	7,289
Recorders, parts & accessories	10,929	12,187	8,842	8,119
Electron tubes & parts except blanks	47,336	52,027	36,641	36,439
Semiconductors	4,230	7,778	5,772	6,461
Other equipment & components	52,207	56,081	40,250	44,939
Subtotal	$341,181	$366,727	$266,435	$253,633
Phonograph records & blanks	11,001	11,456	8,083	7,495
TOTAL	$352,182	$378,183	$274,518	$261,128

* Excluding computers & test equipment. † Not strictly comparable with later years; includes certain exports classified under Detection & Navigation.

The following table of U.S. radio imports does not agree with previously released statistics on exports from various countries because of time lag between export from country of origin and import into the U.S., difference in valuations, trans-shipments, etc. Not included in the table are radio-phonos for which separate import statistics are not available.

U.S. IMPORTS OF RADIO APPARATUS & PARTS
From Principal Countries of Origin
(add 000)

Country of origin	1955	1956	1957	1958	Jan.-Sept. 1958	Jan.-Sept. 1959
Japan	$ 232	$ 2,482	$ 5,590	$16,040	$ 7,959	$30,753
W. Germany	1,632	3,124	4,946	3,504	2,113	4,292
United Kingdom	392	1,014	1,899	2,537	1,814	2,393
Netherlands	585	801	1,281	2,445	1,540	2,645
Other countries	510	1,071	1,609	3,645	3,122	3,177
TOTAL	$ 3,351	$ 8,492	$15,325	$28,171	$16,548	$43,260

Zenith will relocate labs & production facilities of subsidiary Zenith Radio Research Corp. from Redwood City, Cal. to a new 30,000-sq.-ft. plant purchased at Menlo Park, Cal., Chmn. Hugh Robertson reports. In addition to the modern building on a 2.88-acre site, Zenith purchased an adjoining 2.5-acre site for future growth. The new facility will provide expanded research, engineering and production facilities for its microwave tube and X-ray work.

TV-RADIO SALES & OUTPUT: Retail sales & production of TV sets took their usual seasonal dip in Nov. from Oct., but were well ahead of both the year-ago & year-to-date 1958 totals, EIA reported last week. Actually, Nov. was a big TV sales month, with the retail volume running at a seasonally adjusted annual rate of more than 6 million sets. Radio posted higher Nov. than Oct. retail sales, although production was down. Nov. & Jan.-Nov. sales & output also were appreciably ahead of the totals for the comparable 1958 periods.

TV retail sales in Nov. totaled 598,070 sets, down from 637,147 in Oct., but markedly ahead of the 499,038 sold in Nov. 1958. Cumulative 1959 sales totaled 5,046,971 TV sets vs. 4,490,568 sold in Jan.-Nov. 1959. TV production in Nov. was 560,770 vs. 706,583 the preceding month and 437,772 produced in Nov. 1958. The year-to-date production totaled 5,756,210, sharply ahead of the 4,505,578 sets made during 1958's first 11 months. Nov. production included 46,544 uhf receivers—vs. 55,113 in Oct. & 34,822 in Nov. 1958. Jan.-Nov. uhf production reached 387,524 vs. 388,802 for the same 11 months of 1958. EIA's month-by-month 1959 vs. 1958 TV comparisons:

	1959 Production	1959 Sales	1958 Production	1958 Sales
January	437,026	501,704	433,983	581,486
February	459,492	448,173	370,413	448,727
March	494,032	425,749	416,903	416,756
April	389,251	263,998	302,559	243,132
May	431,911	279,536	266,982	237,189
June	571,003	344,795	377,090	250,362
July	350,360	370,575	274,999	279,010
August	547,445	492,449	507,526	405,790
September	808,337	684,773	621,734	605,638
October	706,583	637,147	495,617	523,440
November	560,770	598,070	437,772	499,038
Total	5,756,210	5,046,971	4,505,578	4,490,568

* * *

Radio sales in Nov. (excluding auto) went over the million mark for the first month this year—reaching 1,016,634 vs. sales of 839,912 in Oct. and 931,355 in Nov. 1958. Nov. production totaled 1,346,079 units (including 290,815 auto radios & 50,131 FM) vs. 1,795,718 in Oct. (including 531,116 auto & 62,959 FM). The following table compares Nov. & Jan.-Nov. radio figures with the same 1958 periods:

	1959 Nov.	1959 Jan.-Nov.	1958 Nov.	1958 Jan.-Nov.
Total output	1,346,079	14,069,049	1,438,061	10,342,833
auto radio	290,815	4,973,777	476,977	3,156,595
FM sets	50,131	480,894	68,161	303,808
Sales (excl. auto)	1,016,634	7,142,424	931,355	6,172,984

Multiple-TV homes will be counted for the first time by the Census Bureau in a sampling of about 15 million of 55 million households covered by the 1960 population count starting April 1 (Vol. 15:34 p17). Owners of 2 or more radio sets (excluding auto radios) also will be tallied for the first time in the housing census to supplement the general U.S. nose-count. Questionnaires, left by 160,000 enumerators at about every 4th house among the 55 million which receive advance census report forms, will ask: "Do you have any TV sets?" Instructions for checking answers ("1 set," "2 sets or more," "no TV sets") will be: "Count only sets in working order. Count floor, table and portable TV sets as well as combinations." Radios will be similarly covered in the household questionnaires, which also seek first-time data on ownership of automatic washers & dryers and air conditioners.

TV & radio chassis-misbranding would be forbidden under bills (HR-9310 & 9349) introduced by Reps. Bray (D-Ind.) & Moulder (D-Mo.). The measures cover "misbranding & false advertising of decorative hardwood or imitation hardwood products."

GOVT. ELECTRONICS FORECAST: "Excellent" is the outlook for all electronics in 1960, according to the Commerce Dept.'s Business & Defense Services Administration, in a report prepared under the supervision of electronics chief Donald S. Parris.

BDSA envisions all electronics achieving a $10 billion total for the first time in history—with consumer products rising from 1959's $1.95 billion to $2.2 billion.

Black-&-white TV is seen rising, but at a slower rate than last year. The bullish factors are agressive promotion of sets with advanced styling, new 19-in. & 23-in. tubes, population growth, new households. Bearish: "The recognized near-saturation of the market for 'first' sets."

Home radio sales are also expected to rise at a rate slower than in 1959, but it's anticipated that American producers will counter Japanese penetration "with more automated production, vigorous promotion and competitive pricing." Auto radio is expected to increase, but at a slower rate than the anticipated 20% increase in cars—because fewer small cars have radios. Continued growth is anticipated for stereo, tape, hi-fi components.

Military electronics is expected to rise 15%, commercial & industrial 10%, tubes 5-6% (picture tubes 4%), semiconductor devices 30%, components 12%.

The reasons for electronics' bright 1960 outlook, according to BDSA: "The very favorable prospects for the economy as a whole, the rising trend in consumer spending, the continued need for more sophisticated weaponry, the rapidly expanding space programs, and the increased demand for more efficient time & labor-saving equipment in commerce & industry."

* * *

Two more predictions by industry leaders, received last week, complete our roundup of forecasts of the home electronics outlook (for other opinions, see Vol. 15:51 p15).

GE TV receiver dept. gen. mgr. Herbert Riegelman:

The '60s will be outstanding for the TV industry. Retail sales of TV sets may well reach 6.4 million in 1960. Three dynamic factors which were first felt in 1959 will influence TV sales to an even greater degree in the next decade: the growing demand for individualized sets, the yet untapped replacement market and vast new technical improvements in reception & transmission techniques.

Hoffman consumer products vp-gen. mgr. Ray B. Cox:

New developments & innovations in products as well as the general upturn in business should enable TV & stereo hi-fi phonograph sales to show increases in 1960 over 1959. Other factors that brighten the 1960 TV sales outlook are an expected increase in the TV replacement market and the traditionally higher sales in an election year.

An innovation that is expected to have as heavy an impact on industry TV sales in 1960 as did the 23-in. tube in 1959 will be the introduction of the 19-in. tube in 1960.

Factory production of TV receivers in 1960 should reach 6.3 million units. Stereo sales should also increase because the public is becoming better informed.

As for Hoffman, we expect significantly higher sales in both TV and stereo in 1960. We expanded our national distribution substantially during the past year and expect to continue expansion at the distributor and dealer level.

We expect Hoffman TV sales in 1960 to be 30% higher than in 1959. Our TV sales in 1959 were up 39% over 1958 sales. Sales of Hoffman stereo hi-fi equipment during 1959 were up 39% from 1958 and we predict another 25% increase in 1960. We also expect increased popularity for TV-radio-stereo home entertainment units.

Trade Personals: **Leonard C. Truesdell**, Zenith mktg. exec. vp, named pres. of Zenith Sales Corp., new wholly owned marketing subsidiary for TV-radio-stereo and parts & accessories in U.S. & abroad. Other officers of the new marketing company are **Clifford J. Hunt**, vp-distribution; **Erik Isgrig**, vp-advertising; **John A. Miguel**, vp-export . . . **George W. Chane**, ex-finance & management engineering vp, appointed to new post of RCA vp for finance & administration.

James R. Oberly promoted from appliances vp, Admiral Corp., to international operations vp and chmn. of Admiral International Corp. & its subsidiary companies, a new post. **B. H. Melton** promoted from appliance div. national sales mgr. to succeed Oberly as appliances vp . . . **Albert G. Nelson** named Magnavox asst. treas.

Henri Busignies promoted from ITT Labs pres. to vp & gen. technical dir. of parent ITT; **I. Nevin Palley**, ex-Temco Aircraft, succeeds Busignies as ITT Labs pres., and becomes also pres. of ITT Federal div.; **A. G. Kandoian** promoted from vp-communication systems to vp & gen. mgr., ITT Labs; **P. C. Sandretto** promoted from vp & technical dir., Labs, to deputy group exec.-U.S. defense group; **E. J. Whalen** named contract admin. dir., defense group.

Chester J. Antognoli named Standard Coil sales vp . . . **W. W. Bullock** promoted from vp-mgr., RCA Victor commercial records creation dept., to new post of vp-mgr., mkt. service & business affairs, succeeded in his former position by **Robert L. Yorke**, ex-West Coast operations mgr. . . . **Leslie D. Catlin** appointed management services dir., Stromberg-Carlson electronics div.; **David Y. Keim** named engineering dir. . . . **Mario A. DeMatteo**, ex-Cornell-Dubilier Electric Corp., named gen. sales mgr., Pyramid Electric Co. (capacitors & rectifiers).

Barnard I. Belasco appointed ad & sales promotion mgr., Raytheon semiconductor div. . . . **Gail K. Pinkstaff**, ex-Master Photo Dealers' & Finishers' Assn., Jackson, Mich., named exec. vp & managing dir., NARDA, succeeding **A. W. Bernsohn** (Vol. 15:49 p21) . . . **Roderic L. O'Connor**, pres. of Eidophor, a wholly-owned subsidiary of Ciba States Ltd., elected a dir. of Ciba States Ltd. and Ciba Pharmaceutical Products . . . **C. Carver Pope** elected to new post of personnel vp, Clevite Corp. . . . **Vincent (Tom) O'Brien** named Emerson NE regional mgr., military mktg.

R. Burton Power Jr., former chief scientist in the office of U.S. Chief of Ordnance, elected Tung-Sol engineering vp . . . **Kenneth A. Hoagland**, ex-DuMont Labs, named to new post of engineering dir., Thomas Electronics . . . **D. L. Richter** named mgr., recording, RCA Victor Record div. . . . **Charles A. Parry** named head of telecommunications directorate set up by Northrop's Page Communications engineers to supervise project engineering and research & development . . . **James Y. Nishimura**, ex-Audio Labs and ex-Jerrold, named CATV systems & components mgr. of Intercontinental Electronics Corp., Mineola, N.Y. . . . **William N. Krebs**, chief of FCC marine radio div. who started govt. radio service with Navy Dept. in 1926, retires.

Herbert H. Hughes named acting administrator, Business & Defense Services Administration, succeeding **Horace B. McCoy**, who resigned after 40 years with govt. to become pres. of Trade Relations Council of the U.S., 19 W. 44th St., N.Y. . . . **John R. Collins** named chief of components & military applications branch, electronics div., Business & Defense Services Admin., U.S. Dept. of Commerce. He was chief, electronics & scientific equipment section, industrial, scientific & technical div., Bureau of Foreign Commerce.

Dr. Lawrence W. Von Tersch, Michigan State U. electrical engineering dept. head, elected National Electronics Conference pres., succeeding Virgil H. Disney, dir., Electronic Research div. of Armour Research Foundation, Chicago; William O. Swinyard, Hazeltine Research vp, named chmn., succeeding the late A. Crossley, Crossley Associates, Chicago; Joseph J. Gershon, De Vry Technical Institute, Chicago, elected exec. vp; James H. Kogen, GPE Controls, Chicago, appointed secy., succeeding G. E. Anner, U. of Illinois; Dr. H. E. Ellithorn, U. of Notre Dame, treas., succeeding G. J. Argall, De Vry Technical Institute; R. J. Parent, U. of Wis., elected asst. treas.

Carroll D. McMullen, of Toledo, was elected 1960 pres. of NARDA, succeeding Joseph Fleischaker. Other new officers: Hardy Rickbeil (Worthington, Minn.), M. B. Magers (Kansas City), Frank Pieratt (Lexington, Ky.), vps; Victor P. Joerndt (Kenosha, Wis.), treas. Reelected were Mort Farr (Upper Darby, Pa.), chmn.; Harry Price (Norfolk, Va.), exec. committee chmn.; Upton Ziesler (Manitowoc, Wis.), secy.

Courtney Pitt, who resigned as Philco finance vp in 1956, has been made a full partner in Baker, Weeks & Co., Philadelphia investment firm.

Obituary

John C. Merman, 56, former Daystrom vp, died Jan. 3 in Philadelphia. He is survived by his widow, a son, 2 daughters, and 2 grandchildren.

Finance

Walt Disney Productions suffered a slight decline in earnings despite a substantially higher gross income in the fiscal year ended Oct. 3. A principal reason for the decline in net, Pres. Roy O. Disney said, was "higher production costs on certain TV products." He also noted "a general softening in theater attendance, not only in the U.S. but also in most foreign markets where the increasing impact of TV is creating the same sort of adjustment period which the motion picture industry has experienced in the U.S." For the fiscal year ended Oct. 3:

	1959	1958
Total gross income	$58,432,399	$48,577,262
Net income	3,400,228	3,865,473
Per common share	2.15	2.51
Common shares	1,581,011	1,537,054

Bendix Aviation Corp. reports a 29% jump in net income on a sales increase of more than 10% for the 1959 fiscal year ended Sept. 30. Sales to the automotive industry (radios, brakes, etc.) rose to $112.4 million from $81.1 million in the previous fiscal year. For the fiscal year ended Sept. 30:

	1959	1958
Net sales	$689,692,312	$623,731,537
Net income	27,404,274	21,171,902
Per common share	5.37	4.18
Common shares	5,104,365	5,063,825

Cornell-Dubilier suffered a sizeable net loss for the fiscal year ended Sept. 30. Included in the component-maker's report, however, are non-recurring charges of $2,555,867 & tax credits of $690,000. For the fiscal year ended Sept. 30:

	1959	1958
Net sales	$24,729,755	$26,328,735
Net income (loss in '59)..	(2,883,537)	188,686
Per common share	—	28¢
Common shares	507,390	512,390

Nucleonics, Chemistry & Electronics Shares Inc. nearly doubled its net assets in the fiscal year ended Nov. 30:

	1959	1958
Net assets at market ...	$6,684,261	$3,471,883
Net assets per share	13.57	10.62
Capital shares	492,584	327,068

Electronic Communications Inc. doubled its earnings on a strong sales increase in the fiscal year ended Sept. 30:

	1959	1958
Total sales	$32,771,830	$23,849,331
Net income	855,139	424,353
Per common share	1.40	67¢
Common shares (1959) ..	590,076	590,076

American Electronics Inc. expects a 4th-quarter net of some $200,000 (23¢ a share) and shipments topping $9.5 million, Chmn. Phillip W. Zonne has reported. The anticipated last-quarter performance would boost total 1959 profit to $553,000 (63¢), increase shipments to above $25 million. In 1958, American suffered a $2.2 million loss after tax credits, on sales of $17.3 million. Zonne believes 1960 profits will "reach and could possibly exceed" $1 million (nearly $1.20 a share). He forecast shipments approximating $32 million. American's backlog is about $16 million. During 1959, the electronics concern booked $30 million in new business, up from $18-$19 million in 1958.

Decca Records anticipates a drop in 1959 profits from operations, although gross revenue will "approximate" 1958's. Pres. Milton R. Rackmil attributes the profit drop to rising costs & "intense" competition. Last year, Decca's income from operations was $1,548,511. Decca also owns 87% of Universal Pictures' common shares, and had 1958 earnings of $1,227,871 from that source. Rackmil, who also is Universal's pres., did not indicate Decca's share of Universal's 1959 earnings (Vol. 15:52 p20).

Zenith scored record sale & earnings in 1959, with the volume soaring to "more than $250 million" and profits moving "well ahead" of the $12,116,165 ($4.10 a share) earned in 1958 on $195,041,624 sales, Pres. Joseph S. Wright reported last week. He noted that 1959's 4th-quarter sales set a record for the period. Wright said that Zenith's order backlog is "substantially higher" than it was a year ago, forecast higher earnings in 1960 on sales calculated to be "in the neighborhood of 20% higher" than 1959's volume.

Westinghouse shareholders approved a 2-for-1 split of common stock at a special meeting in Pittsburgh last week. The approval increases the number of authorized shares from 25 million to 50 million. Par value of each was cut in half to $6.25. Chmn. Gwilym A. Price said that 83.2% of shares were voted, the vote being 99.79% in favor.

Skiatron Electronics trading on the American Stock Exchange has been suspended by SEC for another 10-day period until Jan. 16 to "prevent fraudulent, deceptive or manipulative acts or practices" while SEC proceedings against the company are pending (Vol. 16:1 p12). An administrative SEC hearing for the company is scheduled for Jan. 13 in Washington.

Reports & comments available: GE, report, Thompson & McKinnon, 2 Broadway, N.Y. 4 . . . GT&E, comments, Hornblower & Weeks, 40 Wall St., N.Y. 5 . . . General Instrument, report, Herzig, Farber & McKenna, 39 Broadway, N.Y. 6 . . . Thompson Ramo Wooldridge, report, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 . . . Electrical goods mfrs., profile, Jan. 1 *Forbes*.

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Congress

REUSS CLAMP-DOWN BILL is first of many due as open-season on TV-radio starts in Congress. Its chances: dim. Payola hearings start Feb. 8 (pp. 1 & 6).

Film & Tape

GE THERMOPLASTIC RECORDER excites industry at developmental demonstration—possibly heralding compact, fast, low-cost film-recording system, perhaps in 2 to 3 years (pp. 2 & 10).

TV'S POSITION NOT SERIOUS now in Hollywood writer's strike. Good supply of scripts on hand (p. 3).

15 PILOTS AT SCREEN GEMS: Columbia subsidiary planning comedy, action, suspense in new series projects (p. 10).

SYNDICATION'S BIG RISKS continue in a tough, competitive, $100-million U.S. & overseas market (p. 12).

Networks

CBS GOES EDITORIAL, issues guide to TV & radio o&o's for speaking out on public issues (pp. 3 & 7).

FCC

DOERFER'S PUBLIC-SERVICE PLAN asks 3 networks to rotate responsibility for providing nightly 30-min. cultural shows. Networks considering (pp. 4 & 6).

FCC HEARS INDUSTRY VIEWS in its continuing programming investigation; more to come Jan. 25th (p. 5).

Manufacturing & Distribution

FACTORY TV SALES totaled 6,285,000 in 1959, phono sales reached 4.3 million, radio 15.4 million. Breakdown of TV sales by cabinet type (p. 16).

Finance

SKIATRON "ERRORS" CONCEDED by pay-TV firm's counsel at SEC hearing on stock ban, but he says SEC registration statement was filed in "good faith" (p. 19).

Advertising

TvB STIRS THINGS UP with new study of recent trends in magazine advertising, which show rising costs, falling newsstand circulation and lower efficency for all but specialized magazines. MAB replies promptly (pp. 4 & 9).

FTC FIRES BIG SALVO against TV commercials for Standard Brands, Colgate-Palmolive, Alcoa, Lever Bros. More payola charges also filed (p. 8).

Auxiliary Services

CROSS-CURRENTS IN TRANSLATOR COMMENTS filed with FCC. CATV proposes 5-year status quo, then shift to uhf. Stations caution against technical & economic interference (p. 5).

Other Departments

PROGRAMMING (p. 14). **PERSONALS** (p. 15). **STATIONS** (p. 15).

REUSS CLAMP-DOWN BILL FIRST OF MANY: After slow early-session start (Vol. 16:2 p4), Congressional open-season on broadcasters got under way with bang last week. House investigators, led by Rep. Harris (D-Ark.), set Feb. 8 as D-Day for attack on TV-&-radio payola (see p. 6) and Rep. Reuss (D-Wis.) launched legislation to end all legislation for govt. controls of medium.

Nobody took Reuss bill seriously as something which has any real chance of getting through Congress. Harris smiled when asked about its prospects. "No comments," he said. Author himself joked about it. But it did reflect anti-broadcasting sentiment stirred up by quiz & payola disclosures—and more measures like it can be expected before this session ends.

"Improving the level of TV & radio broadcasting" is what he had in mind in drafting his multiple-part bill (HR-9549) to amend Communications Act, Reuss assured House. He added blandly, tongue in cheek: "Since that is the intent of my bill, and since that also happens to be what the broadcasting industry & its friends claim to want, I expect to have their support for this legislation."

Reuss formula "to advance education & culture" via TV & radio included these ingredients: (1) Govt. requirement that all stations devote at least 20% of prime time to "public-service" shows. (2) Govt. creation of Advisory Board on Education & Culture, composed of non-broadcasters, to guide policies. (3) Regular monitoring of stations by FCC. (4) Competitive bidding for commercial stations, with licenses going to those

who put up best "public-service" prospectus and most cash, which would be allocated to educational TV. (5) Establishment of "higher standards" for non-political FCC by enforcing rigid ethical rules.

Also heard from in House last week was another critic of broadcasting practices—Judiciary Committee Chmn. Celler (D-N.Y.). Carrying out pre-session promise, he introduced bill (HR-9486) amending Clayton Anti-Trust Act to prevent "concentration of ownership & control of communications media." It would forbid newspaper & magazine publishers to control TV & radio stations if that would give them "substantial" monopoly anywhere. Broadcasters similarly would be restricted in "acquiring interests in news publications."

String of legislative bombs from Harris subcommittee also threatens broadcasters. As prelude to payola hearings, it is expected to come up before end of Jan. with recommendations for measures outlawing TV quiz frauds such as it uncovered last year.

GE RECORDER RESEARCH EXCITES INDUSTRY: TPR . . . Remember those initials—you'll be hearing them again & again in the next few years. They may possibly be in your own future. They stand for "Thermoplastic Recording."

Industry interest in GE's developmental film-recording system—which could best be described as "casual" until last week (Vol. 16:1 p5)—changed to something akin to excitement after GE Research Labs' "progress report" demonstrations of the TPR principle to the networks, FCC, NAB & the press in N.Y.

System's development is further along than many people had suspected, and although demonstrations were extremely crude, they were sufficient to give far more than an inkling of what TPR may be able to do in commercial, military & industrial fields. Though GE refused to give any timetable, telecasting industry engineers who viewed demonstration speculated that commercially acceptable TPR TV recorder might be available any time from 2 to 5-10 years, depending on how much money & effort GE puts into development.

There is no question that a breakthrough was witnessed last week—to use a word which has become inflated through over-use in electronics industry. Looking beyond last week's demonstrations, industry engineers saw these potential developments growing out of GE's new concept in recording: A lightweight TV recorder, suitcase-size, completely portable—possible forerunner of an "instant home-movie" machine . . . low initial cost, low film cost . . . an hour's programming on a reel which is small enough to fit in hip pocket . . . as flexible as movie film for editing & special effects . . . recordings duplicated by a process easier than making conventional duplicate film prints . . . telecast quality at least as good as televised 35-mm film . . . no processing time required . . . monitoring possible while recording . . . film completely re-usable.

Admittedly, this is crystal-gazing. GE spokesmen parried or ducked every question about availability dates, commercial production, prices—stressing continually that "considerable work still must be done before commercially practical equipment can be made available for potential commercial markets." The only hint they did give about future timing was statement that some sample equipment might be delivered to the military before end of this year.

Here's what was shown: Two developmental models of the TPR—each a little smaller than an Army footlocker (not including power supply & other electronic equipment). Thermoplastic recordings made earlier from a TV receiver were projected through a modified 16-mm movie projector onto a screen. Color slides made by using the technique were shown. Slides—but no moving pictures—were made at the demonstration from a closed-circuit TV set-up.

Invention, credited entirely to 34-year-old GE research physicist Dr. William E. Glenn, has implications far beyond TV. In fact its bandwidth potential is so great, according to Glenn, that the system can handle as much as 50 mc of information—about 10 times the amount required to record video signal. This obviously opens up whole new fields of data storage—for computers, satellites, business applications, etc.

For TV recording, TPR film is run 5 inches per second, while the recorded track on the film need be only one-tenth of an inch wide.

It was inevitable that comparisons should be made with magnetic video-tape recordings. From our conversations with industry engineers, this is the consensus: Will it replace magnetic video recording? Perhaps some day, but not for a long, long time. This is still an experimental system—a principle. There are many problems to be licked, including such bugs as susceptibility to dust (which shows up on the screen as a big white snowball), easy damage to the film. While video tape potentially can give a live-quality image, TPR—being an optical recording—probably will be limited to the quality of a good 35-mm film print,

which all broadcasters consider eminently satisfactory. But one top engineer noted, "with this system we're still plagued with a projector & all the problems inherent in a projector."

"The thermoplastic process [has] advantages, as well as disadvantages, and its future applications have been, and will continue to be, under study by Ampex," said Ampex Pres. George I. Long in a statement issued after GE's news conference. He added that magnetic tape offers the most "efficient, economical and practical means of recording sound data and TV pictures." Magnetic recording art "is still in its infancy," said Long, "and in our research programs we foresee significant developments which will increase data-packing density, reduce size of equipment and extend applications, assuring a growing market."

Probably because of the stock-market stir caused when news of TPR leaked 3 weeks ago, all of GE's spokesmen at the press conference played down its TV potential, emphasizing that the demonstration used TV images only because that was easiest way to show how TPR works. For example, GE industrial electronics vp H. A. Strickland Jr. said he expected "new & presently unserved markets for information recording" to be greatest growth area for TPR and that "we would expect both economic & performance considerations to determine its degree of acceptance" in competition with established photographic & magnetic media. Ampex stock gyrated last week, gaining 7 points Tues. (day of GE demonstration), losing 4 Wed., gaining 3 Thurs., losing 1¾ Fri., closing at 104.

No, TPR isn't here yet, may still be long time off. But telecasters were intrigued at their glimpse of another way to record TV pictures—one which may have important applications to TV film distribution, newsreel photography, spot commercials. In words of ABC engineering vp Frank Marx: "It has a tremendous potential . . . bright future . . . No doubt about that." (For more about TPR, see p. 10.)

CBS GOES EDITORIAL: Long-awaited plans for editorials by CBS-TV (and radio) became official this month with Jan. 7 draft of new set of "Rules & Guideposts for Editorials on CBS-Owned Stations." The report serves the double function of giving green light to CBS editorials and establishing ground rules for their handling. New rules (see p. 7) seek to have stations keep clear of political hassles, achieve "fairness & balance" for conflicting views, and present the viewpoints of opponents.

Editorial move represents important breakthrough. CBS is the first network to tackle the hot topic of on-air editorials. Not only the o&o outlets, but affiliates and other broadcasters are now provided with a springboard from which to develop their own rules & regulations for taking a stand on local & national issues. CBS is expected to discuss new policy at length in the forthcoming Washington meeting between top CBS executives and network's affiliates (Vol. 15:52 p16). Note: When we asked station mgrs. whether they editorialized—or planned to—in questionnaire last Sept. (Vol. 15:38 p4), of 169 who replied, 51% said "yes."

STRIKE! BUT TV POSITION NOT SERIOUS NOW: Although Writers Guild of America called a strike against both the major movie studios and the Alliance of TV Film Producers members, effective Jan. 16, TV is least likely to suffer from any all-out strike action (Vol. 15:52 p4; 16:1 p4; 16:2 p13).

That's because strike which will actually shut down Hollywood studios is not the writers' strike, but that of Screen Actors Guild. Most film & TV studios have backlog of scripts, so they aren't concerned about any immediate production halt caused by WGA strike action. However, if powerful SAG strikes when its major-studios contract expires Jan. 31, that would force a shutdown. That's applicable to major film studios but not to their TV operations, where they have separate contracts.

While SAG has showdown meeting with major-studio presidents this week on crucial question of post-1948s, the outcome won't necessarily affect TV. Expiration date of SAG's contract with Alliance of Television Film Producers is March 31, and negotiations will probably begin in Feb.

Because most TV companies have stockpiles of scripts, they'll be able to complete their regular production schedules of current series. The bulk of pilot projects will have been filmed before SAG contract expiration date. More important, our sources among production companies & the Guild do not believe there will be an actors' strike against the TV producers.

Neither side in writers dispute was showing any early signs of retreating from its avowed position late last week. In telefilm, WGA wants foreign payments, residuals pegged to initial (not scale) payments, retention of many rights now demanded by producers. In the feature realm the biggest hassle centers on WGA's demands for participation in the sale to TV of post-1948 pictures.

DOERFER'S PUBLIC-SERVICE PLAN: Unusual (for an FCC official) proposal was made in N.Y. Jan. 14 by FCC Chmn. John C. Doerfer, who urged that TV networks agree to set aside 30-min., Mon.-Fri. strip every 3rd week for public-service programming at 7:30 p.m. and rotate responsibility for producing what Doerfer called "cultural & education programming" to fill that across-the-board slot.

Networks reacted almost immediately, all 3 issuing statements as soon as capacity audience attending RTES monthly "Newsmaker" luncheon returned to their offices. General network reaction: It's an interesting idea, and we'll give it thorough study.

Doerfer's reference to "lack of public service" in prime-time hours nettled program officials of the 3 networks, however. In commenting on his speech, all 3—particularly NBC-TV—pointed out that a sizable upswing in peak-hour public-affairs specials & series is already in motion. (NBC-TV alone has aired 30 news & information specials in first 4 months of the current fall-winter season. CBS-TV also has increased the tempo of non-entertainment programming—and, on pre-Doerfer Dec. 22, announced it would reserve a full hour of prime-evening time each week next season for information, culture and educational programs.)

Wide variety of other topics was covered by Doerfer in his address, ranging from under-the-statute payola for DJs to the FCC's latest plans for spectrum management (see p. 6). Doerfer indicated that FCC is really planning to speed up processing this year and to play more active role in many broadcast areas.

TV HITS BACK AT MAGAZINES: Another TV-vs.-print media battle is currently causing a round of charges & counter-charges—but this time the shoe's on the other foot. It's TvB that's on the offensive, and the Magazine Advertising Bureau—which renewed its sniping at TV last fall—that's on the receiving end.

Argument centers on new 42-page study now in hands of TvB members, but not broadsided by TvB to ad agencies, TV clients, etc. Titled "The Changing Face of Magazines," TvB's analysis (based on 1958 figures) shows magazines' share of national advertising decreasing under the "pinch of a giant vise" (TV).

MAB reacted angrily with prompt reply (see p. 9), but there were reports in N.Y. last week that all MAB members were by no means united in opposition to TvB study. Split is more or less along lines of "general" vs. "specialized" magazines, we're told, since TvB study reports that latter group is making best strides in magazine field.

CROSS-CURRENTS IN TRANSLATOR COMMENTS: When FCC finishes studying the several dozen comments on its proposed low-power vhf translator rules (Vol. 15:49 p4), its collective head ought to be in a whirl—so varied are the recommendations.

Possibly most interesting idea came from community antenna operators, who seem to have quit fighting City Hall, deciding to take the "long view." National Community TV Assn. urged: (1) Let all existing translators continue—but change to uhf within 5 years. (2) Limit them to one watt. (3) Require them to interfere with no one. (4) Grant only uhf to new translators.

These suggestions were backed by Jerrold Electronics (which said it would offer a uhf receiving converter-antenna package for about $25) and by Adler Electronics (which reported it would build one-watt uhf translators to sell for same price as existing vhf translators).

Translator operators are unhappy about the one-watt ceiling & engineering requirements. Many said these restrictions would prevent them from reaching their viewers—technically & financially

CBS, NBC and AMST urged that care be taken to assure full protection of existing services.

Western broadcasters, by & large, went for the FCC proposal—except that they want safeguards against establishment of translators in their communities, fearing their economic impact as much as, or more than, that of CATV. Uhf stations were also fearful of encroachment, several asking that translators be forbidden within grade B contours of uhf stations. Joint Council on Educational TV requested specific mileage separations from existing stations—100 miles co-channel, 30 miles adjacent—with certain exceptions.

Vhf-translator manufacturer Benco called FCC's proposal "fair compromise," said it will offer type-approved equipment, stand ready to convert existing translators to new standards.

Most important to watch henceforth is reaction of translator operators to CATV proposal. If they buy the 5-year status quo, their Senators will take heat off FCC. Commission in turn probably will be delighted to wrap the whole thing up with knowledge that it will eventually shift the service to more-controllable uhf.

The FCC

FCC HEARS INDUSTRY VIEWS: FCC's inquiry into programming last week heard some of the strongest "hands off" language to date—primarily from attorney W. Theodore Pierson and Storer Bcstg. vp-secy John E. McCoy.

Hearings are due to resume Jan. 25 with industry witnesses. It's expected that Westinghouse's Donald McGannon will be first, followed by NAB and the networks. The FCC staff hopes to conclude the entire hearing by the first week of Feb. Highlight digests of last week's testimony:

W. Theodore Pierson, attorney for 10 licensees, offered a tough & shrewd legal & practical analysis. He conceded that some court decisions approve of "program guidance & dictation by the Commission," but said he believes that the Supreme Court wouldn't go so far today. Evils in the industry, he said, can be eliminated by providing plenty of competitive facilities & the careful choice of licensees—not by program surveillance. Much of his statement was devoted to the premise that broadcasting is "but a mirror of public mores & tastes" and that the govt. neither can nor should attempt to determine what the public should have. Any "general standards" outlined by FCC, he said, "will stereotype stations' formats and greatly restrict or entirely eliminate competition for audience."

Scores Programming Criteria for Licensees

Pierson attacked the concept of requiring licensees to match performance with promises, asserting this would rob broadcasters of flexibility. FCC examination of "overall past programming," he said, is "a euphemism for censorship." He also inveighed against the use of program proposals in comparative hearings, stating that in TV contests such proposals "were fabricated by each out of whole cloth and purposely self-serving"—and equally attractive. He referred caustically to talk of "public service" programs, said he had never found anyone who could define them. His own definition: "all programs that serve a public want."

Commercial practices are something else. "We believe that it would be proper," he said, "for the Commission to require the licensee to promise to adhere to certain commercial practices, such as those incorporated in the NAB Code." He also recommended licensing of networks to "remove once & for all the fiction that a licensee can in reality choose & select the programs he [gets] from the network."

On cross-examination, Pierson asserted that the courts would change their opinions about FCC's programming rule in the light of experiences since their last decisions. Therefore, he indicated, FCC has no duty to consider programming at all. He repeated his claim that the Commission can consider licensees' qualifications only in areas other than programming.

John E. McCoy, Storer Bcstg. Co. vp-secy. who was once a top FCC attorney, said he doesn't know the extent of FCC's powers over programming, because the Supreme Court has never ruled squarely on the question. In the absence of such a ruling, he urged the Commission not to assume it has powers over program quality.

Much of McCoy's 27-page statement dealt with the 1946 FCC Blue Book which outlined the Commission's concepts of good programming. He said he doesn't know what "balanced" programming is, that the emphasis on the virtues of sustaining & "talk" programs makes little sense to him, that the method of logging programs as "commercial" or "sustaining" is archaic & misleading.

McCoy went through a 2-hour period of questioning, much of it by Comr. Hyde (just back from Geneva), who had a substantial role in the formation of the Blue Book.

McCoy said that networks shouldn't be licensed, that "we feel every step toward greater govt. regulation leads to another step toward govt. regulation." Comr. Cross asked about advertiser influence, indicating he favored the "magazine concept." Said McCoy: "I've seen the phrase and I don't know what it means."

How about cutthroat competition, asked Comr. Ford. The remedy is civil action in the courts, said McCoy. How about asking licensees to tell what they've done to seek out community needs, asked Ford. The answers, by station lawyers, would turn out to be "stock phrases," said McCoy.

And so it went—ping-pong. Chmn. Doerfer wound it up with: "One question—what's the difference between community needs & community wants?" McCoy said that it was a "matter of definition" but that he thought they were the same.

"I thought they were different," said Doerfer. "I can think of a lot of things that I want but that I don't need."

McCoy answered, rather slowly: "I was talking about radio." Everyone, including Doerfer, guffawed with delight.

Herbert E. Evans, pres. of Nationwide Insurance Co.'s Peoples Bcstg. Corp. (KVTV Sioux City and radios WRFD Columbus, WGAR Cleveland, WTTM Trenton, WMMN Fairmont, W. Va. & WNAX Yankton, S. D.), said FCC "can & must be more than an electronic traffic cop." At the same time, Evans said, the industry itself "is moving in the right direction" through its voluntary codes.

Donald F. Conaway, AFTRA exec. secy., said there was little wrong with TV & radio that application by FCC of its 1946 Blue Book policies wouldn't fix.

William L. Putnam, head of uhf WWLP Springfield, Mass., said the greatest problem in the industry is the neglect of local needs by wide-area coverage stations. His solution: Move all TV to uhf. He said he doesn't subscribe to NAB's Code because "it is a series of negative prohibitions and doesn't give positive yardsticks" and "I've got better places for the $400-plus."

Frank E. Kelly, vp of Fund for the Republic, reviewed studies of mass communications which it has undertaken over the past 2 years, concluded there "are no easy answers" to a basic question confronting FCC: "How can a federal agency regulate a communications medium without engaging in censorship?"

Stanley Adams, pres. of ASCAP, again attacked broadcaster-owned BMI, stating: "It engages collectively in payola by entering into contracts to pay subsidies to music-publishing firms, including publishing firms created for this purpose by disc jockeys, performers & recording companies hand-picked by BMI." Counsel Sydney M. Kaye for BMI promptly stood up in the audience to declare that BMI would offer testimony to refute the charges.

Robert Montgomery asserted that NBC had pressured him & sponsor Schick, forcing the latter to buy sports programs as a condition of getting *Robert Montgomery Presents* in prime time. He urged that networks be divorced from production—at least that FCC give consideration to restricting networks to a percentage of production of the programs they carry. "Disassociation of carrier & content," he said, "has always been a healthy thing."

Lowell Thomas said he had never had any interference from sponsors or networks, and that self-regulation can cure abuses. He said he has never paid any attention to ratings, that sponsors are always enormously interested in public-affairs programming and that he doubted that any govt. regulation on programming would be helpful.

More about

DOERFER'S 9 PROBLEMS: A 9-point roster of problems is facing FCC this season, but will be tackled by the Commission as rapidly as possible in 1960, FCC Chmn. John C. Doerfer promised the RTES audience last week. The problems (and FCC's action on them):

1. Procedures: Doerfer admitted FCC was "12 months behind in the processing of AM applications," but added that "only Congress can aid us—by adopting the legislation we have proposed or endorsed."

2. Spectrum management: In his opinion, a "single body will be eventually created" to maintain a "continuous study & inventory of effective use of the entire spectrum."

3. CATV & boosters: Doerfer referred to the pending legislation designed to "significantly facilitate the continued operation of a TV station which is providing the only available locally-operated TV broadcast program service." He declared: "This is a serious innovation into the American concept of broadcasting . . . the inevitable corollary of protection from competition is eventual regulation of service & rates. If such principal were established in the CATV and the booster fields, it would [be] a short step to eventual service regulation of all of broadcasting."

4. Clear channels, skywaves: The proceedings surrounding clear-channel & daytime skywave matters "will be terminated in 1960, at least on Commission level."

5. Political broadcasts: He saw no major election-year problems ahead for broadcasters in the realm of equal-time claims as a result of the amended Section 315. However, he foresaw "difficulties" with that portion which calls for discussion of conflicting views on public issues.

6. Allocations: "Nothing short of a Congressional act" would bring about a complete switch to uhf from vhf, Doerfer said. This is behind FCC's current consideration of short-mileage drop-ins.

7. Payola: There is "not as much payola as was first assumed—little of it in the smaller markets," Doerfer revealed, citing as his source the questionnaires recently rturned by broadcasters queried by FCC on payola practices. New rules, "or if necessary, legislation" to combat payola are the next step, he indicated.

8. Network practices: "Some definite determination of the extent of our powers [in the field of network practices] should be forthcoming shortly, after the staff can summarize the testimony in the present investigation."

9. Programming: "There is no express language in the Communications Act which authorizes the Commission to intensively scrutinize programming," he stated firmly, pointing to "the danger of building up a bureaucracy that would ultimately dictate the character of programming." There should, however, be more prime-time public-affairs programming, Doerfer told his audience and offered a network-level formula for a fresh supply (see p. 4).

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Miami Ch. 10 conspiracy retrial of ex-FCC Comr. Richard A. Mack & Thurman A. Whiteside, now scheduled to start Jan. 25 (Vol. 15:52 p16), will be held in Washington —not Miami, as asked by defense counsel. Attorneys for Mack & Whiteside were turned down at a preliminary hearing in Washington's U.S. District Court when they argued that the case properly belonged in the District Court for Southern Fla. The defense last week also lost another move to have the Supreme Court hear an appeal from the District Court's refusal to order acquittal of Mack & Whiteside in their first trial, which ended in a hung jury. The Supreme Court denied a petition for a rehearing.

Congress

More about

HARRIS GETS SET: House hearings on TV & radio payola practices—awaited breathlessly by the press and apprehensively by broadcasters—will finally get under way Feb. 8 for a scheduled one-week run, Commerce Legislative Oversight Subcommittee Chmn. Harris (D-Ark.) announced last week.

He said "all phases" of payola would be explored in the public proceedings, indicated that disc jockeys would be among witnesses summoned, refused to say what other witnesses might be called, and insisted that the subcommittee intends to keep the hearings going only long enough to establish a TV & radio payola "pattern."

"I hope it will not take over a week for such matters. It isn't necessary," Harris told more than 30 reporters who hurriedly converged on Commerce Committee's hearing room in response to a sudden news-conference call.

Some of the reporters expressed incredulity that the oversighters would let headline-promising payola drop so quickly. They reminded Harris of the scope of pre-hearing work by subcommittee staffers who proposed a 20-point agenda for hearings following field explorations across the country (Vol. 15:51 p6). In addition to payola itself, the staff report covered ad plugs, other reported abuses.

"It is such a big problem that the subcommittee cannot afford to make spot investigations of every station in the country," Harris said, adding wryly: "There's a great demand among the stations to let them know if we've got anything on them."

Other Commerce Committee Plans

In announcing his committee's program for 1960 (with all work scheduled to be suspended in time for July political conventions), Harris also said:

(1) Nothing will be done this session on a spectrum study started last year by his communications & power subcommittee (Vol. 15:24 p4). "There are those who feel that there have been enough studies in the last 10 years and something ought to be done," Harris conceded, but he said his subcommittee can't do much until govt. & non-govt. users resolve their "differences of opinion."

(2) There may be hearings—perhaps next month—on an omnibus bill (HR-4800) which Harris introduced at the start of the 1959 session for reform of procedures of FCC and other regulatory agencies.

(3) There'll be "action" by the communications subcommittee on a bill (S-12) by Senate Commerce Committee Chmn. Magnuson (D-Wash.) for $51 million in state grants to buy educational TV equipment. But subcommittee members may want to do some more ETV field work first—possibly touring Albuquerque, St. Louis, Omaha and Champaign, Ill.

(4) The Oversight Subcommittee's budget for 1960 is $410,000, of which $112,000 is available from unexpended 1959 spectrum-study funds and $23,000 from left-over Oversight money, leaving $275,000 to be appropriated by the House. When he gets the money, Harris said, he'll add 7 or 8 more employes to the subcommittee's 25-member staff—most of them investigators.

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First radio daytimer bill of the new Congressional session—extending stations' sunrise-sunset operations from 6 a.m. to 6 p.m. (HR-9627)—has been introduced by Rep. Abernathy (D-Miss.).

Networks

More about

CBS EDITORIAL PLANS: In a move designed "to serve the public interest by stimulating thinking & decision-making about important public issues," CBS has evolved a set of ground rules for handling on-the-air editorials by its o&o stations. Here are highlights of the new CBS policy, as drafted by the network's Editorial Board:

1. CBS o&o's don't require network approval to air editorials, although the network's editorial board is available for consultation. Nor need there be a "uniformity of editorial views" among the stations.

2. TV-radio industry topics and national issues without local angle are not to be treated by station editorials. (That function will be handled by network editorials.)

3. Station management, not individual shows or personalities, will decide when stations will editorialize. All editorials must be "clearly identified as such."

4. Apart from "consensus editorials" (with which no group is likely to disagree), all "partisan editorials" should be handled with "painstaking concern for fairness & balance" although the concept of equal time, CBS stated, "does not apply to editorials."

5. When partisan editorials are being aired, stations may dress up the treatment with production gimmicks, but should "make use only of those production techniques within the framework of the realistic limitations of opposition production." Well-balanced editorial programs, however, are not thus limited.

6. CBS o&o's should not "support candidates" for office, although stands may be taken on issues before the electorate. Editorials should also not be delivered by news personalities "whose impartial presentation of the news may thus be questioned."

7. Suggested length for editorials: "Only rarely" less than "5 mins. long."

Copies of the ground-rules memo—latest in a string of policy memos at CBS—have already been sent to the managers of CBS o&o's and are now in effect covering editorials on both the TV & radio outlets, we were told last week by Richard D. Heffner, CBS consultant on editorials who helped frame the directive. CBS has no plans to circulate the memo to non-o&o affiliates except on a by-request basis.

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Network TV daytime billings gained only 4% in Oct. over Oct. 1958, pulling the cumulative increase for Jan.-Oct. down to 23.1% compared with 1958's first 10 months, TvB reports. As a measure of Oct.'s daytime performance (reflecting a catching-up with ABC's Oct.-1958 expanded programming), Aug. billings were 28.2% ahead of the year-ago month, Sept. 20.1% ahead; cumulative gain for 1959's first 9 months was 26.1% (Vol. 15:51 p9). Cumulative gross time charges show daytime billings of $166,735,280 for Jan.-Oct. 1959 vs. $135,440,502 for 1958's same 10 months. Oct. 1959 daytime billings totaled $18,914,305 compared with $18,183,000 for the year-ago month. Nighttime billings rose 16.8% in Oct. to $40,116,447 vs. $34,343,147 for Oct. 1958; year-to-date billings of $343,400,912 were 5.6% ahead of the $325,202,285 nighttime business recorded in Jan.-Oct. 1958. Leading TV network advertiser in Oct. 1959 was Procter & Gamble, with $3,908,934 in gross billings. Anacin tablets was the leading net-advertised TV brand, with $905,809 in billings.

Sneak Preview of ABC's Plans: With ABC-TV's program shopping for 1960-61 under way, programming vp Tom Moore told us last week that there's "a strong desire on the part of advertisers to find warm situation comedies that have the residual value of public-service shows." He cited as examples *Father Knows Best* and *Leave It To Beaver*. One such property already lined up by Moore for the fall is *Harrigan and Son*, Desilu-produced father & son situation comedy starring Pat O'Brien. ABC-TV's fall plans include an expanded version of *The Pat Boone Show*, continuation of *Take A Good Look* and "the possibility of employing additional live shows."

The network's nighttime-specials schedule will be upped "from 14 this year to about 18, certainly no more than 20," informed Moore, but ABC-TV will not follow the other networks' lead in daytime specials—except for the possibility "of at least one Dick Clark daytime special."

Commenting on ABC-TV's expanded film production supply base (Vol. 16:2 p12), Moore confirmed—and added to—our list. Negotiations with Paramount & Revue for production of one pilot with each show are now in the works, he reported. Although ABC-TV has no "contract of exclusivity" with Warner Bros., the program vp indicated "no change" in the network's "satisfactory relationship with the studio" which has 10 film series on ABC-TV.

NETWORK SALES ACTIVITY

ABC-TV

"The Citadel," & "Ninotchka," 90-min. adaptations, Feb. 19, 8:30-10 p.m. & April 20, same time.
General Mills & Westclox (BBDO)

Who Do You Trust, Mon.-Fri., 3:30-4 p.m., 3 weekly participations for 13 wks. starting in March.
Peter Pan Foundations (Ben Sackheim)

CBS-TV

Markham, Thurs., 9:30-10 p.m. eff. end of Jan.
Renault (Kudner)

Tomorrow, six 60-min. public affairs specials for 1960-61 season.
American Machine & Foundry (Cunningham & Walsh)

Tightrope, Tues., 9-9:30 p.m., alt. wk. sponsorship.
American Tobacco Co. (Sullivan, Stauffer, Colwell & Bayles)

Person to Person, Fri., 10:30-11 p.m., full weekly sponsorship eff. Feb. 19.
Pharmaceuticals Inc. (Parkson)

The Verdict Is Yours, Mon.-Fri., 3:30-4 p.m., alt. wk. 15-min. segs.
Lever Bros. (Ogilvy, Benson & Mather)

Captain Kangaroo, Mon.-Sat., 8:15-9 a.m., alt. wk. 15-min. segs.
Arnold, Schwinn & Co. (George Bond)

1960 Masters Golf Tournament, April 9 & 10, full sponsorship.
Travelers Insurance Co. (Young & Rubicam)

NBC-TV

"One Loud Clear Voice," *Sunday Showcase* presentation, Jan. 17.
Procter & Gamble (Benton & Bowles)

NBC Opera, "Cavaleria Rusticana," Jan. 31, 3:15-4:30 p.m. & "Don Giovanni," April 10, 2-4:30 p.m.
Florists Telegraph Delivery Assn. (Keyes, Madden & Jones)

Advertising

FTC FIRES ANOTHER SALVO: Four of TV's heaviest advertisers & their agencies came under a concerted barrage of FTC charges last week in the agency's war against deception on the air (Vol. 16:2 p7). And FTC kept up its fusillade against payola, bringing 4 more record manufacturers & distributors into its gunsights.

Accused of "deceptive demonstrations over TV and in other advertising media" were Standard Brands Inc., Colgate-Palmolive Co., Aluminum Co. of America and Lever Bros. Co. Also cited were Ted Bates, agency for Standard Brands & Colgate-Palmolive; Ketchum, Macleod & Grove for Alcoa; and Foote, Cone & Belding for Lever Bros. In addition, Foote, Cone & Belding vp-account exec. William H. Bambric was accused of complicity in the challenged Lever Bros. commercials.

Cited in FTC's anti-payola campaign—marking up a total of 31 complaints since that phase of the broadcasting wars started last Dec. 3—were: United Telefilm Records Inc., 701 7th Ave., N. Y., and Pres. Morton Craft; M. S. Distributing Co., 1700 S. Michigan Ave., Chicago, and Pres. Milton T. Salstone & vp M. G. McDermott; A & I Record Distributing Co., 1000 Broadway, Cincinnati, and Pres. Isadore Klayman; James H. Martin Inc. & Music Distributors Inc., 2419 & 1343 S. Michigan Ave., Chicago, both headed by Pres. James H. Martin.

Meanwhile, FTC Chmn. Earl W. Kintner disclosed he will ask Congress—as expected—for a 10% increase in its $7-million dollar annual budget to help pay for its stepped-up drives against false advertising & payola. He said about 100 payola cases already are in his agency's active investigative files.

Kintner Asks Business Cooperation

In a speech prepared for the Institute of Distribution in N.Y., Kintner said businessmen must "look beyond their noses" to make sure they don't operate against the public interest. Referring to FTC's anti-deception war, he added: "It must deserve & receive the active cooperation of business in prosecuting the slick operator who has only contempt for the law."

And in an interview in Jan. 15 *Sales Management*, Kintner said: "The Federal Trade Commission will be as tough as is necessary to encourage the advertising industry to clean its own house."

In last week's advertising cases, FTC alleged that "various demonstrations over TV or, in some cases, in newspapers or periodicals, do not prove what they purport to prove," namely:

(1) That Standard Brands' Blue Bonnet Margarine "is superior to competitive margarines." (2) That Colgate-Palmolive's Palmolive Rapid Shave Cream has special "moistening properties" in "actual shaving use." (3) That Alcoa's "new super-strength" aluminum wrap "has certain qualities superior to 'ordinary wrap.'" (4) That Lever Bros.' Pepsodent Toothpaste "is effective in removing tobacco stains from the teeth of all smokers."

Said FTC in announcing the complaints Jan. 14: "These misrepresentations tend to deceive purchasers and have diverted trade unfairly from the manufacturers' competitors in violation of the FTC Act." FTC challenged such TV commercials as these:

Standard Brands: "Blue Bonnet is made by the new exclusive 'flavor gem' process. When Blue Bonnet is spread like this, you see 'flavor gems' just like on the 'high price' spread . . . but no 'flavor gems' appear on this other popular margarine . . ."

Colgate-Palmolive: "Video advertising shows a hand holding a razor & shaving what purports to be a piece of dry sandpaper to which Palmolive Rapid Shave has been applied. The misleading implication here is that the preparation's 'moisturizing' action makes it possible to immediately shave off the sandpaper's rough surface . . . The truth is . . . the supposed sandpaper is actually a 'mock-up,' made of glass or plexiglas [with] sand applied."

Alcoa: "Look! These leftover hams were wrapped & unwrapped the same number of times. The ordinary foil is tattered & torn. Ham is dried out, tasteless . . . but not a rip in new Alcoa wrap. Ham is juicy, tasty!"

Lever Bros.: "This is a cigaret-smoking machine. It deposits yellow smoke-stain on enamel like the hard surface of your teeth. [Sound of rapping on enamel.] With the Pepsodent, we brush across the stain. Then rinse with plain water. [Water effect] . . . See? The smoke stain is gone where we used Pepsodent."

Each of the advertising-case respondents was given 30 days from Jan. 14 to file answers to the complaints. Similar 30-day deadlines for the payola complaints were set.

At the same time London Records Inc., N.Y., one of the first record manufacturers cited by FTC for payola (Vol. 15:49 p12), denied any illegality in such practices. In a formal answer to the FTC complaint, London conceded "it has directly & indirectly given valuable consideration to disc jockeys." But the firm said FTC should dismiss "each & every allegation" because payola isn't unlawful. Another manufacturer named in the initial batch of payola complaints—RCA—chose not to contest the charges, signed consent order last month (Vol. 15:51 p6).

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AAAA Moves in Ad Cleanup: The American Assn. of Advertising Agencies is speeding up the process of having member agencies act as watchdogs against "objectionable advertising in TV, radio & print" placed by other 4-A agencies. It is now "the responsibility of the agency which placed the advertising to take corrective action" and to reply to the complainant. Failure to comply with the new system can bring a report by the 4-A Committee on Improvement of Advertising Content to the 4-A board, and possible expulsion of the member agency.

One major indication last week that ad agencies were already going to some lengths to keep in the clear with their own association as well as industry & govt. regulatory groups came in *Advertising Age*'s report that "virtually every major advertising agency is in the process of revising commercials or making new ones to replace some current sell." The story added that film industry sources estimate "there will be $500,000 worth of new commercials" —above the routine crop—made to comply with the FTC's current get-tough policies (Vol. 15:48 p1 et seq.).

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"The 6 leading cigaret companies, jointly, are spend- at the rate of between $1.8-1.9 million dollars a week on nighttime network TV . . . Two computers of cigaret sales disagreed on which brand came through 1959 as No. 1 brand. One gave it to Pall Mall and the other to the long-time champ, Camels. They also differed on total turnout: 63.2 billion vs. 65.2 billion."—*Sponsor.*

Information clearing house for advertising executives has been established by the Advertising Federation of America's Bureau of Education & Research. The service offers library, bibliographical and reference sources on all phases of advertising & marketing. George T. Clarke is director. TIO recently announced a similar service for TV.

More about

THAT MAGAZINE-TV WARFARE: Agency media buyers had a chance last week to get 2 entirely different views of how magazines are making out against TV, in the form of a new TvB presentation (see p. 4) and a retort from the Magazine Advertising Bureau. Highlights of the latest inter-media conflict:

TvB: Magazines, states the TvB analysis, are getting a dwindling share of national ad revenues, dropping from 16.6% of the total in 1949 to 12.1% in 1958. Their efficiency as ad media is "drastically reduced," since circulation has risen only 25% while page rates in ANA-studied magazines have gone up 76% for a resultant increase of 41% in cost-per-1,000 circulation. The trend in distribution is away from "more valuable newsstand sales" to a 1958 figure of 72.8% of circulation by subscription. To use regional editions of magazines actually costs the advertiser a "premium" on circulation cpm ranging from 55% to 108%. "Specialization," said TvB, is the "future for magazines."

MAB: Total magazine advertising for 1959 was "a record high of $787 million" beyond production charges, a gain "of 13%" replied MAB. It plans to have the final version of its anti-TV *The Profitable Difference* presentation ready for showing to agencies & clients by the end of Feb. The percentage of total national advertising in magazines last year will prove to be "consequentially larger than in the recession year of 1958." Also, in 1959 "the percentage increase in magazine advertising exceeded the percentage of gain in TV advertising, network & spot" and "magazine circulations are at an all-time high." The MAB also forecasts a record 1960 gross for magazines of $885 million, a 12% hike over the 1959 level.

TvB officials denied last week that the TV industry group was trying to start a media war. "We were simply filling a request by a number of local-station TvB members for sales ammunition to use in discussing the national magazine picture and the trend toward regional magazine editions," said a TvB spokesman.

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New reps: Headley-Reed (which has been rep for Donald W. Reynolds' KOLO-TV Reno) Jan. 1 became rep for Reynolds' other TV properties: KLRJ-TV Las Vegas (from Avery Knodel); KFSA-TV Fort Smith & KGNS-TV Laredo (both from Venard, Rintoul & McConnell). Other changes: KROD-TV El Paso to Bolling Jan. 1 from Branham. WLOF-TV Orlando to Headley-Reed Feb. 1 from Young. *Elkhart Truth* stations WKJG-TV Ft. Wayne & WSJV South-Bend Elkhart to Branham Feb. 1 from H-R Television.

Best-liked TV commercials in major U.S. markets are film spots for Hamm's Beer and Maypo Cereal respectively, stated ARB's latest report (Nov. 1959) on audience taste in TV salesmanship. In 3rd position was Kaiser Foil, edging the well-known Bert-&-Harry spots for Piel Bros. Beer from the top 3 for the first time in 1959. Two newcomers: Rival Dog Food (19th) and Alpine Cigarets (21st).

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Ad People: Matthew J. Culligan, ex-NBC radio exec. vp, appointed McCann-Erickson gen. corporate exec. in charge of advanced projects div. . . . William R. Groome and Edward P. Heath elected Ted Bates vps.

Charles Feldman named senior vp & creative dir., Young & Rubicam . . . John Veckly, ad dir. of U.S. Steel, elected ANA treas. . . . Alfred J. Seisel, pres. of Harold J. Seisel Co., elected pres., League of Advertising Agencies.

McCann-Erickson Reorganized: Chmn. Marion Harper Jr. announced a revision of McCann-Erickson Inc.'s basic structure last week. M-E will now function as 4 separate organizations, with a 5th to be added later this year. McCann-Erickson Advertising (U.S.A.) and McCann-Marschalk (formerly Marschalk & Pratt, M-E-owned subsidiary) will function as regular ad agencies, handling client purchasing and billing in TV, radio, print & other media. McCann-Erickson Corp. (International) will handle similar activity overseas. Communications Affiliates Inc., a new creation, will handle special service activity for clients. The major change is in the last-named div., which will handle special client problems of research, publicity, promotion, sales, etc. on a fee basis (thus avoiding the problem of reducing agency earnings by tossing in such services as part of what a client receives for the 15% normal agency commission).

Under McCann-Erickson (U.S.A.) will be McCann-Erickson Productions, headed by the agency's vice-chmn. C. Terence Clyne. This div. will concentrate on network TV-radio and will work directly with packagers & networks in the selection of properties submitted to clients. Commercials for TV shows will be handled by the agency itself.

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Commercial Saturation Point: It's high time TV took a long, well-researched look at the number & type of commercials allowed in back-to-back slottings and in network & local programs. This was the area of agreement reached by 2 TV executives, representing the viewpoints of broadcasters & agencies, at the RTES Jan. 12 luncheon seminar.

Crosley Bcstg. Co. sales vp H. P. Lasker said bluntly that there are "too many standards" governing multiple-spotting, ranging from what the NAB Code allows to what agencies & stations sometimes agree on privately. Multiple commercials in shows where "viewers expect such commercials" (such as "shopping-guide" daytimers), he stated, can be quite acceptable, but the same rules don't apply to crowding spots into station breaks.

Lasker's opinions were backstopped by William E. (Pete) Matthews, media vp of Y&R, who thought NAB's Code was generally "liberal" on commercials, but might be revised to provide 1-min. breaks (instead of 30-sec.) between network shows to give spot advertisers more opportunity, with added copy & production, to "spread themselves." In some situations, Lasker stated, TV may be tossing too many commercials at once at the viewer, and, in others, more might be aired without creating adverse reaction.

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Subliminal perception advertising conveys its message to radio or TV audiences, but the audiences have the power to resist it, industrial psychologist Dr. Robert E. Corrigan, testified at a meeting of the Cal. Assembly subcommittee probing such advertising.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WABC-TV New York	$4250 to $4675	$1110 to $1400	Jan. 3
WNHC-TV New Haven	1500 to 1600	330 to 355	Dec. 1
KMBC-TV Kansas City	660 to 1300	300 to 350	Jan. 1
KWTV Oklahoma City	900 to 950	240 to 250	Jan. 1
WTRF-TV Wheeling	625 to 700	140 to 155	Dec. 1
KGHL-TV Billings, Mont.	200 to 250	45 to 62.50[1]	not reported

[1] 20 Sec. only.

Canadian Station Rate Increases

CFCM-TV Quebec City	525 to 600	140 to 165	April 1
CHEX-TV Peterborough	269 to 290	52 to 58	Jan. 1

Film & Tape

More about

THERMOPLASTIC RECORDING: First full-scale demonstrations of GE's Thermoplastic Recording technique in N.Y. Feb. 12 in New York's Hotel Pierre (p. 2) were witnessed in the afternoon by some 200 newsmen, and in the evening by network, FCC & NAB engineers.

Representing FCC was chief engineer Edward Allen; engineering mgr. A. Prose Walker and asst. engineering mgr. George W. Bartlett represented NAB. Among network personnel were CBS-TV engineering & affiliate relations vp William B. Lodge and ABC engineering vp Frank Marx; NBC was not represented. This special showing to TV topkicks indicates that GE considers TPR a potential TV tool, despite its officials' reluctance to say so during the earlier showing for newsmen.

Here's how TPR's operation was described: Actual recordings are made by an electron gun in a vacuum. (Entire front of recorder had transparent plastic cover with rubber gasket for a seal. When reels are put in place and door is closed, a pushbutton starts a vacuum pump which evacuates the air in one minute. To destroy the vacuum and open the door for removal of reels, another button is pushed.)

The developmental system can use a standard TV camera or a regular TV set or monitor for pickup. Input signal voltage is about one volt. The video signal is fed to a special electron gun which deposits a charge on the special transparent thermoplastic film or tape. The film is instantly heated, changing the electrical charge to ripples in the film surface. When cooled, the ripple pattern is frozen into place. The film may be erased by heating.

Recordings May Be Projected or Scanned

The resulting film may be shown with a projector using a modified Schlierien optical system, or it may be picked up for TV with a flying-spot scanner. The picture image on the film may be seen if held up to the light, but it is more difficult to see than the image on conventional movie film. The TPR inventor, Dr. William E. Glenn, has also developed a color optical system & electron gun.

The film recordings shown at the demonstrations were made from regular broadcast signals taken from the IF of a standard black-&-white TV set. The films were crude but eminently recognizable; scratches & dust appeared to be major problems. Thermoplastic film recordings, according to Glenn, are currently about twice as susceptible to damage by mishandling as are standard photographic films.

Thermoplastic film may be edited like movie film; special effects may be used; portions of a frame may be erased. Presumably animation, stop-motion and other photographic tricks can be used.

Glenn predicted that Thermoplastic films could be easily duplicated by a pressing process; pressing tapes, he said, should be a "less critical" process than pressing phono records.

We were impressed with the apparent simplicity & compactness of the equipment, which appears to herald low cost & portability in the ultimate TV equipment.

The tremendous information-handling capacity of the system makes it ideal for data-storage uses far more complex than TV—such as satellite data recording, radar recording, computer use. GE Labs' Lloyd C. Harriott, for example, explained that it is now "realistic to think of storing entire libraries of business reports, drawings or engineering data in equipment the size of an office desk." GE research vp Dr. Guy Suits dramatized the capacity of the film this way: "In principle, TPR could record the 24 volumes of the Encyclopedia Britannica on a reel the size of a spool of thread, and it would take only a minute to record each volume."

This very fact that there is no built-in bandwidth or information-carrying ceiling was cited as a big potential advantage of the system by several broadcast industry engineers. Its potential in TV, in the opinion of these engineers, boils down to whether the delivered pictures are competitive with tape pictures—in quality, price & convenience. And before this is definitely known, they all agree there will be a considerable wait.

* * *

RCA has shipped 40 TV tape recorders to stations & networks, govt. agencies and overseas users—and 100 more are on order—RCA industrial electronic products exec. vp. T. A. Smith announced last weekend. "Demand is expected to grow at a more accelerated pace," he said. RCA has formed a new recording products, high power & nucleonics dept., one of the prime functions of which "will be development of advanced types of recording devices for the broadcast industry," according to broadcast & TV equipment div. gen. mgr. C. H. Colledge.

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15 Pilots at Screen Gems: The Columbia Pictures TV subsidiary is currently planning at least 15 pilots, may top 20. Like most, SG is emphasizing comedy, while seeking a broad balance in its various pilots.

Expected to go into production within the next month are these pilots for which Harry Ackerman is exec. producer: *For the Love of Mike*, a comedy starring Shirley Jones, (Ed Rissien, producer); *My Sister Eileen*, comedy, not cast; *Man Alive*, adventure, not cast; *Show Wagon*, a Western, not cast (Winston O'Keefe, producer); *Miss Peters Speaking*, a comedy by Norman Krasna & Bill Manhoff, not cast (Eddie Buzzell, producer); an untitled comedy starring Walter Slezak; *Togetherness*, a comedy created by Nate Monaster & Norman Tokar (Winston O'Keefe, producer), to be showcased on SG's *Alcoa-Goodyear Theater*.

William Sackheim is exec. producer on 4 pilots, *The Insider*; *Girndl and Her Miserable Stories*, a suspense vehicle created by David Swift; *Proud Land*, a Western, starring John Larch, to be showcased on *Alcoa-Goodyear Theatre* (a joint venture with Hilda Productions Inc.); and *Tom Sawyer*.

Screen Gems also plans a pilot of *333 Montgomery*, drama, which is aimed at the syndication market. Among projects which haven't yet been firmed for piloting is an untitled South Seas series which would be produced for SG by Robert L. Jacks.

In addition producer Herbert B. Leonard has two 60-min. pilots being made in association with SG, *Route 66*, an action series, and *Naked City*.

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ABC has given Screen Gems the green light to prepare scripts and plan on production for *The Big Walk*, for next season. Gene Roddenberry is producer. The pilot was made last year, but not sold.

Westinghouse Bcstg. Co. is launching another syndication series. Already scheduled for the 5 WBC stations and booked on stations in nearly 50 other markets, is the 30-min. video-taped *Reading Out Loud* series, featuring prominent personalities reading aloud literary classics. One restriction: Telecasting must be non-commercial.

NEW YORK ROUNDUP

United Artists purchase of Ziv TV was still in its closing stages late last week. What was keeping the 2 firms apart was not, Pres. Herbert Golden of UA-TV told us, a "question of money." On this, UA and the 2 banking houses owning 80% of Ziv (Lazard Freres and F. Eberstadt Co.) seem largely agreed. UA, apparently, must clarify what the acquisition of Ziv will mean in terms of the government anti-trust suit already pending against UA, what realignment of TV executive personnel will be necessary, and whether *Hudson's Bay*, the next UA-TV syndication property due to be fed into sales channels, will be handled through UA's sales force, or through Ziv's.

A wild coincidence of telefilm selling found actor Efrem Zimbalist Jr. portraying private eye Stuart Bailey in 2 Fri.-night TV shows scheduled for the 9-10 p.m. period Jan. 15 on arch-rivals WNEW-TV & WABC-TV N.Y. Zimbalist was making his regular every-other-week appearance as star of the Warner Bros.-produced *77 Sunset Strip* on ABC-TV in an episode titled "Switchburg." At the same time, he was to be seen on independent WNEW-TV in the rerun of a 60-min. WB 1957 telefilm titled "Anything for Money," based on a Roy Huggins story that is part of an NTA-syndicated package of some 90 telefilm episodes aired by WNEW-TV as *Hour of Stars.*

TV film musicians employed by members of the Alliance of TV Film Producers Inc. will vote by Feb. 8 in an NLRB election to determine whether they want the AFM or the rival Musicians Guild of America to represent them in collective bargaining. In ordering the secret balloting, NLRB excluded Ziv, Revue and Mark VII from the Alliance-wide bargaining unit—the first 2 disclaim the producers' organization as agent; Mark VII has AFM contract.

TV Program Export Assn. interim committee met in N.Y. Jan. 14 and set 3 p.m. Jan. 20 as the time for the assn.'s first board meeting. Place is Rockefeller Center Bankers' Trust Co. Details of other business discussed at the Jan. 14 session were not announced.

"This Week in Sports," weekly 15-min. sports review, will be sponsored starting in mid-Feb. in 15 Western markets by the Denver Studebaker-Packard Dealers Assn. Produced by Hearst Metrotone News, the show has been on the air continually since 1948.

Cal. National Productions reported sales of *Pony Express* in 56 markets within 3 wks. after the series was introduced. American Petrofina Co. bought the 39 half-hour adventure series for 20 markets.

MCA-TV's pre-1948 Paramount features were picked up by 5 more stations last week: WCIA Champaign, Ill., KTHV Little Rock, KSHO-TV Las Vegas, WANE-TV Ft. Wayne, KERO-TV Bakersfield, Cal.

CBS-TV Workshop's first presentation will be "The Brick & the Rose," written by Lewis John Carlino, a participant in the workshop's TV-writing seminars. The play will be telecast noon-12:55 p.m. Jan. 24.

Richard Rodgers has been signed to compose the background music for ABC-TV's 1960-61 series based on Churchill's memoirs . . . **John E. Pearson** has been named gen. mgr. of ITC of Canada Ltd. . . . **Lee Francis** has resigned as ad & promotion mgr. of ABC films.

HOLLYWOOD ROUNDUP

Screen Actors Guild has notified AFTRA it's studying the merger plan submitted by David L. Cole but has deferred AFTRA's request for a meeting because of its crucial negotiations with the major studios (Vol. 16:2 p14). SAG said, however, that naming special committees in Hollywood, Chicago and N.Y. to study the Cole plan, which is lengthy & complex, will require thorough analysis. SAG promised to meet with AFTRA as soon as negotiations with the majors are concluded.

There are now only 2 *Sunset Strip* films left in which Edd (Kookie) Byrnes appears. Warner Bros. had made one last try to patch things up when Byrnes continued to hold out for a contract readjustment, put him on suspension (Vol. 15:44-46). Byrnes has now been on layoff for 9 weeks, since he refused to report for work after WB refused his demands.

Filmaster Productions will produce 2 pilots in Feb.: *The Beachcomber*, starring Cameron Mitchell (producer Joseph Shaftel), an adventure series created by Walter Brown Newman, and *F.S.O.*, a 60-min. venture (Nat Perrin producer) . . . **Screen Gems** producer Robert L. Jacks may pilot a South Seas series. The project is untitled.

Mark VII Productions is producing the pilot of a comedy, *Calvin & Clyde*, for ABC-TV, Herman Saunders producing . . . ABC-TV and Warner Bros. are in negotiation for a half-hour *Bugs Bunny* series for next season. The show would be reruns of the post-1948 WB cartoons plus new animation.

CBS-TV production sales unit will have a series of demonstrations of its commercial video-taping services on the West Coast Jan. 19-27, the first to be held Jan. 19 at KIRO-TV Seattle. Others will be Jan. 21, KPIX San Francisco; Jan. 16-17, Television City, Hollywood.

Screen Gems' *Dennis the Menace* has been renewed for 13 weeks, thus is set for this season . . . **Gene Roddenberry** has been signed as a producer-writer at Screen Gems.

Producer Sam Gallu will film four 90-min. specials for CBS-TV next season: 2 original dramas & 2 adaptations. The specials, budgeted at $150-250,000 each, will be theater-distributed abroad.

Warner Bros. plans a new series, *Black Gold*, about the oil fields of Texas & Oklahoma . . . **Desilu Productions** is negotiating for Elena Verdugo to be one of the stars of its new 60-min. comedy series, still untitled.

Screen Gems is preparing the pilot of *Togetherness*, a comedy written by Nate Monaster & Norman Tokar, which will be showcased on its *Alcoa-Goodyear Theatre* series. . . . SG has also changed its *Never Plead Guilty* series to *333 Montgomery.* It will probably go into syndication.

Filmaster Productions has acquired the Shamrock studio in Winter Park, Fla. to produce commercials, industrial films, movies and TV films . . . Filmaster has resumed production in Hollywood of its *Hannibal Cobb* series starring James Craig. Fritz Goodwin produces the 5-min. segments for Video International Productions.

Spartan Productions is finishing the pilot of a 30-min. show, *The Great Leslie*, done with animation, artwork and still photos. Blake Edwards and Don Peters produce.

SYNDICATION'S PROBLEMS: How's the $100-million syndication business? The 1960 prospects are "great" or "bright" or "never better," most leading syndication concerns have told us in recent weeks. Does this mean that the industry has solved its major problems? Decidedly not, for there are more problems confronting the distributors of non-network telefilms & features than ever before, syndicators privately admit.

The biggest single problem that faces a syndication house when it launches a new telefilm series or feature package is the shortage of time-slot availabilities. In major Eastern markets, virtually all of the 10:30-11 p.m. periods on network affiliates are occupied by network programming. After 11 p.m., viewing drops steadily, and most advertiser demand is for participations in feature films or in NBC-TV's *The Jack Paar Show.*

The emergence of ABC-TV's nighttime lineup as a strong competitor of the other 2 networks also causes a time shortage among that network's affiliates, as well as a full-scale logjam in 2-station markets. And, as a final time problem, syndication must compete with local live shows for afternoon, evening and nighttime positions.

Production costs are another headache to syndicators. "There's no one single item that's causing us a problem," said the sales vp of a syndication firm currently billing over $20 million annually. "It's a combination of a lot of little increases that create a steady upward spiral." Syndicators must therefore weigh carefully the anticipated costs of a show against the relatively-fixed prices that stations or regional sponsors are willing to pay. A wrong guess means red ink.

Talent costs are a related problem. There's been a trend lately toward over-scale payments to telefilm stars coupled with over-scale residual payments for reruns. A syndicator purposing to launch an off-network rerun film series into syndication must then make another hard-cash guess. If he begins market-by-market sales, he must pay the big residual on his first sale, and operate at a deficit until the sales catch up to his rerun payment (which may be $5,000 per episode).

Overseas syndication of telefilms, which in ideal situations can produce as high as a third of the series' gross income, is also full of pitfalls, ranging from stiff quotas to currency regulations and language-dubbing problems. An American TV Program Export Assn. has been formed (Vol. 16:1 p15), but improvement of foreign TV sales conditions is only beginning. Feature films are hard to sell overseas, and are often severely limited by foreign theatrical exhibitors & movie unions.

Tape syndication, which became a reality in 1959, is still having growing pains. Duplicate tape prints are costly, shipping is often a problem, and many tape-equipped stations prefer kinescope prints because their video-tape playback facilities are in other use.

The supply of available pre-1948 feature films for TV is steadily dwindling, and an early solution to the demands of talent & creative unions for a share in post-1948 movie sales to TV is by no means in sight. But this is only part of the problem. As the sales director for a leading syndicator of both telefilms & features put it to us: "Either we haven't got enough features to meet the demand of stations in a TV market—or they refuse to pay the price we must ask for what we do have."

In the face of such odds, it's almost a surprise to find that there's a steady flow of product into the syndication market from the veteran distributors. Most of the large firms try to bring a new telefilm series into syndication at least once every 3 or 4 months. A few (notably Ziv TV) launch shows as often as one every 2 months. Feature film firms space their packages further apart, usually scheduling a new batch at least twice a year (or more often, if they are small groupings).

Here's what leading syndicators reported to us recently about their new market entries in the year past:

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ABC Films: With a total of 10 series (new & rerun) on the U.S. market, ABC Films continued syndication sales of 3 off-network properties—*The People's Choice, Meet McGraw, & Jim Bowie.* No major first-run series were launched, and the network-owned distribution firm considered the period primarily "a reorganization year for us." At least 4 first-run series are due in 1960, however. Last March, Henry Plitt, an executive of a southern theatrical chain, was named pres. of ABC Films, with Harold Klein, Plitt's former business mgr., named vp for business affairs. Noted by Plitt as a trend: "The increased salability of off-network telefilm comedy shows for daytime stripping, with local stations following the network daytime lead."

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Cal. National Productions: NBC-owned CNP, after nearly 7 years in the field, scored its first breakthrough in network selling, landing the CNP-Goodson-Todman series *Adventures of Philip Marlowe* on ABC-TV & selling *The Lawless Years* on NBC-TV. CNP's own *Not For Hire* series, starring Ralph Meeker, was launched in first-run sales (at what CNP described as "realistic prices"), and rerun sales by the firm's Victory Program Sales div. "have soared," reported pres. Earl Rettig, confirming a steady demand in syndication for low-priced rerun properties with continuing audience potential, such as CNP's long-run *Victory At Sea* teledocumentaries.

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CBS Films: This network-owned syndicator continued to expand on a number of fronts. In the program realm, *U.S. Border Patrol,* produced (as was *Navy Log*) in association with Sam Gallu, was launched in first-run syndication in April and soon scored a sizable regional deal with Amoco (73 markets of a total of 130). Soon thereafter, one of the season's biggest rerun properties, *The Phil Silvers Show,* was launched and scored an equally large near-national sale (to Carling Brewing for 69 markets of a total of 122). The off-network *Trackdown* was also put into rerun syndication. CBS Films' first tape series, the 30-min. taped-in-N.Y. *Robert Herridge Theater* (originally titled *Theater for a Story*) completed 22 episodes during the year, but still lacked a firm network deal or syndication plan. Production was also active on *Whirlybirds* (3rd year, in association with Desilu) to bring the number of episodes to 111 currently playing in 135 markets, including 75 for Conoco. Production was also completed on the 39-episode *Colonel Flack & Rendezvous* series for syndication. One of the few syndicated suppliers of news programs, CBS Films added 38 new stations (13 overseas) to the roster subscribing to CBS Newsfilm. On the foreign front, CBS Films expanded its activity to a total of 41 TV-equipped countries.

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Independent TV Corp.: In its first year of operation (after Jack Wrather bought TV Programs of America), ITC launched 4 first-run shows into syndication; the co-production (with Sapphire Films) series *Four Just Men,*

Ding Dong School (on tape), *Sweet Success* and, most recently, *Interpol.* A 2nd year of off-network syndication sales of *Jeff's Collie* (*Lassie*) was begun, as well as off-network sales of *Brave Stallion.* At the network level, *The Gale Storm Show,* acquired by ITC in 1958, was sold to ABC-TV early in 1959 under an arrangement whereby *GSS* is telecast on a 5-times-weekly rerun basis with new episodes in a nighttime series. ITC's gross sales, Pres. Walter Kingsley told us, amounted to "a volume of $14 million at a time largely devoted to the development of a sales force & regional offices." Foreign sales amounted to more than $4 million (10% of total) on a total of 19 series in 42 countries. ITC had several management-level appointments during the year, notably ex-CBS Films program vp Leslie E. Harris to the new post of managing dir., international production, Charles W. Goit as natl. sales dir., and Alvin E. Unger to the rank of vp for syndication.

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MCA TV: Another active station-level telefilm supplier in 1959 was the syndication arm of Music Corp. of America, which is both a producer (Revue Productions) & distributor (MCA-TV for telefilms, Emka Ltd. for features). Three first-run MCA syndication properties were launched during the summer—*Shotgun Slade, Coronado 9* and *Johnny Midnight*—bringing the total domestic syndication properties to 25. MCA's sole feature package is the pre-1948 backlog of 700 Paramount movies, which went on the market originally in 1958. A total of 42 stations signed for Paramount features during 1959, with nearly all (95%) signing for the full package, said station sales vp Louis Friedland. Through its parent talent agency, Revue Productions is represented on all 3 networks with telefilm shows (*Wagon Train, Laramie, Johnny Staccato, Riverboat,* etc.) this season although the sales are not handled through the syndication channel.

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NTA: Early this fall, NTA, now a div. of National Theatres, introduced *Grand Jury,* produced by Desilu, as a first-run syndication entry. NTA had no off-network rerun properties on the market this year, but did launch a series of "conversation" video-taped shows, produced at WNTA-TV N.Y., featuring Mike Wallace, Henry Morgan, David Susskind & Alexander King, among others. A 2nd year of syndication was started for *U.S. Marshal, This Is Alice, How To Marry A Millionaire* and *Man Without A Gun.* On the feature front, NTA released a series of TV movie packages— "Sunset," "International," "Santa Monica" & "Wilshire"—picked from a 165-title bloc acquired by NTA from 20th-Fox, as well as 10 Shirley Temple films. At least 3 new telefilm properties will be syndicated (unless network sales are scored meanwhile) early in 1960. One 1959 NTA highlight was the N.Y.-to-Hollywood shift of executive personnel in Sept., accomplished with the aid of an airlift, to consolidate forces with National Theatres. Some executive-level shuffling was also done, with NTA syndication sales vp Michael Sillerman resigning late in 1959 and Arnold Kaufman, ex-RKO, named as vp for the remaining NTA telefilm sales functions in N.Y. In a related field, NTA vp for o&o stations Ted Cott set up a N.Y. pilot operation on non-closed-circuit Storevision this fall, and was making plans for NTA to syndicate the basic elements of the in-store daytime TV service to 25 other TV outlets.

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Screen Gems: With 22 series active in the U.S. & foreign markets, the syndication arm of Columbia Pictures-owned Screen Gems kept its sales pipelines filled during 1959 with a steady product flow. Two first-run series were launched—Jack Douglas's *Seven League Boots* under a distribution deal; *Manhunt,* an SG-produced show in May & Oct. respectively. In addition, *Rescue 8,* produced in association with Bert Leonard, went into a 2nd year of syndication production, and SG launched off-network syndication sales on *Behind Closed Doors & Award Theatre* (former Alcoa-Goodyear episodes). The upward trend in residuals paid to name talent starring in telefilm series caused SG to choose carefully among off-network series offered in distribution deals, said dir. of syndication Robert Seidelman. Reason: SG—like other syndicators—must pay residuals at the time of the first syndicated sale, and then face the problem of operating in the red with a show until sales catch up with the talent payment. On the feature front, SG moved slowly, abandoning the 1956-57 tactics of large-package release on a national scale. In 1959, SG adopted a policy of feeding no more than 200 features gradually into the market from its reservoir of Columbia Pictures and U-I product, on a market-by-market basis.

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United Artists, UAA: UA-TV took its first plunge in the syndicated telefilm market early in 1959, launching sales of *Tales of the Vikings,* produced by Kirk Douglas's Bryna Productions. By Dec., the first-run series, an outgrowth of Douglas's feature film version of the same property, had reached a level of about 80 stations with several regional deals made. UA-TV also became a network-level telefilm supplier, breaking through with sales on *Troubleshooters & Dennis O'Keefe Show,* neither a major success, but at least paving the way for future UA-TV activity in this field and providing a backlog of future syndication releases. UA-owned United Artists Associated, now distributing both the cleared-for-TV feature films of UA and the Warner Bros. pre-1948 backlog, as well as *Popeye* cartoons, comedies, foreign co-production features, etc., continued to score regular sales (rerun sales in large markets, library deals in new TV areas or in small cities, for the most part). No off-network properties were launched and there was only limited foreign activity.

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Ziv TV: Currently the subject of Wall St. negotiations involving United Artists, Ziv TV maintained a steady pace of syndication releases during the year. These included the first-run *This Man Dawson & Lockup* series, a 3rd year of *Sea Hunt* (regarded by many as the most successful syndication series in TV), and the off-network release in syndication channels of *Tombstone Territory.* Having broken into the network production ranks in 1956 with *West Point,* Ziv continued to maintain its position with network level sales of *Bat Masterson, Men Into Space, The Man & The Challenge.* A pioneer in the selling of low-priced reruns, Ziv's Economee TV launched sales on the extensive backlog of *Highway Patrol* episodes, as well as continuing sales on such veteran properties as *Science Fiction Theater, Boston Blackie, Cisco Kid, Harbor Command.* One trend noted for us by syndicated sales mgr. Len Firestone was the growing tendency of major national advertisers (like American Tobacco Co.) to supplement network coverage & bolster weak sales areas with alternate-week purchases of new syndication properties, with Ziv and the stations selected by the prime advertiser teaming up to sell off the odd weeks locally or regionally. Ziv continued active during 1959 in the foreign telefilm field, with nearly 90% of the firm's syndication properties now language-dubbed for the overseas market.

Programming

Prestige-Show Sponsors Sought: All 3 networks are hunting sponsors for the growing crop of public-affairs & prestige shows scheduled or blueprinted for 1960. The chase isn't as difficult as it used to be—sponsors are becoming more concerned with their responsibility in TV's public image, and sales are keeping pace nicely with prestige-program plans, network officials told us last week.

The latest coup in this field has been performed by NBC-TV, which has signed Florist Telegraph Delivery Assn. to sponsor 2 NBC English-language operacasts—"Cavalleria Rusticana" on Jan. 31 and "Don Giovanni" on April 10. This marks the first time—apart from the annual "Amahl" shows—that the network has had a sponsor for its prestige-heavy, rating-light televised opera. NBC has also had recent success with Brown & Williamson (*Journey To Understanding*) and Purex (*Project 20*)—both normally associated with purely entertainment shows.

CBS-TV is equally active. In addition to its roster of such public-affairs sponsors as Bell & Howell and Goodrich (co-sponsors of *CBS Reports*) and Firestone, CBS brought back to network TV last week American Machine & Foundry Co. as a sponsor of *Tomorrow*, a new 6-program science series being developed with MIT (see Network Activity, p. 7).

ABC-TV is scouting what an ABC program executive called "preliminary agency reaction" to its blueprinted newsfilm series based on Winston Churchill's books.

In the wake of such moves, a new brand of rivalry is developing among network sales depts. As the sales development mgr. of one network put it to us: "It's easier to land an advertiser already sponsoring a public-affairs show than it is to start selling one on doing so." Thus sponsors who are pre-sold on the idea of public service shows are now enjoying a new height of status and everyone's chasing their business.

* * *

Edge-of-cliff sponsor rescue for WNTA-TV N.Y.'s much-praised, high-prestige *Play of the Week* was staged last week by Standard Oil Co. (N.J.), which will assume full sponsorship of the 120-min. pre-taped dramas on Feb. 8 for a 13-week initial period in a major local public-service gesture. The show's freedom to tackle controversial drama would not be affected by the move, stated M. J. Rathbone, Jersey Standard pres., and advertising in the prestige series will be handled on an institutional level. Commercials will be inserted only at the playwright's regular intermissions. Mr. Rathbone, reported the *N.Y. Times*, "said that he and his associates did not feel competent to control a theatrical venture and that the task should be left to those whose work had enjoyed sustained critical & public approval." David Ogilvy, pres. of Ogilvy, Benson & Mather agency, admitted that the show's heavy fan mail (27,000 cards & letters urging WNTA-TV to keep the show on the air somehow, despite low sponsorship revenue) was a factor in the oil firm's TV decision.

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TV program criticism by Coty Inc. Pres. Philip Cortney was picked up by House Small Business Committee Chmn. Patman (D-Tex.) for 2 appendix insertions in one *Congressional Record* issue. With approval, Patman inserted texts of Cortney's statement at FCC's programming hearing (Vol. 16:2 p6) and the perfume manufacturer's San Francisco Commonwealth Club speech last Nov. 6 on "The TV Scandal & How to Defend Honesty & Morality."

Cancellation Activity: A sudden round of nighttime mid-season sponsor pull-outs left NBC-TV sales dept. last week holding the bag on a potential loss in gross billings of "about $3 million." Because the sponsors were cancelling time periods and not just programs, there was no immediate carry-over of billings. NBC-TV thus faces the tricky problem of deciding whether to continue axed shows at NBC expense while searching for sponsors, or to put replacement shows in the periods to attract new business.

Sponsors notifying NBC-TV of cancellations last week were Singer Sewing Machine & Standard Brands (*Fibber McGee & Molly*, Tues., 8:30-9 p.m.), Procter & Gamble (*Wichita Town*, Wed., 10:30-11 p.m.), Block Drug (*Richard Diamond*, Mon., 7:30-8 p.m.) Renault (*Law of the Plainsman*, Thurs., 7:30-8 p.m.). The network still has the opportunity to sell the time in the usual rush of mid-season reshuffling, as none of the cancellations are effective immediately.

CBS-TV is also facing a round of sponsor shuffles, but they're primarily program changes rather than sponsor losses. *Person to Person* lost co-sponsor Richard Hudnut, but gained full sponsorship from co-sponsor Pharmaceuticals Inc. Revlon cancelled the 90-min. *Big Party* but is buying a 60-min. weekly show in its place. *Masquerade Party* is being replaced by *The Kate Smith Show* but American Home Products is sticking with the time period. ABC-TV's only nighttime show axing this season was *World of Talent* but sponsor P. Lorillard continued in the time period with *21 Beacon St.*

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Govt.-paid TV & radio time for Presidential tickets & Congressional candidates is provided in an election-reform bill (S-2823) introduced by Sen. Neuberger (D-Ore.). Complaining that "salesmanship, not statesmanship," has become the prime prerequisite of a candidate seeking office today, "he proposed to equalize big contributions to campaign funds with govt. subsidies. Under the Neuberger plan, half the costs of broadcast time (limited to 30 min. on radio & 15 min. on TV for primaries; times doubled for general elections) in campaigns for federal office could be paid by the govt. "To qualify for a federal contribution, the candidate could not purchase additional broadcast time in excess of the amount to which the federal contribution applies," Neuberger said. Candidates also would be entitled to recover part of the costs of general campaign costs from the govt.

"Lady Chatterley's Lover" suit is none of FCC's business, in opinion of attorneys for Grove Press, which is defending itself against the Postmaster General's appeal from a court ruling which permits the book to use the mails. FCC had asked the Court of Appeals to confine its forthcoming decision to printed media (Vol. 15:52). "If it is the Commission's purpose," said the firm of Rembar, Zolotar & Leavy, "to instruct the court, in a case in which the Commission has had no part, on the proper bounds of judicial opinion, we submit that the effort is unseemly & unnecessary"—pointing out that no one has proposed to broadcast the book.

"Affront to radio & TV journalism" is the way the Radio-TV News Directors Assn. describes separate-but-equal news conferences for newspapermen & newscasters instituted by N.Y. Gov. Nelson A. Rockefeller (Vol. 15:46 p11) & Cal. Gov. Edmund G. (Pat) Brown. In a telegram to Brown, the RTNDA said its members line up with CBS, NBC & ABC in protesting the practice of holding cameras & microphones off for 2nd runs of the conferences.

Television Digest

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Personals: Alfred R. Schneider, ex-CBS-TV asst. to the pres. and onetime ABC-TV asst. business affairs dir., returns to ABC-TV as administration vp . . . **John A. Cimperman**, former legal attache, U.S. Embassy in London, named NBC director of practices in the new dept. of standards & practices; **Edward G. Smith** named Pacific div. administrator; **James A. Stabile** heads the dept.; **Ernest Lee Jahncke Jr.** is the standards dir. . . . **Robert B. Jackson** named asst. controller, CBS-TV, Hollywood . . . **Johnston F. Northrop** appointed administrative vp & treas., Corinthian Bcstg. Corp.

William Hohmann named sales promotion & research dir., CBS-TV Spot Sales . . . **William T. Corrigan** named dir. of news & public affairs, KNXT Los Angeles and CBS-TV Pacific network . . . **Norman Felton** named dir. of programs & administration, CBS TV City, Hollywood . . . **William H. Lynn Jr.** named program development & supervision dir., ABC-TV Western div.; **Carmine Patti** appointed regional mgr., ABC-TV station relations dept. . . . **Kurt Weihs** promoted from staff artist to associate art dir., CBS-TV sales promotion & ad dept. . . . **John Daly**, ABC news vp, named to Public Health Service's Water Pollution Control Advisory Board by President Eisenhower.

Dean McCarthy, operations mgr. of Storer's WITI-TV Milwaukee, named to new post of quality control dir., Storer Bcstg. Co., headquartering in Miami; **Glenn Boundy Jr.**, national sales service mgr., WJBK-TV Detroit, succeeds McCarthy . . . **Robert D. Doubleday**, gen. mgr., KATV Little Rock, Ark., promoted to vp . . . **Bob Villar** promoted from local-regional sales mgr. to commercial mgr., WSFA-TV Montgomery, Ala. . . . **Douglas Duperrault**, ex-WTAR-TV & WTAR Norfolk, Va., named promotion mgr., WFLA-TV & WFLA Tampa, Fla., succeeding **Byron Taggart**, named asst. national ad mgr., Tampa *Tribune*.

John E. Person promoted from sales mgr. to gen. mgr., ITC of Canada Ltd. . . . **William E. Harder** promoted to production vp of Fred Niles Productions, **Edward E. Katz** to vp-controller, **Frederick B. Foster** to vp-sales mgr. . . . **Robert L. Hutton Jr.**, TV promotion dir., and **Louis A. Smith**, midwest TV sales mgr., named vps, Edward Petry & Co. . . . **J. Sydney King**, onetime program dir. of WBAL-TV Baltimore, returns as WBAL-TV & WBAL mgr. of public service & special events . . . **Richard F. Kennedy** elected vp for client services, BAR . . . **Gustav B. Margraf**, Reynolds Metals gen. solicitor, elected a vp.. He was an NBC vp 1948-1955.

Stations

Secy. of State Christian A. Herter heads the speakers' list for the 38th annual NAB convention April 3-6 in Chicago at the Conrad Hilton Hotel. He will address the April 4 luncheon session. FCC Chmn. Doerfer is the scheduled speaker at the April 5 luncheon. As usual, the convention will be keynoted by NAB Pres. Harold E. Fellows in his annual address at the April 3 opening session. The 14th annual Broadcasting Engineering Conference will be conducted in the Sheraton-Blackstone Hotel across the street from the Hilton, where broadcast equipment exhibits will be located. An engineering-sessions innovation this year will be a 30-min. preview of the exhibits by Chmn. Warren Braun (WSVA-TV & WSVA Harrisonburg, Va.) following the April 4 opening of the conference.

FCC Comr. Craven will receive NAB's 2nd annual Broadcast Engineering Award. He was picked for the 1960 honor by a Broadcast Engineering Conference subcommittee, headed by NAB engineering mgr. A. Prose Walker, which cited his work as head of the U.S. delegation at the ITU conference in Geneva last year in addition to his long Commission service. Now serving his 2nd FCC term (his first ran from 1937 to 1944), Craven also has been FCC's chief engineer, a pioneer in directional antenna design and a private TV-radio engineering consultant. The award will be presented April 6 at a joint engineering-management luncheon in Chicago's Conrad Hilton Hotel in conjunction with NAB's 38th convention April 3-6. Winner of the first NAB engineering prize was the Hearst stations' John T. Wilner (Vol. 14:51 p9).

WTVP (Ch. 17) Decatur, Ill. is the latest acquisition, for about $600,000, by Metropolitan Bcstg. Co. FCC recently approved Metropolitan's purchase of KOVR-TV Stockton, WTVH Peoria & radio WIP Philadelphia (Vol. 16:1 p11). Its other stations are WNEW-TV & WNEW N.Y., WTTG Washington & radio WHK Cleveland. Blackburn & Co. advised Metropolitan on the Decatur purchase.

KFBB-TV (Ch. 5) Great Falls, Mont. has been sold with radio KFBB for approximately $1 million by Wilkins Broadcast Inc., with Joseph P. Wilkins remaining as pres. & operating mgr. New owners, operating as KFBB Corp., are David E. Bright, chmn., H & B American Corp. (aircraft parts & steel forgings); Ernest Scanlon, formerly UPA Pictures exec.; and Daniel O'Shea, ex-CBS vp, onetime pres. of RKO Radio Pictures.

Uhf CP (Ch. 62) has been granted for Tacoma, Wash. to the Tacoma School District No. 10, which plans commercial operation. Also authorized were a Ch. 76 translator for Cortez, Colo. and a Ch. 70 translator for Santa Rosa, N.M.

Elimination of beep tone for news stories phoned in & recorded but not for 2-way conversations, is provided in a new tariff filed with the FCC by AT&T. It goes into effect Feb. 6 unless FCC holds it up. So far, no objections in sight.

Single application for new TV station filed with FCC last week was for Ch. 35, Springdale, Ark., by William M. Harlow, owner of radio KBTN Neosho, Mo.

Testimony on TV allocations by FCC, before the Senate Commerce Committee, is likely to come during the last week in Jan. or first week in Feb.

Once-yearly return to air of WRAY-TV (Ch. 52) Princeton, Ind., which went off air in 1954, has been authorized by FCC for Jan. 18-Feb. 1 March of Dimes drive.

Trade Report . . . .

1959 FACTORY TV-RADIO-PHONO SALES: Statistical picture of 1959 continues to shape up —this week with figures on factory sales of consumer electronic items. Only surprise is in phonograph category, where factory sales are somewhat higher than originally anticipated, because of pickup in stereo interest during last couple of months of 1959.

TV factory sales last year totaled 6,285,000 units, geared closely to the year's production of 6,349,000 (Vol. 16:2 p17). Phonograph sales at factory level reached 4.3 million (not including somewhat less than 100,000 record-player attachments). Radio factory sales were 15,394,000 (9,950,000 home & portable sets, 5,444,000 auto), highest figure since the late 1940's.

Factory unit sales of principal consumer electronic items from 1955 through 1959, based on EIA data (1959 figures rounded and subject to slight changes) are given in this table:

	TV	Phono	Radio
1955.....	7,738,062	2,267,000	14,050,956
1956.....	7,351,040	3,789,000	13,398,347
1957.....	6,387,762	4,659,000	14,448,315
1958.....	5,051,060	3,972,000	11,942,000
1959.....	6,285,000	4,300,000	15,394,000

Factory sales dollar volume figures aren't available yet, but 11-month figures show 1959 average factory values of $140.50 per TV set, $86 per phonograph, $21.20 per home radio.

Exact full-year retail TV sales figures won't be available for a few weeks, but last year's retail sales trend by type of set has now been established. Portable-&-table-model category made slight advance at expense of console sales—but inroad wasn't as heavy as it threatened to be early last year. Since the percentages below are rounded to the nearest full percentage point, they don't really indicate the climb in combinations, which, though less than one point, is considered significant.

The table below, based on EIA data since 1953 (when first statistics were collected on TV set types) shows consumer TV purchases at retail:

	Table & Portable	Console	TV-Phono Comb.
1953.....	46%	51%	3%
1954.....	55%	43%	2%
1955.....	57%	41%	2%
1956.....	64%	35%	1%
1957.....	60%	38%	2%
1958.....	56%	41%	3%
1959.....	57%	40%	3%

TV-RADIO PRODUCTION: EIA statistics for week ended Jan. 8 (first week of 1960):

	Jan. 1-8	Preceding week	1959 week
TV	105,078	76,643	91,212
Total radio.....	306,076	218,846	254,021
auto radio	175,101	94,868	107,875

New "compatible" stereo recording system, developed by Fairchild Recording Equipment Co. and Beltone Recording Studios, N.Y., is said to produce records which may be played stereophonically on present stereo phonos or monaurally on monaural phonos with standard mono pickups. In the new process, low-frequency notes (below 200 cycles) are not separated but are reproduced through both channels in the stereo system. Design Records is due to market recordings made by the new process, at $1.98 each.

Radio TV Training Assn. Inc., 52 E. 19th St., N.Y., has been instructed in an order by FTC hearing examiner J. Earl Cox to halt alleged misrepresentations about jobs & salaries which can be obtained by students completing its correspondence course. In the order (which is not a final FTC decision), Cox said that the RTTA course didn't equip students for "a successful career in the fields of science & industry to which the literature refers." He ordered dismissal of 6 other charges in the original complaint.

Pilot production of tunnel diodes has been initiated by General Transistor Corp., it was announced last week by Pres. Herman Fialkov. He said the pinhead electronic devices are being shipped, priced at about $50 each, and referred to but did not disclose "important breakthroughs which we hope will permit us to bring the price down markedly." Research dir. Dr. Bernard Jacobs said General Transistor has solved a vital production problem that has plagued other producers, and will now turn out "substantial" quantities of tunnel diodes which will offer peak-to-valley ratios of up to 6-to-1. The concern's pilot types reportedly have 20-ma peak current, 3-mv dissipation, 3-15-mils junction diameter; have been measured in the 100-200-mc region. Meanwhile, across the Atlantic, IT&T subsidiary Standard Telephone & Cables Ltd., London, has announced development of a tunnel diode and plans to market it in the U.S. at prices under those of American competitors. Both GE & RCA also are offering sample quantities of tunnel diodes.

New Emerson and Du Mont TVs & stereo phonos again emphasize revitalized interest in the combination or "home entertainment center." Among Emerson's drop-ins is a "modular ensemble" of matching TV, stereo-phono & 2nd-channel sound system with record-storage cabinet, priced at $248, $138 & $68 respectively. Also featured by Emerson is a "True-Slim" portable line, "the slimmest 17-in. full-power-transformer portable TV receivers introduced with wireless remote control," in 3 models at $158 to $248 (latter with remote unit). Other new Emerson sets: seven 21-in. TVs, new push-button clock radio. Du Mont's 9 new sets are topped by $1,200 Marseilles 21-in. TV-stereo-AM-FM combination and feature two 21-in. & two 24-in. TVs at $359-$650, 2 AM-FM stereo units at $499, AM-FM table radio at $100, 9-transistor pocket radio at $58.

Ban on TV remote-control devices which make it easy for viewers to tune out commercials is being urged by Chicago TV maker U.A. Sanabria. In full-page Chicago newspaper ads, he is enlisting readers to write their Senators & Representatives to propose protective legislation. Says the plea in part: "It is un-American & unsportsmanlike, and therefore should be unlawful, to deny TV stations, networks and advertising sponsors the fruits of their investments, which give us these wonderful shows free." Without such protection, he warns, "we will soon have to pay for our TV programs." Sanabria's ad also notes that his concern produces a remote control—an automatic programmer—which does not "cheat the sponsor." It enables the viewer to pre-select programs, "but it cuts out nothing."

RCA has added a line of build-in stereo phono & AM-FM radio units for installation in walls & room dividers. The new instruments, and RCA's "Mural TV" receivers for home builders & remodelers, are being displayed at the National Home Builders Show in Chicago this week (17-21). Two models of the stereo units already are being shipped to distributors & builder reps: model BK-1 phonograph, with a dual amplifier that produces 19 watts of maximum music power; model BK-2, a deluxe version with AM-FM tuner, 58-watt output.

Users of foreign-made electronic components must identify the country of origin on products, packaging, advertising and literature to comply with regulations outlawing deceptive trade practices, warns the import-study group of the Assn. of Electronic Parts & Equipment Mfrs. These requirements apply to all sellers, including manufacturers, distributors or dealers, EP&EM claims.

Marriage of Siegler and Webcor may be in the wind, although both deny they've had discussions. Pres. John G. Brooks says Siegler is interested in acquiring Webcor, "but there have been no formal negotiations so far. Also, we are part of a group of manufacturers, including Emerson, seeking this purchase." He denied reports that Siegler is interested in buying only the Webcor stock held by Chmn. Titus Haffa, said his firm has looked at "a number of other companies." Haffa cast even less light on the reported romance. "There's no truth in any report that Siegler tried to buy my stock," he said. "It's not for sale. I didn't buy back my stock to sell it again," he added, referring to his recent stock fracas with Emerson (Vol. 15:29 p22). Haffa believes the acquisition talk may have sprouted from conversations between the 2 companies on possible sales of Webcor changers to Siegler, parent of Olympic Radio & TV.

Motorola, following industry trend toward decentralized operations, has established 4 wholly-owned subsidiaries for marketing & sales of products manufactured by the various divisions of the parent company. They are Motorola Consumer Products Inc., Motorola Semiconductor Products Inc., Motorola Aviation Products Inc. and Motorola International S.A., the latter firm handling licensing & manufacturing of foreign-made Motorola-brand products. Officers of Motorola Consumer Products (all of whom retain their positions in the parent organization): Robert Galvin, chmn. (Motorola Inc. pres.); Edward R. Taylor, pres. (consumer products exec. vp); Edwin P. Vanderwicken, vp-treas. (vp-secy.-treas.); S. R. Herkes, vp (consumer products mktg. vp); Lewis Spencer, secy.

Electronic air conditioners moved closer to reality with Westinghouse's announcement last week of the commercial availability of thermoelectric cooling devices. "We are now equipped to manufacture these devices in quantity and in a variety of shapes & sizes for industrial & military applications," reported semiconductor dept. mgr. D. W. Gunther. "Free of compressors, coils and other equipment found in conventional refrigeration systems, the new cooling units are well suited to a broad range of applications." He said commercial production was made "economically feasible because of important Westinghouse advances in the composition & preparation of the thermoelectric materials." Gunther noted that the thermoelectric devices can be applied to "spot cool" electronic components, such as transistors, to prevent overheating.

"First successful conversion of heat directly into alternating current in significant amounts" is reported by General Dynamics Corp. The AC electricity was produced by a high-temperature cesium cell converter without rotating machinery or DC-AC converters, and was in range of 100 kc. Dr. Frederick de Hoffman, pres. of General Dynamics' General Atomic div., predicted that the new method of directly converting heat into AC current may someday supplant turbines, generators, steam boilers and other conventional equipment in power plants. No difficulty is foreseen in cutting the AC production to the 60-cycle level required by utility companies for home use & most industrial applications.

Bids for 10,000 TV sets manufactured under U.S. standards are sought by the Egyptian govt. Proposals for supply & delivery of the sets (3,000 14-in., 5,000 17-in., 2,000 21-in. models) must be filed by Jan. 31 with the General Organization for Five-Year Industrial Plan, 6 Khalil Agha St., Garden City, Cairo, according to the Commerce Dept.'s Bureau of Foreign Commerce.

Trade Personals: James D. McLean, former pres. of Hoffman labs div., Feb. 15 becomes pres. of Stromberg-Carlson and senior vp & member of management board of parent General Dynamics Corp. The onetime vp-gen. mgr. of Philco's govt. & industrial div. succeeds Robert A. Tait, who will continue with General Dynamics as a consultant; Allan R. Shilts, Stromberg-Carlson controller, appointed to new post of vp-gen. mgr. . . . Frank A. Morris named acting engineering dir., Stromberg-Carlson special products div. (hi fi, auto radios, sound products, etc.) . . . Kenneth L. Henderson named principal engineer, Stromberg-Carlson research div.; Robert B. Taylor engineering services mgr.

Norman E. Johnson promoted from vp to pres., Admiral International Corp. & Admiral Corp. Interamericana . . . Matthew L. Devine, ex-Cresap, McCormick & Paget management consultants, elected pres., Amphenol-Borg, succeeding Arthur J. Schmitt, who continues as chmn. & chief exec. officer . . . Lewis L. Strauss, ex-Atomic Energy Commission chmn., named to RCA & NBC boards. He had previously served on the boards in 1953 . . . Richard W. Mohr appointed sales analysis & controls supervisor, Tung-Sol, succeeding Robert E. Bilby, now ad & sales promotion mgr.; John D. Van der Veer named govt. relations mgr.

Fred R. Raach, former management consultant, named staff vp, RCA management engineering . . . Dr. W. R. G. Baker and Haraden Pratt re-elected treas. & secy. of IRE; Ferdinand Hamburger Jr., Johns Hopkins U., elected editor, succeeding John D. Ryder . . . Justin J. McCarthy named mgr., Sylvania electronic tubes private brand renewal sales, succeeding Louis A. Wheelock, retiring . . . Richard B. Leng, Packard Bell group vp, named to head new defense & industry group for advanced military & industrial electronics . . . Brig. Gen. Francis F. Uhrhane assigned to command Army Signal Corps' Ft. Huachuca (Ariz.) electronic proving grounds.

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Technical session on TV-radio receivers June 20-21 in Chicago will be sponsored by IRE's Professional Group on Broadcast & TV Receivers and the Chicago section of IRE, concurrently with the start of the June Chicago markets. The conference, successor to the Spring Technical Conference in Cincinnati, will be held in Chicago's Graemere Hotel. Deadline for submission of technical papers is Feb. 22. Papers chairman Jack E. Bridges, Warwick Mfg. Co., suggests such topics as transistorized TV circuits, new components, new picture-tube developments, stereophonic multiplex systems. Information is available from Bridges or conference committee chmn. Pieter Fockens, Zenith.

"Conference on Consumer Protection" has been called by Atty. Gen. William P. Rogers for March 10-11. He said chief legal officers of all states, Puerto Rico, Guam and the Virgin Islands have been invited to participate in the sessions to see what they can do to help the federal govt. solve "problems involved in consumer & investment protection." Anti-trust enforcement will be the agenda's No. 1 item. Joining with the Justice Dept. in the conference will be FTC Chmn. Earl W. Kintner, who conducted a consumer rally on deceptive advertising practices last month (Vol. 15:52 p5), and SEC Chmn. Edward N. Gadsby.

Japanese invasion of hearing-aid field in U.S. may be heralded by an announcement that Tokyo Shibaura Electric (Toshiba) will market two 4-transistor aids here at $29.95 & $39.95. U.S.-made hearing aids range from $50 to more than $300 list.

Laboratories subsidiary has been established by General Telephone & Electronics for broad scientific research in the electronics & communications fields. Dr. Herbert Trotter Jr. has been elected pres. of the wholly-owned GT&E Laboratories Inc. He had been senior vp for research & engineering for GT&E's subsidiary Sylvania Electric Products. GT&E Chmn. Donald C. Power said Sylvania's Bayside, N.Y. research labs will form the nucleus of GT&E Labs. Additional facilities will be added as the new subsidiary expands its research activities. GT&E Labs will HQ in the General Telephone Bldg., 730 Third Ave., N.Y.

GE is offering a business-improvement course to independent TV-radio servicemen via its electronic parts distributors. The course was prepared under the direction of Dr. John K. Pfahl, Ohio State U. associate prof. of business organization. It embraces a long-playing recording, "Sounds of Success," of interviews with 30 successful service technicians, a 104-page treatise on *Sound Business Practices*, a 64-page text on *Selling Electronic Service*.

Leadership in 1959 production & sales of phonograph records is claimed by both Columbia & RCA Victor. Columbia Records Pres. Goddard Lieberson contends his concern was tops by capturing 20% of the disc market, claims independent surveys back his claim. RCA Victor rebutted that its business was up 13% over 1958, that 1959 was "the best year" in its history, and that it had continued "its leadership in the manufacture of phonograph records."

High-fidelity hearing aid which delivers "the closest thing to normal hearing" has been developed by Zenith and is in commercial production with a retail price tag of $225. E. M. Kinney, Zenith vp & hearing aid div. gen. mgr., hailed the device as a major advance in solving hearing problems, said it "offers a 98% greater range of reproduced & amplified sounds than is possible through present transistor hearing aids." The 5-transistor device, named Extended Range, weighs 2 ounces, complete with mercury battery, and has a maximum acoustic gain of 75db.

Motorola has completed negotiations for purchase of the business & assets of the LearCal div. of Lear Inc. (Vol. 15:50 p17). Motorola will acquire Lear's executive & private aircraft products business for an undisclosed amount of common stock—the figure to be determined after final appraisal of various assets, including inventories & accounts receivable.

Litton Industries has consolidated its Times Facsimile Corp. and Westrex Corp. divs. to facilitate the introduction of new product lines, and to step up sales & service. The consolidation merges engineering, production, sales and service depts. of the 2 organizations. Westrex is active in the development of single-sideband equipment for communications applications.

Philco enters component hi-fi field, showing its new line of equipment at the Los Angeles Hi-Fi & Stereo Component Show. Included in the line are Stereo-Phone speaker systems with Fidelitron electrostatic reproducer, AM-FM stereo tuner, 40-watt stereo preamp-amplifier, 12- & 15-in. woofers. They'll be sold through component hi-fi distributors & dealers.

Expanded program of dealer assistance by distributors will be a major 1960 marketing goal of the new Zenith Sales Corp., headed by Leonard C. Truesdell. The new subsidiary will expand the Zenith marketing development dept. headed by J. B. (Kip) Anger, with 8 field representatives conducting retail sales training schools for the 500 salesmen of Zenith's 76 distributors.

Finance

SKIATRON 'ERRORS' CONCEDED: There were "obvious errors" in an SEC stock registration statement filed with SEC last Aug. by Skiatron Electronics & TV Corp., but any mistakes of "commission or omission were made in good faith," the company's special counsel James M. Landis maintained last week.

Defending Skiatron Electronics against SEC charges that led to suspension of trading in its stock (Vol. 16:2 p24), Landis also told SEC examiner Robert Hislob at a Washington hearing that the pay-TV company's troubles with the govt. couldn't have come at a worse time.

The former Harvard Law School Dean, who was SEC chairman and an FTC member in New Deal days, said that when SEC brought its false-&-misleading stock data charges against Skiatron Electronics in Dec.: (1) A "letter of intent" to provide $50 million for financing pay-TV operations had just been obtained by Matthew M. (Matty) Fox's Skiatron of America, exclusive licensee of the system. (2) "Serious negotiations" with "a major motion picture company" to take over Fox's financially-pressed enterprise were under way. Landis didn't say who had offered the "letter of intent" or which movie company had been ready to take over Skiatron of America, and examiner Hislob asked no questions about them.

The first 3 days of the SEC hearing, which was expected to run a week or 2 more in Washington and possibly in N.Y., otherwise were largely taken up by SEC attorney Eugene Rotberg, who introduced voluminous exhibits intended to prove that: (1) When Skiatron Electronics sought to register 172,242 shares for public sale, some already had been sold in violation of SEC law. (2) Skiatron Electronics Pres. Arthur Levy loaned Fox shares which Fox posted as collateral for loans which were defaulted. (3) These & other dealings weren't disclosed in the SEC registration statement.

A battery of other SEC lawyers aided Rotberg, including Frederick Moss & Edmund H. Worthy of the agency's corporate finance div. Representing Levy was Julian Jawitz, N.Y. lawyer, who described his client as a man who had dedicated himself to establishment of pay TV against "opposition of a powerful group"—including the broadcasting industry, Congress and FCC. Fox was represented by Delmar W. Holloman of the Washington law firm of Davis, Richberg, Tydings, Landa & Duff.

Early-session witnesses in the proceedings included vp Harold Springer of the Colonial Trust Co., N.Y. and Charles Halsey, a partner in Bache & Co., who were summoned by Rotberg to trace involved Skiatron Electronics-Skiatron of America transactions through their ledgers. Rotberg told us he'd call at least 8 more witnesses—including Fox—before he wound up SEC's case.

SEC meanwhile ordered further suspension of trading in Skiatron Electronics stock to Jan. 26.

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Stanley Warner Corp. reports record income & earnings for 1960's first fiscal quarter, ended Nov. 28. Pres. Simon H. Fabian noted that 1959 was a record year for Stanley Warner, which also operates WAST (Ch. 13) Albany-Troy-Schenectady, and said: "Based on our operations to date, we have great expectations for 1960." For the fiscal quarter ended Nov. 28:

	1959	1958
Gross income	$32,366,397	$30,719,700
Net income	1,210,448	1,179,695
Per common share	60¢	58¢

THE NATIONAL VIDEO STORY: Now publicly traded and soon to seek a listing on the American Stock Exchange, National Video Corp. calls itself the 3rd largest manufacturer of TV picture tubes (after RCA & Sylvania) and the largest "independent"—meaning not owned by a company which also makes TV sets.

The Chicago-based manufacturer, headed by Pres. Asher Cole, was the subject of a recent offering of 283,307 Class A shares at $15 each, formerly owned by officers & directors of the company. Prospectus tells this story about the large midwest supplier of original-equipment CR tubes:

National Video claims to produce approximately one out of every 8 picture tubes (excluding reclaimed tubes) made in the U.S. (Its principal customers are Admiral, Motorola, Muntz, Setchell-Carlson, Trav-Ler and Warwick, the latter firm owned by Sears Roebuck and a supplier of Sears Silvertone TV sets.) Its affiliated manufacturing firm, Rico Electronics Inc. of Vega Alta, Puerto Rico, makes electron guns for National Video, and each share of National Video also includes a beneficial interest in one share of Rico through the newly established Rico Trust.

Approximately 95% of National Video's sales in the fiscal year ended May 31, 1959 were made to TV set makers for original equipment; 85% of total sales went to the 6 set makers listed above. Admiral & Motorola accounted for about 65% of National's total sales. During the fiscal year, the company made 840,000 picture tubes—averaging 70,000 a month, ranging from a low of 49,000 to a high of 99,000 per month. At 3-shift capacity, the company can produce 1.25 million a year. Production for the fiscal year ranged from 42,000 to 107,000 per month.

At capacity operation level, National employs about 750 and Rico about 125 people. The company's officers (all also directors): Asher J. Cole, pres.; Harold Cole, sales vp; A. D. Giacchetti, engineering vp; M. L. Hayes, vp; Joseph Grossman, secy.-treas. Compensation paid to key officers & directors during fiscal 1959, as reported in the prospectus: Asher Cole, $125,000; Ralph E. Stolkin, former vp no longer employed, $33,000; Hayes, $31,000.

The prospectus lists combined current assets of National & Rico at $3,903,859 as of Aug. 31; property, plant & equipment valued at $3,617,588; total assets $5,324,468; current liabilities $2,144,030; long-term debt $552,190.

Financial statement for 6 months ended last Nov. 30, released last week, lists net sales at $8,290,672, net income $530,926 (86¢ a share)—no 1958 comparison given. These financial results are listed in the prospectus (earnings based on the 616,667 combined Class A & Class B shares now outstanding):

For 3 months ended Aug. 31 (unaudited):	1959	1958
Net sales	$3,737,216	$3,157,643
Net income	180,967	139,437
Per common share	29¢	23¢
For 12 months ended May 31 (audited):		
Net sales	$14,853,531	$11,697,930
Net income	1,018,996	350,021
Per common share	1.65	57¢

———■———

Textron Electronics' Globe Electronics div. rolled up a 200% 1959-over-1958 sales increase and hiked its business 11% since becoming a Textron div. in Sept., reported the subsidiary's Pres. Leo I. Meyerson. "During the 2nd half of 1959," he noted, "sales gained more than $1,044,000 over those of the first 6 months." He attributed the sharp increase in sales to Globe's new "citizens broadcaster CB-100 2-way radio."

NT&T net income for the 52 weeks ended Sept. 29 was considerably greater than the 53-week period of the preceding year. Theater admissions were much higher as NT&T weeded out unprofitable & marginal theaters. Earnings included gains of $979,491 from the sale of KMSP-TV Minneapolis, and $270,000 from disposition of theaters & real estate, said Pres. B. Gerald Cantor. Operations of NTA & subsidiaries were included from last April 1, the date of acquisition of majority interest. Referring to the fact that NTA operations are included only from April to Sept., Cantor said that during this period the TV market for feature films and 30-min. series underwent a drastic change. Independent producers & distributors such as NTA were adversely affected by a glut resulting from the bulk sale of some movie libraries to TV stations, and a reduced demand for independent programs because of increased preemption by the networks. NTA has substantially reduced its operating costs to adjust to these changed conditions.

For 12 months to Sept. 29:	1959	1958
Gross income	$66,758,211	$53,667,765
Net income	1,497,117	1,301,749
Per common share	.55	.48
Common shares	2,700,806	2,699,486

Loew's Inc. reported slightly lower net profit & sales for the first fiscal quarter ended Nov. 26, as compared with the same 1958 period, but Pres. Joseph R. Vogel said all company divisions operated profitably during the period. He said that during the current fiscal year gross TV income from pre-1948 movies will continue at about fiscal 1959's $10.9-million level. The report of Loew's Inc. for first 12 weeks of fiscal year:

	To Nov. 26 1959	To Nov. 20 1958
Gross revenues	$27,633,000	$29,736,000
Net income	1,852,000	1,952,000
Per common share	71¢	73¢
Common shares	2,608,888	2,668,388

General Instrument Corp. reported record sales for 9 months ended Nov. 30 and earnings that topped the net for the entire fiscal year ended last Feb. 28. Chmn. Martin H. Benedek also reported record sales for the 3rd fiscal quarter and said net profit for the period was the highest for any quarter in the concern's history. He attributed the improved performance partly to a "more profitable product mix, leaning strongly on semiconductors & military equipment." Semiconductor sales for the 9-month period more than doubled those of the year-ago period; backlog more than tripled from Nov. 1958 to Nov. 1959. Benedek reported that General Instrument entered its 4th quarter with the overall order backlog at a record $33,238,000. For

9 months ended Nov. 30:	1959	1958
Sales	$41,277,875	$34,161,392
Net income	1,378,233	960,717
Per common shares	90¢	70¢
Common shares	1,529,473	1,373,273
For the quarter ended Nov. 30:		
Sales	$15,896,621	$15,085,325
Net income	764,623	606,240
Per common share	50¢	44¢

Trav-Ler Radio Corp. quadrupled earnings on a healthy sales rise in 6 mos. ended Oct. 31:

	1959	1958
Sales	$12,444,974	$7,808,717
Net income	452,848	107,038
Per common share	55¢	14¢
Common shares	817,445	761,995

TelePrompTer offering of 145,000 shares of common was oversubscribed and the books closed, the underwriters said last week. The stock was priced at $12 a share, for a total offering of $1,740,000. The proceeds will be used for various corporate purposes, including expansion into CATV.

Sonotone Corp. sales & earnings in 1959 were "the best in history," with every product line ahead of 1958 performance, Chmn.-Pres. Irving I. Schachtel reports. He anticipates sales approaching $25 million and earnings of about $1 per share on 1,147,775 common currently outstanding, compared with 1958's earnings of $800,473 (71¢ on somewhat fewer shares) on $21,513,064 sales. "We foresee a continuance of this improvement through 1960," he said. Some 50% of Sonotone's business is hearing aids, 20% is nickel-cadmium batteries, 15% electronic tubes, 15% electronic components, including ceramic phonograph-playing cartridges. Schachtel announced that Sonotone is tooling up to introduce its first low-price cartridge for the mass phonograph market. It will also introduce an "ultra-fine cartridge for the high-fidelity connoisseur." The Elmsford, N.Y. concern is "constantly looking for acquisitions of electronic companies, although to date all of our new products have been developed from within," said Schachtel. "We are not considering any offers to be acquired." On Feb. 1, Sonotone will begin a test in 30 of its 350 hearing-aid dealerships on the traffic pull of vitamin products, to supplement dealer income.

Eitel-McCullough rolled up 1959 sales of approximately $26 million, compared with the 1958 volume of $16,186,849, finance vp E. E. McClaran reports. The San Carlos, Cal., producer of electronic components & tubes anticipates a 1959 net of $1.5-$1.8 million (87¢-97¢ a share, based on 1,827,242 common shares presently outstanding). Eimac's 1958 earnings: $212,928 (26¢ on 825,271 common shares). McClaran noted that the current order backlog approximates $12 million vs. $9.7 million in June, $11.5 million in Dec., 1958. He attributed 1959's substantial profit improvement largely to the fact that "1958 earnings were adversely affected by start-up expense in our new facilities."

Telechrome Mfg. Corp. suffered a sag in earnings despite a brisk pickup in sales during the quarter ended

Sept. 30:	1959	1958
Net sales	$485,468	$343,454
Net income	28,275	37,177
Per Cl. A share	13¢	22¢
Shares outstanding	221,167	165,800

Electro-Voice Inc. declined sharply in sales & earnings in the 9 months to Nov. 30:

	1959	1958
Net sales	$7,738,375	$8,493,419
Net income	167,792	415,826
Per common share	35¢	1.04

Reports & comments available: Philco, analysis, Parrish & Co., 40 Wall St., N.Y. 5 . . . Magnavox, report, Gude, Winmill & Co., 1 Wall St., N.Y. 5; review, Hayden, Stone & Co., 25 Broad St., N.Y. 4 . . . Siegler, analysis, Irving Weis & Co., 40 Exchange Place, N.Y. 5 . . . Hoffman Electronics, report, H. Hentz & Co., 72 Wall St., N.Y. 5 . . . AT&T, appraisal, Herbert E. Stern & Co., 52 Wall St., N.Y. 5 . . . TelePrompTer, prospectus, Bear, Stearns & Co., 1 Wall St., N.Y. 5 . . . "Electrical Equipment & Electronics in 1960," pamphlet, E. F. Hutton, 61 Broadway, N.Y. 6.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Allied Radio Corp. ..	—	$0.08	Feb. 23	Feb. 8
Belock Instrument ...	Stk.	2½%	Feb. 11	Jan. 12
Electronics Investm't.	—	.03	Feb. 29	Feb. 1
Natl. Theatres & TV.	Stk.	2%	Feb. 16	Jan. 26
National Video "A" ..	—	.22½	Feb. 15	Jan. 29
Philips' Lamp Works .	—	6% of par	Jan. 5	Jan. 5
Wometco "A"	Q	.17½	Mar. 15	Mar. 3
Wometco "B"	Q	.06½	Mar. 15	Mar. 3

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

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ALL-INDUSTRY TV SHOWDOWN set by Magnuson, who calls Feb. 19 summit conference of networks, NAB, Code Board, AAAA, FCC, ANA, FTC on reform moves (p. 2).

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NETWORKS' RESPONSE TO DOERFER: Public-affairs programming plan promises 60-min. weekly in option time from each (pp. 2 & 4).

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ARB CHECKING COVERAGE with Univac computer, finds instances of viewing in counties beyond those previously considered within "normal" coverage areas (p. 12).

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SEC VS. SKIATRON: Second week of SEC stock-registration hearings produces mass of detail on loans obtained by Matty Fox (p. 20).

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GENERAL DYNAMICS HEADS Defense Dept.'s list of fiscal 1959's top 100 prime contractors; 26 electronics firms on list (p. 18).

113 GENERALS & ADMIRALS employed by 20 top electronics defense firms, House subcommittee reports in urging 2-year ban on sales to govt. by retired officers (p. 18).

MAGNAVOX GOES INTERNATIONAL, signing agreement with biggest British retail chain for sale of its products, and buying control of Collaro (p. 19).

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ADMEN ANSWER FTC's citation of TV commercials; Fairfax Cone asks newspapermen to separate "facts from allegations" (p. 7).

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SAG STRIKE VS. MOVIES nears; for TV, writers' strike not yet hurtful, and actors' new contract is yet to be negotiated (p. 8).

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PURCHASE OF 10 CATV systems plus equipment maker, microwave system and radio station for $2 million planned by Tele-PrompTer, buying Antennavision properties (p. 11).

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FOREIGN (p. 11). **CONGRESS** (p. 12). **PROGRAMMING** (p. 13). **PERSONALS** (p. 14).

TV ALLOCATIONS OUTLOOK—UNCHANGED: Everyone is wondering whether anything new can possibly develop from Senate Commerce subcommittee's Feb. 2 hearing on TV allocations, called by Chmn. Pastore (D-R.I.) last week. FCC members are only witnesses scheduled to date, and, as far as we can tell, they will describe their proposed interim drop-in plan (Vol. 16:2 p1), give their views on it—little else.

One possible novelty would be some sort of progress report on results of consultation with OCDM regarding possibility of shifting vhf spectrum from military to TV use. We can find no one at FCC with high hopes on that score, but they're all willing to be pleasantly surprised.

"It is hoped," said Sen. Pastore hopefully, "that the committee will be able to determine once & for all what the policy is with reference to the utilization of the vhf & uhf TV channels in the Commission's overall TV plan, so that the general public will know specifically what kind of service and the amount of service it will have available to it." Kenneth Cox, Seattle attorney who has handled several TV projects for committee, will be on hand again.

We asked one of FCC's most-scarred veterans for his long-range view of allocations, and he came up with this: "I think it will be like FM. FM laid around here for 10-15 years, and now it's finally beginning to move. Uhf will probably work out the same way." He thought FCC would be able to hang on to the uhf spectrum during the fallow years.

Meanwhile, FCC is considering whether to specify the markets where it would like to drop in short-spaced vhf assignments under its proposed rule-making. Subject is on agenda for next week; with all 7 Commissioners on hand, there may be a decision to name cities—perhaps 6 to 8.

Extension of the Feb. 19 deadline for comments on the proposal is much sought by industry. AMST has asked until June 20. Assn. of Federal Communications Consulting Engineers seeks 60 more days to ponder engineering details. There's very good chance extension will be granted, because many at FCC acknowledge that deadline was very short for such a far-reaching proposal.

Budget came through last week with FCC's request for $2.25-million uhf study (Vol. 15:48 p2). Its prospects are unfathomable. Sen. Magnuson (D-Wash.), who is chmn. of both Commerce Committee and the Appropriations subcommittee with jurisdiction over FCC, said: "I haven't analyzed it yet. I haven't even gotten around to that part of the budget. I haven't any idea how the subcommittee will act on the item." He expects to hold budget hearings on FCC in about 2 weeks.

ALL-INDUSTRY TV SHOWDOWN SET BY MAGNUSON: Biggest gathering of TV clans ever assembled under one Capitol Hill roof at one time has been called for Feb. 19 by Senate Commerce Committee Chmn. Magnuson (D-Wash.), acidulous critic of broadcasting's program & ad practices.

Chiefs of networks, NAB, TV Code Board, advertising groups—along with FCC & FTC—were summoned by Magnuson to put in appearances at 10:30 a.m. that day in Hearing Room 5110 of New Senate Office Bldg. for showdown session on TV's ills and what they are doing to cure them. He said they should be ready to discuss "tangled TV problem," adequacy of Communications Act & TV Code in covering "deceptive & fraudulent" practices, and "need, if any, for legislation in this field."

Put-up-or-shut-up summit conference with industry had been pledged by Magnuson in blistering statement last Nov., when he threatened to move early in this Congressional session for legislative correction unless TV cleaned itself up (Vol. 15:47 p5).

Full Commerce Committee will join Magnuson for highest-level meeting, which will be open to public & press, but won't be formal Senate hearing. "We'll just sit around & talk and see what they're doing," Magnuson told us, indicating that what he sees & hears will do much to determine what he'll do next.

Biggest names in broadcasting are expected by Magnuson to show up for session—along with FCC Chmn. Doerfer, FTC Chmn. Kintner, spokesmen for AAAA and ANA.

Magnuson's conference is timed to follow up scheduled Feb. 8 grandstand opening of TV & radio payola hearings by House Commerce Legislative Oversight Subcommittee (Vol. 16:2 p1). In preparation for expected sensations in that Capitol Hill show, House approved $275,000 for extra investigative expenses by oversighters this year. And subcommittee staffers were working overtime to get ready for hearings. They were reported running down payola leads in N.Y., Philadelphia and Boston in particular—and poring over subpoenaed books of Miami's Americana Hotel, where disc jockeys held much-celebrated convention last May 27-June 1.

Oversighters also are counting on headlines—probably this week—when they issue report & legislative recommendations on last year's TV quiz hearings. FTC also is expected to be heard from this week with another batch of payola complaints against record manufacturers & distributors (Vol. 16:3 p8).

Note: "Periscope" item in Jan. 25 Newsweek said Senate Majority Leader Johnson (D-Tex.) & House Speaker Rayburn (D-Tex.) had "quietly agreed to push for 'some kind of legislation' to curb TV abuses." We were unable to reach Johnson & Rayburn at press time, but spokesmen for them told us that was the first either had heard of any such agreement—quiet or otherwise.

NETWORK RESPONSE TO DOERFER PLAN: New 3-network public-affairs agreement was adopted last week as direct result of FCC Chmn. John C. Doerfer's Jan. 14 proposal in N.Y. that the networks evolve an evening public-affairs program strip (Vol. 16:3 p4). Joint agreement followed a Jan. 18 summit meeting of leaders of the 3 networks.

Doerfer will not get his wish for a 7:30-8 p.m.. rotated public-affairs period—at least, not in form he suggested. ABC-CBS-NBC plan sets a minimum goal of "at least 1 hour per week in evening option time" for public affairs on a 52-week basis, with each network going its own way in deciding whether agreed-on hour will be one show or 2, and in what time slots.

Only network really affected is ABC-TV, which has elected to program 2 weekly 30-min. public-affairs shows this fall in Tues. & Sun. evening periods. Currently, sole program of this type on ABC-TV is weekly 30-min. John Gunther's High Road, which may not be in ABC-TV's fall lineup.

No major program step-up is actually necessary at CBS or NBC under new plan. Both networks are already up to minimum level adopted, and existing shows—such as NBC-TV's World Wide 60 and CBS Reports—will be scheduled to conform to the plan.

Are any major changes really caused by new plan? Yes, several: (1) By agreement, networks will program public-affairs shows to appear on different nights of the week, avoiding a feast-&-famine informational diet. (2) ABC-TV will now come up to at least minimum levels of public-service programming set by other 2 networks. (3) New precedent has been set for Justice Dept. dealings inasmuch as the network agreement, in effect, is a collaboration.

Network affiliates are also brought into picture under new plan, which states: "Once every 3 weeks, each network will make available to its affiliates a half-hour period out of time earmarked as above so that affiliates may originate [public-affairs] programming on a local basis in that period." Stations will now have to step up their own local efforts in this area and syndicators will get a new, ready-made program market for public-affairs shows.

Plan will go into effect after elections "in view of the intensive public-affairs coverage between the political conventions & election day," networks agreed.

John S. Hayes, pres. of WTOP-TV Washington, and one of most active CBS-TV affiliates, applauded the plan. "I think that affiliates' reaction is going to be favorable," he said. "It's going to work. Constructive. It pins everyone down to specific performance. I'll bet the stations end up selling the shows, but they've got to learn how to sell them."

Jack Harris, chmn. of NBC-TV affiliates board of delegates & vp-gen. mgr. of KPRC-TV Houston, told us Jan. 22 he was "very enthusiastic" about the plan and that it wouldn't "impose a burden on affiliates" although some might have to "fortify their news & public-affairs staffs to meet this challenge."

Sen. Magnuson (D-Wash.), chmn. of Commerce Committee: "It's a step in the right direction. I am still studying the plan, and it undoubtedly will be discussed at our forthcoming conference." (See p. 2.)

INDUSTRY'S LEADERS GIRD FOR HEARING FINALE: Fresh from their quick consideration of FCC Chmn. Doerfer's prime-time-public-service suggestions (see above), networks—& NAB—take stand in Commission's programming hearing this week—for climax & finale of the massive inquiry.

Very top executives will be the witnesses. They are primed with weeks of preparation, as well they should be, for this all-out effort to counteract the dozens of previous witnesses, many respected in their fields, who have indicted broadcasting with unprecedented vehemence.

The witnesses: ABC, Pres. Leonard H. Goldenson; CBS, Pres. Frank Stanton; NBC, Chmn. Robert W. Sarnoff; NAB, Pres. Harold E. Fellows, Radio Code Board Chmn. Cliff Gill, counsel Whitney North Seymour. TV Code Board Chmn. Donald H. McGannon, who testified previously for the board, will speak for his own company, Westinghouse Bcstg. Co. Also scheduled—to answer ASCAP charges (Vol. 16:3 p5)—is BMI Chmn. Sydney Kaye.

Hearings will run Jan. 25, 26, 28 & 29. It's doubtful whether this week will clean it up; some sessions next week are expected.

INSATIABLE DEMAND FOR AM & FM STATIONS: The constantly accelerating flow of applications for new & improved AM & FM facilities hasn't abated one whit. That's certainly apparent from our latest tally of station statistics, summing up as of Jan. 1—in connection with forthcoming publication of our annual Radio Station Directory, now in hands of the printer.

FM is at the point of many hotly-contested hearings, while AM application backlog has mounted at such a tremendous rate that FCC Chmn. Doerfer recently said flatly: "If substantial improvement in our AM processing is not achieved in a comparatively short time, I shall not hesitate to recommend a freeze on all AM applications until we pull abreast of a quota we can handle expeditiously."

Operating AM stations have reached total of 3,456 as of Jan. 1, up 84 from 6 months ago, while FM

is up to 677, a rise of 57. Applications for new AM stations total 711, up from 645 July 1, and requests for changes in AM facilities hit 757, up from 636. There are 105 FM applications pending vs. 67 six months ago. Herewith are the year-by-year totals since end of World War II:

AM			FM		
Year	Licenses & CPs	On Air	Year	Licenses & CPs	On Air
1945	1056	913	1945	288	48
1946	1579	1027	1946	684	140
1947	1961	1586	1947	1010	374
1948	2131	1877	1948	976	687
1949	2246	2045	1949	791	728
1950	2351	2199	1950	706	672
1951	2410	2306	1951	654	640
1952	2516	2377	1952	648	612
1953	2644	2451	1953	602	550
1954	2782	2662	1954	583	549
1955	2941	2814	1955	557	536
1956	3140	3024	1956	559	528
1957	3289	3180	1957	588	537
1958	3423	3318	1958	686	571
1959	3527	3456	1959	839	677

Networks

More about

BACKGROUND OF DOERFER PLAN: FCC Chmn. Doerfer was taking no chances when he discussed his public-service plan with the networks, making sure to clear all anti-trust angles with the Justice Dept. He dealt with Robert A. Bicks, acting assistant attorney general in charge of the anti-trust div., telling Bicks in a Jan. 20 letter:

"I discussed [the plan] on a confidential basis with some well-informed affiliates whose interests do not always coincide with the networks'. They agreed that this plan, providing for 'option time' rather than 'prime time,' would get the cooperation, in their judgment, of all the affiliates.

"The informal discussions with the Commissioners indicate that they, too, are of the same mind. In addition there are indications that the old concept of 'sustaining' (not sponsored) & 'sponsored time' for public-affairs programming will be abandoned. There does not seem to be any intelligent relationship between high-level programming & sustaining programming. Experience with high-grade informational, cultural and educational programming during the past few years demonstrates the opposite."

Bicks promptly assured Doerfer that he saw no "anti-trust objection" and he wished Doerfer *bon voyage* with "best of luck in your endeavor."

The summit conference at the Harvard Club, N.Y. Jan. 18, was attended by Doerfer and Frank Stanton & James Aubrey, CBS; Robert Kintner & David Adams, NBC; Leonard Goldenson & Oliver Treyz, ABC.

The agenda, as outlined by Doerfer in a memo: "The problem is how to get 'public affairs,' 'informational,' 'educational' and 'cultural' programs during prime time on all of the networks for at least 4 days out of the period from Mon. through Fri., with affiliates programming on local basis during prime time at least one day between Mon. & Fri., exclusively.

"Object is for networks to program national & international problems, news documentaries, or news in depth, which would include the possibility of educational & cultural programs. Agreed that these were hard to define, but nonetheless understandable by experienced broadcasters." Then, pencilled in: "Could be sponsored."

The Doerfer Plan Described

The first plan discussed was titled simply, the "Doerfer Plan." Here's how the memo describes it. "The Doerfer Plan was that one network, say 'X,' would program the first week on Mon., Tues., Thurs. and Fri. between 7:30 p.m. and 8:00 p.m. Wed. would be reserved for local affiliates to put on local programming between 7:30 & 8:00. Thus, the networks would handle, among other things, informative programs regarding national & international matters, as well as high-grade cultural & educational programs. The affiliates with a smaller budget, but nonetheless an important problem, could program matters of local importance, plus local educational or cultural matters. The next week the same format except a different network, say, network 'Y.' The following week, network 'Z.' This would bring between Mon. through Fri., inclusive, the following advantages:

"(1) 150 min. (30 min. x 5 days) of public affairs programming that the public would get.

"(2) The public could rely upon a definite schedule—would soon learn that 7:30 to 8:30 each week is this type of program.

"(3) Justifies the use of option time, with exceptions, on the ground that it is a local program of the same type but of more importance in the eyes of the local broadcasters, using their own judgment. There must always be some leeway for a reasonable variation, but no leeway for a subterfuge to program light entertainment.

"(4) Although network 'X' for the first week might suffer because of the attraction of other programming, it will regain that the following 2 weeks—when it cuts down its competition on a network basis 50%, *i.e.*, it will compete against only 1 network whereas it continually competes against 2. Affiliates also would be in the same position.

If the programming is done in a highly attractive manner, then there should be no loss of viewers. The programs need not be sustaining—they may be sponsored both on a network & on a local basis."

Then came a description of "proposal No. 2"—NBC's: "Each network will earmark at least ½ hour of prime time each evening (Mon. through Fri.) for public-affairs programming in a fixed time period for 52 weeks a year.

"In addition, each network will withdraw present service of ½ hour of prime evening time (option time) each third week so that its affiliates may originate local public-affairs programming in that period. The networks will consult with each other with government approval so that the periods designated by each under the foregoing plan will fall on different evening, for the purpose of providing maximum spread of public-affairs programming each week for maximum viewer choice. This will provide for 270 min. of programming each week for the public—(7 days x 30 mins. plus 60 min. local).

"This gives more minutes of public affairs programming but lacks definitiveness, that is, instead of falling between 7:30 & 8, it may fall in any half hour segment 7:30 to 11 on weekdays and 6 to 11 on Sun., N.Y. time.

"It may offer less havoc with the affiliates or give them an excuse for not being able to plan definitely their own programming. One of the important elements of any arrangement is to have full cooperation of all affiliates."

Two More Proposals

ABC's plan, "proposal No. 3", was brief:

"Would provide for rotation within the week rather than by the week, that is, network 'X' would program each Mon. between 7:30 & 8:00; network 'Y' would program between 7:30 and 8:00 each Wed.; and network 'Z' 7:30 to 8:00 each Fri.—with either Tues. or Thurs. to be alternated each week by one of the networks and remaining day (Tues. or Thurs.) by the local affiliates each week."

Finally, there was a compromise "proposal No. 4" which differed from the finally announced agreement. It provided that network "X" would handle 30 min. each week, in the 7:30-11:00 period, on Mons. On Tues., the affiliates of "X" would program every 3rd week. On Weds., network "Y" would do the 30-min. stint weekly, while its affiliates would carry on for 30 min. every 3rd week. Network "Z" and its affiliates would do the same for Fris. & Sats.

"The advantages here," the Doerfer memo said, "would be that the responsibility of public-affairs programming would be split up among the networks each week and respective affiliates each third week. The disadvantages are . . . public service programming during prime time on Sat. or Sun. is not too desirable.

"There is no definitiveness—could not rely upon uniformity of time—and would have to consult newspapers, etc. The programming by the networks would be reduced to 90 mins. per week, although the affiliates would be increased to 90 mins. per week."

Thereafter, final agreement was reached (see p. 2).

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Color programming on NBC will total 450 hours in the first half of 1960. "That's about 100 hours more than in the same period last year," NBC-TV vp for sales Don Durgin told an RTES seminar audience Jan. 21 gathered at NBC's Ziegfeld Theater color studio for an NBC-assisted status report on color progress. Durgin said that, with more than 300 stations now equipped to re-broadcast network color, it is becoming a definite factor in current network sales contracts by advertisers who consider color-TV-equipped homes "a quality market worth reaching."

NBC LOOKS AT 1959: Advertising revenue increased for the 12th straight year at NBC-TV in 1959, jumping 10% above 1958 to a new gross level of $300 million for time, facilities & program billings on network-produced or -sold shows, the network's official year-end wrap-up stated last week. Advertisers spent $28 million for time & talent on NBC-TV's roster of 200 specials, a 40% hike over 1958. Colorcasting emerged during the year as a strong factor in network sales, NBC-TV reported, with $43 million (out of $50 million) in automotive billings specifically for color programming, despite continuing limitation on the total number of color-equipped homes. NBC-TV color programming totalled 735 hours last year, an increase of 30% over 1958.

Network news-in-depth & public-affairs shows came into their own at NBC-TV in 1959, aided somewhat by the post-quiz problem of improving TV's general social image. NBC news produced 30 programs covering the Khrushchev-Eisenhower trips alone (and received a coveted Sylvania Award). The nework's first weekly prime-time documentary series, *World Wide 60*, was announced, to start this month in the Sat., 9:30-10:30 p.m. period. Sports coverage totalled 450 hours, a 50% jump over 1958, with sponsors making a time-&-program investment of $36 million in 1959 on sports shows.

NBC-TV's average evening network lineup advanced from 137 stations (1958 level) to 144 at year's end. Station lineups for NBC-TV's *Today* & *Jack Paar Show* participation programs totalled 148 & 146 respectively, and combined ad billings in the 2 participation shows reached $20,875,000 during 1959. As the year closed NBC-TV had 192 affiliates & 20 satellites, covering 99% of U.S. TV homes. Of these, 164 were color-equipped for network feeds.

A total of 216 names were on NBC-TV's 1959 client list, including 24 of the top 25 advertisers, by the network's count. New sponsors included United Airlines, Lanvin and Puritron, although such 13-year veterans as Gillette & Kraft were still around at year's end.

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An impressive growth chart is currently appearing in the advertising of ABC-TV to point up its decided progress in obtaining share-of-audience since 1953. Using Sun.-Sat. 8-10:30 p.m. Nielsen multi-network markets figures for Dec. only in the 6 years of 1953-1958 and the Nielsen 24-market share of audience for Dec. 1959, ABC-TV shows the chronological year-by-year share-of-audience growth of 11.4, 13.5, 16.7, 20.6, 23.3, 27.3—culminating in 1959's 30.9. The latter figure is the first to surpass the audience shares of the other 2 networks, which are stated by ABC-TV's chart to be 30.5 and 28.4. The network starts 1960 on the same healthy note with another ad spotlighting the year's "first" Trendex & Nielsen reports—both of which show ABC-TV out in front of its network competitors: 19.1 to 19 & 17.5 per Trendex (8-10:30 p.m., Mon.-Sun.), 19.3 to 19.1 & 17.3 per Nielsen (24 market).

Injunction against Hubbell Robinson Productions & NBC was denied playwright Mel Dinelli to "stop presentation" of "The Man," Jan. 4 Ford-sponsored *Startime* presentation starring Audie Murphy. Dinelli had consented to sell production rights to the play to Robinson but "insisted on adaptation rights as well." Robinson rejected the proposal, instead purchased contractual rights to the play which had been sold by Dinelli to RKO pictures. Dinelli may still seek damages from Robinson-NBC.

Net TV Ahead in Nov. The national ad volume gained 8% in Nov. over Nov. 1958, reflecting sizable business increases tallied by magazines (up 18%), network TV (14%) and business papers (10%), the latest *Printers' Ink* index shows. Suffering from a cutback in automotive linage, newspapers sagged 7%, also dropped 22% from the Oct. volume. Only 2 of the major media had better Nov. than Oct. business: network TV (2%), business papers (1%). Magazines were down 6%. Network radio continued as the poorest performer—down 22% from Nov. 1958, down 12% from Oct., down 14% year to date. The general index gain for Jan.-Nov. was 9%, and all major media had cumulative increases excepting network radio & outdoor. The latter is estimated down 2%, based on incomplete data. Best performances among major media: network TV for Nov.-from-Oct. (up 2%), total magazines for Nov.-over-Nov. (18%) and year-to-date (12%).

Medium	Index Nov. 1959	Index Nov 1958	% Change from 1 month ago	% Change from 1 year ago	% Cumulative change
General Index	224	208	— 7	+ 8	+ 9
Total Magazines	184	156	— 6	+18	+12
Weekly	197	170	—15	+16	+12
Women's	143	117	+14	+22	+10
General Monthly	234	200	0	+17	—18
Farm	122	101	+16	+21	+ 5
Newspapers	167	179	—22	— 7	+ 6
Network Television	492	433	+ 2	+14	+11
Network Radio	21	27	—12	—22	—14
Business Papers	244	221	+ 1	+10	+ 6
Outdoor	158	156	—16	+ 1	— 2

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-49 except for the TV base which covers the years 1950-52. "Cumulative change" in the last column refers to the change from the same period last year of the index average from Jan. through Nov. 1959.

NETWORK SALES ACTIVITY

ABC-TV

American Bandstand, Mon.-Fri., 4-5:30 p.m., participations. *Borden Foods & Best Foods* (both D-F-S)

Daytime programming, participations, 13 wk. orders, two 15-min. segs. per wk. *Beach-Nut Lifesavers* (Charles W. Hoyt) & *Best Foods* (D-F-S)

Paul Winchell Show, Sun. 4-4:30 p.m., 7 alt. 30-min. sponsorships over 14 wks. *General Mills* (D-F-S)

CBS-TV

Garry Moore Show, Tues., 10-11 p.m., alt. wk. 30-min. segs. over 10 wks. *Scott Paper Co.* (J. Walter Thompson)

N.Y. Philharmonic Young People's Concerts, 4 Sun. afternoon 60-min. taped programs, 1-2 p.m. *Shell Oil Co.* (Kenyon & Eckhardt)

1960 Olympic Winter Games, one-fourth sponsorship of the 11-day live & tape coverage, Feb. 18-28. *Renault Inc.* (Kudner)

NBC-TV

Loretta Young Show, Sun., 10-10:30 p.m., alt. wks. *Warner Lambert* (Lambert & Feasley)

Man from Interpol. Sat., 10:30-11 p.m., full sponsorship eff. Jan. 30. Participations in Law of the Plainsman, Thurs., 7:30-8 p.m., Riverboat, Mon., 7:30-8:30 p.m., Play Your Hunch, Mon.-Fri., 10:30-11 a.m.; Young Dr. Malone, Mon.-Fri., 3-3:30 p.m. *Glenbrook Labs div. of Sterling Drug Inc.* (Dancer-Fitzgerald-Sample)

Overland Trail, Sun. 7-8 p.m., eff. Feb. 7, alt.-wk. ⅓s *P. Lorillard* (Lennen & Newell), *Standard Brands* (Ted Bates)

Radio Nets Optimistic: Although *Printers' Ink*'s latest index shows Jan.-Nov. 1959 network radio business down 14% from Jan.-Nov. 1958 (adjoining column), the 4 networks closed out 1959 on a more optimistic note—all reporting business "generally very good" and ahead of 1958 performance. Actually, only CBS had black-ink operations. CBS "got into the black" in the 4th quarter, has "$2 million net business lined up for 1960." NBC Radio was still in the red at 1959's end, but noted that losses have "been decreased by two-thirds since the end of 1956." ABC also wound up with a non-profit year, but said it was "much further ahead than at the end of 1958." MBS, plagued by financial & organizational difficulties, managed to finish 1959 near the "break-even" point.

Despite the preponderance of red ink, ABC said national & local sales of its o&o's were 22% ahead in 1959 over 1958. NBC has recorded more than $6 million advance net sales for its new more-news-less-entertainment program plan. Only CBS continued heavy programming of daily entertainment in 1959, in face of trend by other networks to expand news & information services.

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Successful transmission of live TV pictures by hollow metal waveguide for more than a half mile has been accomplished in England by Standard Telecommunication Labs (ITT). ITT said the pictures were of "acceptable" quality. This is believed to be the longest transmission of TV ever accomplished by waveguide—basically a hollow pipe. In the tests, the TV pictures were sent by pulse code modulation—also believed to be a "first" for TV. The signals were sent over a hairpin-shaped path, 3,600 ft. long. Principal advantage of waveguide is its large carrying capacity—as many as 400 TV channels or several hundred thousand telephone conversations simultaneously. Previous drawbacks have been the difficulty in making signals follow the curvature of the earth and a great loss of signal strength. ITT says it has succeeded in bending the signal by constructing the pipe of specially treated aluminum wire, formed like a tightly coiled spring. It hopes to combat signal loss by using amplifiers along the guide.

Over-horizon telephone relay between U.S. and the Bahama Islands was opened last week by AT&T and the Telecommunications Dept. of the Bahamas govt. Terminals of the system are at Florida City, Fla. and Delaporte Point, New Providence Island, a distance of 186 miles. The link currently can carry 24 telephone conversations—expandable to 72 circuits. This is the 2nd 2-way over-horizon communication route placed in commercial service between the U.S. and overseas points—the first being between Florida & Cuba, equipped for TV as well as telephone communications. AT&T long lines dept. says the new Bahamas relay is not currently capable of passing TV bandwidths and there are no current plans to equip it for TV.

Libel suit against Fulton Lewis Jr., MBS commentator, by Seattle educator Mrs. Pearl Wanamaker, which brought a set-aside jury verdict of $145,000 for her (Vol. 15:45 p8), has been dropped in Washington's U.S. District Court. Lewis' counsel Roger Robb refused to confirm or deny reports that an out-of-court settlement had been reached in the suit, in which Mrs. Wanamaker accused the newscaster of falsely linking her with Communists. A new trial had been ordered after Judge George L. Hart ruled that the $145,000 award—biggest libel damages ever fixed by a jury in the Washington court—was "excessive." He recommended that Mrs. Wanamaker accept $30,000 instead, she said in an affidavit filed with the court.

The FCC

MORE ANTI-PAYOLA ACTION: FCC moved again last week. Not waiting to digest forthcoming Feb. 5 final station replies to its payola-plugola questionnaires (Vol. 16:2 p3), the Commission said it is acting right now to establish rules curbing the practices.

A notice of proposed rule-making is being drafted, probably will be issued within 2 weeks. The Commission said the rule-making would be designed to make licensees "take affirmative steps to prevent the broadcast of matter as a result of payola received by their employees." It's unlikely that FCC will spell out specific measures it expects stations to take. Rather, the proposal will let stations offer their ideas, after which the Commission will select what it considers to be the best—and imbed them in its rules.

The Commission also said last week that: (1) It wouldn't act on any renewals from now on before checking the station's response to its questionnaire. (2) FTC data on payola will be considered in weighing renewals.

FCC has received from FTC the names of some 70 station employes whom FTC alleges have taken payola. It's now studying discrepancies—if any—between station questionnaire responses and the FTC information. Only 300 stations haven't filed replies yet; FCC is prodding them.

FCC started its payola poll before Attorney General Rogers submitted his report to President Eisenhower (Vol. 16:2 p2), but it's interesting to note on page 47 of his report this language:

"The Commission would appear to have ample authority, under its general rule-making powers, to adopt regulations which would require licensees to take affirmative steps to prevent the broadcast of matter as the result of payola received by their employees."

In Ohio, U. of Cincinnati Law School Dean Roscoe L. Barrow, who headed FCC's network study, asserted that innocent victims of rigged quiz shows may be able to sue under the "loss of chance" doctrine. Speaking before the Advertisers Club, he also said: "The licensed broadcaster whose facilities were, without his knowledge, misused through the payola practice, may be able to recover from the recording companies under the familiar equitable doctrine of unjust enrichment." And he urged that "care should be taken that unwise legislation engendered by headlines & scandal does not evolve."

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St. Louis Ch. 2 "influence" hearing resumes Jan. 26 in Philadelphia, before examiner Horace Stern, for the sole purpose of permitting attorney Robert Jones to change his testimony. Counsel for KTVI (Ch. 2) St. Louis, Jones had previously testified he had no contact with any commissioner in connection with the shift of Ch. 2 from Springfield, Ill. to St. Louis. Since then, he has recalled that he gave some documents to Comr. T. A. M. Craven. He now wants to acknowledge that fact. FCC have found the documents in Craven's files, and they will be identified during the hearing. It's expected that the hearing will last one day and the record will be closed. In other "influence" cases, Judge Stern has stated his intention of starting with hearings on Miami Ch. 7 just as soon as the Mack-Whiteside trial ends. The trial begins in Washington Jan. 25.

Ch. 70 translator grant in Weed Heights, Nev., to relay KXTV Sacramento, has been awarded to Anaconda Co.

Advertising

Admen Answer Critics: Reacting to FTC's barrage, the ad business last week let loose its own artillery.

Fairfax Cone, exec. committee chmn. of Foote, Cone & Belding (cited by FTC for stain-removal demonstration in Pepsodent commercials), demanded a separation of "the facts from the allegations" by the press Jan. 19, and asked newspapermen to stop equating advertising & admen with "such utterly diverse operations as payola." The press, Cone told the Newspaper Advertising Executives Assn. in Chicago, has "intimated that FTC has already held a hearing" and found Pepsodent, as well as others cited, "guilty of grave crimes against the public." The term "faking," as applied to telefilm commercial techniques, said Cone, is "the work of headline-chasers."

Cone's client, Lever Bros., had earlier issued a sharp statement concerning Pepsodent commercials. "The FTC did not say that Pepsodent will not remove yellow smoke stains," the firm said, "nor did it claim that the TV demonstration in any way misrepresented what actually occurs. It charged only that the visual method used in demonstrating that Pepsodent removes smoke stains from teeth doesn't prove it. We are confident that we will be able to prove to the Commission's satisfaction that the demonstration used is in all respects appropriate to convey properly Pepsodent's ability to remove yellow smoke stains."

Also in N.Y., a spokesman for an agency not presently under FTC attack, accused the Commission of "not attempting to correct abuses so much as it has been incorrectly abusing its privileges." Walter Weir, exec. committee chmn. of Donahue & Coe, in addressing the Art Directors Club of N.Y., responded to FTC's charge that "ads diverted trade unfairly from the manufacturer's competitors." Said he: "I hope the FTC will ask itself if making accusations on the front pages of the nation's newspapers before consulting privately with the parties concerned is not possibly the most unfair diversion of trade that could be visited on an American business."

4-A Adapts Copy Code to TV

On a related front, American Assn. of Advertising Agencies took another step in its own commercial cleanup among member agencies (Vol. 16:3 p8) by issuing a special new TV interpretation of the basic, 23-year-old 4-A copy code. TV commercials, often seen by mixed family groups, "are not always voluntary, as is the reading of print ads," cautioned AAAA. TV advertisers & agencies were advised that they have "a severe obligation to act in good manners as guests in the viewer's home."

Viewer irritation can be caused "by strident tones & improper voice levels & manners of certain announcers," said the 4-A bulletin. In other instances, "commercials which may be relatively inoffensive in their first appearance may become irritating by repetition," and "judgments should be stricter than . . . print advertising's because of the host-guest relationship between viewer & advertiser."

The 4-A copy interpretation also cited the following areas to be carefully scrutinized by advertisers: False statements or misleading exaggerations; indirect misrepresentation of a product, or service, through distortion of details, or of true perspective, either editorially or pictorially; statements or suggestions offensive to public decency; statements which tend to undermine an industry by attributing to its products, generally, faults & weaknesses true only of a few; misleading price claims; pseudo-scientific advertising; testimonials which do not reflect the real choice of a competent witness.

Print Media Pressing On: Braced by sharp gains all along the line, print media faces the future with scrappy optimism. Magazines have recaptured some lost page & dollar volume, newspapers are moving out in a sales campaign to maintain retail-ad leadership. But print media also know, and latest surveys show, that TV's giving none of its gains away.

Magazines mustered heavy comeback strength in 1959, racking up a 7.1% gain in ad pages to eliminate part of the 13% sag suffered in the previous year. The latest *Gallagher Report* also shows that 83 magazines gained $92,756,484 in ad revenue for a 13.4% increase. In 1958, magazines had trailed their 1957 volume by $42.3 million for a 5.7% loss.

Ad-page gains were scored by 69 of the 83 publications. *The New Yorker* retained its ad-page leadership of the entire list. *Business Week* and *Life* also gained and repeated their 2nd & 3rd place finishes, respectively. *Newsweek* moved up from 6th to 4th and thereby topped 5th place *Time* for the first time. Among the top 50 magazines, the biggest percentage gains were scored by *Reader's Digest* (up 51.1%), *Sports Illustrated* (25.1%), *TV Guide* (24.2%). Largest drop: *Charm*, down 12.7%.

Overall, total magazine (including supplements) revenue rose 10.8% in 1959 to a record $898,218,610, late PIB-LNA compilations show. Dollar-volume leader was *Life*, again, which gained 9.6% over 1958 to $134,441,468. Reflecting increased rates, *SatEvePost* and *This Week* posted dollar gains despite losses of 75 & 89 ad pages respectively.

Newspapers also are on the prosperity trail, and "intend to remain champs" in the retail ad field. So said the Newspaper Advertising Execs. Assn. at its annual meeting in Chicago last week. The meeting marked the kickoff of NAEA's 2nd annual "total selling" campaign to promote the newspaper industry and "win advertising revenue back from TV." (Vol. 15:4 p2). Newspaper ad volume will increase substantially in the next decade, *N.Y. Times* ad dir. Monroe Green told the group. He foresaw "persistent percent-of-field improvement as against TV, radio and magazines."

But there wasn't likely to be any slack-up in TV's status as a leading print-media competitor, NAEA admen were also told. A new survey conducted by *This Week* magazine among 25 vps & media dirs. of leading ad agencies annually placing $650 million in TV reached the conclusion that, despite the recent quiz scandals & program investigations, "advertisers will continue to use TV to reach the audience that will still be there. . . . There will be no mass exodus of TV accounts." The agency-level checkup also found agencymen predicting "closer network control of programming & commercials, with changes in discount structures [benefiting] smaller advertisers."

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Ad People: Arthur J. Kemp, ex-McCann-Erickson named Compton vp & asst. to the pres.; Robert S. Howell promoted from production supervisor to vp & TV-radio programming & production mgr. . . . Vincent Tutching, McCann-Erickson Corp. International vp, named a dir. & gen. mgr. of new subsidiary Hansen Rubensohn-McCann-Erickson Pty., Ltd., Melbourne, Australia . . . F. Stanley Newbery Jr., ex-McCann-Erickson, named Cunningham & Walsh vp; Mrs. Jackie Agnew West, associate creative dir., elected vp.

Obituary

Harry H. Enders, 53, exec. vp of Young & Rubicam, died Jan. 21 of a heart ailment in Bronxville, N.Y.

Film & Tape

SAG STRIKE VS. MOVIES NEARS: Barring any unexpected, last-minute change, it appears certain that Screen Actors Guild will strike against the major film studios Jan. 31 or shortly thereafter—thereby forcing virtual suspension of movie production. Key issue: payments to actors on post-1948 movies sold to TV—a demand the major film studios have repeatedly refused to meet (Vol. 15:52 et seq.).

When SAG's board meets this week (Jan. 25), it is expected to call a mass membership meeting to consider a strike vote. That meeting may take place Jan. 31, the day the Guild's contract expires.

Both sides admitted that nothing came last week out of management's meetings with SAG, Writers Guild of America and Directors Guild of America. At these meetings, film executives said they hoped it would not be necessary to sell their post-1948s to TV, but they gave no commitments that they would not do so.

No Disruption to TV Films Now

TV, with its own issues, remained untouched for time being. WGA's strike against the majors & the Alliance of Television Film Producers Jan. 16, had not interrupted production in either movies or TV. Most TV companies are well stockpiled in scripts, and most series are nearing the end of their seasonal production. Remarked one TV executive: "If there had to be a strike, this was the time we could best afford it." As for SAG, it hasn't even begun negotiating with TV producers as yet, so they face no threat of immediate shutdown of production, as do the majors.

If WGA hasn't reached agreement with the networks by Jan. 31, the Guild probably will extend its strike to that area. The network contract originally expired Jan. 1, but was continued to Jan. 31. WGA has also extended until Feb. 12 its contract with independent producers not associated with networks or the alliance.

WGA estimates the backlog of post-1948 movies is worth about $400 million. Its contract expired Nov. 17 but their negotiations with the major movie studios have collapsed completely. The studios are adamant in their rejection of post-1948 demands.

Alliance Pay-Boost Formula Is Rejected

Our source with the Alliance of TV Film Producers, whose members produce 60% of Hollywood's TV film, told us his organization had proposed across-the-board increases in minimums to WGA, but they were rejected. He added that the Alliance is determined not to give in on demands for reruns for overseas showings of films, residual payments in perpetuity, and a residual increase based on the writer's pay rather than the minimums (which currently are paid for reruns). "We're completely apart on opening up & liberalizing the rerun formulas. We feel that by offering them minimum increases, we are increasing their residuals," our source said.

On other strike fronts: SAG received pledges of support from actors' unions in Mexico & the British Isles. The Guild announced it has 400 contracts with producers providing for payments on post-1948s. WGA promised to indemnify any of its "hyphenated" members, (such as producer-writers or writer-directors) for damages from lawsuits arising from their refusal to perform writer services. It also threatened to expell any members found violating its strike order. And it signed another movie independent, Sol Lesser Productions.

Syndication Coups for NTA: A group of 30 post-1948 movies has been bought by NTA from Regal Films (independent producer Robert L. Lippert) for $1.8 million, despite the current wrangle between talent guilds and film producers. NTA's unexpected move was made possible by a Regal-SAG contract, written at the time the low-budget features were made, which calls for actors to get 15% of original compensation as TV residual payment. The actors will benefit by more than $95,000 from the deal, and the directors also will get a share. However, the films' writers won't, because WGA turned down Regal's formula for payment. Regal Films Pres. Edmund J. Baumgarten recently asked SAG to waive payments for TV rights to those movies which haven't yet recouped their production costs, but the Guild rejected the request.

The Regal Films were produced under an arrangement with 20th Century-Fox which distributed the movies. They were made between 1956 & 1958, and some are still in theatrical release. NTA intends to feed the package into syndication sales channels. NTA also has been offered post-1948s from some of the major studios, but no negotiations have begun as yet.

Also being discussed at NTA is multi-market spot placement of *Play of the Week*, rescued from last-minute oblivion this month by Standard (N.J.) Oil Co. (Vol. 16:3 p14), which may enable the 120-min. taped show to operate, at least, at a "modest profit," and to be sold elsewhere.

Another feather in NTA's sales cap: After nearly 2 years of sales effort, NTA has a N.Y. outlet (WABC-TV, starting Jan. 30, 10-10:30 p.m.) and a N.Y. sponsor (Hudson Pulp & Paper) for its *How to Marry a Millionaire*.

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Four Star's 16 Pilots: Four Star Television is projecting a record 16 pilots, one of which already has been sold. That's the tentatively titled *Tom Ewell Show*, which CBS-TV snapped up for next season immediately after seeing the pilot. Westerns are the most popular fare on Four Star's pilot program, 8 being planned. Some projects are co-production deals—with networks or other companies.

Four Star's plans include an untitled comedy starring Peter Lind Hayes & Mary Healy; an untitled comedy starring Gertrude Berg; a 60-min. pilot of *Michael Shayne* for NBC-TV; remake of a pilot done last year by Bing Crosby Productions, *The Law and Mr. Jones*, starring James Whitmore. The company also—in association with the production combine of Arthur Gardner, Arnold Laven and Jules Levy (*The Rifleman*)—plans 3 Westerns: *Simon Battle*, *Lariat Jones* and one still untitled. In association with producer Mike Meshekoff & Howard Duff it will pilot *Willy Dante, in Dante's Inferno*, starring Duff.

With producer Hal Hudson & writer Luke Short's Caprock Productions, it will pilot a Western, *Yuma*. With Hudson & the Zane Grey Company, it plans a Western starring Dean Jones. With producer Vincent Fennelly's Hildegarde Productions, the company is piloting *Stagecoach West*, a 60-min. show for ABC-TV. Producer Aaron Spelling (*Johnny Ringo*) has 3 pilots he plans in association with Four Star: 2 Westerns, *Border Town* and *The Reno Brothers*, and *Tales of the Unknown*, an anthology dealing with the supernatural. Another pilot being made by Four Star is "*J.P.*," an action-adventure series being produced with Vincent Fennelly for ABC-TV.

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TV-radio center to consolidate CBC's 11 scattered facilities in Toronto has been initiated with the purchase of a 33-acre site. No date has been set for construction.

ITC-ATV's 1960 Plans: A major revamp of Independent Television Corp.-Associated Television Ltd. organization is in the works. ITC, the telefilm company jointly owned by Jack Wrather & Britain's commercial program supplier ATV Ltd., will soon revert to its original status as a distributor of filmed & taped TV shows. A Wrather Hollywood production unit, ATV and independent telefilm producers will act as the ITC program source, and all production duplication will be eliminated.

ITC is extremely interested in strengthening itself through mergers or acquisitions, we're informed by Wrather, but he scotched trade reports that he is negotiating for a studio as a production base. "We looked into the Desilu situation when it became known it was for sale," he said. "However, we decided it was not wise to buy at this time. We are analyzing the industry situation because our object is to make ITC as strong as possible. We feel there are certain companies with which we have a mutuality of interests. Our desire is to increase our size through merger or acquisition. There is no room for small or intermediate companies in this business."

Wrather said he'd had conversations with Columbia Pictures Pres. Abe Schneider, "an old friend." Co-production of ITC-ATV series with Columbia's Screen Gems was discussed, among other subjects, but Wrather declined to elaborate. Merger was not one of the subjects, he said.

ITC reportedly will drop its own production unit in Hollywood, headed by Ted Rogers, which has planned several telefilm series and supervises production of taped *Ding Dong School*, now in syndication. The latter show, and other ITC-syndicated properties (*Four Just Men*, *Sweet Success*, etc.), will continue in production & sales. However, *Gale Storm Show* on ABC-TV is being dropped.

More Production In Britain

Much production emphasis in the revised ITC-ATV structure will be shifted to London, where ex-CBS Films vp Leslie Harris, now managing dir. of ITC international production, is supervising several new projects. Tape-equipped (U.S. standard) ATV is currently handling on-location TV recording of shows in CBS-TV's *Person to Person* series, and plans a number of location-taped specials of its own in Europe and the Far East. Included in this group of projects is a *Playhouse 90* special starring Laurence Harvey & Simone Signoret which would be the first U.S. dramatic TV show to be taped overseas. Also planned are taped specials ranging from Covent Garden opera productions in London to an outdoor water festival in Australia.

ATV, now taking a more active role on the international telefilm front as well as in the tape field, is mapping new film specials & series. ATV deputy managing dir. Lew Grade & production executive Val Parnell (who is also managing dir. of the London Palladium) along with ITC's Harris, are currently concluding a U.S. visit during which they've discussed co-production film deals with U.S. networks & movie majors. Two new telefilm series, *Whiplash* (filmed in Australia) and *Danger Man* (filmed in Europe), exist in pilot form, and are being shown to potential buyers as possible mid-season replacements or fall program purchases. Production chief Harris envisions telefilm production moving toward a more international level in 1960. "There are really only 4 film centers that can act as a production base for a 39-week telefilm series—Hollywood, N.Y., London & Sydney," he told us in N.Y. last week. "Among these, our own ATV-ITC production plans call for a slightly heavier balance of production of film & tape shows outside the U.S. than in it."

HOLLYWOOD ROUNDUP

Katz Sees Early Sell Season: Oscar Katz, CBS-TV network programs vp, sees indication of an earlier selling season than usual for the fall of 1960. He told us he believes most shows will be bought in Feb. & March. CBS-TV has already bought one series for the fall, *The Tom Ewell Show*, from Four Star Television.

The network is also involved in over 30 pilot projects, though it hasn't yet been decided how many will be filmed. Filmed thus far are a 60-min. untitled underwater series, to be produced by Ivan Tors at Ziv TV, with Keith Larsen & Jeremy Slate starring; *The Defenders*, a 60-min. action-adventure show, with Herbert Brodkin producing for the network (no cast set); and *Pete & Gladys*, starring Harry Morgan, with Parke Levy producing. Among the network projects being considered for piloting are *Mountain Man*, a Western which would be on film, and *Star Witness*, a live & tape series.

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Warner Bros. has merged its TV commercial & industrial films div. with its cartoon div. David H. De Patie, gen. mgr. of the former has been named gen. mgr. of the combined div. . . . Screen Gems plans a series titled *Sea Rover*, to be produced by Art & Jo Napoleon . . . Pinebrook Productions Inc. has been formed by Richard Conte for the production of movies & TV films.

Producer Aaron Spelling is planning a pilot, *Tales of the Unknown*, an anthology series about the supernatural —also 2 Westerns *Border Town* and *The Reno Brothers* . . . NBC will finance the pilot of an untitled comedy series to be produced by Stanley Roberts' SR Productions.

MGM-TV has signed Richard Chamberlain as the lead for its pilot, *The Paradise Kid*, produced by Paul Monash. Incidentally, all of MGM-TV's pilots will be produced as originally scheduled, being in no way affected by the WGA strike; scripts had been prepared before the Jan. 16 walkout . . . CBS Films Inc. has signed producer-director Ralph Levy to produce a half-hour comedy series.

Roncom Productions has signed Shelley Hull to produce a Western pilot, *Tate* . . . Karen Sharpe is leaving her regular role in the *Johnny Ringo* series, complaining she hasn't been given enough to do.

Television Film Assn. has named John P. Ballinger of Screen Gems as president; Jack M. Goetz of Consolidated Film Industries, vp-dir.; Nicholas Muskey, Bekins Film Service, secy.-treas.-dir. . . . Joe Seinfeld has been named asst. to Screen Gems vp-exec. prod. Harry Ackerman.

Desilu Productions has shelved its pilot plans for *The Marie Wilson Show* and *Guestward Ho!* . . . Revue has signed Richard Greene & Robert Strauss to star in the pilot of *Love & Wahr*, which Richard Irving is producing. The pilot will be filmed in Mexico.

Sidney P. Solow, vp-gen. mgr. of Consolidated Film Industries, has been named chairman of the film archives committee of the Hollywood Motion Picture-TV Museum . . . Crosby-Brown Productions will finance Bill Burrud's new *Flight to Adventure* series.

Allied Artists Pictures has begun production on *Simon Lash, Detective*, its first 30-min. TV series for ABC Films' distribution. Sidney Salkow has been named producer-dir.

NEW YORK ROUNDUP

New Ampex "Inter-Sync" accessory for its Videotape recorders is aimed at making electronic editing easier and eliminating rollover when switching between VTR & another picture source. Replacing the standard drum-servo unit in the recorder, InterSync combines 2 picture sources, field by field & line by line, eliminating rollover in electronic editing, switching from live to tape, switching from one VTR to another, etc. The first engineering models were used in production of ABC-TV's *Pat Boone Show* last Oct. 1. ABC-TV has ordered pre-production units for delivery this month. Pre-production models also will go to Electronic Videotape Editing Service Inc., N.Y., in March and to CBS-TV next May. Full production units will be available in Aug. and will be offered as accessories for present VTR installations & future orders.

TV Program Export Assn. elected as pres., Merle Jones, CBS stations div. pres., at a board meeting in N.Y. Named vps were Sidney Kramer, vp, NTA; Martin N. Leeds, exec. vp, Desilu Productions; Thomas J. McDermott, exec. vp, Four Star TV. Herbert L. Golden, vp, United Artists & pres., UA-TV, was elected secy-treas. The officers will serve until a special meeting of directors, scheduled for April 19, at which time permanent officers will be elected. "All necessary legal steps for immediate association action were taken at the meeting," a spokesman reported. (The assn. was fully incorporated in Delaware on Dec. 23, 1959). An exec. committee comprising the full board will serve until April 19. Other committees appointed last week include: Business agenda committee, Morris M. Schrier, MCA-TV, chmn; personnel committee, Harold J. Klein, ABC Films, chmn. All newly-elected officers & committee chairmen are charter members. Other charter members include Danny Thomas, Marterto Enterprises; Alfred R. Stern, NBC; Lloyd Burns, Screen Gems.

Screen Gems is feeding post-1948 feature films into syndication channels. They're nearly all European productions or co-productions with American producers not governed by SAG rulings. A total of 13 such titles ("State Secret," "The Detective," "Storm Over the Nile," etc.) are included in the latest Columbia Pictures-Universal batch of 78 features released recently by Screen Gems, on which sales have been scored so far in nearly a dozen markets. Screen Gems is also releasing the British-made *Ivanhoe* 30-min. adventure series as its mid-winter offering in the U.S. syndication market, as well as the reruns of *Wild Bill Hickok*. *Ivanhoe* stars Roger Moore, hitherto an unknown British actor but currently becoming known in TV as a star of Warner Bros.' *The Alaskans*.

Stanley Dudelson has been named syndication sales mgr. of Screen Gems . . . Perry Cross, ex-NBC-TV producer, has signed an exclusive producer's contract with CBS-TV . . . Sidney Kramer elected NTA foreign sales vp.

Ziv-TV announced 9 exec. promotions recently. M. J. Rifkin was named exec. vp for sales; Maurice Unger, exec. vp for productions and Robert W. Friedheim, administrative vp. Also named vps: Joseph W. Bailey, for eastern production; Edward J. Broman, regional sales; Len Firestone, syndication sales; Frank Reel, for legal affairs; James Shaw, national & regional sales; & Pierre Weis, gen. mgr. of Economee, Ziv's rerun sales div. . . . Bob McCahon has been named a staff dir. of TV commercials, Robert Lawrence Productions.

Foreign

Africa As A TV Market: A growing, quota-free export market for American programs in Tanganyika, the Rhodesias & Kenya is "in the not-too-distant future, and should be explored immediately," ABC-TV correspondent-producer Helen Jean Rogers told us last week. Most other African countries have, or will have, govt.-controlled TV "similar to France," she said. Miss Rogers recently returned from Africa, where, while covering 20,000 miles ("mostly in a British jeep") and shooting 30,000 ft. of film, she was able to observe Africa's present TV situation. Her film will be seen as an ABC-TV documentary Jan. 31 (see below).

Most African areas regard TV as a potential medium for English instruction, and TV is frequently a favorite election promise in the new African nations, said Miss Rogers. However, in apartheid-conscious South Africa, govt. officials oppose the medium "as undesirable in the current state of Africa's development," and are "particularly opposed" to visits by American TV journalists, she said. There is a "basic, profound suspicion" of U.S. TV in South Africa, and cabinet members & other officials are "only permitted to be interviewed for British TV."

The only operating TV system in the lower part of Africa is in Western Nigeria where operations began last fall. Govt.-supplied TV sets are provided to schools & other community centers. Programs, produced by England's commercial firms, include "How to Bathe Children," "How to Avoid Leprosy," "Exemplary Nigerians."

* * *

Inevitable topical rivalry in the wake of increased world interest in African nationalism is now a scheduling fact. Due on each of the 3 networks within a single fortnight, starting Jan. 31, is a prime-time special on Africa: "The Dark & the Light," on ABC-TV, Jan. 31; "Freedom Is Sweet & Bitter," on NBC-TV, Feb. 6; "The Freedom Explosion," in the *CBS Reports* series, CBS-TV, Feb. 15.

* * *

TV Society of South Africa has been formed to fight govt.'s anti-TV policy (Vol. 15:45 p23). It plans to submit a petition for TV to be signed by a half-million persons. The South African govt. contends that TV may be detrimental to children and "the less developed races," and has banned discussion of TV on the state-owned radio network. The *London Observer*'s Stanley Uys reports, however, that "the necessary technical tests have been made by the South African Bcstg. Corp. which would enable TV to be speedily introduced if the [South African] Cabinet were to sanction" TV. He adds that local commerce & industry are demanding TV. "Several commercial companies are keen to establish stations, and business sees it as a stimulus to consumption & expanding production. The Federated Chamber of Industries of South Africa recently called on the govt. to allow its introduction."

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Kenya's TV-study commission has recommended introduction of video service in the African territory by mid-1961. The commission, appointed by the Kenya govt. in Oct., calls for govt. financing to establish a TV station, says operating costs should be covered by ad revenue.

* * *

Western Nigeria's commercial TV stations—at Ibadan & Ikeja (Vol. 15:34)—have designated Intercontinental Services Ltd. (Harry Engel) as their U.S. advertising rep. Owner Radio Nigeria, owned in turn by Rediffusion Ltd. of Britain, will establish a commercial radio station.

Auxiliary Services

TelePrompTer's CATV Plans: TelePrompTer Corp., which last month disclosed that it had invested $747,000 in 3 community antenna systems (Vol. 15:49 p4), now reveals that it hopes to spend $2 million more to acquire 10 more systems, a microwave common-carrier service and a CATV-equipment manufacturer.

In the prospectus for the recent sale of 145,000 shares of common stock through an underwriting group headed by Bear, Stearns & Co., TelePrompTer Corp. discloses it is negotiating for all the assets of Antennavision Inc., Merrill CTV Inc. and Antennavision Service Co., all owned by Bruce Merrill of Phoenix, Ariz. The companies own 10 CATV systems in Cal. & Ariz., as well as a microwave carrier serving 7 of the systems, and the AMECO div. which makes CATV equipment.

TelePrompTer previously had bought Antennavision of Silver City (N.M.) from Merrill, and options on CATV systems in Farmington and Rawlins, Wyo., as well as on a microwave system serving Farmington and another system. The firm is also currently negotiating for an option on radio KNDE & KNDE-FM Aztec, N.M., for $52,500 in cash or stock and assumption of $30,000 in liabilities.

The prospectus lists these balance-sheet items for the 3 combined CATV companies as of last Aug. 31: Current assets, $114,694 (including $24,000 cash); property, plant & equipment, $455,857 (less $218,415 accumulated depreciation); total assets, $378,661. Current liabilities total $111,681, long-term debt $14,629. Earnings statement for the 3 CATV companies for the year ended Aug. 31:

	1959	1958
Services, rentals, etc. ...	$590,842	$416,960
Net earnings	89,797	32,371

TelePrompTer's balance-sheet items as of Aug. 31 (figures in parentheses are after pro forma adjustments including recent stock sale and acquisition of the 3 CATV firms): Current assets, $898,994 ($1,617,614); property, plant & equipment, $1,399,394 ($2,211,373) excluding $827,390 accumulated depreciation & amortization; total assets, $1,935,069 ($3,891,189). Current liabilities, $457,798 ($382,798); long-term debt, $473,131 ($3,131).

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Open-closed-circuit TV system will be installed on the Orient Line's new 40,000-ton luxury liner Oriana. The Marconi installation will have facilities for complete closed-circuit programming (2 vidicon cameras, 2 film projectors, 2 slide projectors). While in ports of call, the shipboard receivers will be able to tune TV channels on any of the 3 major world-wide TV standards (525, 625 or 405 lines) through means of a converter in the control room which uses the vidicon cameras to reprocess 525- or 625-line telecasts to the British 405-line system. Initially about 60 receivers will be installed in public rooms and first-class cabins; provision is being made for nearly 400 sets.

Telemeter Pres. Louis Novins in N.Y. Jan. 21 enlarged on his Oct. statement (Vol. 15:40 p19) with the information that he is planning Toronto-type pay-TV experiments in "more than 4 but less than 10" U.S. areas. Novins wouldn't name the locations nor date their starts, because "plans are still in the consideration stage" and there are "possibilities of eliminating certain areas."

Illustrated CATV booklet, *Over the TV Horizon*, explaining why systems got started & how they work, has been published by the National Community TV Assn., 1111 E St., N.W., Washington 4, D.C. Single copies are available free, 100 for $8 and 5,000 or more for $76 per 1,000.

Congress

Senate probe of FCC and other regulatory agencies under Sen. Carroll (D-Colo.), which got off to 2 faltering starts last year (Vol. 15:47 p14), probably will get another go-ahead at this session. Senate Judiciary Committee Chmn. Eastland (D-Miss.) has asked the Senate for $115,000 for Carroll's administrative practice & procedure subcommittee to continue "a full & complete study" of laws governing the agencies. Under Eastland's resolution the subcommittee would file findings & legislative recommendations before the end of 1960. Eastland also asked for $425,000 this year for the Judiciary anti-trust & monopoly subcommittee headed by Sen. Kefauver (D-Tenn.), jurisdiction of which includes proposals to permit TV blackouts of baseball games by major clubs (Vol. 15:37 p3). New on the Carroll subcommittee's agenda will be an agency codification bill (S-2849) by Minority Leader Dirksen (R-Ill.), who effectively blocked any 1959 action on an American Bar Assn. measure (S-2374) forbidding *ex-parte* contacts with the agencies. Co-sponsored by Sens. Wiley (R-Wis) & Hruska (R-Neb.), the Dirksen bill would impose uniform administrative procedures on all regulatory bodies.

FCC's $2.25-million request for a 2-year uhf study (see p. 1) topped TV-radio-related items in President Eisenhower's $79.8-billion budget submitted to Congress. The estimated cost of the special survey swelled FCC's 1961 fiscal budget to a new high of $13.5 million vs. $10.55 for 1960. Relatively minor across-the-board increases for regular Commission operations accounted for $300,000 of the budget raise sought. In other budget items affecting broadcasting: (1) As expected, FTC raised its sights by about 10% (Vol. 16:3 p8), asking for $7.6 million vs. $6.84, earmarking investigation & litigation boosts "to support more effectively the Commission's efforts" in policing TV & radio advertising practices. (2) USIA asked for $105.8 million vs. $101.5—expansion of "worldwide TV, motion picture and information center activities" accounting for $813,000 of the increase and stepped-up Voice of America radio programming getting a $302,000 raise. (3) HEW filed a $4.7-million 1961 request for educational media (including TV & radio) research grants under Title VII of the Defense Education Act—up $1.7 million from $3 million in fiscal 1960.

Action on ETV bills providing govt. grants to states for equipment purchases has been put off again by the House Commerce communications & power subcommittee headed by Chmn. Harris (D-Ark.). In its first meeting in the new Congressional session, the subcommittee discussed plans to tour educational TV installations in Albuquerque, St. Louis, Omaha and Champaign, Ill. (Vol. 16:3 p6). But it set no schedule for the trips or for any vote on a Senate-passed $51-million ETV measure (S-12) by Sen. Magnuson (D-Wash.) or House variations of the proposed legislation. Meanwhile, Rep. Collier (R-Ill.) said subcommittee field hearings last fall had convinced him that: "In-school educational TV has a tremendous potential. It is now & can become an effective tool for better education, particularly in specialized fields."

TV campaign financing by the govt. for Presidential & Congressional candidates, as proposed in an elections bill (S-2823) by Sen. Neuberger (D-Ore.) "to correct certain abuses" (Vol. 16:3 p14), is getting heavy Democratic support. Already signed up as co-sponsors are Sens. Kennedy (Mass.), Mansfield (Mont.), Morse (Ore.), Murray (Mont.).

Stations

THAT ARB COVERAGE STUDY: Electronic computers have thrown a new element into estimates of station coverage, but it's too early to tell whether it's significant. Virtually every market checked so far shows viewing in counties beyond those previously considered within a station's regular coverage. The situation:

American Research Bureau, which previously checked station coverage by distributing viewers' diaries in areas which ARB considered to be within "normal" service ranges, is now using a Univac computer. The computer "sweeps" data from the entire country, reporting every instance of viewing. Says ARB Pres. James Seiler: "All we know so far is that Univac will tell us that there is at least one instance of viewing in a particular county. It could be one home in the county, or all of them. We don't know yet.

"We won't know, until about summer, what percentage of homes are reached in each county. In determining station coverage areas, most organizations consider that a station's influence is negligible if it reaches less than 10% of a county. Some use a figure of 25%, and so forth. As of now, however, there are strong indications that service areas will be larger than previously estimated. That's about as far as we can go."

To illustrate what Univac is showing, Seiler said: "It will report an instance of reception in Portland, Ore. of an Eastern station, by skip transmission."

Virtually every market checked so far shows viewing in counties beyond those previously considered within a station's regular coverage. Recently, ARB worked up figures for 4 random markets, found that Columbus, O. stations were reaching 27 more counties than previously included in coverage estimates, Philadelphia 31, Kansas City 33, Detroit 25. Seiler attributes the extensions to power-height increases.

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Chandler Gets Set For Expansion: Los Angeles Times-Mirror Co. Pres. Norman Chandler, chmn. of its broadcasting subsidiary, KTTV Inc., has made a sweeping series of corporate actions to pave the way for expansion & diversification in the broadcasting field. Chandler's plans for expansion came as no surprise (Vol. 15:44 p8). KTTV Inc. Pres. Richard A. Moore said the subsidiary's name has been changed to Times-Mirror Bcstg. Co., with Robert W. Breckner made a vp as well as gen. mgr. of KTTV. This leaves Moore free to handle the area of acquisition & expansion for Chandler.

Other changes: Charles B. Thornton and Otis Chandler named directors of the T-M Bcstg. Co.; Dick Woollen named vp of T-M Bcstg. Co. and program dir. of KTTV, also mgr. of the company's national syndication div.; H. Bruce Baumeister named general counsel of T-M Bcstg. Co.; KTTV sales vp John R. Vrba becomes sales vp of T-M Bcstg. Co. for KTTV and the company's newly formed commercial-tape division. All promotions go into effect Feb. 1.

In addition to running KTTV, the T-M Bcstg. Co. operates a division for production & distribution of programs on video tape.

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RCA TV tape recorders were shipped last week to WTOP-TV Washington, D.C. and educational WEDU Tampa-St. Petersburg.

Canadian Set Census: Latest sampling survey of Canada's TV penetration shows 3,493,600 households, or 81% of Canada's 4,294,500 homes, are TV-equipped. These figures are from the Bureau of Broadcast Measurement's Nov. 1959 estimates, issued last week.

The full survey results, by counties & census districts, will be included in the forthcoming Spring-Summer TELEVISION FACTBOOK. Here are BBM's estimates of TV households in Canada (excluding Yukon & Northwest territories) as of Nov. 1959:

Province	Population	Households	% TV	TV Households
Newfoundland	452,400	85,900	39	33,500
Prince Edward Is.	102,800	23,500	62	14,500
Nova Scotia	722,400	169,400	81	138,000
New Brunswick	595,500	129,200	75	96,300
Quebec	5,048,900	1,092,900	89	976,900
Ontario	6,013,100	1,549,100	88	1,369,900
Manitoba	893,000	229,000	73	166,800
Saskatchewan	910,400	241,700	64	155,600
Alberta	1,257,100	329,300	70	231,000
British Columbia	1,585,800	444,500	70	311,100
CANADA	17,581,400	4,294,500	81	3,493,600

* * *

Decision on Canadian TV applications in Winnipeg & Vancouver are likely to come in around Feb. 1. Three groups applied for one channel in Winnipeg and 5 for the channel in Vancouver. The Winnipeg sessions revealed a letter by W. E. Williams, pres. & gen. mgr. of Procter & Gamble Canada Ltd., declaring that the 55% Canadian-program-content requirement was "impossible & unduly expensive" and warning that big TV buyers would turn to other media where dollar return is greater. The Vancouver sessions brought a protest from the British Columbia div. of the Retail Merchants Assn. against one applicant—Metropolitan Television Ltd.—because of "too much control of advertising & communications media in this various large area." Big partners in Metropolitan Television include Vancouver's only 2 daily newspapers, *The Sun* and *The Province*, and the 2 most popular radio stations, New Westminster's CKNW & Vancouver's CKWX.

NBC-RKO General station-swap intensions (Vol. 16:1 p9) have been communicated to FCC in the form of a letter signed by representatives of both. It says: (1) NBC will exchange WRCV-TV & WRCV Philadelphia for RKO's WNAC-TV & WNAC Boston. (2) RKO will buy NBC's WRC-TV & WRC Washington for $11.5 million—if NBC can at the same time buy a TV station in another "suitable" market. (3) NBC agrees to comply with all provisions of the consent decree which requires it to sell the Philadelphia outlets (Vol. 15:39 p3). It's understood NBC is still negotiating for the purchase of a San Francisco station—KTVU or KRON-TV. The NBC-RKO agreement says the deal will be called off if NBC doesn't get another station by April 2. Under the consent decree, NBC can buy in San Francisco or other major markets if it satisfies Justice Dept. that the seller hasn't been threatened with the loss of NBC-TV affiliation. One unsettled matter in the picture is FCC's position on Philco's protest against the renewal of WRCV-TV & WRCV. RKO General Inc. is the station-owning subsidiary of General Tire & Rubber Co.

Virgin Islands get TV March 1 when WITV St. Thomas is scheduled to begin as closed-circuit CATV, carrying English-language programs, but also picking up Spanish-language shows from Puerto Rican TV stations. William R. Lastinger of Austin, Tex. is pres. & resident administrator of operator, Virgin Isle TV Cable Corp., which has $30 installation charge and $10 monthly fee. WITV also plans microwave to St. Croix and other Caribbean areas.

Programming

NETWORK PROGRAM SHIFTS: NBC-TV's nighttime program schedule began to look like the diagram of a Syracuse U. triple-reverse play last week as network officials added, dropped & shifted programs in the wake of a major round of mid-season sponsor cancellations. By comparison, program backfields at the other 2 networks were largely unaltered, but some ABC-TV & CBS-TV substitutions were in the works too.

At NBC-TV: A filmed-in-Europe series, *The Man from Interpol*, produced by the Danziger Bros. and sponsored by Sterling Drug, will replace taped, rating-light *It Could Be You*, cancelled by Pharmaceuticals Inc., in the Sat. 10:30-11 slot starting Jan. 30. *People Are Funny*, now in the Fri. 7:30-8 p.m. period, will move to Wed. 10:30-11 p.m., replacing Procter & Gamble-cancelled *Wichita Town*, effective in early Feb.

In a major Tues.-night shuffle effective Jan. 26, Ford's *Startime* specials will begin 60-min. earlier (8:30 p.m., instead of 9:30) in a move personally handled by NBC Pres. Robert E. Kintner. Ford is moving down to replace *Fibber McGee & Molly* (cancelled by Singer & Standard Brands) and *Arthur Murray Party* (moving to 9:30 Tues. in the first 30-min. of the vacated Ford slot). Now scheduled back-to-back at 10 p.m. Tues. with the dancing Murrays is *M Squad*, moving over from Fri. 9:30 p.m.—a slot that's likely to be filled by *Masquerade Party* which is expected to move over (*stay with us*) from CBS-TV's Mon. 7:30-8 p.m. slot—to be filled by the *Kate Smith* series.

Elsewhere on NBC-TV, Revue Productions' *Overland Trail* is due to replace Revue's *Riverboat* at Sun. 7-8 p.m., with the latter dropping anchor in the Mon. 7:30-8:30 period, replacing a pair of axed shows, *Richard Diamond* (Helene Curtis; Block Drug) and *Love & Marriage* (Noxzema). The network's new 60-min. public-affairs series, *World Wide 60*, replaces *5 Fingers*, Sat. 9:30, on Jan. 30.

Substitutions at ABC-TV & CBS-TV

At ABC-TV: Having already replaced Dick Clark's *World of Talent* series with the filmed *21 Beacon St.*, ABC-TV's next program shuffle, we're told, will be to drop the nighttime version of *The Gale Storm Show*, sold to ABC-TV last season by ITC and scheduled in the Thurs. 7:30-8 p.m. slot. It's primarily a sponsor cancellation by Warner-Lambert, unhappy because *Gale Storm* reruns—under the same title—are scheduled as a 2:30-3 p.m. daytime strip for participating advertisers. No other immediate ABC-TV shifts are expected, although there's likely to be considerable juggling when the 1960-61 fall schedule is announced later this year.

At CBS-TV: As mentioned above, *The Kate Smith Show* is replacing *Masquerade Party* in the Mon. 7:30-8 p.m. period, a not-unexpected move since "Masquerade" was itself an interim replacement for *Name That Tune*, a musical quiz axed by CBS Inc. Pres. Frank Stanton in the wake of the quiz hearings. Being groomed as a possible replacement for either *The Lineup* (cancelled by CBS-TV) or *Big Party* (cancelled by Revlon, which wants a 60-min. weekly show) is a new 60-min. taped Nat Hiken package, *Madhouse 60*, whose pilot was recorded in N.Y. Jan. 19, with Nancy Walker & Eddie Foy Jr. starred. Kellogg, for budgetary reasons, may cut back on its sponsorship of the Sun. 7:30-8 p.m. *Dennis the Menace* (a rating success and not likely to be dropped) and its co-sponsorship of the Fri. 8:30-9 p.m. *Hotel de Paree* (lackluster ratings and a candidate for the network's axe).

Television Digest

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Personals: Lester Bernstein, NBC corporate affairs vp, named to represent the network on TIO board, succeeding Kenneth W. Bilby, recently named RCA public affairs vp (Vol. 15:52 p19) . . . James G. Hergen named daytime sales dir., Robert W. McFadyen daytime sales mgr., NBC-TV. . . . William K. McDaniel named vp for NBC radio, succeeding Matthew J. Culligan, who resigned to join McCann-Erickson (Vol. 16:3 p9) . . . Richard Golden promoted from CBS-TV sales presentations dir. to dir. of sales presentations & mkt. planning . . . Norman F. Cissna named local sales mgr. of NBC's WNBQ Chicago, succeeding Kenneth Johnson, resigned to become exec. vp, Daren F. McGavren . . . William E. Coyle, sales promotion & publicity dir. of NBC's WRC-TV Washington, resigns effective March 1 to join Washington investment house of Ferris & Co. . . . George A. Graham Jr. promoted from sales planning vp to vp & gen. mgr., NBC radio; William F. Fairbanks promoted from national sales mgr. to sales dir.

Larry Carino promoted from acting mgr. to gen. mgr., WWL-TV New Orleans; Maurice J. Guillerman promoted from national sales mgr. to gen. sales mgr. . . . Robert B. Beusse named ad & promotion mgr., WOR-TV & WOR N.Y. . . . Lawrence H. (Bud) Rogers II and Mrs. Rogers are traveling in Europe before he takes over duties as operations vp of Taft Bcstg. Co. March 1 (Vol. 16:2 p 16) . . . William T. Wagner promoted from production mgr. to new post of program operations mgr., KTRK-TV Houston, Tex. . . . Mrs. Karen Rohwer, ex-WOI-TV Ames, Ia., named promotion mgr., KMSP-TV Minneapolis-St. Paul.

Alexander W. McCallum promoted to asst. national program dir., ABC radio . . . Leslie H. Peard Jr., Triangle Stations regional sales development dir., named gen. mgr. of Triangle's radio KFRE Fresno, Cal., succeeding Robert F. Klein, resigned . . . Carl L. Kowalski advances to partnership in Washington engineering firm of Silliman, Moffet & Rohrer . . . Morton A. Barrett appointed Bolling vp & Chicago office mgr. . . . Maurice E. (Doc) Fidler promoted from regional mgr. to div. mgr., RAB's member service dept., effective Feb. 15.

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Chmn. Magnuson (D-Wash.) of the Senate Commerce Committee will address a Washington meeting of TvB Feb. 4 in the Statler Hilton Hotel, where TvB's wide-screen presentation "The Exponential" will be shown. Members of Congress, govt. officials, advertising & agency executives and delegates to the mid-winter conference of the Advertising Federation of America have been invited.

Hot Rod: Rod Erickson, ex-sales vp of Warner Bros. TV (and still linked to WB in an advisory capacity), was wearing 4 hats last week:

1. Network hat: While other deals (see below) simmer, Erickson has been retained as a "special sales consultant" by NBC-TV to line up sponsors (at $1.8 million per ⅓ sponsorship with an expected cpm of $2.08) for NBC's unsold TV-radio 1960 political coverage. This should run 43 to 60 broadcast hours.

2. Canadian hat: The pres. of Rodney Erickson Enterprises is co-owner of a new Toronto production firm, CanTel Ltd. Already offered $500,000 for his interest (even though CanTel has yet to produce a show), Erickson intends to package "live & film shows in Canada that will satisfy Canadian quota requirements and be salable in the U.S. & elsewhere." He is also considering diversification moves into the Canadian fields of stations and film commercials.

3. Film hat: Erickson's U.S. firm is now handling sales representation of 2 new filmed comedies, *Double Take* (about 2 photographers) and *Don't Tell Roger*, and a private-eye series, *Life & Hard Times of Barney Benedict*, packaged by N.Y. commercial production independent Filmways. The latter is now represented in network TV with *21 Beacon St.* on ABC-TV. Erickson is also a dir. of Sapphire Ltd. and Walton-on-Thames studio, and handles U.S. representation of Sapphire projects done outside of its production deal (*Four Just Men*) with ITC-ATV. These projects include a 30-min. drama series *Women in Love* starring Olivia de Havilland, and tape specials.

4. Station hat: Erickson confirmed a Washington report that he is heading a financial group seeking to buy U.S. TV stations. "We hope to acquire as many as 6 in major markets, and we're close to 2 deals," he told us.

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Conspiracy case against Alexander L. Guterma, former head of MBS, & other defendants, is expected to go before the jury in N.Y. Federal District Court by midweek. The govt. rested its case Jan. 20 in the 7th week of the trial. It charges that the defendants (including Robert J. Everleigh & F. L. Jacobs Co.) willfully failed to file necessary financial reports concerning Jacobs Co. with SEC & the N.Y. Stock Exchange. Federal judge Lloyd F. MacMahon dismissed 4 of the 21 counts on the defense motion. Jacobs Co. had previously pleaded guilty but sentence was reserved until conclusion of the trial (Vol. 15:50 p9).

Obituary

Horace Feyhl, 68, with WCAU radio for 30 years, died Jan. 21 at his home outside Philadelphia. He retired last year as night mgr. & coordinator of remote bcsts., and had previously been announcer, performer, writer, director & producer with the station. Mr. Feyhl was credited with building some of the first mobile sound units for radio. He is survived by his wife and a son.

Miller McClintock, 65, pres. of MBS from 1942 to 1944, died Jan. 10 at his home in Scarsdale, N.Y. Considered one of the country's leading automobile traffic experts, Dr. McClintock headed the Traffic Audit Bureau from 1933 to 1942. He was also a dir. of Muzak Corp. and Encyclopedia Britannica Films. He is survived by his wife and 2 sons.

William Marsh, 50, RCA broadcast & TV equipment div. sales rep for N.C. & S.C., headquartering in Atlanta, was a victim of the Jan. 18 Capital Airlines crash near Holdcroft, Va., which claimed 50 lives. He joined RCA 2 years ago, had been asst. chief engineer of WREC-TV Memphis. His widow and daughter survive.

Trade Report . . . .

JANUARY 25, 1960

JAPANESE TV EXPORTS IN VIEW: Nippon is set to cut a wedge of the U.S. TV pie—via "true portable" transistorized battery-operated sets. Although production hasn't begun yet in Japan, perhaps a dozen Japanese TV makers are hoping to aim 8-in. battery sets at American markets, and their agents & distributors here are anxiously awaiting first sets—even to the point of advertising them in the trade press.

Japanese may not beat U.S. manufacturers even in timing. Several American TV makers are now tooling up for direct-view battery-TV sets for spring & summer markets.

Sony's widely-publicized receiver is slated to reach U.S. dealers by April, offering such attractive features as direct viewing, 13-lb. weight, compact (6¼x8x8¾-in.) dimensions, with initial price tag of around $250. Also in Japan's transistor-TV swim are majors Toshiba, Nippon Victor, Mitsubishi, Hitachi, Matsushita, Nippon Columbia—all of which have announced sets, some having shown samples to their U.S. agents.

Attitude of U.S. makers can be summed up as "Let 'em come." There's feeling too that industry, still bleeding over damage inflicted by Nippon transistor radios, welcomes TV invasion—welcomes it with the warm feeling of being on right side of an ambush. Some are convinced that Japanese TV portables will fall flat on their 8-in. faces. Others believe Nippon's venture will provide American producers with cheap & painless answers to plaguing questions about the nature & scope of a portable-TV market. Above all, Japanese competition will arrive in an area dominated by American know-how. When it comes to TV, large or small, U.S. makers have big technical & commercial lead. But U.S. is not playing waiting game. Japanese TV imports will run smack into solid Yankee transistor-TV competition.

Emerson will put direct-view TV portable into production within 60 days, Pres. Benjamin Abrams told us. Price & size are still under wraps. Best guess: a 14-in. set selling for less than $250. Some other U.S. makers are known to be hard at work in pre-production labs, while still others snort at the very idea of a mass market for battery TV.

Japanese impact on U.S. TV market should be slight, leaders tell us. There are just too many roadblocks. Some of the major ones:

(1) Existence of battery-TV market still has to be proved. Some leaders, like Zenith Sales Corp. Pres. Leonard C. Truesdell, doubt there's market big enough to warrant effort & excitement at this stage of transistor-TV development. Another large manufacturer recently shelved transistor-TV plans after an adverse report from its market research dept.

Philco's Safari personal portable TV, with 2-in. tube and mirror-reflex screen which gives illusion of a larger picture, has proved only that a few people will buy tiny portables at $250 plus battery. Industry has watched Safari set sales closely as clue to possible transistor-TV market. Some manufacturers have concluded they showed there isn't big enough market for battery sets; others saw indication that mass market awaits big-screen direct-view set.

One former TV manufacturer, now very big in the phono business—CBS-Electronics—says it has no plans "at this moment" to go back into TV via Japanese portables, although it has seen 8-in. samples produced by its affiliate Nippon Columbia. "To find sales success here," Columbia phono dept. national sales mgr. Milton Selkowitz told us, "an 8-in. portable must get down into a reasonable price range—under $200, even under $150. Even then, we can't be sure a market exists. It's too rich for the teen-age market; we think the screen's too small to become a factor in the 2nd-set market."

(2) Tiny screen size is completely contrary to history of consumer preferences here. Even though it's bigger than Philco's picture, 8-in. is going to look mighty small to customers who are used to watching 21-in. sets and to whom "portable" means 17-in. History of conventional line-cord portables shows that 14-in. set died out when 17-in. units came in. Several manufacturers tried 8-in. portables, without much success.

It's believed that most U.S.-made direct-view battery-TV sets will be 14- or 17-in., particularly since purchase of such a set must be justified on basis that it's also a 2nd set for the home (both the Japanese and

domestic sets will be designed for either battery or line-cord operation). Dealers are now beginning to receive 17-in. & 21-in. sets in volume as trade-ins. Will public be willing to pay a premium for 8-in. sets—even with the novelty of optional battery operation—for use as 2nd sets?

(3) Japanese are beset by same technical difficulties as U.S. manufacturers in designing compact sets with low power consumption. To be acceptable, general assumption is that transistor set must be able to play about 4 hours before battery needs recharging—long enough for an afternoon's outing. And radio & TV history have shown that most portables spend the bulk of their service lives on the table. American manufacturers tend to agree that few buyers—except for the "novelty" trade—are ready to plunk down several hundred dollars for a small-screen portable that will spend most of its time in the home and only play for a couple of hours outside the home.

(4) Japanese may lose much of their price advantage in shipping costs. Compact pocket radios are a natural for Japan's export trade—they can even be shipped economically by air. But TV sets—even 13-lb. 8-in. models—may be a different story. And when screen sizes grow larger while competition dictates a lower price, the bind will become tighter.

(5) Servicing of Japanese TVs could be serious problem. Many purchasers of even top-brand Japanese radios have found themselves stuck with orphans because of unavailability of service or parts. Mass sale of foreign sets without adequate servicing facilities & technical information could create severe problem and quickly give them a black eye.

These views are not shared by importers of Japanese electronic products. Their opinions & transistor-TV plans are rounded up below:

TV-RADIO PRODUCTION: EIA statistics for week ended Jan. 15 (2nd week of 1960):

	Jan. 8-15	Preceding week	1959 week	'60 cumulative	'59 cumulative
TV	137,410	105,078	103,696	242,488	194,908
Total radio	309,162	306,076	279,954	615,238	533,975
auto radio	138,311	175,101	109,765	313,412	217,649

More about

MADE-IN-JAPAN TV NEARS: Tokyo-based Sony Corp. let it be known last week that it will begin production by mid-March of its previously announced 8-in. battery-operated, transistorized TV portable—for sale in Japan at about $194.

In N.Y., Sony's U.S. distributor reported that initial shipments will reach U.S. early in April and go to market with a retail price around $250. (See page 15). Delmonico International div. of Thompson Starrett Co. also went into the trade press with ads inviting dealer interest in the new units. Delmonico exec. vp Herbert Kabat said orders already were coming in from dealers, expressed hope that the U.S. retail price will drop under the $200 level as Sony production takes hold & accelerates.

In a technical nutshell, Sony's transistor portable is advertised as having an 8-in. picture tube—weight (with batteries) of 13 lbs., over-all dimensions of 6¼x8x8¾ inches. It has 23 transistors & 14 diodes, a built-in folding antenna, and a self-contained rechargeable 12-volt battery. Delmonico, however, had no data on battery life, playing life per re-charge, replacement cost. We also ran into considerable "lack of data" in our survey of other importers of major Japanese radio brands. It seems evident that Sony has a big lead over its competitors for U.S. business, if the announced production date holds firm. Here are views of other Japanese TV reps:

Sampson Co. (Hitachi): Pres. Robert Sampson told us he has no data on the size or availability of Hitachi's transistor portable, doubts that it's in production, believes only developmental models have been produced so far. He has no idea when it will be commercially available either in Japan or here. "We'll be very happy if we can do anything by fall," he said, noting Sampson's policy to take on products only after they've had sufficient field & service experience domestically.

Transistor World Corp. (Toshiba): "We hope to have something in 8 to 9 months," we were told by asst. gen. mgr. Robert Henry. So far, this distributor has seen only lab models, he said. Henry noted that all Japanese TV makers have the problem of transistor selectivity, and that initial production of transistor portables will be so small that it will be retained for domestic sale. Once Toshiba gets rolling, "we hope to bring in a set priced under $200."

Petely Enterprises (Nippon Victor): Pres. Michael E. Lee said Nippon Victor has announced an 8-in. transistor portable, but he hasn't seen it, has no data on it. He's leaving for Japan by month's end to confer with Nippon Victor on marketing the set in U.S. under Hi-Delity label.

CBS-Electronics (Nippon Columbia): Milton Selkowitz, national sales mgr. of the Columbia phonograph dept., said that affiliate Nippon Columbia has announced an 8-in. transistor portable, but Columbia Phono has no plans "at this moment" to distribute in the U.S. (it markets Nippon Columbia transistor radios). Selkowitz said this will not preclude Nippon Columbia's marketing the TV set through other U.S. channels—but not under the Columbia brand.

Lissner Trading Co. (Mitsubishi): Pres. Morton Lissner said Mitsubishi has a battery portable but he's not seen it or received information about it. He's expecting details soon, declined comment until familiar with the product.

Maco Electric (Matsushita): A spokesman told us this distributor had no knowledge about Matsushita's transistor

portables. However, it's reported that the Japanese firm has pre-production models of 8-in. sets.

Delmonico sales vp S. Lipper told us he expects the Sony TV set to attract widespread dealer interest and to produce considerably more retail outlets for the Sony radio line as well. First samples of the transistor TV set are expected in the next 2 weeks and will be used for dealer demonstrations & general promotion. He believes market is wide open for small battery portables, predicts they ultimately will be as popular as Japanese transistor radios. He foresees no service problems with the Sony TV set, said factory engineers will be sent to the U.S. to train Delmonico servicemen. "We see no limit or bar to the market," he told us.

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Japanese answer to revitalized U.S. competition in price, quality & size of transistor radios: price cuts of 3% to 10% are being announced by Japanese radio mfrs.

Trade Personals: Carl E. Lantz, Admiral sales vp., elected pres. of new subsidiary Admiral Sales Corp., formed to handle sales, service, advertising and promotion for all Admiral consumer products. Other officers, all executives of the parent company: Ross D. Siragusa Jr., vp, electronics div.; B. H. Melton, vp, appliances; Harris Hesketh, vp, branch distributing div.

Joseph M. Hertzberg, ex-RCA mktg. vp, named to similar position with Philco's govt. & industrial div.—a new post . . . Alfred C. Viebranz, formerly with Sylvania and more recently account exec. with Young & Rubicam, named to new post of Sylvania Home Electronics mktg. vp; Austin J. White named gen. mgr., Sylvania Chicago branch . . . Clifford H. Lane promoted to mgr., industrial semiconductor products dept.

Robert J. Gilson, ex-Hoffman Labs, named systems management dir., Stromberg-Carlson electronics div. . . . Paul A. Johnston, dir. of information, appointed vp of TV Shares Management Corp., principal underwriter and investment manager for TV-Electronics fund . . . Max H. Krich, ex-pres. of Krich-N.J. Inc., RCA Victor & RCA Whirlpool distributor, named chmn; Frederic M. Comins named pres. . . . Hermon H. Scott, pres. of H. H. Scott Inc., elected a dir. & chmn. of the Institute of High Fidelty Manufacturers; Ray V. Pepe, vp of James B. Lansing Sound Inc., elected vp & dir. of the Institute.

Will M. Quinn Jr. named engineering mgr., in a consolidation of GE radio receiver dept.'s home phonograph & hi-fi components operations, headquartering in Decatur, Ill.; William B. Scott Sr., named mfg. mgr.; Marshall H. Terpening appointed employe & community relations mgr.; Marshall Bartlett Jr. named mktg. mgr., Syracuse; George M. Misenhelder, finance mgr., Owensboro, Ky.

Ray B. Cox, vp-gen. mgr., Hoffman Electronics consumer products div., was dismissed from Huntington Memorial Hospital, Pasadena, last week after minor surgery. He is expected back at his desk this week . . . William S. Hepner Jr., ex-asst. public information & publications dir. of Commerce Dept.'s Office of Technical Services, named mgr. of EIA's office of information, succeeding Herbert S. Hodge and reporting to public relations dir. Robert DeVore.

Dr. Martin A. Edwards appointed mgr. of GE electronic components div.'s new advanced product planning operation . . . Robert C. A. Eland promoted from Standard Coil chief engineer to new post of research & development vp . . . C. Robert Paulson named mgr., Ampex professional audio products div., succeeding Frank G. Lennert, who will remain as audio consultant.

More than 250 manufacturers of electronic equipment are now evaluating samples of the Nuvistor, RCA's thimble-size metal-clad electron tube (Vol. 15:29 p12), according to RCA electron tube div. vp-gen. mgr. Douglas Y. Smith. He predicted widespread use of Nuvistors in TV receivers & cameras, space vehicles and computers. Commercial production is due to begin this year. His comments were made last week during the annual tour of the division's plants by RCA tube executives. Also on the tour, kinescope operations mgr. H. R. Seelen predicted industry sales of picture tubes will continue in 1960 at "the same high level" established last year when more than 13 million units were sold, and John B. Farese, mgr., entertainment-tube products dept., forecast that receiving tube sales again will exceed 400 million.

Tests of Land 2-color theory as it applies to TV (Vol. 15:27, 32, 34, 40; 16:1 p20) by Britain's BBC are described in Jan. *Wireless World* (London). The conclusions, which conform with those of non-TV experiments undertaken by Britain's Goethean Science Foundation and *Wireless World's* own staff: "In view of the subjective nature of the colors and the fact that they depend a great deal on the composition of the pictures, it does not seem that Land color has much to offer for a practical system of color TV." BBC tests showed that the range of colors reproduced by the 2-color system was far more limited than that of the NTSC system and that color reproduction was partially inaccurate in objects with large areas.

Tape-recorder industry will produce 750,000 home recorders this year, at an estimated value of $170 million, Ampex's Herbert L. Brown, pres. of the Magnetic Recording Industry Assn., said last week. He credited the emergence of 4-track pre-recorded stereo tapes with helping to save the tape-recorder industry and with bringing about the anticipated production increase from last year's estimated 650,000 machines at $140 million.

"Quality stabilization bill" aimed at discount houses which sell trademarked products at prices less than those set by manufacturers, has been introduced by Rep. Madden (D-Ind.). He said the measure (HR-9692) isn't a fair-trade proposal. It merely "provides that a manufacturer may protect his property rights in his trademark simply by revoking—by mail, if desired—the right of an offending reseller to make any further use of, or reference to, the trademark," Madden told the House.

Admiral's stepping up first-quarter ad support of its 23-in. TV line. Admiral Sales Corp. Pres. Carl E. Lantz reports that "heavy distributor orders at our year-end sales meetings have resulted in more than doubling the company's investment in newspaper advertisements in every distributor's market." Scheduled 1,600-line insertions have been increased from 2 to 4, and four 1,000-line ads have been added in each of 81 markets. The newspaper inserts will be supplemented by 10 pages in *Life*, *Look*, *SatEvePost* during the 9-week period.

Compatible AM stereo broadcasting, using the Kahn system which employs 2 independent sidebands to carry the stereo information, will be adopted soon by CJAD Montreal, XEW Mexico City and 2 Venezuelan stations, according to Kahn Research Labs. Kahn system stereo may be received with 2 standard AM receivers.

Motorola had record sales of TV, stereo hi-fi and radio instruments last year, consumer products exec. vp Edward R. Taylor reported. TV unit sales were up 35% over the 1958 volume, stereo-hi-fi ahead more than 40%. Radio gains: portables 82%, clock radios 81%, table models 70%.

TOP 100 DEFENSE FIRMS: General Dynamics regained first place on the list of 100 leading defense prime contractors just released by the Defense Dept. for the fiscal year ended July 1959. Top in fiscal 1957, General Dynamics was edged out last year by Boeing (Vol. 15:4 p14). GE, 2nd among the electronics firms, dropped from 3rd to 4th place among all contractors.

Of the top 20 contractors, all of those not in the electronics field are aircraft companies, with the exception of Chrysler Corp. (No. 14) and GM (No. 20). The top 10 contractors, in order of ranking, were General Dynamics, Boeing, North American Aviation, GE, Lockheed, Douglas, Martin, Hughes Aircraft, AT&T.

We've listed the 28 electronics and related firms on Pentagon's list, with their standings among the top 100 companies, and the amounts awarded (in millions of dollars). Thirteen of the electronics companies climbed in rank in fiscal 1959; 8 slipped. Of these 8, however, 2 gained in dollar volume. (Dash indicates company was not among first 100 prime contractors for the period.)

	July 1958-July 1959 Contracts	Rank	July 1957-July 1958 Contracts	Rank
General Dynamics	$1,616.4	1	$1,383.2	2
GE	914.0	4	783.4	3
Hughes Aircraft	494.0	9	472.6	9
AT&T	476.5	10	659.8	6
Sperry Rand	403.2	12	361.9	11
Raytheon	392.6	13	237.0	22
IBM	276.9	17	316.4	14
Bendix Aviation	271.3	18	207.4	24
Westinghouse	238.0	19	268.9	18
RCA	199.7	22	288.1	15
Avco	183.7	23	86.5	31
ITT	139.1	26	96.7	30
Burroughs	120.9	29	71.6	35
Collins Radio	114.9	30	61.3	44
Minneapolis-Honeywell	104.6	32	47.0	55
Thompson Ramo Wooldridge	102.5	33	—	—
American Bosch Arma	101.5	35	70.9	36
Philco	95.9	37	66.2	38
Mass. Inst. of Technology	89.0	40	56.1	52
General Precision Equip't	72.7	47	52.9	54
Hoffman	57.7	54	—	—
Gen. Telephone & Electron.*	44.3	65	37.0	62
Lear	35.3	78	38.4	61
Standard Coil	35.3	79	—	—
Hazeltine	32.3	83	—	—
Cal. Inst. of Technology	31.6	86	45.4	57
Gilfillan Bros.	—	—	23.7	95
Continental Electronics	26.7	99	—	—
Magnavox	26.7	100	—	—

* Fiscal 1959 figure includes $43.4 million awarded to subsidiary Sylvania; fiscal 1958 figure is for Sylvania alone.

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Transitron Electronic Corp. has more than doubled its floor space by purchasing a 400,000-sq.-ft. Boston plant. The new facility is located on a 13.5-acre site. After extensive alterations, Transitron expects to employ between 2,000 & 3,500 at the former Maverick Mills textile factory. The transistor concern employs 4,500 at its facilities in Wakefield & Melrose, Mass.

Picture & receiving tube sales in Nov. were higher than those of Nov. 1958, but seasonally lower than sales of Oct., EIA reported last week. The Nov. and Jan.-Nov. factory sales with comparison figures:

	Picture Tubes Units	Picture Tubes Dollars	Receiving Tubes Units	Receiving Tubes Dollars
October 1959	1,007,211	$19,306,788	42,680,000	$35,527,000
November 1959	840,866	16,058,816	37,211,000	31,600,000
November 1958	789,283	15,007,653	35,604,000	29,854,000
Jan.-Nov. 1959	8,705,759	167,830,882	395,688,000	336,471,000
Jan.-Nov. 1958	7,603,449	150,838,366	368,862,000	316,806,000

Military Brass in Industry: Electronics may be the No. 1 industry in employment of retired generals & admirals, the report of a special House investigating subcommittee shows. In its report last week, the Armed Services investigation subcommittee printed a list of retired military officers now employed by the top 100 prime contractors in defense, on the basis of questionnaires to companies. The 20 electronics firms listed employed a total of 113 retired generals & admirals (out of 251 such officers employed by 72 firms responding to the questionnaire) and 566 retired officers of all kinds (out of total of 1,426).

The subcommittee headed by Rep. Hebert (D-La.) recommended legislation to bar all officers or civilians leaving the Defense Dept. from selling anything to the Pentagon within 2 years of their departure.

The electronics & related firms on the subcommittee list and the number of retired generals & admirals each company employs (followed by total number of retired officers employed) are as follows: General Dynamics 27 (186), GE 7 (26), AT&T 0 (6), Hughes Aircraft 5 (22), Sperry Rand 3 (30), IBM 1(9), RCA 15 (35), Raytheon 2 (19), Bendix 3 (29), ITT 14 (44), Avco 6 (8), Burroughs 3 (14), Philco 3 (29), Thompson Ramo Wooldridge 5 (12), Collins Radio 1 (11), GPE 6 (12), Lear 1 (2), Sylvania 1 (19), Motorola 1 (12), Westinghouse 9 (31). The complete list of ex-military brass now employed in large defense companies, with names, salaries, etc., is contained in the report of the subcommittee for special investigations, House Committee on Armed Services, on Employment of Retired Commissioned Officers by Defense Dept. Contractors, available from the Committee.

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Dec. TV Sales Off: Retail sales of TV sets in 1959 totaled just about 5.75 million units—dropping below most late-year industry estimates because of a poorer-than-expected Dec.—preliminary estimates revealed last week. Dec. radio sales dropped below those of Dec. 1958.

December was the best month of 1959 for retail TV sales—this is traditional in the industry. It also was better than Dec. 1958—about 700,000 sets vs. 649,514—but didn't maintain the pace set in Sept. & Oct., when sales were at an annual rate of more than 6 million sets (seasonally adjusted). Normally, 13.3% of the year's total sets are sold at retail in Dec.—but the percentage this year fell below that. Dec. retail sales were at annual rate of 5.25 million.

It may be that TV seasonal sales patterns are changing—with monthly differences being ironed out & leveled off. A more even sales curve would be welcomed by the industry, of course, but the 700,000 retail figure for Dec. was something of a disappointment to those who foresaw a continuance of the Oct.-Nov. pace—which would have brought retail sales well over 800,000.

Radio retail sales for Dec. totaled about 1.75 million sets, vs. 1.8 million in Dec. 1958 and 1,016,634 in Nov. 1959 —bringing total 1959 retail radio sales (excluding auto) to about 8.9 million units. Complete & official EIA retail sales figures are due in about 2 weeks.

* * *

Canadian TV sagged in Nov. as distributor sales to dealers tumbled to 46,125 TV sets—down from 56,410 in Oct. and 51,417 in Nov. 1958. For Jan.-Nov., cumulative sales still trailed the year-ago performance—373,757 TV sets vs. 390,312 sold in Jan.-Nov. 1958. The 11-month breakdown (corresponding 1958 figures in parentheses): portables, 63,629, (59,790); table models, 98,905 (122,230); consoles, 198,443 (195,848); combinations, 12,780 (12,444).

Magnavox Goes International: Magnavox Pres. Frank Freimann announced last week the first 2 of a series of world-market expansion moves by his company in the consumer electronics field: (1) The signing of an agreement with Britain's leading chain-store operator for British Commonwealth sales of Magnavox products. (2) The purchase of controlling interest in the Collaro Co., a leading British maker of record changers & recorders whose products are widely sold in the U.S.

In a N.Y. news conference Jan. 21, Freimann and Isaac Wolfson, chairman of Great Universal Stores Ltd., announced the agreement, which covers TV, radios & hi fi. Great Universal owns 2,700 retail stores in the U.K., Canada & Africa as well as a mail-order business serving 9 million customers. Freimann said the contract was Magnavox's first venture into the international market, and that the company later would extend its marketing to Europe and eventually to most of the world.

Magnavox thus becomes one of the first U.S. consumer-electronics manufacturers to take advantage of recent liberalization of British import restrictions. There was no indication whether the firm plans to enter production of its consumer products line in Britain through its new interest in Collaro or whether its consumer items will be exported.

The Collaro firm, which was acquired for cash, is a former subsidiary of Great Universal Stores. Collaro record changers are widely used in this country both in original and in consumer-assembled hi-fi installations. They are presently distributed in the U.S. by Rockbar Corp., Mamaroneck, N.Y.

Freimann said Magnavox's sales last year totaled more than $108 million. Great Universal's sales volume in 1959 totaled more than $750 million.

* * *

Magnavox may spend "close to $1.5 million" in consumer advertising this year, Pres. Frank Freimann said, in announcing a stepped-up ad campaign keyed to the company's line of "Stereo Theater" TV-radio-phono combinations. Magazines, newspapers, spot TV & radio will be used. Freimann said half of Magnavox's TV sales dollar-volume stems from combination models. Stereo Theater line consists of 3 basic models—a 24-in. set with AM-FM radio starting at $595, a 21-in. with AM-FM from $550 and a 21-in. set without radio at $389.90.

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TV service complaints in Washington are declining, managing dir. Leland McCarthy of the local Better Business Bureau testified at a House hearing on a bill (HR-7714) by Rep. Foley (D-Md.) to license D.C. repairmen. He said his agency took no position on the measure, which was solidly opposed by the D.C. commissioners on grounds that special policing of TV servicemen would require tripling of licensing personnel. Local TV service organizations were divided on merits of the bill.

Emerson will return to color-TV market next fall, featuring color sets in both its Emerson and Du Mont lines, Pres. Benjamin Abrams told us last week. He said "no arrangements" have been made yet for production of the sets, when asked whether the chassis would be made by Emerson or produced on order by RCA. Emerson recently discontinued color TV production after making nearly 5,000 sets from 1955 to 1959 (Vol. 15:45 p3).

Webcor appoints North Advertising Inc. for its $300,000-a-year account, effective April 15, replacing John W. Shaw Advertising.

Stromberg-Carlson will expand its activities in consumer, commercial & industrial communication products, vp Arthur J. Hatch Jr., gen. mgr. of the commercial products div. (formerly special products div.) announced last week. He said the division and its distribution & service system are being strengthened and announced these programs: (1) Additions to Stromberg's stereo hi-fi line. (2) New transistor auto radio models will be shipped within 30 days. (3) New Dial-X switchboard for private intercom telephone systems will soon be announced. (4) Distribution & service organization for the Pagemaster radio paging system is being expanded.

Sylvania has hiked TV production 50% to meet increasing demand for its 23-in. models, reported Sylvania Home Electronics Corp. Pres. Robert L. Shaw. He said the current backlog of orders is equivalent to nearly 6-weeks' normal production. He also noted that demand for Sylvania's $19.95 Model 4P14 transistor radio has "far exceeded expectations," and said production is being increased.

Transistor sales dollar volume set a new record last Nov., although the number of units sold dipped sharply under October's record, EIA reported last week. Here are EIA's figures on factory sales of transistors for Nov. & Jan.-Nov. with preceding-month & 1958 comparisons:

	1959		1958	
	Units	Dollars	Units	Dollars
Oct.	8,710,913	$22,109,748	5,594,856	$13,461,857
Nov.	7,846,500	22,742,525	5,440,981	12,441,759
Jan.-Nov. .	74,467,929	199,189,791	44,423,144	96,133,811

Finance

Amphenol-Borg Electronics foresees a 1960 sales jump of 15%-20% over 1959 and "earnings should be up considerably more because of the elimination of non-recurring expenses and benefits that will be obtained from new facilities," reports vp John L. Woods. The Chicago-based maker of electronic components & equipment estimates a 1959 sales gain of about 19% to $55 million, earnings of $2.25 a share, up from $2 in 1958. Backlog totaled some $15 million. Based on present projections, earnings for the 3 months ending March 31 will be in the area of 70¢ vs. 50¢ for the same 3 months of 1959. Wood said that Amphenol-Borg is building a fabric-producing plant in England, is considering establishing other plants in South America, the Far East and the European Common Market.

Gabriel Co. anticipates 1959 earnings of about 80¢ a share, equal to the 1958 net, despite a net loss in 1959's final quarter. Vp-treas. Robert T. Hood attributed the 4th-quarter sag to the steel strike & cutbacks in auto production. (Some 60% of Gabriel's business is in the automotive supply field.) Hood said Gabriel's broadcast- & microwave-antenna producing electronics div. has been operating at a loss, but profits are foreseen in 1960. The electronics div. moves into a new plant at West Millis, Mass. this month, and important new contracts for antennas are in the house, said Hood. Overall, Gabriel anticipates in 1960 record sales of some $40 million, compared with the 1959 estimated volume of $29-$30 million.

MPO Videotronics Inc., N.Y. producer of TV commercials & industry-sponsored motion pictures, has submitted an SEC registration (File 2-16028) for 150,000 Class A Shares for public sale. Francis I. du Pont & Co. is the underwriter of the offering, price & terms to be supplied in an amendment to the SEC statement. Of the 150,000 shares, 100,000 are to be offered by the company, 50,000 by MPO Videotronics Pres. Judd L. Pollock & other holders.

SEC vs. Skiatron: SEC administrative hearings for Skiatron Electronics & TV, trading in whose stock has been suspended for alleged inaccurate & inadequate statements in a 1959 registration statement (Vol. 16:3 p19), produced a mass of technical testimony—and little more—last week.

A staff of SEC lawyers headed by Eugene Rotberg spent the 2nd week of the proceedings in tedious questioning of representatives of N.Y. factoring firms. All had been involved—in one way or another—with transactions in Skiatron Electronics stock held by or loaned to Matty Fox's Skiatron of America, licensee of Skiatron's pay TV.

Following up first-week testimony by officers of the Colonial Trust Co. and Bache & Co., a succession of witnesses appeared on the stand in a drab little room in SEC's Washington HQ to pile up records of deals challenged by the market-policing agency. They included Morton Carlin, Judson Commercial Co.; Harry Bermack, Stratford Factors; Benjamin Cohen, Mid-East Securities & Reldan Trading Co. Gerald Pressman of Silver Co. was called as a govt. witness but he was excused when company counsel questioned relevancy of his testimony.

The testimony submitted for the factors was intended by SEC to show how Skiatron Electronics stock had been posted as collateral by Fox for loans to his privately-owned Skiatron of America—and then sold when the loans were defaulted. The Skiatron Electronics registration statement didn't disclose these transactions, according to SEC.

Next witnesses in the protracted proceedings, which were recessed until Feb. 19, are expected to include Skiatron Electronics Pres. Arthur Levey, Skiatron Electronics gen. counsel Kurt Widder and Fox, who is not involved directly in SEC's charges that Skiatron Electronics' stock registration statement was misleading. SEC attorneys said 2 more weeks of hearings probably will be necessary to wind up the case.

If SEC's complaint against Skiatron Electronics is sustained by hearing examiner Robert Hislob and by the Commission, SEC could issue a stop order suspending the statement for violations of registration requirements. Criminal prosecutions in such cases are rare unless "a concerted pattern of evasion" can be established, SEC secy. Orval L. DuBois told us.

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Reports & comments available: Motorola, booklet, L.F. Rothschild & Co., 120 Broadway, N.Y. 5 . . . Packard-Bell, report, White, Weld & Co., 20 Broad St., N.Y. 5 . . . Rad-O-Lite Inc., prospectus, John G. Cravin Co., 56 Beaver St., N.Y. . . . Sonotone and Motorola, memos, Hayden, Stone & Co., 25 Broad St., N.Y. 4 . . . Ling-Altec Electronics, review, Alex Brown & Sons, 2 Wall St., N.Y. 5 . . . Stanley Warner, review, Schweickart & Co., 29 Broadway, N.Y. 6.

Increasing stock ownership by Eversharp in Technicolor Inc. is indicated by the election of Eversharp Pres. Patrick J. Frawley Jr. to the Technicolor board. In addition to its color film-processing business, Technicolor is deep in research on TV bandwidth reduction (Vol. 15:4 p3).

Polarad Electronics Corp. (microwave equipment) is now traded on American Stock Exchange. Symbol: POD.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Dresser Industries ...	—	$0.40	Mar. 15	Mar. 1
Gross Telecasting ...	Q	.40	Feb. 10	Jan. 25
Gross Telecasting "B"	Q	.07½	Feb. 10	Jan. 25
Oak Mfg.	Q	.25	Mar. 15	Mar. 1
Stanley Warner	—	.30	Feb. 25	Feb. 8
TV-Electronics Fund .	—	.08	Feb. 29	Jan. 29

Officers-&-Directors stock transactions as reported to SEC for December 1959:

Allied Artists. Albert Zugsmith bought 11,100, held 122,900.

American Bosch Arma. Sidney E. Miller exercised option to buy 100, held 1,250.

AB-PT. A. H. Blank bought 500 for trusts, held 3,877 in trusts, 1,887 personally. Walter P. Marshall bought 100 as custodian, held 100 as custodian, 200 personally.

Ampex. George I. Long Jr. sold 5,000, held 26,235. Henry A. McMicking sold 4,900, held 26,470. Robert Sackman sold 1,000, held 470. Thomas L. Taggert exercised option to buy 500, held 500.

Amphenol-Borg Electronics. Matthew L. Devine sold 100, held 100.

Avco. Arthur R. Kantrowitz sold 5,000, held 6,000. W. A. Mogensen sold 4,300, held 11,700. A. B. Newton bought 866, held 7,666. Curry W. Stoup sold 2,500, held 7,100.

Cinerama. Sam Boverman bought 1,000, held 1,000. Nicholas Reisini bought 1,500 through Robin International Inc., held 2,500 in Rohin International Inc., none personally.

Corning Glass. Charles D. LaFollette exercised option to buy 1,500, held 12,514.

Daystrom. Carlton S. Proctor bought 100, held 400.

Emerson. Harold Goldberg sold 400, held 868.

Filmways. William Cowan bought 1,000, held 1,515.

Gabriel. Clarence M. Taylor sold 1,000, held none.

General Dynamics. Lisle W. Adkins sold 100, held 400. Vernon W. Welsh sold 1,000, held 10,000.

GE. William Rogers Herod exercised option to buy 292, held 11,836. George L. Irvine exercised option to buy 835, held 4,883. Clarence H. Linder sold 2,000, held 10,150. Jack S. Parker bought 5,278, held 7,100. Robert Paxton bought 6,450, held 24,727. Willard H. Sahloff exercised option to buy 2,445, held 6,677.

General Instrument. Monte Cohen sold 6,300, held 718. S. W. Gross sold 2,000, held 500. Alois Konecny Jr. sold 2,500, held 7,200.

General Precision Equipment. Gaylor C. Whitaker sold 500 from trusts, held 14,855 in trusts, 6,026 personally.

General Telephone & Electronics. George W. Griffin Jr. exercised option to buy 1,292, held 1,402. J. B. Taylor exercised option to buy 625, held 725. Leslie H. Warner exercised option to buy 2,000, held 8,000.

Hazeltine. Bertrand J. Tiffany bought 100, held 110.

Hoffman Electronics. H. L. Hoffman sold 50,000 in private transaction, held 160,684. C. E. Underwood sold 5,000 in private transaction, held 10,000.

Indiana General. A. J. Astrologes used option to buy 2,900, held 4,057.

IBM. Walker G. Buckner sold 100 through foundation, held 500 in foundation, 1,631 in trusts, 2,089 personally. Sherman M. Fairchild sold 100, held 98,866.

International Resistance. Amhrose H. Hardwick sold 1,100, held 1,020. Edward S. Weyl bought 100, held 21,885.

ITT. Edward D. Phinney exercised option to buy 1,320, held 1,786. Paul F. Swantee sold 800, held 5,134.

Lear. Roy J. Benecchi sold 2,950, held 1,989. Harold J. Downee sold 625, held none. K. Robert Hahn sold 200, held 606. Richard M. Mock sold 6,530, held 11,033.

Litton Industries. Roy L. Ash exercised option to buy 12,812, disposed of 305 through partnership in exercise of options by employes, held 62,611 personally, 5,274 in partnership, 1,450 as custodian. Myles L. Mace sold 4,000, held 12,560. Norman H. Moore sold 5,113, held 15,229 personally, 468 as trustee. Charles B. Thornton exercised option to buy 28,187, disposed of 2,000 in transfer of community property interest and 670 more through partnership in exercise of options by employes, held 148,550 personally, 11,599 in partnership.

Loew's Theatres. Eugene Picker bought 200, held 1,000 personally, 300 in Esia Holding Corp.

Magnavox. George H. Fezell exercised option to buy 347, held 397. Donald N. McDonnell bought 100, held 100. James A. Robinson Jr. bought 1,102, held 1,102.

P. R. Mallory. F. E. Head sold 200, held 600.

Microwave Associates. Vessarios Chigas sold 1,000, held 25,600. Irving J. Helman sold 400, held 100. G. S. Kariotis sold 1,000, held 4,000.

Motorola. Charles E. Green sold 1,000, held 1,760.

Nationsl Telefilm Associates. Harold Goldman sold 9,000, held none. Oliver A. Unger sold 20,000, held none.

National Theatres & TV. Willard W. Keith sold 1,500, held 1,000. Jack M. Ostrow sold 5,600 through corporation, held 79,500 in corporation, 7,500 personally.

Paramount Pictures. Barney Balaban sold 300, held 11,300.

RCA. Charles M. Odorizzi exercised option to buy 9,000, held 10,527.

Raytheon. George Ingram Jr. sold 875, held 1,881. N. B. Krim sold 1,000, held 2,450.

Skiatron Electronics & TV. Arthur Levey sold 2,500 in private transactions, held 267,931.

TelePrompTer. Irving B. Kahn bought 20,250, held 60,048 personally, 3,150 in partnership.

Texas Instruments. Patrick E. Hsggerty sold 500, held 122,031. C. J. Thomsen sold 400, held 12,613.

Thompson Ramo Wooldridge. Harry D. Bubb sold 220, held 316. Burton F. Miller sold 300, held 3,757 personally, 9,000 in trust. M. E. Price sold 500, held 794.

Tung-Sol. George E. Hallett bought 500, held 1,440. Paul Scharninghausen sold 200, held 510.

20th Century-Fox. Robert Lehman sold 6,700, held 10,700.

Varian Associates. C. V. Heimbucher sold 2,000, held 34,734. Ralph W. Kane sold 100, held 4,499. Theodore Moreno sold 1,000, held 9,185.

Westinghouse. L. B. McCully exercised option to buy 1,500, held 3,300. L. W. McLeod sold 125, held 1,250. Gwilym A. Price sold 5,500, held 500. Harry E. Seim exercised option to buy 2,365, held 4,333. W. W. Sproul Jr. sold 600, held 1,676.

Zenith. Alexander Ellett sold 500, held 100. Leonard C. Truesdell sold 150, held none.

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Television-Electronics Fund 2-for-1 split in the common stock and a reduction in the par value from $1 to 50¢ a share was approved by stockholders at the Jan. 21 annual meeting. Jan. 29 was set as the effective & record date of the split.

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

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SUMMARY-INDEX OF WEEK'S NEWS

SPECIAL SURVEY REPORT: Our exclusive list of the new pilots, ready or in the making; what Hollywood is offering sponsors for next season. (See White Supplement accompanying this issue; also pp. 3 & 7.)

FCC

VHF DROP-INS SET STAGE for Senate hearing; Providence & Grand Rapids favored in close FCC vote. Rule-making deadline extended to April 19 (p. 1).

FCC POWER & POLICY—industry view, as offered by highest-level spokesmen at Commission hearings; Stanton, Sarnoff, McGannon, Fellows are heard (pp. 2 & 4).

Auxiliary Services

TELEPROMPTER IS UNDER ATTACK by N.Y. State Attorney General for "attempting master monopoly" in heavyweight boxing promotion. It denies charges of violating anti-trust laws (pp. 3 & 14).

Finance

TV-RADIO PROFITS UP: 6 TV-radio-phono companies announce increased sales & profits in latest financial reports. Philco & Emerson report major gains, GT&E, Westinghouse, Siegler, Packard Bell also upbeat (p. 24).

Technology

STEREO COMMITTEE STYMIED by FCC's rejection of move to woo RCA & CBS into fold. Committee may be disbanded (pp. 2 & 21).

Manufacturing & Distribution

"MARKETING SUBSIDIARY" CONCEPT spreading in TV-radio-phono industry, as sales executive assumes key spot in industry where engineer formerly was top dog (p. 19).

MORE BRAND-NAME IMPORTS coming as Trav-Ler announces it will import radios, combinations & parts from Japan (p. 20).

STEREO, MICRO & SPACE to be spotlighted at next month's IRE convention. Highlight sessions listed (p. 21).

Advertising

BARGAINS IN CULTURE can be had on all 3 networks at rock-bottom prices as they try for best revenue they can get to launch the new roster of prime-time public-affairs specials (p. 9).

Congress

PAYOLA PROBE STAGE IS SET in closed-door dress rehearsals by House investigators. Ex-producer of Dick Clark ABC-TV show is questioned 2 days in secret (p. 6).

Other Departments

FILM & TAPE (p. 7). **NETWORKS** (p. 13). **FOREIGN** (p. 15). **STATIONS** (p. 16). **PROGRAMMING** (p. 17). **EDUCATIONAL TV** (p. 17). **PERSONALS** (p. 18).

VHF DROP-INS SET STAGE FOR SENATE HEARING: Sen. Pastore (D-R.I.) ought to be happy when he starts his TV allocations hearing Feb. 2, for FCC has finally proposed to satisfy his yearning for a 3rd vhf channel in Providence. Last week, Commission moved to implement its proposed short-spacing vhf drop-in plan, by proposing to shift Ch. 6 from New Bedford, Mass. to Providence. It also proposed to add either Ch. 13 or Ch. 11 to Grand Rapids-Kalamazoo area via mileage cuts.

Vote was close, 4-3, on Grand Rapids—Hyde, Bartley & Lee dissenting. Lee was absent during Providence vote, undoubtedly would have joined Hyde & Bartley in dissenting.

Pastore has said he wants to determine FCC allocation policy once & for all, and his Communications Subcommittee has set aside whole of Feb. 2 through Feb. 5 for job—may even sit Wed., FCC's regular meeting day. At week's end, in addition to FCC, testimony was expected from ABC vp Alfred Beckman, Rep. Ayres (D-O.) of Akron, Akron school supt. Martin Essex, William Putnam, pres. of uhf WWLP Springfield, Mass.

Bartley & Lee were brusque in their dissents. They couldn't find sense in proposing drop-ins using proposed standards—and tending to make the "interim" drop-in plan the "long-range" plan before a "long-range" decision has been made. Industry got a slight breather, meanwhile, when Commission extended from Feb. 19 to April 19 its deadline for comments on the drop-in proposal. FCC also finalized addition of Ch. 3 to Corpus Christi; this is a normally-spaced assignment.

FCC POWER & POLICY—INDUSTRY'S VIEW: With one brilliantly-presented exception, recommendations given to FCC last week by industry's very top spokesmen, boiled down to this: The Commission has some obligation to judge whether a licensee is doing anything to determine & meet his community's needs. The best way to do this is to ask the licensee to tell the Commission, in "narrative" form, what he has done & plans to do. Then, if he is caught in a lie, he should be punished—because of his unreliable character, but not because of the nature of his programming.

That was the advice given by NBC Pres. Robert W. Sarnoff, NAB Pres. Harold E. Fellows, NAB constitutional lawyer Whitney North Seymour and Westinghouse Bcstg. Pres. Donald H. McGannon. ABC Pres. Leonard H. Goldenson testifies Feb. 1. (For details of last week's testimony, see p. 4.)

The sharp exception was CBS Pres. Frank Stanton. His position: Any FCC examination of an applicant's "character" would inevitably lead to evaluation of his programs as the most significant measure of character—starting an unstoppable march to strict govt. control of programming. Stanton could see no reason for asking an applicant to tell what he has done to seek out a community's programming needs unless the Commission intends to judge whether the needs were subsequently filled. Otherwise, he said, the procedure would be merely "a field day for lawyers."

The "narrative" & "search out needs" idea could be termed the "Ford concept" because it was Comr. Ford who first broached it, in exactly the terms advocated by industry last week, in his Aug. 28, 1959, speech before W. Va. Bcstrs. Assn. (Vol. 15:35 p5).

Surprising result of industry's recommendations is that FCC Chmn. Doerfer found himself without major industry support (Stanton excepted) in his position that Commission has absolutely no power to touch programming in any manner. So disturbed was he that he told Fellows that he noted inconsistencies in his testimony and wondered whether he fully represented position of NAB membership & boards.

"Self-regulation" was theme of the week, generally, with witnesses asserting that quiz-rigging & payola were eradicated as soon as industry learned about them. Some spokesmen, however, had no objection to forbidding such practices by criminal statute.

Strong testimony against licensing of networks was offered by Sarnoff & Stanton. They could see no purpose in it unless it would be to put a finger on network programming—which, of course, would be anathema.

The "narrative-on-needs" concept has a lot of support, now that the tremendous hearing is almost over. It may be adopted eventually. What isn't clear yet, even from Comr. Ford, is what FCC would or could do if it found the narratives dull.

FCC REBUFF STYMIES STEREO COMMITTEE: The woe-beset National Stereophonic Radio Committee last week took a body blow which may prove fatal: FCC rejected its request to sponsor its reorganization into a truly representative all-industry group. At week's end, the EIA-sponsored NSRC—behind in its work of evaluating & testing FM stereo systems—seemed to be on the verge of disbanding. The answer may come this week.

FCC ended NSRC's hopes of regaining the right to be called an "all-industry group" when it rejected the committee's request to be reorganized under FCC supervision along the lines of the recent TV Allocations Study Organization (Vol. 15:49 p5). This would have carried reasonable assurance of immunity from anti-trust charges, permitting RCA & CBS to rejoin the fold. Those important companies backed out last year on advice of their attorneys against participating in such an unofficial intra-industry group.

Behind the scenes, FCC's reason for rejecting the request—made last Oct.—was understood to be based on a lack of personnel. Under the proposed reorganization, an FCC attorney would have been required to chair every subcommittee & panel meeting. The Commission did say it would reconsider its turndown after FM stereo proceedings are over, before AM stereo deliberations.

The Commission's letter also nudged NSRC to meet March 15 deadline for comments on FM stereo, for which FCC said it had established a "high priority." It added it would not consider AM or TV stereo until after the conclusion of the FM stereo proceeding. (Test of FCC's letter to EIA is on p. 21.)

Adding to NSRC's troubles, it was learned last week that its chairman, GE's C. Graydon Lloyd, has submitted his resignation because he will be required to devote all of his time to an intensive management course to which his company has assigned him.

It's possible that NSRC will file some sort of comments with FCC on FM—but no complete report. Field testing hasn't yet been started, and won't by the March 15 deadline—a deadline which the FCC seems determined not to extend. Report of the systems-specifications panel is nearly complete, and this will probably compose the bulk of any NSRC filing with FCC. The panel has established specifications of 5 basic systems (8 systems, including different variations). It's still possible that some NSRC field testing could be carried on after the filing of the original comments, if NSRC is still in existence. The field test results could be submitted to FCC in the form of comments on the rule-making proposal which the Commission says it will issue "shortly after March 15."

What is the significance of NSRC's trouble? It probably means still more delay in establishment of FM & AM stereo radio standards. The industry group, composed of top engineers, was designed to assist FCC in comparing & evaluating systems and equipment, field testing, studying stereophonic effect, etc. Now it's likely that much of this work will be left to FCC engineers & to individual manufacturers acting on their own.

Commission hopes to put out notice of rule-making on FM stereo soon after March 16 comments deadline. From then on, best guess is it will allow 90 days for comments on rule-making proposal, another 30 days for reply comments, follow up with oral argument. While one optimistic FCC source expressed view that FM stereo rules could be promulgated next fall, other Washington realists said "next year."

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Interest in AM stereo systems continues to run high, even though the FCC says it won't look at them until after FM deliberations are over. RCA has just completed 60 days of tests over NBC's WRCA N.Y. and is preparing a report to FCC on its findings.

Kahn Research Labs last week petitioned FCC for approval of its AM stereo system, which uses left sideband for one channel, right sideband for the other, and can be received stereophonically with 2 conventional receivers or monaurally with a single set. Kahn's petition notes that 4 foreign stations have already purchased equipment for its stereo system and that it has received orders from 3 U.S. stations for its gear "contingent upon FCC authorization of experimental licenses." The Commission has been reluctant to authorize experimental authorization, its understood, on grounds that Kahn hasn't provided enough technical data. Kahn's application is 3rd for AM stereo now on file. Others are by RCA & Philco. Commission consideration of AM stereo this year now seems unlikely.

IT'S COMEDY FOR NEXT SEASON: The laugh, relegated to stepchild status when Westerns took over TV, will make a strong comeback to dominate TV next season. Our check of virtually every production company in Hollywood reveals that at least 70 comedy pilots are being groomed for sale (see p. 7).

Comedies are far & away the most popular form of pilot in the approximately 200 now being planned or filmed. Telefilm production executives believe swing to comedy is reaction to preponderance of Westerns and public criticism of too much violence, and that this is last season for horse-opera saturation.

Western is down, but not out. About 30 such pilots are being planned, their producers believing that while there will never again be such a rash of sagebrush sagas, there will always be room for the quality Western, such as Gunsmoke or Wagon Train.

Other information from our survey: Aside from that striking emphasis on comedy, there is healthy balance in other types of pilot programming—about 25 action and 20 adventure pilots, 5 anthologies, 11 dramatic series, 4 mysteries, only 3 private eyes, 2 melodramas. Our last year's survey led us to predict that Westerns would dominate TV (Vol. 15:13 p2)—which they did. This despite the fact there were only 25 Western pilots planned, as compared with the 70 comedies of this year. (Complete tabulation of our survey accompanies this issue as a special supplement.)

TELEPROMPTER UNDER ATTACK: Drastic action to dissolve TelePrompTer Corp. and Floyd Patterson Enterprises was taken by N.Y. State Attorney General Louis J. Lefkowitz last week. Both are charged with "attempting to dominate control of lucrative ancillary rights" to heavyweight bouts.

"Master monopoly plan" to enable TPT Pres. Irving Kahn & Patterson's manager Cus D'Amato to exercise complete control over management, gate and TV-radio-film rights, was also charged.

Kahn promptly declared his firm's innocence (see p. 14), adding via a spokesman that Lefkowitz "could never make his case stand up" and that the N.Y. state official had "dusted off a 60-year-old law to grab some investigation headlines."

The FCC

More about

FIRST TEAM TESTIFIES: FCC members were clearly impressed with the skill & candor of the industry's leading spokesmen as they testified in the programming hearing last week (see p. 2). The reverse was true, too—for the Commissioners have become very well educated during the long hours of testimony, probably the best educated on the subject in the history of the agency. Herewith is a summary of the witnesses:

Frank Stanton, CBS pres., termed the FCC hearing "the most important & critical in my quarter ofa century in broadcasting." He analyzed the role of TV and stated: "We must face the fact that it is a major part of our function to try to appeal to most of the people most of the time." Examining CBS's schedule, however, he asserted that it has "a considerable range & variety."

Stanton cited the advantages of the Doerfer public-service plan but stated: "Our acceptance of the principles of the plan, of course, was in no way a concession that it is proper for the govt. to impose such a requirement." CBS, he said, has chosen Mon. & Fri. for its half-hour programs under the plan, and its affiliates will take every 3rd Fri. CBS will leave unchanged its plans for *CBS Reports*.

There has been "legitimate criticism" of commercials, Stanton said, and CBS is tightening its principles on "personal products & remedies." Beyond that, CBS is intensifying efforts to verify claims, actually witnessing demonstrations whenever practicable.

CBS Will Call Tune on TV Dramas

Stanton said advertisers may have had too large a role in programming, so CBS is tightening its own control of serious drama as follows: "If the advertiser's objection on grounds of detriment to his product or good will is well founded, either: (a) The network will cure the objection, if in its judgment, it can do so by making changes which do not impair the program. Or (b) if the objection can be cured only by changes impairing the program, the network will broadcast the program without change, and without obligation to the advertiser for the program. If the advertiser's objection on grounds of detriment to his product or good will is not well founded, the CBS-TV network will not change the program or the element involved, will proceed with the broadcast, and will hold the advertiser to his contractual commitment."

He asked, finally: "Am I to be judged as merely a protagonist of the status quo? This conclusion, frankly, has troubled me. But I am sure now in my own mind that this is not the proper judgment. For it has finally become clear to me that my timidity is not a sign of weakness but in truth is a reaffirmation of the deep wisdom of the practical approach to the adjustment of the concept of freedom of expression to the concept of responsibility in the use of a govt.-licensed facility. It is, for me, a recognition that the conscious restraint which this Commission, and its predecessor body, have exercised through the years, was built upon a courageous & statesmanlike appreciation that necessity may bend freedom's logical demands, but no further dares one go."

Robert W. Sarnoff, NBC chmn., stating that FCC does have a certain limited role in program review, suggested that the Commission require applicants to describe in narrative form their evaluations of their communities' needs and their plans to meet them. Then, he said, the Commission should form a judgment, using a "standard of reasonableness." This standard, he said, should be applied as follows: "In each case, the Commission would review the application to determine whether it reflected a service unreasonable on its face. Disregard by a licensee of his own program projections without reasonable justification could be . . . a departure from the standard I have proposed."

Counsel for NBC—the firm of Cahill, Gordon, Reindel & Ohl, along with NBC vp-gen. attorney Thomas E. Ervin—submitted a legal memo backing Sarnoff's concept and stating that FCC has no authority to prescribe or proscribe any specific program. The memo concludes:

"An application for renewal may be denied where it appears that an applicant's representations as to what his programming would be were not honestly made, or where he fails to make a reasonable effort to meet the goals which he has described for himself in his application. Such a procedure aimed at holding the applicant to a responsibility which he has himself defined again avoids the imposition by the Commission of its own standards of taste & social value.

"An application for renewal may also be denied where an applicant's persistent participation in fraudulent or deceptive practices demonstrates that his character does not qualify him for the holding of a license."

Sarnoff's testimony covered just about every major topic currently debated.

"The primary public-interest role of broadcasting for the majority of viewers & listeners," he said, "is to satisfy their needs for relaxation & diversion . . . what interests the public is an important measure of the public interest . . .

NBC Seeks to Serve All TV Tastes

"NBC's concept of a TV service in the public interest is one that gives reasonable satisfaction to the varying interests of the main audience elements; which does so by proportioning its program structure in general to the relative weights of these varying elements; which does not allow majority tastes to suppress a fair reflection of minority interests and does not frustrate majority interests by converting a mass medium into a specialized one.

"Beyond these balancing factors, we believe that broadcasters in a democracy have an obligation to lead the audience by providing information that will equip them for better citizenship, and by offering opportunities to enjoy the arts so as to broaden & cultivate taste."

He said that TV stations, because of their relative scarcity, must offer balanced schedules individually, whereas the plentiful radio stations may properly specialize—abandoning old concepts of "balance."

Answering critics, Sarnoff analyzed NBC's Dec. 1959 schedule and asserted that there was a great deal of news, public affairs, information and cultural programming "that might tempt a selective viewer." He also alluded to the Doerfer-sponsored public-service plan (Vol. 16:4 p2) and stated: "We at NBC are presenting far more of these programs [that the plan provided] but we welcome govt. permission to get together with the other networks on a scheduling pattern that will spread . . . the networks' programs in these areas across the weekly calendar."

Against the charges of "mediocrity," he quoted similar allegations against current drama & fiction and concluded: "In terms of the sheer volume of creative effort to fill more than the waking day, every day of the year, TV undertakes a challenge unparalleled in the history of human expression . . . No broadcaster tries to put on a poor show or even an ordinary show . . . In spite of this dedication and its frequently successful results, the ordinary TV show—like the ordinary play, book or movie—will always be with us."

Westerns & mysteries, Sarnoff said, comprise only 6% & 7%, respectively, of NBC's hours—less than NBC's news & interview shows, comedy-variety and audience participation output. He acknowledged that all Westerns & mysteries combined—from all networks & other sources—seem like a lot. "But," he concluded, "I do not know what standard of taste can be established & enforced to reduce the number of these programs in the total TV output, short of inviting Big Brother to plan & coordinate all the TV schedules in the land."

Sarnoff denied that there is much adverse advertiser influence. "In the largest sense," he asserted, "the influence of advertising on broadcasting is expansive & not restrictive, because it makes possible the resources for all we do, sponsored or unsponsored."

Ratings, he said, are misunderstood, comprising "only one of the factors in program planning, and as our schedule makes clear, our program judgments & decisions involve considerations other than the size of audience alone." He said NBC is trying to discourage the abuse of ratings by refusing to publicize them—particularly the "flagrant myth" of the "Top 10."

TV commercials can stand comparison with advertising in any other medium, Sarnoff said.

He opposed the licensing of networks for many reasons, including: (1) Networks don't use spectrum. (2) The logical extension would require licensing of other program suppliers. (3) Stations, which use network's output, are already licensed. (4) Confusing divisions of legal responsibility between stations & networks. (5) "To give effect to its review of a network's program service, the Commission would have to assure that the affiliated stations carried the full network schedule . . . This is an example of how ill-conceived, unnecessary regulation can beget still more regulation.

Harold E. Fellows, NAB pres. reiterated his theses: that self-regulation is the answer to programming abuses and that the Constitution guarantees freedom of speech to broadcasting just as it does to printed media. Herewith is the nub of his presentation, stating how far he believes the FCC can go in seeing to it that licensees use the airwaves for the "public interest, convenience, and necessity."

Favors 'Narrative' Over Statistical Report

"The present requirement for a broadcaster to submit to the Commission a statistical breakdown of his programming activity is unrealistic & unnecessary. We believe it would be far more useful to the Commission and responsive to the public interest if the broadcaster, in applying for renewal, recited in narrative form the steps he had been taking in the preceding 3 years to determine the public interest, at the same time relating the changes that had taken place in his programming pattern and the local manifestations that impelled those changes . . .

"If in its review of such narrative reports, the Commission should find no evidence of a *bona fide* effort on the licensee's part to respond 'to the wants of a responsible element of the community' or should find, for example, that deceptive advertisements were knowingly broadcast, then there would arise such question concerning the licensee's character that the Commission should investigate the matter further . . .

"The Commission has the right to expect that a licensee will program according to public wants and not for purely private whim. In the determination of this obligation, a narrative recital would be much more meaningful than any statistical or mechanical comparison of 'promise vs. performance.' "

To illustrate what NAB is doing to improve industry self-regulation, Fellows listed these Code Board plans:

(1) "An increase in monitoring directed in a qualitative sense to program content over & beyond the monitoring of quantitative & qualitative commercial performance."

(2) Liaison, in N.Y., with advertisers, agencies and producers of film commercials, so that questions regarding commercials "might be hammered out to the greater satisfaction of the public . . . FCC . . . FTC and . . . TV industry."

(3) An expanded Code budget, to be discussed at a special Feb. 28 meeting, with the recommendations to be considered by the full TV Board in March.

(4) Consideration of "every possible means of making the Seal & Code subscription by a station a more important factor in the public's mind, and therefore a more important asset to a station."

(5) Meetings with AAAA & ANA "looking toward the inclusion of language in both agency & advertiser contracts meeting the point that the commercials supplied to the broadcaster are produced in compliance with provisions of the TV Code."

(6) Inform Code members of methods to curb payola.

(7) Invitations to the White House, FCC & FTC to relay to the Code Board all complaints they receive—these to be given the same treatment they'd get if they were received directly by the Board.

(8) Work with networks to increase affiliates' information about future network programs.

McGannon For Over-All Performance Review

Donald H. McGannon, pres. of Westinghouse Bcstg. Co., made it clear that he believes the FCC has the duty to examine a licensee's over-all performance—and should get more statutory authority to do so if it doesn't believe it has enough. His 64-page statement ended with 7 recommendations:

(1) FCC shouldn't license networks but should make sure affiliates have sufficient knowledge of upcoming network programs to be able to judge whether they should be carried.

(2) Support of FCC Chmn. Doerfer's network public-service suggestions.

(3) Enact anti-payola "commercial bribery" law.

(4) Federal financial support of ETV stations.

(5) Recognition that FCC has "ample" power to review licensee performance at renewal time.

(6) Enactment of law giving FCC punitive powers less severe than revocation—"such as fining the licensee."

(7) FCC "continue to give active support & recognition" to the TV Code & other self-regulatory activities, and ask licensees to state whether they subscribe to Codes.

E. V. Huggins, chmn. of Westinghouse Bcstg. Co., testified to the policy of parent Westinghouse Electric Co. —giving the TV-radio subsidiary much autonomy.

Other witnesses of the week included W. D. (Dub) Rogers, pres. of KDUB-TV Lubbock, Tex. and the West Texas TV Network (KDUB-TV, KPAR-TV Sweetwater, KEDY-TV Big Spring, KVER-TV Clovis, N.M.); Whitney North Seymour, pres.-elect of American Bar Assn., who was retained by NAB for the proceedings to explore constitutional issues in govt. controls of programming; Theodore S. Repplier, Advertising Council pres; Pres. Novice G. Fawcett of Ohio State U., TV & radio chmn. of the American Assn. of Land Grant Colleges & State Universities; J. Jeffery Auer, exec. vp of the Speech Assn. of America, representing 7,500 college teachers; Sydney M. Kaye, BMI chmn. & gen. counsel; and Robert F. Hurleigh, MBS pres.

Record was closed on St. Louis Ch. 2 "influence" hearing last week by special FCC examiner Horace Stern, following a day in Philadelphia spent clearing up previous testimony by ex-FCC Comr. Robert F. Jones (Vol. 16:4 p7). Retained for $55,000 by Signal Hill Telecasting Corp. (KTVI) as special counsel in its winning fight for the grant, Jones had first testified he had made no ex-parte approaches to FCC members. But while Comr. Craven was in Geneva at last year's International Telecommunications Union conference, FCC attorneys found a letter, an engineering map and a procedural time table from Jones in Craven's personal files. The St. Louis case documents had been marked "confidential" by Jones. Recalled to the stand, Jones said he still couldn't recall the off-the-record communications to Craven, who abstained from the final vote on Ch. 2. But he conceded he must have sent them. At one point in the hearing, examiner Stern asked Jones "what your views are in regard to the ethics or the propriety of that kind of a communication." Jones replied that in his 1947-52 experience as an FCC member, "I believe that Congressmen & Commissioners & practitioners did make ex-parte representations to the Commission or Commissioners." He recalled that the late Sen. Taft (R-O.) once called him about a Cincinnati case. Ending the hearing, Stern called for briefs by Feb. 23, said he'd need no more than 2 weeks after that to decide on his recommendations.

Ex-FCC Comr. Richard A. Mack entered Miami's Memorial Institute for psychiatric examination Jan. 28—and prospects of his retrial on Miami Ch. 10 conspiracy charges (Vol. 16:4 p7) were put in doubt. Mack & co-defendant Miami lawyer Thurman A. Whiteside had first been scheduled to face trial again in Washington's U.S. District Court Jan. 25. But Judge Alexander Holtzoff postponed it until Feb. 2 because Mack's lawyer Nicholas J. Chase was involved in another trial. Then came word from Miami that Mack had gone voluntarily to the hospital for observation & examination after his father, Charles Mack, signed a court petition stating that Mack's mind was "wandering." As a result, Judge Holtzoff called off the Feb. 2 retrial date, put govt. & defense counsel on 24-hour notice Jan. 29 to be ready to take up the case against if it is determined that Mack is able to stand trial.

Anti-payola rules under consideration by FCC include requiring stations to do the following: (1) Tell employes about the requirements of Sec. 317 of the Communications Act. (2) Make employes report payola offers immediately. (3) Notify FCC within 10 days of each payola offer —and what was done about it. The Commission is considering, as an alternative, simply quoting Attorney General Rogers' recommendations to President Eisenhower, proposing to embody them in rules. Either approach would be issued as proposed rule-making, and industry comments would be invited.

"Inside story" of the Geneva conference of the International Telecommunications Union last year will be told Feb. 1 at a meeting of IRE's Washington section. Members of the U.S. delegation are scheduled to discuss "How Are We Conserving our National Resource—the Radio Spectrum?" They include FCC Comr. Craven, delegation chairman; William H. Watkins, chief of FCC's frequency allocation & treaty div.; Capt. Paul Miles, exec. secy. of OCDM's Interdepartment Radio Advisory Committee.

FCC set aside its Dec. 29 grant of Helena, Mont. Ch. 10 to Helena TV Inc., headed by community antenna operator W. L. Piehl, acting on its own motion to conduct a hearing on "financial questions."

Congress

PAYOLA PROBE STAGE SET: House investigators of TV & radio payola went into close-door dress rehearsals last week for opening of their upcoming show Feb. 8 (Vol. 16:4 p2) in the big caucus room of the old House Office Bldg.

In the atmosphere of secrecy in which Chmn. Harris (D-Ark.) enjoys operating, members of the Commerce Legislative Oversight Subcommittee met for 2 days running in a conference room on the 3rd floor of the New House Office Bldg. to go over the cast & script for next week's public hearings.

Names of the stars billed for the payola probe were withheld by the subcommittee, and neither Harris nor any other Oversighter, caught by reporters as they ducked in & out of the secret session, would disclose specifics of hearing performances being planned. Neither would they identify a prospective witness who was interviewed both days —one meeting lasting 6 hours.

But the mysterious stranger in the room was ex-producer Anthony Mammarella of Dick Clark's ABC-TV *American Bandstand*. He quit that job last Nov.—at the start of the subcommittee's payola investigations in the field—rather than submit to an ultimatum by the network that all personnel must divest themselves of any financial inerests in music publishing fields (Vol. 15:47 p5). Headliner Clark did sign the pledge, however.

Harris said he couldn't say "categorically" that Mammarella or Clark or any other witness would be called to the stand for public testimony, repeating that the cast of characters wouldn't be revealed until just before the hearings start—if then.

Disc Jockeys, Distributors Subpoenaed

Other subcommittee sources also kept a tight silence on the cast of characters, going only so far as to say "quite a few" subpoenas to appear have been served on disc jockeys, record distributors—"and others." One such summons was reported to have gone to Clark, but his attorney—ex-FCC Chmn. Paul A. Porter—wouldn't confirm or deny it.

Accompanied by 2 lawyers, Mammarella himself told reporters after his lengthly interviews that he hadn't been told by the subcommittee whether he would be summoned to the stand. All he was told, he said, was that the Oversighters had no further questions for him now. On the advice of his counsel, he had nothing to say about what questions had been put to him.

Meanwhile one subcommittee member—Rep. Moss (D-Cal.)—made a speech on the general subject of payola. He went before the Woman's National Democratic Club in Washington to charge that FCC & FTC were dragging their feet in the govt.'s anti-payola campaigns.

Moss said FCC is "a parole officer frightened to death of the parolee." Calling for "more timely & vigorous action" by FCC & FTC, he maintained that "ever since the investigation into rigging began, FCC has been most reluctant to make anything like full use of its powers under the law."

In addition to making plans for the payola quiz, the Oversighters last week went over a lengthy draft of a staff-prepared report & legislative recommendations on 1959 TV quiz hearings. The document wasn't finally approved, however, and release of it was delayed another week at least.

Long-snagged radio treaties—the North American Regional Broadcasting Agreement & U.S.-Mexican Pact (Vol. 15:28 p5)—have been hauled out for another attempt at unraveling by the Senate. A Foreign Relations subcommittee headed by Sen. Morse (D-Ore.) meets this week to vote on recommendations for the 2 treaties, following another in a series of hearings on their terms. He said he hoped a compromise report to the full committee would be adopted and started on its way to the Senate floor for ratification. As usual, a strong pitch for ratification was made at the hearings by FCC Comr. Hyde, urging adoption of the pacts—without reservations. As usual, the Daytime Bcstrs. Assn. (Benedict P. Cottone) asked for a reservation permitting further U.S. negotiations with Mexico for longer operating hours on Mexican clear channels. And the Clear Channel Bcstg. Service (Gayle Gupton) wanted more U.S. talks with Canada on higher powers for U.S. clear-channel stations. Witnesses supporting FCC & ratification included Westinghouse Bcstg. Co.'s Donald H. McGannon, Meredith Stations' Payson Hall, Washington communications lawyer Andrew G. Haley, the Regional Bcstg. Assn.'s Hollis Seavey. In a floor speech, Sen. Wiley (R-Wis.) urged that the treaties "be handled expeditiously and reported as soon as possible." He submitted letters from home-state stations as evidence of a "widespread feeling [that] the agreements should be approved."

Standard Oil's rescue of the *Play of the Week* drama series on WNTA-TV N.Y. (Vol. 16:3 p14) was hailed in a *Congressional Record* statement by Sen. Neuberger (D-Ore.) as an example of a sponsor's hands-off-programming policy which "other advertisers should likewise adhere to." He said that in staying aloof from "the content & personnel" of *Play of the Week*, Standard of N.J. displayed "detachment" which can prevent "the humiliation of further rigged shows & similar debacles." Neuberger also had high praise for NBC-TV's "Destiny West" Jan. 24 as a contrast to shows "glorifying crime, sex, violence, sadism, and corruption." He said he wanted to "commend all associated with this splendid TV spectacle."

TV & radio public service is forgotten in "all the hue & cry on Capitol Hill about 'payola' & 'rigged' quiz shows," NAB organizational services mgr. Frederick H. Garrigus said in a Columbus speech. Addressing a joint meeting of the Radio-TV Executives Club and Theta Sigma Phi alumnae there, he protested that it's "one part of broadcasting which legislators seem reluctant to admit exists to any degree." Garrigus pointed out that in 1959 alone, counting only 14 "major" public-service campaigns conducted by the Advertising Council, TV & radio networks and their advertisers contributed $75 million in time & talent.

OCDM should be scrapped as "a haven for defeated politicians, sub-average planners and boondoggling bureaucrats," acording to Sen. Young (D-O.). In a Senate floor speech he singled out local civil defense programs for criticism, but didn't except OCDM's Washington jurisdiction, which includes the Interdepartment Radio Advisory Committee. "If we cut off the head of the outmoded octopus here in Washington, its wasteful satellites in state & local govt. will soon wither away," Young said.

Committee replacement: Rep. Curtin (R-Pa.), first elected to the House in 1956, has been assigned to the Commerce Committee headed by Rep. Harris (D-Ark.). A Morrisville lawyer, he fills a vacancy caused by the death of Rep. Bush (R-Pa.), 3rd ranking minority member of the Committee. Under House procedure, Curtin goes to the end of the seniority list of 12 Republicans.

Film & Tape

More about

NEXT SEASON'S SHOWS: Right now Hollywood is busily in the midst of its annual multi-million-dollar pilot gamble—a gamble because experience has demonstrated that only 10%-12% of the 200 pilots made will sell. The overall loss from unsold pilots this season will probably exceed $8 million—even after allowing for the practice of salvaging some rejected pilots by including them in going anthology series (see p. 3).

While the average pilot cost its producers about $40,000 in the past, that figure has been upped to about $55,000. (Some 30-min. pilots are made for as much as $100,000.) The reason for the soaring price is not so much increased production costs as competition which compels producers to put more quality into their pilots and shoot on longer schedules. Another reason is the increase in 60-min. pilots. More of these will be filmed this winter & spring than ever before, despite the fact that a number of them bogged down into mediocrity this season. This is outweighed by the producers' knowledge that the gains are immeasurably greater if they can come through with a good 60-min. entry. For documentation, they point to the durable popularity of *77 Sunset Strip*, *Wagon Train* and *Perry Mason* which in their minds offsets such early-season disasters as *5 Fingers* and *The Lineup*, both cancelled.

Although we have made as comprehensive a check as possible on pilot activities in Hollywood, it is limited by the policy of some companies to keep pilot projects secret. Our report is in the Supplement with this issue.

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NETWORKS & INDEPENDENTS ON HONEYMOON: Independent TV film producers in Hollywood, who have habitually complained that the networks favor house-made shows, are talking in more subdued tones these days. Reason: The 3 networks are financing about 30 pilots being made by independents & subsidiaries of major movie studios. Some 20 companies are involved.

While this is still only a small portion of the approximately 200 pilots being made this season (see Supplement accompanying this issue), it's a lifesaver for many an independent. For it not only helps him financially, but it gives him a better chance to sell the show. Deals are still being made, but here's the rundown to date:

ABC-TV: *Simon Lash*, *Unsolved*, both from Allied Artists. *Stageecoach West*, *J.P.*, both from Four Star Television. *Joaquin Murietta*, Goodson-Todman. *Calvin & Clyde*, Mark VII Ltd. *Snowfire*, McGowan Productions. *The Islanders*, *Asphalt Jungle*, both from MGM-TV. *Naked City*, Herbert Leonard in association with Screen Gems.

CBS-TV: *For the Love of Mike*, Screen Gems. *Savage of the Deep*, Ziv TV. *Mr. Bevis*, Cayuga Productions. *Man on the Beach* and *Little Green Book*, La Mesa Productions. *K-9 Corps*, Sharpe-Lewis Productions. *601 Park Ave.*, *Charlie Paradise*, *Diary of a Nurse*, *Radigan's Quest*, an untitled comedy, and *Plot 9*, Plautus Productions. *Oh! Those Bells*, Davana Productions. Untitled comedy, Arness & Co.

NBC-TV: *Port of Entry* and *Brady*, Jack Chertok Television. *Michael Shayne*, Four Star. *The Marriage*, Goodson-Todman. *Doowinkle*, *D. A.*, Henry Jaffe Enterprises. *Father of the Bride*, MGM-TV. Untitled comedy, SR Productions. *Klondike*, Ziv TV. *Double Jeopardy*, Sagebrush Productions.

SAG & WGA STRIKE DEVELOPMENTS: Confronted with movie management's face-to-face refusal to give it any part of post-1948 revenue from sales to TV, Screen Actors Guild last week delayed its threatened movie strike for at least a month. SAG's board will conduct a mail referendum of its 14,000 members, seeking strike authorization. Results may appear as late as Feb. 26 and, of course, authorization does not start a strike; it merely empowers the board to call one. A strike vote requires 75% assent from members, and such a strike would affect only movie production, not TV films.

It's apparent that the presidents of the major studios have made a strong impression on SAG with their unanimous stand on the key post-1948 issue, and enthusiasm for a strike is waning. This by no means implies there won't be one. The Guild has taken such a strong position on the post-1948s it will be difficult to retreat. Also, SAG has already collected some post-1948 money from independent producers; if it relinquishes its demand on the majors, will it have to repay?

Meanwhile, IATSE, which represents Hollywood crafts, met with SAG and Writers Guild of America on the matter to explore the possibility of obtaining post-1948 money.

TV production has not been noticeably hurt by the Writers Guild of America strike which began Jan. 16. For example, at Revue, the top TV company in Hollywood, production was moving at full speed on every series when we were there last week. WGA, meanwhile, extended its contract with the networks a week—until Feb. 6—because some progress had been made and there will be more negotiations. The contract originally would have expired Jan. 31. TV producers don't have to concern themselves about a Screen Actors Guild strike in the near future, since negotiations between SAG and TV independents haven't even begun, and the contract expiration date is March 31 when many series will have finished production for the season.

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Symposia on video tape will be sponsored by Ampex in 4 sections of the country. The 2-day sessions, under the general title of "2 Years of Tape," are aimed especially at station operators, will cover "all phases of TV tape," technical & non-technical. Operation & design will be discussed and "several exciting new products" will be introduced, according to Ampex. In addition to Ampex representatives, local station operators will be invited to participate in panels & shirtsleeve sessions. First session will be held in San Francisco—beginning Feb. 2 at KGO-TV and concluding Feb. 3 at the St. Francis Hotel. Other symposia are scheduled for Chicago Feb. 8-9, Washington Feb. 15-16 and Hollywood Feb. 24-25, locations to be announced.

"Medicine—1960" will be tape-syndicated by Screen Gems as its first venture in the non-film syndication field. Designed to keep stations in step with the growing number of network-level public-affairs shows, the 12-episode series of 60-min. medical documentaries is packaged by San Francisco producer Lawrence Williams. Most *Medicine-1960* shows are built around actual surgical operations, with KRON-TV crews handling the hospital-location recording.

Radio & TV Directors Guild has disaffiliated from the AFL-CIO as a result of its merger agreement with the unaffiliated Screen Directors Guild (Vol. 15:50 p14). In severing its AFL-CIO ties, RTDG said it wanted "to continue our present mutually beneficial relationships with other AFL-CIO unions in the entertainment industry."

Strike Is Tough On Hyphenates: A harrassed producer-writer remarked to us the other day: "What am I supposed to do? The Writers Guild of America orders me not to write, and the company I work for reminds me they're paying for my services as a writer as well as producer." The so-called "hyphenated" writer-producer has become the man in the middle in WGA's strike against the major movie studios and Alliance of Television Film Producers which began Jan. 16. (Vol. 16:4).

Aware of the weakness of its position if such members were to continue writing, WGA has warned them flatly, threatening disciplinary action as severe as expulsion.

The Guild's warnings to such members have provoked the Alliance into charging WGA with misrepresentation. WGA has counter-charged that the Alliance is inviting strike-breaking. Alliance Pres. Richard W. Jencks added that the law does not permit any union to establish a blacklist based on non-compliance with its strike orders.

TV film producers who are also writers include Everett Freeman (*Bachelor Father*), Gene Wang (*Philip Marlowe*), Charles Marquis Warren (*Rawhide*), Sam Rolfe (*Hotel de Paree*), Rod Serling (*Twilight Zone*), John Robinson (*Wanted—Dead or Alive*), Aaron Spelling (*Johnny Ringo*) Antony Ellis (*Black Saddle*), Joe Connelly, Bob Mosher (*Leave It to Beaver*), Don McGuire (*Hennesey*), Marvin Marx (*Goldie*), Louis Derman (*The Gale Storm Show*), David Dortort (*Bonanza*), Blake Edwards (*Peter Gunn*), Charles Hoffman (*Bourbon Street Beat*), Stanley Niss (*Hawaiian Eye*), Coles Trapnell (*Maverick*), Maxwell Shane (*M Squad*), John Larkin (*Riverboat*), Harry Tugend (*GE Theatre*), Warren Duff (*Markham*).

In addition, pilots are in the works by producer-writers such as Parke Levy (*Pete & Gladys*), Ray Singer & Dick Chevillat (*Hot Off the Wire*), Phil Rapp (*Man of the House* and *I Married a Dog*), Al Lewis & Sid Dorfman (*One Happy Family*), Paul Monash (*The Paradise Kid* and *Steven V*). Alan J. Lerner (*Harry's Girls* and *P.S. From Paris*), Seton Miller (*Diamond Jim Brady*), Frank Gruber (*Johnny Fletcher*), Tom Waldman (*The Boston Terrier*), Art and Jo Napoleon (*Sea Rover*), Stanley Roberts (*Harkrider & Sweeney*, an untitled comedy, and *Where Did You Go? Out, What Did You Do? Nothing*), Hal Kanter (*Down Home* and an untitled comedy).

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William Bendix, star of the 60-min. *Overland Trail* series that replaces *Riverboat* on NBC-TV Feb. 7, claims his show has "the most complicated production setup" in TV. He told us its profits & residuals will be carved up between no less than 4 co-producing companies: Revue Productions (parent of the project for facilities & sales), Stagecoach Productions (Nat Holt & Sam Peeples, producers), Bilben Productions (Bendix's own production company) and NBC-TV (a financial partner & production participant). Gagged Bendix: "With all these guys in bed, plus talent residuals, we'll be lucky to have any money at all. I'm just doing the show because TV is an art form."

A $4 million damage suit has been filed against KCOP commentator Tom Duggan in Los Angeles federal court by Jake (The Barber) Factor, who charged libel, slander and an invasion of privacy in remarks allegedly made on Duggan's program last Dec. 2. Also named as defendants: Chicago newsman Ray Brennan, Pennington Press, Marrick Lithograph Corp. and 4 Los Angeles book stores. Factor asserted Brennan made "willful & malicious" attacks against his integrity on Duggan's show, and he charged both Duggan & Brennan hinted that Factor gave false testimony at the trial of the late Roger Touhy, convicted of kidnapping Factor.

Edd (Kookie) Byrnes, who plays a car-parking attendant in his starring role in *77 Sunset Strip*, took a job parking cars for the Sands Hotel in Las Vegas, but only lasted a day. Byrnes, on suspension from Warner Bros. because of an impasse over his demands for a contract re-adjustment (Vol. 15:44 et seq.) quit when the Teamsters Union pointed out that some of their parking-car attendants in Las Vegas are unemployed, that Byrnes is not a member of the union. The Sands had agreed to pay Byrnes $500 a week—better than his $400 TV pay.

NEW YORK ROUNDUP

Elliot, Unger & Elliot, film commercial production div. of Screen Gems, produced "$4-million worth of TV commercials during 1959," an increase of 80% over 1958 volume. EUE, absorbed by SG less than a year ago, "will chalk up a 20% increase this year." It increased its staff from 60 to 80 full-time employes during 1959, reported SG.

UA-TV's syndicated *Tales of the Vikings* has been sold in 110 markets "with sales totaling approximately $1.1 million" . . . MCA TV's mystery-adventure telefilm series *Johnny Midnight* has been sold in over 100 markets to date . . . MGM-TV is discussing a long-range sale to CBS of its *Wizard of Oz* feature film which, although shown twice on CBS-TV as a network special, has continued to pull sizable audiences.

CBS-TV's *Twilight Zone* was named "best-produced TV film series of 1959" by the Screen Producers' Guild . . . MCA's *Riverboat* (NBC-TV) drops co-star Burt Reynolds Feb. 1 when the show moves to Mon., 7:30-8:30 p.m.

Goulding-Elliot-Graham, commercial producers specializing in humorous animation (Bert & Harry Piel, Tip Top Bread), have devised a new presentation format for their agency-client pitch. Samples of their commercials are inserted in an animated version of a "typical" *Late-Late Movie* (1935-ish "Test Dive Buddies") which they also created. G-E-G's humorous commercials for various regional advertisers grossed $1.5 million in 1959.

HOLLYWOOD ROUNDUP

Ziv TV and Four Star Television have been singled out by the AFM as American telefilm companies which use unidentified foreign canned music. Ernie Lewis, AFM's Western states coordinator against the use of such music, said the union is sending program lists to sponsors & producers.

MGM-TV has signed Joe Cronin to co-star with Lew Ayres in its *Dr. Kildare* series. The pilot is being produced by Collier Young . . . Screen Gems will pilot *Here Comes Melinda*, a comedy. Charles FitzSimons is producer . . . George Tobin has joined RonCom Productions as prod. mgr.

Betty Hutton, star of *Goldie* and owner of the company which films the series, set a dubious record when she dropped producer Marvin Marx and signed her 5th producer, Doc Merman. Marx had been dropped once before, but Miss Hutton had rehired him after a couple of days (Vol. 15:49 p14). Commented Marx sadly: "There were contract difficulties, and she finally signed my contract—the day before I was dropped. Her concept of the show changed every week. It was a difficult job. I would have been amazed if this hadn't happened. I have no ill feeling. I'm glad to be free." Marx outlasted all his predecessors, remaining producer for 4 months.

Movies attracted 2.5 million more theater-goers weekly in 1959 than in 1958, reports Theatre-Screen Ad Bureau. Total weekly attendance at both standard & drive-in theaters was 41,954,000—up from 39,621,000 in the preceding year. Drive-ins registered a 13.3% gain in paid adult movie-goers per week; the others gained 3.3%.

Advertising

BARGAINS IN CULTURE: A grim fact of TV business life is emerging with the new crop of prime-time public-affairs programs to which all 3 networks are now committed. Despite their growing roster of sponsors, these shows are costing the networks literally a fortune in ad revenue.

Explained an NBC-TV sales executive last week: "For years, networks have made 'program contributions' in public-affairs shows just to attract whatever business revenue they could. Today, we're staging these shows with big budgets and giving them exposure in network-option prime time. But sponsors still expect us to give them away."

Networks are thus caught between lingering memories of cut-price culture and their own post-quiz-scandal promises to air a higher grade of TV shows. In the scramble to build an improved image, advertisers are able to make deals like these:

Item: "World Wide 60": This NBC-TV 60-min.-weekly contribution to the recent 3-network public-affairs agreement (Vol. 16:4 p3) carries an actual break-even net budget, including all overhead, of $75,000, according to NBC-TV programs & talent vp David Levy. But the selling price to advertisers is officially listed at $36,000 plus time charges. And last week NBC-TV dir. of special-program sales Richard Linkroum admitted "WW 60" could be had for an introductory program charge of $5,000 for the full hour, plus time, for the first 13 weeks. "We realize it's not enough to pay for the film processing on the show, let alone the costs, but we had to do something to get it started," he said.

Item: "CBS Reports": The keystone of CBS-TV's nighttime public-affairs structure, also has been launched with the aid of red ink. CBS News div.'s Robert Lang, dir. of program sales, confirmed last week the report we'd heard that the 60-min. show is actually costing CBS about $85,000 in program charges, but is sold (for the first 6 shows) to Bell & Howell and Goodrich for $50,000 apiece, plus time.

Co-op Giveaway to Stations

Item: "The Dark & the Light": This ABC-TV information special, aired Jan. 31, 6-7 p.m., represented a double program investment by ABC-TV. The network's sales dept., given a firm date for the show only 3 weeks before telecasting, couldn't line up a sponsor at any price in time. Rather than air the program as a sustainer in network-option time (it would then be subject to local-level preemption by stations), ABC-TV decided to give it away—to the stations. "It was handled as a network co-op show, with stations permitted to keep the local ad revenue and with no pro-rata program cost assigned to them," we were told by ABC-TV dir. of sales development Bert Briller.

These are not by any means the only cultural bargains in the public-affairs area:

Last week, NBC-TV told us the network will take "a substantial loss" on the forthcoming TV-radio 1960 election coverage, currently for sale at $1.8 million for one-third sponsorship, time & talent.

CBS-TV said it had sold the Jan. 14, 90-min., Thurs.-night repeat showing of "The Population Explosion" to Bell & Howell for a little more than $30,000 for the whole works—a sum that represents only the bare-bones compensation to CBS-TV affiliates, with no revenue for CBS.

ABC-TV said its image as a public-affairs outlet is so

recent that "we will probably lose more money on public-affairs specials in '60 than the other 2 networks combined."

Apart from program contribution and advertiser demands (or offerings by networks to get shows started), there are other reasons for this situation, network officials pointed out:

(1) Public-affairs shows are just beginning to establish a track record of audience success in prime time.

(2) Networks are moving so fast in the public-affairs field that shows hit the air almost as soon as salesmen start on a round of agency calls.

(3) There is also the problem of tailoring program prices to bring public-affairs shows in at a cpm level (usually around $3) comparable with the cpm of such standard fare as Westerns & comedies.

(4) There is the pre-emption problem, with networks rapidly using up the number of allowable "bumps" (usually 2 pre-emptions per program series per season) without additional sponsor reimbursement.

Of the 3 networks, CBS-TV is probably in the best position in terms of revenue losses on its public-affairs shows. Having had an early start in major public-service shows, this network is now moving toward a profit position on its most recent sales efforts. Even as *CBS Reports* was getting into its stride under a program-contribution arrangement, CBS-TV sold *Tomorrow*, a 6-program science series done with M.I.T., to American Machine & Foundry for a full-price $150,000 apiece. As we went to press, an 8-program series being developed by Irving Gitlin was in the process of sale by CBS News for $175,000 apiece to a major client.

CBS Avoids Hard-Sell Sponsors

CBS-TV can even afford the luxury of being choosy about the clients to whom it is selling informational shows, we were informed recently by John Karol, recently-appointed vp & dir. of special project sales. "This is not an endowed chair, but we'd rather not sell public-affairs specials to a 'hard-sell' advertiser. It's not that we have anything against mass-market advertisers, it's just that we feel the commercials aired in a public-service show should match the general atmosphere of the show. Most big TV clients, like P&G and Colgate, are not concerned with 'corporate image.' They have products to sell. We'd rather concentrate on bringing to TV the kind of advertisers you see in *Fortune*—advertisers who want to be important, in a corporate sense, in a hurry."

The other 2 networks are usually happy to settle for any major clients they can persuade to buy public-affairs shows. "We'd welcome any worthwhile proposal on our public-affairs shows now, although we hope to have our series shows of this type, if not our specials, on a self-supporting basis this fall," said ABC-TV's Briller. "Prices will eventually firm up in this field," said NBC-TV's Linkroum, "but right now we've still got to face the fact that we aren't getting rich."

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Switch to TV snob appeal by Ruppert Brewery is in the works. Newly-appointed agency Norman, Craig & Kummel will shortly drop the 11-year-old "Knock for Knick" slogan. New theme will be "Ruppert people have a thirst for living. Live a little! Have a Ruppert Knickerbocker." A media rotation schedule, concentrating on one medium at a time, will be employed by the $4-million-ad-budgeted, 7-state, regional advertiser, "to heighten consumer awareness." Ruppert, which switched to NC&K from Compton Adv. last year, plans to expand its spot TV schedule, we were told.

FTC SIGNALS MORE PUNCHES: The TV-radio & advertising industries were given stern notice last week by FTC that its spreading dragnet for deceptive commercials is big enough to take in broadcasters themselves, as well as sponsors & agencies. In one of his first public statements since FTC started its stepped-up policing of commercials in the wake of last year's TV quiz scandals, FTC gen. counsel Daniel J. McCauley Jr. didn't say flatly that hitherto-immune networks & stations were next on the agency's list. But pointing to Attorney Gen. William P. Rogers' recommendation that FTC move against broadcasters (Vol. 16:2 p7), McCauley told the N.Y. State Bar Assn.:

"The continued replay of commercials questioned by a commission complaint, with the resulting public interest in why the commercial has not been stopped, is almost an invitation, if not a dare, to test our resolve. Be that as it may, decisions with respect thereto will continue to be made on the basis of the application of reasoned criteria."

And in answer to a Bar Assn. question as to how far FTC intends to go (copywriters, art directors, producers of commercials?) in citing agencies & executives for alleged sins of sponsors, McCauley outlined some criteria:

(1) "The scope & breadth of the evil being attacked."

(2) "The conscience of the industry. What past record does the industry have, if any, for cleaning its own dirty linen? Or, to frame it another way, how active is the industry in pressing the perimeter of the law in conceiving new devices of evasion?"

(3) "Will the corporate conscience be effectively stirred—or must it be supported by the conscience of its officers being under the cloud of possible personal financial penalties?"

No 'Comfort' for Other Media

(4) "Where does the particular case fit into the mosaic of law enforcement?"

At the same time, McCauley warned that newspapers wouldn't be exempted if FTC follows through on Rogers' suggestion that it seek injunctions against broadcasters in "false advertising of foods, drugs, devices or cosmetics." He said he saw no "comfort" for other media in injunctive provisions of the Federal Trade Commission Act—"except that in issuing its injunction the court should be considerate of publication schedules and avoid a harmful disruption."

Referring to FTC's batches of payola complaints against record manufacturers & distributors, McCauley also indicated that "push money" used by cosmetics manufacturers to promote retail store sales may come under similar attack. "What reason is there for distinguishing between a recording on the one hand and perfume, lipsticks and nail polish on the other?" he asked.

In a speech to the anti-trust section of the same N.Y. meeting of lawyers, FTC Chmn. Earl W. Kintner characterized his agency's course this way: "The tempo of commission activities can only be described as allegro." In other FTC developments:

(1) Ted Bates ran page ads in Washington, N.Y. and Chicago newspapers addressed to "Mr. Earl W. Kintner," asking some questions "in the interest of all the great companies who serve the American public." Named last month as a correspondent in FTC complaints against commercials for Colgate-Palmolive's Rapid Shave and Standard Brands' Blue Bonnet margarine (Vol. 16:3 p8) and earlier in a complaint against Brown & Williamson's Life cigarets (Vol. 15:50 p10), Bates asked: "Is imaginative selling against the law? . . . what are your rules?"

This challenge by Bates, leading exponent of hard-sell advertising & one of biggest agencies in TV field (Vol. 15:17 p7), was met with stony silence at FTC. Kintner & the other 4 FTC members refused any comment on grounds that to say anything would disqualify them in the pending cases. But another govt. source told us: "I should think the advertising profession—the agency people—would wonder about the wisdom of this thing. It deprives the agencies of maneuverability. Bates has cast down the gauntlet. It has declared war when there was no reason to declare war." There was no indication that the rest of the advertising fraternity was flocking to the Bates banner in the newspaper counterattack on FTC.

(2) Colgate-Palmolive asked FTC to dismiss a complaint filed last Nov. against commercials for its dental cream "with Gardol" (Vol. 15:47 p16). The company said its claims weren't deceptive, that in fact its competitors are engaged in "false, misleading and deceptive" TV ad campaigns, and that "at great expense" it has withdrawn its "protective shield" commercials on Gardol's effects.

(3) David Rosen Inc., Philadelphia record distributor, signed an FTC consent order forbidding it to give payola "to anyone as an inducement to broadcast records in which it has a financial interest." Cited on payola charges in the first bundle of such complaints (Vol. 15:49 p12), Rosen was the second firm to agree to a cease-&-desist order, RCA having signed the pledge in Dec. (Vol. 15:51 p6).

(4) After a 2-week hiatus, FTC's campaign against payola was resumed. Complaint No. 28 was addressed to A-1 Record Distributors Inc., 628 Baronne St., New Orleans and Pres. Joseph J. Banashak & secy.-treas. Bobbie G. Banashak.

Payola-Charge Score: 37 Complaints

Then came a multiple filing of payola charges against these record manufacturers & distributors, bringing the FTC's comulative count of complaints to 37 at week's end:

Fame Record Inc., 782 8th Ave., N.Y., and Pres. Lee A. C. Gallo Jr. Time Records Inc. & Brent Music Corp., also trading as Shad Records & Brent Records Inc., 2 W. 45th St., N.Y., and their officer Robert Shad. Vee-Jay Records Inc., 1449 S. Michigan Ave., Chicago, and Pres.-treas. James Bracken & exec. vp Ewart G. Abner.

All South Distributing Corp., 630 Baronne St., New Orleans, and Pres. Henry J. Hildebrand Jr., vp Evelyn K. Hildebrand and secy.-treas. Henry J. Hildebrand Sr. Superior Record Sales Co. Inc., 656 10th Ave., N.Y., and Pres. Sam Weiss. Raymond Rosen & Co. Inc., Parkside Ave. at 51st St., Philadelphia, and Pres. Thomas F. Joyce, exec. vp Joseph B. Elliott, vp Jack S. Rosen, secy. Edward H. Rosen and treas. George M. Mintner.

All State Record Distributing Co., 1450 S. Michigan Ave., Chicago, and Pres.-treas. Paul J. Glass & vp-secy. Peggy M. Glass. Ideal Record Products Inc., 549 W. 52nd St., N.Y., and Ideal Record Products of N.J. Inc., 357 Lyons Ave., Newark, and Pres.-treas. Alfred Levine & vp-secy. Sam Keenholtz. Gone Recording Corp. & End Music Inc., 1650 Broadway, N.Y., and Pres. George Goldner, vp Jack Waxman & co-partner Jerome G. Roth, also operators of Co-op Distributing Co. at the same address.

* * *

FTC Chmn. Earl Kintner is due to address a special meeting of the ANA in N.Y. this week (Feb. 2) called "to examine at first hand the implications of the critical spotlight which has been put on advertising in recent months, and to formulate a plan of action." Spokesman for ad agencies, broadcasting and print media will also address the meeting. Guests include: NBC Pres. Robert E. Kintner, CBS-TV Pres. James T. Aubrey, Westinghouse Bcstg. Co. Pres. & NAB TV Code Review Chmn. Donald H. McGannon, *Newsweek* publisher & MAB Chmn. Gibson McCabe, NAEA national advertiser relations chmn. & *Herald-Tribune* ad mgr. John D. Thees, D'Arcy Advertising Co. & AAAA Chmn. Robert M. Ganger, Bristol-Myers vp & ANA Chmn. Donald S. Frost, ANA counsel Gilbert H. Weil, and ANA Pres. Paul B. West. The meeting, open to the press during the morning session, closed during the afternoon, will be at the Plaza Hotel.

No Ban On Ban: A revised & re-shot version of Bristol-Myers' Ban deodorant film commercials used in network & spot TV is expected to be prepared by Ogilvy, Benson & Mather agency to replace, in 5 or 6 weeks, the "Greek statue" spots which the personal products subcommittee of NAB's TV Code Review Board has termed "offensive." Earlier trade stories which stated that NAB had informed "stations & networks" that the Ban commercials were a code violation "were inaccurate," OB&M senior vp James J. McCaffrey told us. Only the agency was notified, and it offered immediate cooperation.

"Our arrangement with NAB was that we would agree to submit a revised storyboard, and NAB would agree not to send a Code-violation notice," said McCaffrey, whose agency won the account from BBDO in July 1959. A storyboard revision was re-presented Jan. 22 to Edward W. Bronson, NAB dir. for Code affairs. OB&M expects NAB to return the Ban storyboard, with minor revisions by subcommittee members, early this week. "You can assume safely there'll be a new version of the Ban commercial," McCaffrey stated.

The original commercial which attracted NAB's attention is still scheduled in Bristol-Myers commercials for CBS-TV's *Alfred Hitchcock Presents* and NBC-TV's *Peter Gunn* and *Staccato*. "We consulted with continuity acceptance depts. at NBC & CBS on the original version and it was approved at both networks," said McCaffrey. "We're on the air with it now, operating under this approval, and we won't drop it until a new commercial is made," he said.

Bristol-Myers, which terms Ban "the number one deodorant in the field, a position attained in a little over 2 years," has also agreed to the agency's no-fight-with-NAB position and "wants only to have another version of the commercial that retains the selling power of the original."

NAB officials are pleased with the agency-client cooperation. Certainly, there's a marked difference in OB&M's response to the Code Board's actions concerning Ban from the responses of previous agencies whose personal-product commercials were termed "offensive." Last year Ted Bates & Co. and client "Preparation H" flatly declined to cooperate with the Code Board when Preparation H commercials were cited as "offensive" (Vol. 15:18).

OB&M admitted, meanwhile, that the NAB action had stirred up plenty of excitement at the agency. Said vp for commercial production Everard W. Meade, lapsing into Madison Avenuese: "Someone has certainly thrown a large stone into the pool, and the riples are still splashing up against my desk." At week's end, the ripples continued to splash, although no major storm warnings were being run up on the OB&M flagpole for Ban admen to salute.

Ad People: John Peace promoted from first vp to pres., William Esty Co., succeeding **James J. Houlahan**, named chmn. . . . **Elliot Plowe**, ex-BBDO, named Grant Advertising senior vp . . . **Eric Marder** resigned as vp & mkt. research supervisor, Kenyon & Eckhardt, to form his own research organization, Eric Marder Associates . . . **Stephen Baker** elected a Cunningham & Walsh vp . . . **T. Newton Weatherby**, Sullivan, Stauffer, Colwell & Bayles administration vp, appointed treas. . . . **Cornelius B. (Con) Donovan**, Charles W. Hoyt Co. media relations vp, honored at a luncheon marking his 50th year with the N.Y. agency.

Obituary

John Craig Clark, 45, vp & account supervisor of Fletcher Richards, Calkins & Holden, died of a heart attack Jan. 26 at his N.Y. home. He is survived by his wife, a son, his father & a brother.

1959 AD VOLUME UP 7.6%: Buoyed by gains in all major media, the nation's 1959 advertising volume rose to a record total of $11,090,000,000—7.6% above the 1958 level (Vol. 15:6 p10), according to a preliminary estimate released by *Printers' Ink* last week. Local advertising gained 10.3%, accounted for some $4.4 billion of the total. National advertising was up 6%, amounted to more than $6.7 billion.

The principal media percentage gains were scored by magazines, which ran 13% ahead. TV showed an 11.3% improvement. Newspapers gained 10.2%. Radio flashed comeback strength by reversing 1958's 0.6% sag with a 3.6% increase. Among all media & subdivisions, only 2 failed to join the prosperity parade. Network radio fell 13.6% from 1958's showing, direct mail was off 1%.

TV expenditures in 1959, it was estimated, rose to a total $1.525 billion and a 13.7% share of all ad dollars, compared with the 1958 total of $1.354 billion spent for a 13.2% share. Division of the TV spending (in millions of dollars): network, $787 for an 11% gain over 1958; spot, $458.5, up 15.5%; local $280, up 13%. TV's gain of 0.5% in share-of-total-spending compares with newspapers' increase of 0.7% and magazines' 0.4%.

Total radio spending increased to $638 million from $615.7 million in 1958, but total share dropped to 5:8% from 6%. Network radio accounted for (in millions) $50 of total, down 13.6% from 1958; spot, $198, up 4.4%; local, $390, up 5.9%.

(For 1948-59 *Printer's Ink* tabulations of advertising volume by media, see TELEVISION FACTBOOK No. 29, p22.)

The 1959-58 comparison tables:

	Millions	1959 % of Total	Millions	1958 % of Total	% change '59 vs. '58
Newspapers					
total	$3,517.0	31.7	$3,192.8	31.0	+10.2
national	826.0	7.4	768.7	7.5	+ 7.5
local	2,691.0	24.3	2,424.1	23.5	+11.0
Magazines					
total	866.2	7.8	766.8	7.4	+13.0
weeklies	478.4	4.3	425.4	4.1	+12.5
women's	168.2	1.5	150.5	1.5	+11.8
monthlies	185.0	1.7	157.7	1.5	+17.3
farm, nat'l.	34.6	0.3	33.2	0.3	+ 4.2
Television					
total	1,525.5	13.7	1,354.2	13.2	+11.3
network	787.0	7.1	709.1	6.9	+11.0
spot	458.5	4.1	397.0	3.9	+15.5
local	280.0	2.5	248.1	2.4	+13.0
Radio					
total	638.0	5.8	615.7	6.0	+ 3.6
network	50.0	0.5	57.9	0.6	−13.6
spot	198.0	1.8	189.6	1.8	+ 4.4
local	390.0	3.5	368.2	3.6	+ 5.9
Farm Publications (regional)	36.4	0.3	34.2	0.3	+ 6.4
Total Farm publications*	[71.0]	0.6	[67.4]	0.6	+ 5.3
Direct Mail	1,573.0	14.2	1,588.6	15.4	− 1.0
Business Papers	566.0	5.1	524.7	5.1	+ 7.9
Outdoor					
total	193.2	1.8	191.7	1.9	+ 0.8
national	130.4	1.2	129.4	1.3	+ 0.8
local	62.8	0.6	62.3	0.6	+ 0.8
Miscellaneous					
total	2,174.7	19.6	2,033.1	19.7	+ 7.0
national	1,254.9	11.3	1,199.2	11.6	+ 4.6
local	919.8	8.3	833.9	8.1	+10.3
Total national	6,710.0	60.5	6,331.0	61.5	+ 6.0
Total local	4,380.0	39.5	3,970.8	38.5	+10.3
GRAND TOTAL	$11,090.0	100.0	$10,301.8	100.0	+ 7.6

*Bracketed figures identify advertising directed to farm markets through national, regional and state farm publications. These figures are already contained in other media totals and are not to be added into national or local totals.

Bond Stores' radio commercials & newspaper advertising have made "deceptive pricing, savings and reductions claims" for the clothing chain's 95 stores, FTC has alleged in a cease-&-desist order. Setting aside an examiner's initial decision dismissing a May 1957 complaint, the full Commission said that from now on Bond "must base such claims on its actual regular retail prices."

Technology

TRANS-OCEAN TV DUCTS: The long-suspected existence of a trans-oceanic "TV pipeline in the sky" has been proven in actual tests, Defense Dept. scientists disclosed last week. The discovery may herald a simple & reliable method of sending TV and other wideband radio signals over oceans.

An announcement by the Naval Research Lab and the Air Force Cambridge Research Center revealed "conclusive proof [of] an elevated trans-oceanic atmospheric duct, capable of trapping & propagating radio waves at low loss over considerable distances." The transmission tests were conducted in the South Atlantic tradewind area between the coasts of South America & Africa.

Radio equipment operating at 220 mc (slightly above TV's Ch. 13) was used to send signals from Brazil to a point more than 1,430 miles away with a transmitter power of only 100 watts. Signals were sent between 2 aircraft for a 4-week period last Nov. & Dec.

The duct has a thickness of approximately 500 ft. and is centered at a height of some 5,000 ft., the scientists found. What makes it particularly suitable for TV is the discovery that it will accommodate wide bands of frequencies, has very low loss and apparently is reliable & stable all year round.

Other Oceanic Ducts Present

Studies indicate other similar ducts exist between California & Hawaii, Cape Verde (Africa) & Puerto Rico, in the Indian Ocean, from the Philippines to Australia, and in other areas.

Air Force project engineer Russell W. Corkum explained that trans-oceanic TV might be accomplished by using scatter or other methods to link the U.S. with the oceanic duct in Puerto Rico, sending the signals by duct to Africa, thence via microwave to Spain and the rest of Europe. An even more immediately promising prospect may be the California-Hawaii duct.

California-to-Hawaii route may be the next one studied. Also under consideration are experiments to determine methods of sending radio waves up to the ducts from ground-based transmitters & receivers.

The invisible radio pipeline, the Pentagon announced, "results principally from the atmospheric temperature inversion layer of the tradewind regions."

Note: The Navy began regular use of the moon as a radio relay between Washington & Hawaii Jan. 28 with the transmission of a wirephoto from Hawaii to Washington—bounced from the moon. While the system can't handle TV because of the power requirements of wideband transmission, the Navy expects to use the moon-bounce system to handle all messages between Washington & Hawaii (Vol. 15:14 p18).

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New Zoomar lens converter makes it possible to zoom from 2½ to 72 inches with the all-purpose Super Universal Zoomar. The latest converter attachment, which can be added to the basic 2½-to-16-in. Universal Zoomar, zooms from 12 to 72 inches—making possible a zoom from an action "cover" shot to the head & shoulders of a single athlete when covering a football game from atop a grandstand. The new converter will be used by the networks at next June's political conventions. Another converter now extends the range of the Super Studio Zoomar to 2¼-15 inches.

Networks

NBC's Easier Announcement Policy: NBC's standards & practices directives Nos. 4 & 5, covering on-the-air identification of pre-recorded material, and the codification of operating standards of NBC News, were issued by S&P vp James A. Stabile Jan. 26. In contrast to CBS-TV's Dec. directives on the labelling of canned laughter ("audience reaction technically augmented"), NBC will not identify pre-recorded audience reaction, "because it is an artifice of showmanship which, when it offends, is at fault because it is obvious." In less rigid terminology, NBC will identify recorded segments of live programs by saying: "Parts of this program were pre-recorded."

* * *

At the station level, Storer Bcstg. Co. revealed last week details of its "quality control" dept. Each of Storer's 5 TV & 7 radio stations has been equipped with an S-24 Soundscriber tape recorder to record continuously, off-the-air, the sound portion of the station's entire broadcast schedule. In addition, TV is continuously reviewed by full-time, on-the-scene monitors in each Storer TV location.

NETWORK SALES ACTIVITY

ABC-TV

The Dick Clark Show, Sat., 7:30-8 p.m., renewal for 6 months, eff. March 5.
Beech-Nut Life Savers (Young & Rubicam)

Sugarfoot and Bronco, Tues., 7:30-8:30 p.m., participations starting April 12.
Haggar Co. (Tracy-Locke Co.)

Man with a Camera, Mon., 10:30-11 p.m., Sugarfoot, Bronco, Tues., 7:30-8:30 p.m., Bourbon St. Beat, Mon. 8:30-9:30 p.m., participations over 5 wks.
Helene Curtis (Edward H. Weiss)

Bertram Mills Circus, March 31, 7:30-8:30 p.m., special taped in London.
Timex (Doner & Peck)

Invitation to Paris, April 27, 10-11 p.m., taped in Paris, featuring Maurice Chevalier & Fernandel.
Renault (Kudner)

CBS-TV

Captain Kangaroo, Mon.-Sat., 8:15-9 a.m., 15-min. wkly. segs.
Plough Inc. (Lake-Spiro-Shurman) & *Warner-Lambert* (Lambert & Feasley)

Love of Life, Mon.-Fri., 12-12:30 p.m. & For Better or Worse, Mon.-Fri., 2-2:30 p.m., alt. wk. 15-min. segs.
Gold Seat Co. (Campbell-Mithun Inc.)

Be Our Guest, Wed., 7:30-8:30 p.m., wkly. one-third, eff. Feb. 3, over 5 wks.
Hazel Bishop (Raymond Spector)

Eyewitness to History, Feb. 24, 26, March 5. 30 min. Coverage of President Eisenhower's forthcoming South American trip.
Firestone Tire & Rubber (Campbell-Ewald)

NBC-TV

Overland Trail, Sun., 7-8 p.m., one-third sponsorships.
Standard Brands (Ted Bates), *P. Lorillard* (Lennen & Newell, & *John H. Breck* (Reach McClinton)

Riverboat, Mon., 7:30-8:30 p.m., & Law of the Plainsman, Thurs., 7:30-8 p.m., one-third sponsorships.
Standard Brands (Ted Bates)

Network Television Billings

November 1959 and January-November 1959

(For Oct. report, see TELEVISION DIGEST, Vol. 16:1 p10)

Nov. 11.8% Ahead: Network TV's Nov. gross time billings sagged slightly to $58,138,086 from big Oct.'s $59,-030,752 (tops for 1959's first 11 months)—but they ran a healthy 11.8% ahead of the $52,008,793 volume racked up in Nov. 1958, reports TvB. The year-to-date (11 months) business increased to $568,274,278. This was 10.9% ahead of the $512,651,580 recorded in Jan.-Nov. 1958.

CBS continued to lead the other networks in dollar volume, both for the month (with $23,442,765 total billings) and for year-to-date ($242,404,016). NBC, which had been closing in on CBS in the past several months (to within $727,150 in Oct.), fell back to a $1,677,404 gap with Nov. billings of $21,765,361. ABC continued to rack up the giant percentage gains: 25.1% ahead in Nov.-over-Nov. billings, 21.1% ahead in the cumulative comparison.

NETWORK TELEVISION

	Nov. 1959	Nov. 1958	% change	Jan.-Nov. 1959	Jan.-Nov. 1958	% change
ABC	$12,929,960	$10,338,126	+25.1	$112,033,136	$ 92,550,834	+21.1
CBS	23,442,765	21,853,592	+ 7.3	242,404,016	224,946,459	+ 7.8
NBC	19,817,075	21,765,361	+ 9.8	195,154,287	213,837,126	+ 9.6
Total	$58,138,086	$52,008,793	+11.8	$568,274,278	$512,651,580	+10.9

1959 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	$10,647.078	$22,129,248	$19,299,853	$52,076,179
February	10,024,460	20,806,220	18,053,828	48,884,508
March	11,565,031	23,265,395	20,728,315	55,558,741
April	10,309,263	22,077,285	19,739,816	52,126,364
May	9,946,570	22,298,271	19,674,494	51,919,335
June	8,930,114	21,171,128	17,984,845	48,086,087
July	8,391,470	21,269,782	17,883,111	47,544,363
August	8,205,520	21,137,261	17,298,527	46,641,308
September	8,546,650	21,196,220	18,525,685	48,268,555
October	12,537,020	23,610,441	22,883,291	59,030,752
November	12,929,960	23,442,765	21,765,361	58,138,086

Note: These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net-dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on basis of one-time network rates or before frequency or cash discounts.

CBS-TV is still leading the 3 networks in delivering the largest national average-audience levels in prime evening time, but ABC-TV has edged NBC-TV for the runner-up position, the latest Nielsen National Audience Report (for the 2 weeks ending Jan. 9) showed late last week. From 7:30-10:30 p.m., the Nielsen national network AA levels were: CBS-TV—23.4; ABC-TV—21.0; NBC-TV—19.7. When the 10:30-11 p.m. marginal periods were included, NBC-TV pulled closer to ABC-TV, with CBS-TV still leading. On a 7:30-11 p.m. yardstick, the Nielsen national AA levels were: CBS-TV—22.7; ABC-TV—19.9; NBC-TV—19.3. There was no bombshell in the overall figures, but they showed that ABC-TV had definitely arrived as a national audience power. Its strong showing confirms the trend indicated by the 24-city Nielsen reports in which ABC-TV has been leading.

Negotiations with KTVU San Francisco continue—and KRON-TV is no longer in the picture—as NBC seeks to find a replacement for WRC-TV Washington. NBC's acquisition of a station in San Francisco, or another major city, is part of the agreement with RKO General, under which the 2 organizations exchange their Boston & Philadelphia TV-radio facilities and RKO buys WRC-TV & WRC Washington (Vol. 16:4 p13).

Giraud Chester, ABC-TV vp for daytime programs, and Julian Bercovici, executive producer in daytime programs are off to Caracas, Venezuela Feb. 4 seeking talent.

Auxiliary Services

More about

TPT FIGHTS MONOPOLY CHARGE: TelePrompTer Corp. in vigorously denying "it attempted to monopolize promotion of heavyweight fights" (as charged by N.Y. State Attorney General Louis Lefkowitz Jan. 26) declared that neither it nor Pres. Irving B. Kahn, "nor any other official has violated the anti-monopoly laws or any other laws, in letter or spirit." TPT & Floyd Patterson Enterprises Ltd. jointly are involved in a "*bona fide* tax dispute" with the State of N.Y. "and a proper reserve has been established for the prompt payment of the tax whenever the correct amount is established. TPT & Floyd Patterson Enterprises welcome an adjudication," we were told.

Lefkowitz's action has "not directly affected our business," a TPT spokesman told us, pointing out that "boxing is only 15% of our business, and we've only aired 3 of the 14 major fights via closed circuit." (Competitor Theatre Network TV handled the other 11.) As of Jan. 26 Lefkowitz had obtained a State Supreme Court order permitting him to begin proceedings. After being served with the complaint, the 2 corporations have 20 days in which to reply.

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Few reply comments were filed in FCC's vhf translator rule-making proceeding (Vol. 16:3 p4), and even fewer were available for inspection at press time. Washington State TV Reflector Assn., a substantial group of translator operators, apparently hadn't seen NCTA's 5-year "status quo" and "shift to uhf" proposal, didn't comment on it. However, the association did say that uhf won't do the propagation job and uhf is too expensive; it likes the FCC-proposed vhf rules. Much of its reply was an attack on CATV, saying that the system operators have no interest in serving most of the homes now reached by vhf translators. WAST (Ch. 13) Albany opposed the suggestion of KOMU-TV (Ch. 8) Columbia, Mo. that no translators be authorized for "any area already receiving satisfactory service from 2 or more conventional stations." It favored FCC's proposed rules. Neither NCTA nor any other CATV organization offered reply comments.

CATV-control bill backed by the Senate Commerce Committee and brought close to a floor vote last year (Vol. 15:37 p3), is scheduled for action by Feb. 15. Senate Majority Leader Johnson (D-Tex.) put the measure (S-2653) on his active legislative agenda, reporting that calling it up for a vote "is just a question of arranging a time to suit the convenience of Senators." Johnson, asked by Sen. Mansfield (D-Mont.) if the bill could be pushed along for action this week, said it will be included in a ready-list of measures to be called up before civil rights debate starts Feb. 15. Johnson said he had received letters from "some Senators saying 'please take it up now,'" while others asked him to hold up "until after the 15th."

TV flight-information service is being established at the Montreal Airport to provide passengers & personnel with up-to-the-minute status reports on Trans-Canada Air Lines flights. The closed-circuit TV system will flash on screens in the lobby and at the passenger agent's counter such data as flight arrival & departure times, loading gate, space available.

Telemeter Test: Canada's first pay-TV swings into operation in Feb. with 1,000 signed customers and more still being added. The exact starting date in Toronto's suburban township of Etobicoke hasn't been set and E. E. "Gene" Fitzgibbons of Famous Players Canadian Corp. Ltd., declined to be any more specific.

Trans-Canada Telemeter Division of Famous Players is making the test in an area with 40,000 homes within 5 miles of its studio—a highly competitive area. Residents can pick up 3 Buffalo, N.Y. stations, CBC's Toronto Channel 6 and Hamilton's Channel 11, just 40 miles away. "That's why we picked Etobicoke," said Mr. Fitzgibbons. The company plans several other operations but Mr. Fitzgibbons said nothing would be done until the Etobicoke test was completed.

Telemeter operation makes no minimum charge. Installation fee is $5 and an electronic box-office receives the coins as the set is used. The user first pushes a "barker" button which announces what programs are available on other circuits. Then coins are inserted in the electronic box-office and the program selected flashes on the screen.

* * *

Telemeter will bring Toronto Maple Leaf hockey away-from-home games on Sun. nights to homes in Telemeter's pay-TV pilot operation in West Toronto (Vol. 15:49 p5), starting this month. John J. Fitzgibbons, pres. of Famous Players Canadian Corp. Ltd., and Gen. John Reed Kilpatrick, pres. of the N.Y. Rangers and Hon. Chmn. of Madison Square Garden Inc., announced the closed-circuit sportscast in N.Y. Jan. 28. First game in the series is scheduled for Feb. 28, with a coaxial live feed from N.Y. Later originations will be fed from Detroit & Boston to Toronto. Special permission to closed-circuitcast the games was obtained by Telemeter from Imperial Oil Ltd., which now sponsors the Sat. night Maple Leaf home-games on free television.

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Translator starts: K70BP, K74AX & K78AN in Yreka-Weed, Cal. have been testing since late Dec., repeating KBES-TV Medford, KVIP-TV Redding & KHSL-TV Chico, but engineers are working to improve picture before filing for licenses. K76AV Yakima, Wash. began Nov. 8 with KGW-TV Portland. K74AT Likely, Cal. reported Jan. 25 that it is now carrying KOTI Klamath Falls, Ore. K77AN Columbia Falls, Mont. reported Jan. 27 that it is repeating KXLY-TV Spokane. K70AD Marietta, O. has a Feb. 10 target for its start with WTAP Parkersburg, W.Va. K70BT Santa Rosa, N.M. has a tentative Feb. 10 target to begin with KOB-TV Albuquerque. K70AL & K73AD Palm Springs, Cal. report they are back on the air with KNXT & KRCA, following 2 weeks of darkness in 1959 during annual fund drive. K72BC Leadville, Colo. began January 13 repeating KLZ-TV Denver. K76AS Tucumcari, N.M. began Dec. 21 repeating KVII-TV Amarillo. K70BL Wheeler County, Tex. began tests Dec. 7 with KGNC-TV Amarillo. K74AV Navajo Compressor Station, N.M. began tests Dec. 7 with KOAT-TV Albuquerque. K71AU & K74AY have March 1 & April 1 targets, respectively, for supplementary on-campus programming for U. of Utah's KUED (Ch. 7) Salt Lake City.

New CATV regional group—South-Central CATV Assn., covering Ark., Ala., Mo., Miss. & La.—elects: Fred Stevenson, Fayetteville, Ark., pres.; Jim Davidson, Batesville, Ark., secy.-treas.

Foreign

Dollar Curbs Lifted: British film revenue earned by U.S. producers or distributors can now be taken out of the United Kingdom under a new "Anglo-American film agreement," announced Jan. 29, which lifts the longtime freeze on movie remittances. Hailed by Motion Picture Export Assn. Pres. Eric Johnston as a possible forerunner of "a general freeing of restrictions throughout the world," the move is likely to provide a major benefit for theatrical films —but only partial relief for U.S. telefilm exporters, for the biggest TV problem in Britain, from the U.S. viewpoint, is not the question of dollar remittance but rather the semi-official quota system in effect on both the commercial & government-operated TV channels.

ITV under pressure from British film unions & theatrical exhibitors, maintains a 14%-of-total-programming quota. BBC-TV, according to dir. Gerald C. Beadle (see next column), "does not have a quota, but has a habit of keeping U.S. film shows to about 10% of programming." Thus, telefilm exporters can get their money out—if they can manage a sale. So far, a number of U.S. firms have ducked around this issue by setting up telefilm series as joint U.S.-British co-productions, which qualify them as British "quota shows." (A few: Ziv's *Martin Kane* and *Dial 999*, ITC-ATV's *4 Just Men*, Official Films' *Robin Hood*) British earnings are then usually plowed back into film production, avoiding the remittance restriction, with sales in the U.S. and other areas providing the profit.

On another British telefilm front last week, another form of restriction was lifted. ATV Ltd. Deputy Chmn. Norman Collins announced a new agreement between telefilm producers and British writing & acting talent, providing them with what amounts to residual payments on overseas (*i.e.*, U.S.) sales.

BBC-TV Taping For Export: "We are not film producers; we are electronic TV producers. We are completing an electronic-tape conversion system, to translate British standards to other types, so that we may play a larger role in the program export market." So said BBC-TV Dir. Gerald C. Beadle in N.Y. last week, reviewing the status of Britain's original non-commercial telecasting system.

BBC-TV has made at least one move into the telefilm field (*The Third Man*, starring Michael Rennie, co-produced with NTA), but "this was just a test," said Beadle. With a 13-acre, $45-million live-TV studio plant nearing completion (due for June occupancy), BBC-TV is concentrating its program development primarily in live-tape shows, Beadle stated. Currently, BBC set-free revenue is $87 million annually, and may reach $120 million "in 4 or 5 years."

Beadle admitted that Britain's commercial TV channel frequently out-rates BBC-TV, but added that BBC can more than hold its own "when we go out to entertain." As an example, he cited a 66-34% TV audience split in BBC-TV's favor last Christmas day.

Britain's TV homes (10 million, out of a maximum potential of 15) have virtually completed the process of converting TV sets to receive both ITV and BBC-TV programs. "I've given up counting unconverted sets," said Beadle. "After 4½ years of commercial TV, the only difference that counts these days is coverage." In this, incidentally, BBC-TV considers itself ahead, with 98.5% TV coverage vs. 92% for ITV. Another new horizon for BBC-TV is color TV. "We are putting on some [experimental] color programs, using a compatible system, late at night, mostly for set manufacturers."

FOREIGNERS SAY U.S. TV TOO VIOLENT: American television includes too much violence for the foreign taste, Hollywood film makers were told last week by broadcasters from Great Britain, Canada and Mexico at a meeting of the Academy of TV Arts & Sciences.

Panelists were Norman Collins, deputy chmn. of Associated Television of London; Greeve Del Strother, American rep. of BBC; J. M. Duran y Casahonda, PR dir., Telesistema Mexicano, Mexico City; Alvin Ferleger, sales dir., NBC International; Howard Meighan, pres., Videotape Productions of N.Y.; and Kenneth D. Soble, pres., Niagara Television Ltd., Hamilton, Ontario.

What began as a general discussion of global TV ended with considerable criticism of American programming, sales methods and a neat counterpunch at U.S. complaints about foreign restrictions against American telefilms.

Del Strother said BBC carries about 10% foreign programming, mostly from the U.S. He said Eurovision may soon establish a TV link with countries behind the Iron Curtain, and later with North Africa. Eurovision may even telecast President Eisenhower's visit to Moscow in June, and send tapes to the U.S. so the pictures may be seen in this country on the same day. As to criticism that the United Kingdom won't permit more U.S. telefilms, he declared that "export is not a one-way street" and pointed out how few British TV films are shown here.

We Supply Half of Canada's Fare

Representing the Canadian market, Soble said 50% of his country's programming is from U.S. Canada is planning low-cost taped programs, he said, admitting: "One of our greatest lacks is in the writing field. And we don't have many topflight producers. But we have very good actors & musicians." Of U.S. programs, he commented: "We would like less violence, less Westerns, and less horrors. We would like considerably more dramatic shows."

Mexico's representative, Duran, said: "Many of your programs are not acceptable to Spanish-speaking audiences. Some of your shows—like *Mike Hammer*—are horrible examples of crime & violence, and may contribute to juvenile delinquency. We would like to see less violence & fewer Westerns." The Mexican speaker also hit at U.S. "high-pressure salesmanship" and said American salesmen seek a higher price than the market south of the border can afford. He saw no possibility of a U.S.-Mexico microwave in the near future, because of expense.

Collins, who said his company is planning 2 film series in Canada, one in Australia and one in England, also made the point that he would welcome more receptivity in this country to films made abroad. "We don't have sponsorship; we sell viewership," he said, emphasizing that the advertiser in England has no voice regarding program content. He opined that American sponsorship, too, began to die "when you begin with multiple sponsors."

Probably the gloomiest picture came not from a foreigner but an American—NBC's Ferleger. He said TV will never approach the movie industry in foreign revenue. The movies can count on as much as 50% of their gross from overseas markets, but this will never be true of TV from overseas markets, but this will never be true of TV.

He said Japan's top price for a 30-min. U.S. film is $300, and often the station then sells it to an advertiser for $3,000 or more. "Today we receive less for a half-hour film in Britain than we got 3 years ago, although sets have increased from 6 to 10 million. I do not foresee any sharp rise in foreign revenue, but I do see a steady rise." The best markets for the future are Japan, Italy, Germany, Argentina and Brazil, he predicted.

Stations

New TV-radio technical notes on National Bureau of Standards research are available from the Office of Technical Services, Business & Defense Services Administration, Commerce Dept., Washington 25. The series includes *Service Area of an Airborne TV Station* (No. 35, 46 pp., 75¢), *Resistance Diode Bridge Circuit for Temperature Control* (No. 34, 5 pp., 50¢), *A History of Vertical-Incidence Ionosphere Sounding* (No. 28, 140 pp., $2), *Communication Theory Aspects of TV Bandwidth Conservation* (No. 25, 27 pp., 50¢), *Radio Wave Propagation in the Inhomogenous Atmosphere* (No. 24, 21 pp., $1), *Radio Noise Data for the International Geophysical Year* (No. 18, 239 pp., $2.50), *Design of Single Frequency Filters* (No. 23, 10 pp., 50¢), *Technical Considerations Leading to an Optimum Allocation of Radio Frequencies in the Band 25 to 60 mc* (No. 13, 104 pp., $2.50), *Transmission Loss in Radio Propagation* (No. 12, 156 pp., $3), *Frequency Dependence on VHF Ionospheric Scattering* (No. 9, 46 pp., 75¢), *Low- and Very-Low Frequency Tables of Ground Wave Parameters for the Spherical Earth Theory* (No. 7, 86 pp., $2.25).

NAFI Corp.'s deal to acquire control of KCOP (Ch. 13) Los Angeles through an exchange of stock by Bing Crosby, Kenyon Brown, George L. Coleman, Joseph A. Thomas & Alvin C. Flanagan has won FCC approval over protests by Comr. Bartley. He said that if FCC's integration-of-ownership-control-&-management "principle is to mean anything, it should not be allowed to be aborted through transfer of control" to NAFI, which also owns KPTV Portland, Ore. NAFI meanwhile moved to acquire radio KXYZ Houston from Houston Bcstg. Corp. for $750,000.

Public-interest programming of WPRO-TV Providence in 1959 is itemized in an elaborate, spiral-bound 59-page "summation of Ch. 12's religious, educational, informational and news programming, and attendant service to the community." Gen. mgr. Joseph P. Dougherty, noting that "we believe it is our responsibility to take an active participation in local community activities," points out that since WPRO-TV went on air in March 1955, it has cooperated with more than 615 organizations and telecast more than 56,000 public-service announcements.

"Critical problems" confronting TV & radio will fill the agenda of NAB's annual conference of presidents of state bcstrs. assns. Feb. 24-25 in the Shoreham Hotel, Washington, according to Chmn. Howard H. Bell, joint affairs asst. to NAB Pres. Harold E. Fellows. "Our agenda is being planned to afford discussion of the problems by national leaders and a great deal of time will be devoted to discussion by the broadcasters themselves." FCC Chmn. Doerfer will address the Feb. 25 luncheon.

Giant outdoor display co-sponsored by WNBQ Chicago and the local Pepsi-Cola General Bottlers Inc. has begun operation atop an 11-story building in the city's heavily traveled Loop. The eye-catching sign (116 x 104 feet) plugs the Ch. 5 station & the beverage, flashes news bulletins day & night on its electric motograph via relay from the NBC station's newsroom.

Transfer of control of KFBB-TV & KFBB Great Falls, Mont. from Joseph P. Wilkins & others in Wilkins Bcst. Inc. to KFBB Bcstg. Corp. (headed by Wilkins as pres.) has been approved by FCC. Consideration: $616,000.

Intercity relay, to bring programs of WTCN-TV Minneapolis to KXGO-TV Fargo, N.D., granted to latter.

Unusual, if not unique, are the plans of Marion G. Robertson, son of Sen. Robertson (D-Va.), who plans to revive off-air WTOV-TV (Ch. 27) Portsmouth, Va. and operate it primarily as a religious outlet. He has an option, running until May 3, to buy it from Tim Brite. Though not an ordained minister, he's a graduate of the Biblical Seminary, N.Y. and Yale Law School. He intends to accept some institutional advertising but expects primary support to come from contributions. Plans call for 50% religious programming, 70% of it live & local. The balance will be music, art and programs for teenagers—"to give them something better than violence and rock 'n' roll." The schedule calls for 40 hours weekly. Robertson hopes to carry educational programs later, perhaps 3-4 hours daily. His company is Christian Bcstg. Network Inc., and he hopes the concept will spread to other cities, leading to the formation of a network of religious stations.

"In talking with the people of Allentown (Pa.) recently, these facts clearly emerged: (1) TV has not lost its audience; (2) TV commercials do sell products; (3) there has been a strong feeling of disappointment in quiz shows; (4) there has been very little transfer of disbelief from TV show to TV commercial; (5) now, just as before, there is a rather large 'exaggeration allowance' . . . (6) people depend upon commercials to introduce them to new products; (7) the independent buyer, like the independent voter, is still here; and (8) government regulation of TV, they felt, is not the answer . . . A housewife said she believes more of what she sees on TV now than she did before. 'They wouldn't dare pull anything now,' she said."—Paul Slater of Compton in *Madison Avenue.*

Cleveland's 2 afternoon papers have merged. Publication of *Cleveland Press & News* began Jan. 25, following Scripps-Howard's (*Press*) acquisition of the *News* for an undisclosed amount from Forest City Publishing. The latter company continues with morning *Plain Dealer* there. Scripps-Howard newspapers are affiliated with Scripps-Howard Radio Inc., operator of WEWS Cleveland, WCPO-TV Cincinnati, radio stations WCPO & WNOX Knoxville. In addition, Scripps-Howard Radio is affiliated with WMCT & WMC Memphis through *Memphis Commercial Appeal* and *Press-Scimitar.*

Facility changes: KXII (Ch. 12) Ardmore, Okla. Dec. 16 boosted power to 171 kw after its move to a new site near Madill, Okla., and having received FCC authorization to identify itself with Sherman & Denison, Tex. KTSM-TV (Ch. 9) El Paso reported Jan. 14 that it has boosted power to 85.1 kw, using a new tower on Ranger Peak, Franklin Mts. WTHS-TV (Ch. 2, educational) Miami, Fla. plans a Feb. 15 boost to 100 kw. WLBT (Ch. 3) Jackson, Miss. hopes to begin April 1 from a new site with 1500-ft. tower.

Discontinuation of its microwave-equipment production operations at Van Nuys, Cal., has been announced by Lambda-Pacific Engineering Inc., which on Jan. 1 became a div. of Mechanical Products Inc., maker of circuit breakers for aircraft. The operation will be shifted by March 1 to Mechanical Products' Jackson, Mich. HQ. It will be housed in a new 13,000-sq.-ft. adjunct to the main plant. Lambda-Pacific, it is anticipated, will then be re-named electronic systems div. It produces microwave systems & components and industrial & broadcast test equipment.

RCA shipped a 6-kw transmitter Jan. 25 to WMCT (Ch. 5) Memphis. Also last week it shipped monochrome TV tape recorder units to WHDH-TV Boston, WTMJ-TV Milwaukee & KOB-TV Albuquerque.

Programming

Unusual programming is offered in a letter we've received from Bhupender Singh, of The Studio, Box 408, Mbale, Uganda, E. Africa, who writes: "We shall be most oblidged if you suggest us any society in the States which is in the Marketing field. We have with us here some of the African subjects which have never been filmed before and these should be of great interest to the audiance in the United States. Besides the Public interest we are sure the historic and record film libararies would be interested. In brief please find the type of films we are holding. (a) African Tribal Dances. (b) Ziro civilization. (The world as it existed in the eyes of the civilized people some thousands of years ago). (c) Tribal customs as practiced in (b) above. (d) Women circumcision followed by tribal dances unlike done in other parts of the World. (e) Men circumcision—ditto. (f) Blood drinking and feasts of raw meat eating something which is a dream to the civilised man today. Their food resistance is so strong that no disease catches them."

"Adventures in Paradise's" improving fortunes are again indicated in a confidential report on the 60-min. series (Mon. 9:30-10:30 p.m.) recently prepared for ABC-TV by Henry Brenner's TV-Q, and said to be a strong factor in the network's recent decision to ride with the show through the rest of this season. The "Q" rating of "Paradise"—a measurement of how well people like it, rather than how big an audience it has—has been climbing steadily, and so has the show's level of general familiarity among viewers. In early Oct., the Q-level of "Paradise" was a modest 15. In mid-Oct., it had risen to 22, and to 23 by Nov.; in Dec., it had climbed to 32. Meanwhile, ABC-TV's research dept. has noted with pleasure a steady rise in "Paradise" audience-size ratings, first in Trendex and later in the 24-city and national Nielsens, as TV viewers proved once more that public, not critical, taste is really responsible for the life & death of TV shows.

TV is degrading the image of America, and its portrayal of Americans is a "tape-recorded demonstration of banality," charged Hunter College Pres. Dr. George N. Shuster in an address last week before the 5th annual national mass media awards dinner of the Thomas Alva Edison Foundation. Nevertheless, TV programs & stations received 1959 Edison Awards at the event: *Our American Heritage* ("the TV program best portraying America"), *N.Y. Philharmonic Young People's Concerts* conducted by Leonard Bernstein ("best children's TV program"), *Conquest* ("best science TV program for youth"), NBC's "Meet Mr. Lincoln" & *Gateways to the Mind* (special citations). Educational KQED San Francisco was named "the most outstanding ETV station." KDKA-TV Pittsburgh and radio WBZ Boston "best served youth."

TV Westerns are still scoring. They had more hits per appearance than any other program type, according to a Nielsen analysis of the Top 40 shows in the Dec. ratings:

Rank	Category	Total Night Network Shows	Total in Top 40	Batting Average
1	Westerns	27	16	.593
2	Situation comedy	16	6	.375
3	Variety	10	4	.400
4	Straight comedy	6	2	.333
5	Panel & audi. partic.	10	3	.300
6	Suspense-crime	18	5	.278
7	General drama	10	2	.200
8	Specials	10	1	.100
9	Action adventure	8	0	.000
10	Prizefights	2	1	.500
	Total-average	117	40	.308

Educational Television

ETV policy meeting with FCC, House Interstate & Foreign Commerce Committee, and House Education & Labor Committee representatives has been scheduled for next week (12) by the National ETV & Radio Center. NET Pres. John F. White said: "We are combining our board's quarterly meeting with an informal dinner with key people in Washington who are also concerned with the development of ETV. Among the subjects to be discussed will be activation of ETV stations, a report of the Center's activities and the consideration of its expansion plans, and ETV's place in the broadcasting industry." Other guests at the meeting in Washington's Statler Hilton Hotel will include representatives of national educational organizations, govt. agencies, the nation's ETV stations.

"Real breakthrough" in educational TV is planned by U. of Wis. under $100,000 National Defense Education Act grant for audio-visual teaching research, Sen. Wiley (R-Wis.) reported to the Senate. He lauded the home-state program in which 42 films have been prepared for a graduate-credit TV correspondence course in teacher training. The course will be offered 3 times weekly over WXIX (Ch. 18) Milwaukee starting Feb. 3. Also scheduled for the program are stations in Miami; St. Louis; Rockford, Ill.; Lincoln, Neb.; East Lansing, Mich.; La Crosse, Wis.

Gift of more than $50,000 in TV equipment from Taft Bcstg. Co. to educational WCET Cincinnati has enabled the latter to expand its programming from 3 to 5 nights weekly. Included are 2 complete TV camera chains. The equipment comes from Taft's Cincinnati outlet, WKRC-TV, which recently moved into a new, automation-equipped HQ. "This grant from WKRC-TV marks a big step forward for educational TV in Cincinnati," noted WCET gen. mgr. Uberto T. Neely. The expanded ETV schedule has added 8 hours of programming weekly.

Third annual TV workshop of the U. of Fla. will get underway June 21 and offer participants 3 hours of undergraduate or graduate credit for completion of its "Teaching Through TV" course. The lecture-demonstration program will be conducted by staffers of the university's educational WUFT Gainesville and the journalism & communications school. The 8-week course is intended especially for teachers & others interested in ETV programming. It will also be conducted as a concentrated 3-week session, June 21-July 8.

Fund drive for educational WTTW Chicago will be conducted by 10,000 community volunteers during ETV Week, Mar. 6-11. The annual campaign will be led by Mrs. J. Harris Ward, member of the Chicago ETV Assn. Board of Trustees. The station's 1960-61 budget is $808,000—of which two-thirds will be raised by the station. The balance depends on public support.

Two more ETV stations are slated to join the affiliated network of the National ETV & Radio Center this week: newcomer WGTE-TV (Ch. 30) Toledo, now completing on-air tests, and WFPK-TV (Ch. 15) Louisville, which debuted Sept., 1958. NET said the new additions increase network affilications to 45 stations.

First TV station ever to win one of the Cal. Teachers Assn.'s John Swett awards for "significant contributions to advancing the cause of public education," is KERO-TV Bakersfield, Cal. The station was cited for "an outstanding [local] program series interpreting school programs & education issues."

Television Digest

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Personals: Irving Paley named dir. of adv. & promotion, ABC Films . . . Jerry Madden, ex-production services mgr., NBC Pacific div. appointed NBC Telesales dir., succeeding James Hergen, recently named daytime sales dir. (Vol. 16:4 p14) . . . Robert M. Lambe Jr., sales vp of WTAR-TV & WTAR Norfolk, promoted to pres. & gen. mgr., succeeding Campbell Arnoux, who becomes chmn. . . . James E. Goldsmith appointed vp & dir. of sales, KPLR-TV St. Louis; he's succeeded as sales mgr. by Charles E. Burge, ex-radio KMOX St. Louis . . . John W. Wilson named head of NT&T's merchandise dept., succeeding A. J. Krappman, retired . . . James Galvin named adv. & promotion mgr., WXYZ-TV Detroit, succeeding Bud Kirvan, who has not yet announced his plans . . . Charles S. Cady, ex-asst. mgr. & national sales mgr., WCSC-TV Charleston, S.C., named mgr. of Triangle Stations West Coast sales office, Los Angeles.

Bernard F. Gurewich, ex-WTVN-TV Columbus, appointed chief engineer, WKYT Lexington, Ky. . . . Richard L. (Dick) Chalmers, ex-sales development dir., WNHC-TV New Haven, Conn., named gen. mgr. of radio WNHC, succeeding Alan Henry, resigned . . . George E. Moynihan promoted to asst. program mgr. of Westinghouse's WBZ-TV Boston; he's succeeded as dir. of public affairs by Ronald Little, former production supervisor . . . Robert W. Bray, acting gen. mgr., named gen. mgr., WNBC New Britain-Hartford; Harvey H. Olson appointed dir. of news & special events . . . George Bunn advances to partnership in Washington law firm of Arnold, Fortas & Porter.

Kirk Torney, ex-MCA-TV, named managing dir., CBS Ltd. (England), headquartering in London . . . T. E. (Dick) Paisley, ex-NBC Spot Sales, named station mgr., WRCV-TV Philadelphia . . . Stan Anderson appointed operations dir., KHVH-TV Honolulu . . . Leslie H. Peard Jr., recently appointed gen. mgr. of radio KFRE Fresno, Cal. (Vol. 16:4 p14), also named gen. mgr., KFRE-TV, succeeding Edward J. Frech.

Edward G. O'Berst, ex-CBS Spot Sales, named TV research operations head, Blair-TV . . . William G. Harley, program dir. of radio WHA, Madison, Wis., named chmn., NAEB; James Miles, dir. of radio WBAA, Lafayette, Ind., elected radio board chmn.; Loren Stone, mgr., KCTS Seattle, Wash., named TV board chmn.

James V. McNamara has been named gen. sales mgr., Atlantic TV Inc. . . . Herbert S. Schlosser has been appointed vp & gen. mgr., & H. W. Keever vp for sales, Cal. National Productions (NBC).

Newhouse Founds Communications School: What Syracuse University terms "the world's largest" educational center for TV, journalism & other mass communications media will be established there with an "initial gift" of $2 million from Samuel I. Newhouse, owner of 6 TV and 3 radio stations (WSYR-TV & WSYR Syracuse, with satellite WSYE-TV Elmira, N.Y.; WTPA Harrisburg, Pa.; WAPI-TV & WAPI Birmingham, Ala.; 50% of KOIN-TV & KOIN Portland, Ore.; and 22.7% of KTVI St. Louis), 14 newspapers and Condé Nast Publications. Additional funds necessary to complete the center will be provided when needed, Newhouse said last week. The center will be the first project of a philanthropic foundation established in 1935 by Newhouse & his wife. The foundation's future is underwritten in his will. "Upon my death," he explained, "the foundation will receive 90% of my estate—well in excess of $100,000,000."

The first building will comprise the school of journalism but other structures will be added subsequently for ETV and "the whole complex of communications programs in TV-radio, audio-visual education, speech and communications research."

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Networks continue to oppose "separate-but-equal" news conferences by public figures (one for pencil journalists, one for TV), but don't feel it will be "a major problem" in the forthcoming national elections, we have been told. CBS News vp John F. Day takes the strongest stand on the problem, brought into focus by the separate news conferences this season of N.Y. Gov. Nelson Rockefeller & Cal. Gov. Edmund G. Brown, and has "no plans to cover such conferences even with a pencil." NBC-TV takes a compromise view (with which ABC-TV largely agrees), with NBC news vp William McAndrew telling us: "We'll ask permission to film a news conference. If it's denied, we'll protest on the spot, leave our cameras in the room, cover by pencil, and later label our on-the-air report as having been done under these circumstances."

Three-network protest over curtailment of news broadcasts from Algeria during the current crisis was made Jan. 28 by the network news chiefs to French ambassador Herve Alphand in Washington. "We protest vigorously the discrimination against broadcast news reporting in Algiers," stated a joint telegram. "We understand fully the difficulties of the situation, but we believe your government must take whatever steps are necessary to bring about an unencumbered flow of information between Algiers & Paris, and Algiers & the rest of the world." The wire was signed by CBS News vp John F. Day, ABC News vp John Daly, NBC News vp William McAndrew.

Literary magazine selecting a TV comic as its cover boy sounds like the wildest of improbabilities—particularly at this stage of the industry's history, when it is so much on the receiving end of charges of low-browism. But the phenomenon is currently on display—on the Jan. 30 issue of *Saturday Review*, which features Steve Allen, along with a blurb about the star's serious side. The supporting article tells of Allen's plan to start presenting great minds of history on his NBC show this week (Feb. 1). "Mr. Allen," capsules the piece, "is a thinking man's comic." But by the time the magazine reached the newsstands, NBC had instructed Allen to remove the serious sequence from his variety show as "inappropriate." Late last week the network was considering Allen's idea as a public-affairs special.

Trade Report . . . .

FEBRUARY 1, 1960

'MARKETING SUBSIDIARY' CONCEPT SPREADS: Last month saw the incorporation of wholly-owned sales & marketing subsidiaries by Zenith, Admiral & Motorola. In 1959, sales corporations were formed by RCA, Sylvania & Du Mont-Emerson. What's behind this rapidly spreading trend in the consumer electronics industry?

We asked officials of most of the companies involved, as well as marketing experts, and the combined gist of their opinions—although some perferred to remain anonymous—indicates that benefits go far beyond tax advantages, and reflect the new prime importance of marketing & sales even in an industry founded on science & technology.

Thus, as 1960 dawns, the TV-radio-phono sales executive is in the driver's seat—at least in a co-equal policy-making position with the manufacturing & engineering topkicks, who were at the helm during much of the last decade. Increased emphasis on marketing & sales programs along with greater authority & responsibility in the sales dept. already show signs of avoiding some of the expensive mistakes of the 1950s which inevitably resulted in dumps and wild price competition—not to mention the demise of such TV names as Du Mont, Capehart, Stromberg-Carlson, Bendix, Raytheon, Crosley and Hallicrafters.

Though there are many ways of upgrading sales & marketing operations within a company, the ultimate seems to be the wholly-owned sales corporation. Among the recently incorporated firms: Zenith Sales Corp., Admiral Sales Corp., Motorola Consumer Products Inc. (one of 4 new Motorola marketing subsidiaries), RCA Sales Corp., Sylvania Home Electronics Corp., Du Mont-Emerson Corp.

The organizational structures differ, but each sales corporation has the same function—liaison between distribution & factory. It purchases from the parent manufacturing corporation & sells to distributors.

The one immediately obvious advantage in such a split-corporate setup is not necessarily the most important one, in the consideration of most marketing executives. This is the tax benefit. The 10% federal excise tax on TVs, radios & phonos is based on the manufacturer's price, or "first sale price." Therefore, under the 2-corporation system, the set is taxed on the basis of the parent company's lower sale price to the sales subsidiary, rather than on the price to the distributor.

Those companies with sales subsidiaries, however, see far greater gains in the dual corporation system. In most cases, the sales company carries basic marketing authority, and is fully responsible for product styling, merchandising, distribution, advertising and inventories. As a purely marketing organization, it is therefore better equpped to satisfy needs of distributors, dealers & consumers, they argue.

The sales subsidiary generally works closely with distributors & dealers, and is in position to interpret trends and rapidly incorporate them into the finished product. Says Sylvania Home Electronics Pres. Robert L. Shaw: "As a marketing group, we are closer to the consumer where these trends originate, and can communicate them quickly to our product-styling section, which in turn is in close liaison with the engineering & manufacturing functions [of the parent company]. The net result is that we bring the distributor and the retailer closer to the assembly line."

Under systems where sales is an arm of manufacturing, product planning often has been based on technological developments rather than consumer requirements & desires—or, conversely, on over-long runs of designs which have outlived their usefulness from sales standpoint.

Since a sales corporation must show a profit on its own, far more responsibility is now placed on shoulders of the sales executive—a responsibility which formerly rested on general management of the manufacturing company. Marketing function has been upgraded from a 2nd-echelon position to a very top policy-making management job. With this definite line of responsibility established, key question has become "what can we sell?"—no longer "what can we make?"

By-product benefit of the sales corporation: Marketing experts are relieved from time-consuming non-marketing projects, and, at same time, manufacturing executives are removed from all sales responsibility.

Different companies have different specific & immediate reasons for divorcing manufacturing & marketing operations. For example, Zenith Sales Corp. Pres. Leonard Truesdell says the rapid growth of his company has made the move necessary. "With this growth, we need all the concentration on marketing we can get. We found there was too much overlap in responsibility; our sales people were required to devote their time to too many non-sales functions." He said Zenith Sales is on the verge of an expansion. "During the time we raised our position from 6th or 7th to first in the industry, we added only 3 people in sales. There are many things we can do more thoroughly. We have more spots to fill in an organization devoted only to sales."

Admiral is stressing far closer liaison with distributors & dealers in its new sales subsidiary. One of first acts of Admiral Sales Corp. Pres. Carl E. Lantz will be to double the company's staff of field merchandising specialists, and Admiral Corp. Pres. Ross D. Siragusa has given the new subsidiary this assignment: Increase sales 50% within 2 years.

Sylvania credits its introduction of a full line of 23-in. TV sets last June—immediately after the new tubes became available—to the flexibility of the marketing-subsidiary structure. On the other hand, says Sylvania's Shaw, last year's industry-wide stereo snafu was a perfect example of poor market estimation and forecasting, of engineering & manufacturing enthusiasm usurping a function which should have been based on close contact with the market. "The consumer wasn't confused," he told us. "The industry was."

TV-RADIO PRODUCTION: EIA statistics for week ended Jan. 22 (3rd week of 1960):

	Jan. 15-22	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	141,303	137,410	112,762	383,791	327,774
Total radio	354,098	309,162	293,721	969,336	843,555
auto radio	143,371	138,311	108,359	456,783	315,039

Magnavox's '5-Year Plan': Magnavox, which last week announced the purchase of control of the Collaro Co. and a franchise agreement for sales of its consumer products in Britain, Africa & Canada (Vol. 16:4 p19), plans to extend its marketing to Latin America and all NATO countries under a 5-year "growth plan."

Pres. Frank Freimann expects to do about $25 million in overseas business annually within 5 years through the new Magnavox Electronics Ltd., which will be the parent company of Collaro. A leading British manufacturer of record changers & tape recorders, Collaro had sales of around $7 million last year. These additional details of Magnavox's foreign program became available last week:

Magnavox TVs, phonos & combinations for sale in Britain, Canada & Africa will be made by the new British subsidiary in the 250,000-sq.-ft. Collaro plant which employs about 2,000. A limited line will be manufactured at first. Canadian dealers will be supplied by the British firm rather than by the parent American company because shipments from Britain to Canada are duty-free.

In its overseas merchandising, Magnavox will follow the pattern that it has established in the U.S.—selling directly to franchised dealers. Its agreement with the huge Great Universal Stores chain does not preclude the franchising of other retailers in Britain and other overseas countries as Magnavox dealers.

Imports of Collaro record-changers & tape recorders will continue—Magnavox says it has no plans to manufacture them in this country. Magnavox will soon introduce 2 new products in the U.S., both made in Britain by Collaro—a tape recorder and a tape-recorder deck for hi-fi installations.

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Du Mont Labs is being investigated by Republic Aviation Corp. for possible acquisition, it was conceded by a source close to Du Mont—but "any negotiations are mainly in the newspapers." He said that a decision on acquisition is "still a long way off."

More Brand-Name Imports: Trav-Ler Radio Corp. announced it is joining the ranks of U.S. radio manufacturers who are importing complete sets & parts from Japan. The company will have a full line of transistor portables using Japanese parts as well as one made-in-Japan set at $29.95. Others will range from $19.95 to $49.95.

So said Pres. Joe Friedman, just returned from Japan, as Trav-Ler showed 8 new TV sets—including four 23-in. models—and 2 stereo phonos, plus a miniature transistor radio-phono, the latter also made in Japan.

"We originally tried to compete by making transistor radios with all American parts, but found we couldn't compete price-wise," said Friedman. "By buying from Japanese suppliers just those parts requiring a great deal of labor, we think that we can come very close to competing in price with Japanese-made radios." He said the transistor radio line (except for the model imported from Japan) will use U.S.-made transistors.

TV models introduced by Trav-Ler include 23-in. sets at $229.95 to $309.95, 21-in. sets at $189.95 & $234.95, and 17-in. portables at $179.95 & $199.95.

Note: Another U.S. manufacturer now importing Japanese radios is Pentron Electronics, Chicago, which announced a miniature transistor clock radio at $49.95.

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Japanese TVs coming: "If radios are taken as an example, Japan overwhelmed the U.S. completely with her highly efficient small-sized and inexpensive sets, even though she was beaten in respect to the production process. With this success in mind, Japanese technicians are preparing to take positive steps in order to gain another success in [transistorized] TV sets . . ."—Sumie Gotoda, director of TV programming, education dept., Japan Bcstg. Corp. (NHK), writing in *Radio & TV* magazine (Tokyo).

"All-American" line of transistor radios was unveiled by Philco last week. Entirely U.S.-made, the line is composed of 5-transistor models at $24.95 & $29.95, one 6-transistor set at $29.95, 3 with 7 transistors, one with 8.

IRE—Stereo, Micro & Space: Big as space & small as a molecule—this describes 2 of the most exciting session & seminar topics scheduled for the IRE International Convention March 21-24 at New York Coliseum & Waldorf-Astoria. The meeting is expected to attract more than 60,000 engineers & scientists from 40 countries.

The world's largest technical meeting & convention will share the spotlight with the Radio Engineering Show, where some 850 exhibitors will display $15 million worth of electronic equipment. Space electronics again is strongly in the spotlight, with 4 sessions devoted to its various aspects. Increasing interest in micro-circuits & molecular electronics is also reflected in the technical papers. In the consumer electronics field, the spotlight has shifted from vision to sound, with one session scheduled on stereo & another on audio—plus a session on stereo radio systems. A March 23 seminar will consist of a panel presentation of the inside story of the Geneva conferences of the International Telecommunications Union by participants.

Among space papers of interest to TV-radio engineers are Communication Relaying, by MIT's Jerome B. Weisner; and TV Satellite Reconnaissance Systems, by Bendix's R. L. Zastrow & D. J. Ritchie; in addition to the Satellite Communications session listed below.

These are some scheduled sessions and papers which should be of particular interest to broadcast & consumer-electronics engineers:

BROADCASTING (2 sessions)—Raymond Rogers, KDKA Pittsburgh, & Dr. William Hugbes, Iowa State College, chairmen.
Report on Geneva Radio Conference—W. H. Watkins, FCC.
Possibilities for Film Room Mechanization—J. H. Greenwood, WTAE-TV & radio WCAE Pittsburgb.
Directional TV Broadcast Antennas—G. H. Brown, RCA.
Service Area of an Airborne TV Network—M. T. Decker, NBS.
Engineering Aspects of Video-Tape Recording Production—E. E. Benham, KTTV Los Angeles.
Modern TV Transmitter Plant Input System—J. L. Stern, CBS-TV.
Special-Effects Amplifier for Non-Composite or Composite Monochrome or Color-TV Signals—R. C. Kennedy, NBC.
Remote Control of TV Microwave Equipment—J. B. Bullock, RCA.

BROADCAST & TV RECEIVERS—W. L. Dunn, Admiral, chairman.
Reduction of Modulation Defocusing in TV Picture Tubes—Joseph Hoehn, Du Mont Labs.
Recent Developments in Scan Magnification—N. Parker, I. Csorba & N. Frihart, Motorola.
Noise Figure Performance of VHF Transistors & Tubes—J. F. Bell & L. E. Matthews, Zenitb.
New High-Performance AM-FM Transistorized Portable Radio—B. J. Miller & E. A. Snelling, Zenitb.
Filter-Pbaser AM Stereo Receiver—A. A. Goldberg & Arthur Kaiser, CBS Labs.
New Concept in Transistor Converters—L. Plus, R. A. Santilli, RCA.

AUDIO AND BROADCAST & TV RECEIVERS—Daniel W. Martin, Baldwin Piano, chairman.
Tbe Present Status of Stereo Broadcasting—C. G. Lloyd, GE.
Receiver Design Considerations for Stereo FM Multiplex Broadcasting—C. G. Eilers, Zenith.
Continuously Variable Wireless Remote Control for Stereo Phonos—A. A. Goldberg & Arthur Kaiser, CBS Labs.
Automatic Stereo Pbaser—B. B. Bauer, A. A. Goldberg & G. Pollack, CBS Labs.

STEREOPHONIC SOUND REPRODUCTION—Benjamin B. Bauer, CBS Labs, chairman.
Stereo Sound Reproduction—H. F. Olson, RCA Labs.
Psychoacoustics of Stereo Reproduction—R. L. Hanson, Bell Labs.
Compatible Magnetic Tape Cartridge—Marvin Camras, Armour Research Foundation.
A 1⅞-ips Magnetic Stereo Recording System—P. C. Goldmark, C. D. Mee & W. P. Guckenburg, CBS Labs.
Automated Magnetic Tape Cartridges—J. D. Goodell, CBS Labs.

AUDIO—Harry A. Pearson, Sonotone, cbairman.
Plotter of IM Distortion—E. F. Feldman, Panoramic Radio.
Listener Ratings of Stereo Systems—H. B. Moore, GE.
Automatic Compensation of an Audio System Spectrum Operating with a Random Noise Input—C. E. Maki, MB Electronics.
Analysis of Factors Affecting Recording Reliability & Digital Tape Recorders—Ken Taylor, Ampex.

SATELLITE COMMUNICATIONS—Charles H. Doersam Jr., Sperry Gyroscope, chairman.
Radio Relaying by Reflection from Sun—D. J. Blattner, RCA Labs.
Active vs. Passive Satellites for a Multi-Station Communication Network—L. Pollack & D. Campbell, ITT Labs.
Satellite Communication Problems & Solutions in Ground-Station Design—W. L. Glomb, ITT Labs, & W. Teetsel, Army Signal R&D Lab.
Operational Missile Voice-Frequency Communications System—W. S. Cayot, Nortronics.
Digital Handling System for Real-Time Computation on the Atlantic Missile Range—M. P. Falls, RCA Service Co., & T. A. Cbristie Jr., Stanford U.

More about

FCC ON STEREO: Text of the FCC's letter to EIA, rejecting its proposal to reorganize National Stereophonic Radio Committee along the lines of TASO (see p. 2):

"This is with reference to your letter of Oct. 15, 1959, requesting that the Federal Communications Commission take necessary action to establish the National Stereophonic Radio Committee (NSRC) on an organizational basis similar to the Television Allocations Study Organization (TASO).

"As you are aware, the Commission has recently extended the date for filing comments in response to its notice of inquiry in Docket No. 12517 concerning stereophonic FM broadcasting from Dec. 11, 1959, to March 15, 1960. This extension was based principally on the representations in the petition filed by the Electronic Industries Assn. (EIA) indicating that the National Stereophonic Radio Committee will work diligently to complete its tests and consideration of stereophonic FM broadcast systems by March 15, 1960.

"The Commission is desirous of proceeding expeditiously with its consideration of FM stereo in light of the interest which has developed in it and its relatively long pendency before the Commission. Accordingly, the Commission desires that suitable standards for FM stereophonic broadcasting be finally adopted prior to consideration of stereophonic broadcasting in the standard broadcast or the television broadcast services. Therefore, the Commission contemplates that it will be in a position shortly after March 15, 1960 to consider the issuance of a notice of proposed rule making in the matter giving consideration to comments filed in Docket No. 12517, the date to which the FCC has extended the time in which to file comments.

"In light of the foregoing, the Commission has established a high priority for the FM stereo study, and in view of this factor believes that further consideration of your request should be deferred until completion of the above proceeding. Accordingly, it cannot accede to your request that it take the necessary action to establish the NSRC on an organizational basis similar to TASO at this time.

"The Commission recognizes the importance of the work being performed by NSRC in this field and you can count on the Commission's cooperation whenever possible."

Home sound-movie equipment will go on the market this spring at less than $480 for a complete camera-projector outfit. Fairchild Camera & Instrument Corp. will market a new 8-mm camera & projector which use a special magnetic-stripe film to be made by Ansco. A rechargeable nickel-cadmium battery supplies power for a transistor amplifier in the camera. The camera, with microphone, lists at $239.50, the sound projector at $240.50. Fairchild, a manufacturer of precision military & aerial cameras, will make its debut to consumers with the new "talkie" system.

Entering the growing "built-in-music" market, Nu-Tone Inc., Cincinnati manufacturer of doorbells & kitchen exhaust fans, will offer a combination stereo & intercom system. Built into the walls of the house, speakers relay piped-in stereo phono, tape or radio music. Intercom for paging members of the family automatically silences the music. The complete set-up includes AM-FM stereo radio, stereo phono, cartridge stereo tape player, built into the wall. Remote control panels are available. The systems are priced from $400 to $1,000.

Trade Personals: John J. Amata named national supervisor of TV, radio & musical instruments by Sears, Roebuck & Co., succeeding Arthur T. Chameroy, now on a special electronics assignment involving foreign markets . . . William S. Baltz promoted from associate counsel to Admiral vp & gen. counsel, Admiral, succeeding Frank H. Uriell, senior partner of Pope, Ballard, Uriell, Kennedy, Shepard & Fowle, gen. attorneys for the corporation . . . C. M. Lewis named mgr. of RCA's new industrial computer systems dept.; R. W. Sonnenfeldt appointed engineering mgr., C. E. Ash named operations control mgr. . . . Frank F. Neuner promoted from head of product planning & associated services to product distribution & control mgr., RCA semiconductor & materials div. mktg. dept.; Erwin B. May promoted from promotion mgr. to ad & sales promotion mgr.; Irving H. Von Zelowitz promoted from sales coordination mgr. to semiconductor planning mgr.

Robert E. Dailey, asst. to the vp & gen. mgr., Stromberg-Carlson telecommunication div., named asst. to the dir. of communications industries div., Business & Defense Services Administration, U.S. Dept. of Commerce, on 6-month duty without govt. compensation . . . Hugh Bowler promoted from purchasing office mgr. to administrative asst. to vp for purchasing, Motorola communications div.

Col Robert F. Sladek named asst. dir. of engineering for administration, Page Communications Engineers . . . Robert A. Donner, ex-American Audion Corp., named sales mgr., Telectrosonic Corp. . . . Harris Anderman, ex-Commercial Radio Sound Corp., appointed head of Bogen-Presto school & industrial sound sales dept.

Robert L. Wilson, ex-Sylvania, named mgr. of production control, Stromberg-Carlson commercial products div. (hi fi, auto radio, sound products, etc.) . . . John D. Walter, ex-GE TV receiver dept., named materials mgr., RCA Victor home instruments . . . Frank H. Bower, ex-Motorola semiconductor products div., joins Sylvania semiconductor div. as engineering administrator . . . E. E. Ferrey, ex-Lenkurt Electric Co., named PR dir., Hoffman Electronics.

Lt. Gen. Roy H. Lynn (USAF ret.) appointed pres. of ITT Communication Systems Inc.; George L. Curtis named mgr. of commercial projects, B. R. Stack mgr. of military projects, ITT Labs, Palo Alto, Cal. . . . James E. Dingman, AT&T vp-chief engineer, and Sanford B. Cousins, AT&T personnel relations vp, elected to Bell Labs board . . .

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Cleveland area set survey by Storer Bcstg. Co.'s WJW-TV indicated that 40% of TV receivers in homes are 6 years old & over, 15% of them at least 10 years old. Highest percentage, however—17%—fell into the "one year old or less" category; 13% were 2 years old; 11% were 3 years old. The sampling, conducted by Storer engineers last Dec. in some 200 area homes, also showed: (1) Very few viewers bothered with the fine tuning control or with re-orienting indoor antennas when they changed channels, even though this would give them substantially better pictures on some channels. (2) Almost without exception, the set owner felt he was receiving reasonably good TV reception, even though by engineering standards the quality may have left something to be desired. (3) Virtually all TV homes had sets in the living room. (4) Reception of all 3 Cleveland stations was uniformly good in the greater Cleveland area.

Two vidicon TV camera chains have been shipped by General Precision's GPL div. to University of N.C. for use in teaching TV production techniques and for experiments in teaching with TV. The equipment will be used by the university's TV-radio-motion pictures dept.

Finance

Guterma Found Guilty: Ex-MBS head Alexander L. Guterma was convicted Jan. 27 in N.Y. Federal Court of conspiring to defraud the govt. by impeding the efforts of SEC to protect investors. The trial had lasted 7½ weeks. Guterma also was found guilty by the 11-man, one-woman jury of "willful delay, obstruction & failure to file financial reports of the F. L. Jacobs Co." He faces a maximum 35 years imprisonment & $160,000 in fines. Federal Judge Lloyd F. MacMahon will pronounce sentence on Guterma and co-defendants Robert J. Eveleigh and Conficor and Chatham Corps. (both personal holding companies of Guterma) on Feb. 17. Guterma & Eveleigh were placed in the federal house of detention to await sentence.

Before discharging the jury, which had deliberated for 2 hours, Judge MacMahon told them: "If I were on the jury I would have voted as you did. I think the evidence was overwhelming." Guterma & the others were convicted on 17 counts which remained after Judge MacMahon dismissed 4 last week on motion of defense (Vol. 16:4 p14). F. L. Jacobs Co. had previously pleaded guilty and will also be sentenced next month.

As an outgrowth of his MBS management, Guterma is now faced with a criminal trial in Washington on a Justice Dept. indictment for failing to registed as a foreign agent of the Dominican Republic. He also faces a $750,000 recovery suit instituted by the DR. Last fall, MBS was absolved of any complicity in the Dominican case (Vol. 15:45 p6) and is "not involved in any way in Guterma's predicaments," a network spokesman told us.

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"I'll Call You" musical-comedy promoters have been denied an exemption from SEC stock-registration regulations on grounds that they made "false & misleading" statements in literature seeking backers for off-Broadway production of the show. Promoters Lyn Swann & Sterling Noel notified SEC in Feb. 1958 that they proposed "limited partnership interests" in "I'll Call You" aggregating $110,000. They asked for a Regulation "A" Securities Act exemption covering public offerings of not more than $300,000. SEC said that promotion circulars falsely claimed SEC approval of the offering, misrepresented investment terms, failed to "disclose that Noel was no longer associated with the offering & the proposed production."

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Skiatron Electronics stock trading, stopped by SEC pending the outcome of administrative hearings on "accuracy & adequacy" of the pay-TV company's registration statement (Vol. 16:4 p20), has been suspended for a further period, ending this week (Feb. 5). SEC's hearings in the case will be resumed in Washington at 2 p.m. Feb. 10.

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Sonar Radio, Brooklyn maker of marine electronic equipment, proposes public sale of 180,000 common stock shares at $3 per share in an SEC registration statement (File 2-16040). George O'Neill & Co. Inc. heads the underwriting group. Most of the proceeds would be used for working capital to expand production facilities.

Reports & comments available: Texas Instruments, report, Baker, Weeks & Co., 1 Wall St., N.Y. 5 . . . Dynamics Corp. of America, report, Security Adjustment Corp., 16 Court St., Brooklyn 1 . . . Electronics Capital Corp., report, Hayden, Stone & Co., 25 Broad St., N.Y. 4.

Daystrom earnings jumped 56% on a 17% sales gain in the 9 months ended Dec. 31, reports Pres. Thomas Roy Jones. The Murray Hill, N.J. electrical-electronics manufacturer also had 3rd-quarter gains of 13% in earnings and 20% in sales, compared with the year-ago period. Finance vp Bradford T. Blauvelt said "indications are we will have a greater improvement proportionally in the 4th quarter" than earlier in the year. "At the rate our sales are going, they should be approximately $90 million for the year, the biggest we've ever had." (Daystrom's sales record: $81,714,000, scored in fiscal 1958.)

For 9 months ended Dec. 31:	1959	1958
Sales	$65,524,000	$55,909,000
Net income	1,405,000	901,000
Per common share	1.54	99¢
For quarter ended Dec. 31:		
Sales	$24,174,000	$20,109,000
Net income	603,000	532,000
Per common share	66¢	58¢

Beckman Instruments scored healthy gains in sales & earnings in the 6 months ended Dec. 31. The 1958 earnings of $1,014,489 include a non-recurring profit of $172,360 (13¢ a share) from the sale of a plant.

For 6 months to Dec. 31:	1959	1958
Net sales	$25,442,965	$21,206,743
Net income	1,262,172	1,014,489
Per common share	93¢	75¢
Common shares	1,363,094	1,354,343
For quarter to Dec. 31:		
Net sales	$12,804,650	$10,994,299
Net income	639,656	395,006
Per common share	47¢	30¢

Avco Corp. netted a slight profit increase on an 8% sales gain in its 1959 fiscal year. The corporation pointed out that its fiscal-1958 earnings were benefited to the extent of 33¢ a share by reduced income taxes resulting from a loss carry-forward and by a special credit to surplus of $2,040,518 (22¢). For the fiscal year ended Nov. 30:

	1959	1958
Net sales	$306,048,377	$282,929,651
Net income	9,588,416	9,556,090
Per common share	95¢	1.02
Average common shares	10,056,186	9,112,035

Hudson Radio & Television, parts & hi-fi distributor and mail-order house, sharply increased sales & earnings in the 6 months to Nov. 30:

	1959	1958
Net sales	$2,193,633	$1,889,381
Net income (loss in '58)	32,910	(14,842)
Per common share	7¢	—
Common shares	499,970	374,970

Varian Associates gained markedly in sales & earnings in the quarter ended Jan. 2:

	1960	1959
Sales	$10,677,551	$8,197,798
Net income	755,710	524,470
Per common share	24¢	17¢
Common shares	3,130,482	3,111,132

Electronics Capital Corp., the San Diego small-business investment company, will buy $1.25 million of 6-year debentures convertible into 60% of the stock of Electronic Energy Conversion Corp., N.Y. firm founded to develop electronic power-conversion equipment. Electronic Energy was founded by Dr. Victor Wouk, former research & engineering vp of Raytheon's Sorenson & Co. subsidiary.

Taft Bcstg. Co. (WKRC-TV & WKRC Cincinnati, WBRC-TV & WBRC Birmingham, WTVN-TV & WTVN Columbus, WBIR-TV & WBIR Knoxville, WKYT Lexington) reports sizeable increases in sales & profits for 9 months ended Dec. 31 as compared with the same 1958 period. The Dec. 31 quarter showed a less marked boost. The figures for 1959 include 28 days of operation of WBIR-TV & WBIR—Taft having purchased complete control of the stations in Dec. (Vol. 15:41 p9)—which added 0.7¢ to the net income per share.

For 9 months ended Dec. 31 (figures on operating profit are before depreciation & amortization):	1959	1958
Net revenue	$7,592,647	$6,611,639
Operating profit	3,198,036	2,579,889
Net income	1,160,781	861,573
Per common share	80¢	59¢
For 3 months to Dec. 31:		
Net revenue	$2,866,943	$2,552,647
Operating profit	1,357,701	1,120,251
Net income	517,401	413,865
Per common share	36¢	28¢

Raytheon netted sharp increases in 1959 sales & earnings, the concern's preliminary report shows. Included in the net income is a special $3-million credit (88¢ a share), representing a reduction in reserve for estimated tax liability and for renegotiation of govt. business in prior years. Raytheon's funded backlog of govt. business was about $300 million at year's end, up from $80 million a year ago.

For the year ended Dec. 31:	1959	1958
Net sales	$494,278,000	$375,156,000
Net income	13,481,000	9,403,000
Per common share	3.89	3.08
Common shares	3,423,567	3,050,459

* * *

Raytheon's 1959 sales "should place us in the top 100" U.S. industrial companies, Pres. Charles F. Adams told the Washington Society of Investment Analysts. Recounting his company's growth in military, commercial and industrial electronics since World War II, he said: "We have well-developed plans for further expansion both internally and by acquisition [and] we fully expect to emerge as one of the true blue chips of the industry." Coincident with Adams' speech, Raytheon announced a $6.5-million Air Force contract for construction of "the world's largest modulator" and development of "super-power microwave tubes to operate at power levels several times any now in existence."

Ampex 3-for-1 stock split was approved by stockholders last week. Feb. 1 has been set as the record date.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
AMP Inc.	Q	$0.20	Mar. 1	Feb. 5
Capitol Records	Q	.50	Mar. 31	Mar. 15
Desilu Productions	—	.15	Feb. 26	Feb. 12
Dresser Industries	Q	.40	Mar. 15	Mar. 1
Intl. Resistance	Q	.05	Mar. 1	Feb. 15
Mallory (P.R.) & Co.	Q	.35	Mar. 10	Feb. 15
Magnavox	Q	.25	Mar. 15	Feb. 25
Paramount Pictures	Q	.50	Mar. 11	Feb. 25
Raytheon	Stk.	5%	Mar. 18	Feb. 24
Siegler	Q	.10	Mar. 1	Feb. 15
Stewart-Warner (new)	Q	.30	Mar. 5	Feb. 11
Taft Bcstg. Co.	Q	.10	Mar. 15	Feb. 15
Tung-Sol	Q	.35	Mar. 2	Feb. 11
20th Century-Fox	—	.40	Mar. 31	Mar. 15
Westinghouse (new)	—	.30	Mar. 1	Feb. 10
Wurlitzer Co.	—	.20	Mar. 1	Feb. 11
Zenith	—	.40	Mar. 31	Mar. 11

TV-RADIO PROFITS UP: Reflecting the rising tide of business, 6 companies active in TV-radio-phono production announced increased sales & profits in financial reports released last week.

Philco led the gainers. Its preliminary report for 1959 reveals roughly a 2½-fold profit increase on a 13% sales gain over 1958, and its earnings last year were the best since 1955.

Emerson also scored major gains, noting in its annual statement for the fiscal year ended last Oct. 30 an 89% increase in net profits and a 15% rise in sales from the fiscal-1958 figure.

Sylvania's parent GT&E topped the billion-dollar-revenue mark in 1959—for the first time in its history.

Upbeat reports also were made by Westinghouse (year ended Dec. 31), Siegler Corp. (6 months to Dec. 31) and Packard Bell (3 months to Dec. 31).

Philco's sharply improved 1959 performance resulted from sales increases in all divisions, Pres. James M. Skinner Jr. reported. Major gains were racked up by transistors, defense electronics, space technology and appliances. In netting its highest income since 1955, Philco was aided by a strong 1959 finish—the 4th-quarter net topping the income of each of 1959's first 3 periods. Skinner noted that "earnings increased in both consumer products & electronic activities, notwithstanding absorption of unusually heavy engineering & development costs incidental to beginning of regular production of the S-2000 large-scale scientific & data-processing computer, delivery of which is scheduled for early this year." For year ended Dec. 31:

	1959	1958
Sales	$397,849,000	$351,093,000
Net income	7,162,000	2,874,000
Per common share	1.67	61¢
For quarter ended Dec. 31:		
Sales	$114,333,000	$105,273,000
Net income	2,789,000	2,542,000
Per common share	67¢	60¢

* * *

Emerson Radio & Phonograph Corp. said all the company's major divisions contributed to the year's improvements and that "careful control over production & overhead costs" was an important factor in the higher profits for fiscal 1959. Unit & dollar sales of the company's commercial products in the domestic & foreign markets increased, said Pres. Benjamin Abrams, "and were accompanied by substantially higher profit margins."

Working capital Oct. 31, 1959 totaled $26,867,892 vs. $24.789,126 a year earlier. The company has no bank loans outstanding and reduced long-term debt by $575,000 during the year. Total current assets at the end of the fiscal year were listed as $40,730,710, fixed assets $2,716,592, total assets $44,767,162. Current liabilities were $13,862,818, notes payable $5,200,000.

Emerson's income statement for the year ended Oct. 31:

	1959	1958
Consolidated net sales	$67,442,399	$58,401,179
Pre-tax income	5,551,214	2,828,709
Net income	2,668,682	1,410,009
Per common share	1.30	*69¢
Common shares	2,049,043	1,951,287

* Based on the 2,049,043 capital shares outstanding Oct. 31, 1959.

* * *

GT&E revenue & earnings were up sharply in 1959 over 1958, and Chmn. Donald C. Power expects the improvement to continue through 1960. He forecast 1960 earnings in the area of $80-$85 million on gross revenues exceeding $1.2 billion. The preliminary report (including Sylvania's figures) for 1959:

	1959	1958
Gross revenues	$1,100,000,000	$885,000,000
Net income	72,000,000	58,764,000
Per common share	3.42	3.26
Average common shares	20,200,000	17,792,000

* * *

Westinghouse sales & earnings climbed moderately in 1959, according to a preliminary financial report released last week. Pres. Mark W. Cresap Jr. said pre-tax profit margins rose to 8% on billings, compared with 6.8% in 1958. "The improved operating profits," he explained, "resulted from the aggressive program begun 2 years ago to reduce cost & improve profits, particularly in marginal profit lines." The 4th quarter net includes a special income of $7,196,000 (42¢ a share) resulting from a tax refund of more than $12 million, minus non-recurring expenses of some $5 million. The per-share figures are based on shares outstanding prior to the 2-for-1 split in Jan. (Vol. 16:2 p24). For the year ended Dec. 31:

	1959	1958
Net sales billed	$1,910,730,000	$1,895,699,000
Net income	85,947,000	74,772,000
Per common share	2.43	2.12
Common shares (new)	34,679,456	34,360,056
For quarter ended Dec. 31:		
Net sales billed	$502,337,000	$511,200,000
Net income	29,722,000	25,761,000
Per common share	84¢	74¢

* * *

Siegler Corp. racked up a 43% profit gain on a 9.3% sales increase in fiscal-1960's first half (ended Dec. 31, 1959). The first-half sales & earnings were records, and Pres. John G. Brooks said Siegler expects to "continue to show for each remaining quarter at least the amount of increase we have shown over figures in the corresponding periods last year." Brooks emphasized that while the TV industry's 1959 unit sales rose 25.8% over 1958 but lagged 14.1% behind 1957's volume, Siegler's Olympic Radio & TV div. sold 27.7% more TVs in 1959 than in 1958, 18.8% more than in 1957. For 6 months ended Dec. 31:

	1959	1958
Net sales	$45,059,831	$41,167,719
Net income	1,758,878	1,231,661
Per common share	1.07	80¢
Common shares	1,639,602	1,538,171
For quarter ended Dec. 31:		
Net sales	$23,870,586	$22,162,088
Net income	943,262	698,399
Per common share	57¢	45¢

* * *

Packard Bell Electronics reported an all-time high in sales for its first fiscal quarter ended Dec. 31. Although profits increased moderately over the year-ago period, per-share earnings decreased because of the greater number of shares. Pres. Robert S. Bell said the home products div. (TV, radio, stereo, electronic garage-door opener) and the Packard Bell Computer Corp. registered the greatest gains—a 40% sales & 85% profit increase for the former, and more than 100% & 600% growth for the latter. For 3 months ended Dec. 31:

	1959	1958
Sales	$13,305,018	$12,869,602
Net profit	443,592	421,361
Per common share	56¢	61¢
Common shares	795,500	688,000

* * *

Motorola had record sales of TV, stereo-hi-fi and radio instruments last year, consumer products exec. vp Edward R. Taylor reported. TV unit sales were up 35% over the 1958 volume, stereo-hi-fi ahead more than 40%. Radio gains: portables 82%, clock radios 81%, table models 70%.

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The authoritative service for executives engaged in all branches of the television arts & industries

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TV ALLOCATIONS—WELL-EXPLORED, but no solution apparent during hearing by Sen. Pastore, who'd like an all-uhf shift (p. 2).

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FCC ACTS TO TIGHTEN QUIZ-PAYOLA CLAMPS, announcing plans to draft corrective legislation & rules aimed at both deceivers & deceived (pp. 3 & 9).

ABC FOR "NARRATIVE" as hearing ends, Goldenson stating that FCC has some duty to evaluate station performance but urging no "unwise & precipitous" action (pp. 4 & 11).

TRANSLATOR RULES RAPPED by Colo. Gov. McNichols, who calls FCC proposals "unduly harsh," too detailed. He calls for joint study committee (p. 12).

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ANA MAPS AD CLEANUP; adopts 3-point program of self-regulation in wake of warnings by FTC's Earl W. Kintner (pp. 4 & 13).

DOERFER BACKS PLAN for TV Code previews of commercials in AFA talk. Kintner announces end of cigaret "tar derby" (p. 12).

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IDEAS FOR LOCAL PUBLIC-SERVICE TV pop up everywhere (p. 14).

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TV-RADIO-PHONO HISTORY of 1959, as detailed in EIA statistics, shows record year for phonos, near-record for radio production, TV sales of 5.75 million (p. 19).

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JACK WRATHER COMBINE becomes largest stockholder in Jerrold Electronics, CATV equipment maker & owner (p. 5).

TWO MORE CATV's have been purchased by TelePrompTer in the Southwest in a transaction of "more than $1 million" (p. 5).

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NETWORKS IN ANTI-VIOLENCE DRIVE as NBC-TV & CBS-TV issue written and verbal directives to producers (p. 6).

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STATIONS CITED FOR PAYOLA for first time by FTC in complaints against 3 Boston record distributors (p. 8). Also anti-payola moves of House subcommittee and FCC (p. 9).

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WGA, SAG, IATSE, SEG, DGA, AFTRA—where TV stands in the strike situation (p. 16).

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PERSONALS (p. 18). **FINANCE** (p. 22). **FOREIGN** (p. 24).

HARRIS REPORT—NO SURPRISES: There were no new legislative gimmicks—and no fresh indictments of broadcasters—in long-awaited, long-delayed report on 1959 TV quiz investigation (Vol. 16:5 p6) which House Commerce Legislative Oversight Subcommittee finally released last week.

Report shouldn't be kissed off as a mere anti-deception document, however. Its recommendations range far beyond quiz-rigging & plugola—into FCC's basic licensing practices, station sales, relationship of broadcasters with advertisers, producers, agencies, etc.

"Shocking situation," Chmn. Harris (D-Ark.) said again in ticking off report's 7 specific recommendations to remedy TV's ills. "Millions of Americans were tricked, deceived and duped wilfully & deliberately in what was nothing more than a sordid commercial scheme conducted over the nation's airwaves."

But legislative prescriptions had all been written before. Taking up only 3 pages of 133-page document reviewing subcommittee's headline-winning exploits in last year's hearings—and earlier hearings of FCC practices—they were:

(1) Make it criminal offense to produce or broadcast rigged TV quizzes.

(2) Empower FCC to impose milder penalties than license revocations on stations which don't serve public interest.

(3) License TV & radio networks and write some "guidelines" into Communications Act for networks' conduct to prevent them from "surrendering control" of programming to advertisers, producers, agencies.

(4) Require plugola announcements by networks & stations—violations subject to criminal penalties.

(5) Prohibit payoffs of competing applicants for stations, making swap-offs illegal unless FCC gives notice of proposed deals to permit other license applicants to come in.

(6) Require local FCC hearings before any station licenses are issued.

(7) Prevent trafficking in licenses by requiring licensees to hold on to their stations for 3 years unless FCC decides public interest would be served by transfers.

"I'm going to do what I can to bring it about," Chmn. Harris said when he was asked if he thought there was any chance of any Congressional action on the subcommittee's legislative program this session. Rep. Bennett (R-Mich.), ranking minority member, pointed out that legislative hearings must still be held, however—and that if & when they're completed, subcommittee "might well come to different conclusions."

Oversighters' report was unanimous except for one section which criticized FTC for disclaiming any jurisdiction over broadcast programming as such. Majority held that advertising-policing agency also has "ample authority to proceed against the marketing & use of rigged TV quiz show programs as a deceptive business practice." Disagreeing sharply were Reps. Springer (R-Ill.), Derounian (R-N.Y.), Devine (R-O.).

TV ALLOCATIONS—WELL-EXPLORED, BUT NO SOLUTION: One of Sen. Pastore's (D-R.I.) major complaints to FCC about TV allocations is: "You march up the Hill with a 4-3 vote—then you vote 4-3 the other way and march down again."

Commission marched up to Capitol Hill this week and marched back again—and Pastore still doesn't know what FCC is going to do "once & for all."

It's obvious that Pastore, chmn. of Commerce Communications Subcommittee, would love to shift all TV to uhf. At same time, he's fearful of disrupting existing service. And he seemed to appreciate FCC Chmn. Doerfer's quip: "If any Congressman votes for all-uhf, he will come back to Washington only as a tourist."

Comr. Lee remained the only Commissioner urging an all-uhf shift—even if it takes 10-15 years. All other members (all 7 attended hearing) believe either that uhf isn't good enough, that it would deprive rural areas of service—or that possibilities of acquiring more vhf channels from military should be exhausted first.

Best indication of prospects for more vhf came from Comr. Ford, who has been negotiating with OCDM. Though he has yet to discuss with OCDM policy makers the recently-finished report on govt. spectrum uses & needs made by OCDM technicians, he said: "Based on my examination of this document, the prospects of obtaining additional vhf spectrum space for use of TV do not appear to be favorable at this time." On the other hand, Comr. Craven, who will be in on the OCDM discussions, said: "I'm not as pessimistic as some, but but couldn't promise a yes-or-no answer by then. port by April 1, and Ford said he'd give a status report I'm not overly optimistic." Pastore asked Ford for a re

Pastore was intrigued by an idea, which the thought was original with him, that shift to uhf could be accomplished by requiring each vhf operator to operate uhf simultaneously, cutting off the vhf after 5-15 years—after viewers have replaced receivers with vhf-uhf sets through natural process of obsolescence. He was cooled off a bit by testimony that fringe viewers might suffer. Then he was reheated by assertions that fringe areas would get coverage from smaller-town uhf stations, satellites, translators, etc.

One thing all Commissioners except Lee agree on: If stations are built on new channels, regardless of whether they will be vhf or uhf, they won't have an audience unless manufacturers are forced to make only all-channel sets. FCC submitted draft of law to accomplish that, and Pastore agreed to introduce it—though he has doubts about its Constitutionality, as "something outside the police power." His counsel Kenneth Cox believes it is Constitutional, as does FCC gen. counsel John Fitzgerald. Doerfer called proposed law "critically important." Lee thinks that law would be helpful but unnecessary, that manufacturers would build without coercion. (For text of proposed legislation, see p. 20.)

Pastore was concerned about delays in getting the proposed Providence Ch. 6 drop-in (Vol. 16:5 p1) on air, urged Commission to promote trusteeship to operate it pending competitive hearing—as was done in New Orleans & Shreveport.

Lee made an exhaustive pitch for all-uhf, but Pastore noted "you stand alone" among Commissioners. Lee asserted that support would come when Commission learns that new vhf channels aren't available, as he believes it will. He insisted that uhf can & will do the job if FCC makes it possible.

ABC vp Alfred Beckman commended Commission for starting short-spaced vhf drop-ins, urged that it do more. William Putnam, of uhf WWLP Springfield Mass., offered his characteristic slam-bang attack on FCC & vhf operators, saying he makes money and provides coverage with uhf—and anyone else can do it too.

Hearing is over, and Cox will write his report for committee. In few Congressional hearings have we heard such well-informed questions & well-informed answers—for both Pastore (with counsel Kenneth Cox & Nicholas Zapple) and the FCC have been through the same subject many times for many years. But there's still no panacea in sight.

Pastore was the only Senator on hand most of time. Sen. Hartke (D-Ind.) dropped in long enough to suggest that answer to problem may be a new FCC or an administrator to take over its job; Doerfer defended the integrity & skill of his colleagues. Sen. Scott (R-Pa.) said that Congress can't force public to buy something like uhf sets and shouldn't try, that there's no public demand for uhf, that he's concerned about loss of fringe service under an all-uhf system.

FCC ACTS TO TIGHTEN QUIZ-PAYOLA CLAMPS: FCC responded to popular demand from almost everyone concerned—including Congressmen, Attorney General, industry—and announced last week that it is drafting proposed legislation & rules designed to eliminate such things as quiz-rigging & payola.

Details aren't ready yet, but Commission indicated that new measures would be directed at both broadcasters and those who hoodwink broadcasters. Laws & rules would follow closely the recommendations by Attorney General Rogers to President Eisenhower (Vol. 16:2 p5). Among these are new laws to make payola a crime and to permit FCC to impose punishment less severe than license revocation. FCC also said it was considering Rogers' other recommendations. (Justice Dept. has copies of this report.) Commission's announcement used pretty strong language (for full text, see p. 9), but we also detect Chmn. Doerfer's hand in the statement where it says: "At the present time the Commission cannot act against a specific program unless the program violates a specific law. The courts have held that broadcasting is under the same free speech protection of the First Amendment of the Constitution as the press. The Commission is restricted by the 'no censorship' provisions of the Communications Act to considering the overall programming balance of a broadcaster, which is a complicated & exhaustive process."

Meanwhile, Feb. 5 deadline passed on FCC's payola questionnaire (Vol. 16:2 p3), with most stations responding. Asked if any "shockers" have been found in the documents so far, one staff member said that very few raise questions, and: "You never know when there's a shocker until it's presented to the Commission and the Commission is shocked." Stations due for renewal are being held up unless responses are satisfactory.

In last-minute action Feb. 5, Commissioners unanimously adopted language of proposed anti-payola rule, asked comments on it by March 1: "All licensees & operating permittees shall adopt procedures to prevent the broadcasting of any matter for which service, money or other valuable consideration is, directly or indirectly, paid or promised to, or charged or accepted by, any officer, employee or independent contractor of the station, unless at the time the same is so broadcast it is announced as being paid for or furnished by such person."

Commission also told what its anti-quiz-rigging rules would be like, though text won't be available until this week. Comments deadline is March 1. It said this: "The Commission proposed rules to deal with fixed "quiz" and other non-bona fide contest programs. Although such rules are initially intended for TV, the Commission contemplates extending them to all broadcast services.

"The prospective rules would prohibit such programs unless accompanied by an appropriate announcement disclosing such prearrangement. Specific wording of the announcement is not spelled out, since it may vary from program to program. However, it would in all cases describe the nature of the program in a manner sufficiently to appraise the audience that the events in question are not in fact spontaneous or actual matches of knowledge, skill or intellect. Announcement would be made at the beginning & end of each program.

"Further, the proposed rules would require a station, if obtaining such program from the networks, to be assured that the network program has an accompanying announcement of this nature."

Legislation against deception & payola was also agreed on by Commission, it's understood, with drafts due this week. FCC recommends amendment of Title 18 of the Criminal Code to make it a crime for any station employe to accept payola and for anyone, including broadcasters, to contribute to production or broadcast of any deliberately deceptive "contest of skill or knowledge." No amendment of Communications Act is suggested.

ANA MAPS AD CLEANUP: In rare emergency meeting, Assn. of National Advertisers, whose members represent 85% of all national & regional ad spending in U.S., voted Feb. 2 for a new client-level program of TV-radio-print ad cleanup.

Advertisers must shoulder responsibility as much as media in the achievement of honest ads, gimmick-free demonstrations, truthful product claims. That was the warning voiced by roster of govt. & media executives who addressed morning session of ANA meeting (see p. 13). In closed afternoon session, ANA voted without protest to adopt self-regulatory program.

New ANA safeguards will include police work in several areas: (1) Special advisory council within ANA of admen with "high professional attainment" as main watchdog. (2) Closer liaison & "working relationships" with FTC. (3) Stronger links between ANA and various ad industry forces—networks, NAB, AAAA, etc.—"which have or may initiate self-regulatory procedures."

Big threat of govt. legislation—created to fill the vacuum of no self-imposed cleanup—was obviously in back of ANA's mind. Possibly, ANA's move is none too soon. Last week, Gov. Nelson A. Rockefeller requested N.Y. Legislature to draft a tough bill to bring the state's general business laws into line with FTC regulations "to protect consumers from false & misleading advertising" (see page 14).

ABC FOR 'NARRATIVE' AS HEARING ENDS: The "narrative-on-needs" technique of FCC surveillance over station programming gained another adherent last week—ABC Pres. Leonard H. Goldenson. Testifying at windup of FCC's hearing, he joined previous major witnesses—with the important exception of CBS Pres. Frank Stanton—in endorsing the idea of requiring applicants to supply FCC with a "narrative" describing their communities' needs & their plans to meet them (Vol. 16:5 p2).

Only one thing is clear to us, after listening to testimony & cross-examination about the "narrative" concept: Its results would depend entirely on philosophy of Commission at any given moment—varying with makeup of Commission & temper of the times, just as it does now. Hope of proponents, apparently, is that licensees' effort of looking for community needs would stimulate them into doing more to meet them.

Comrs. Doerfer & Ford certainly would treat narratives differently. Doerfer is wondering just how far the concept goes. He asked Goldenson whether FCC should approve an application proposing a "shopping list station"—one that offered nothing but prices of consumer goods. Said Goldenson: "Possibly. It depends on what other stations are doing in the area." Ford believes FCC should give industry some idea of what it considers public-interest programming. In Aug. 28 W. Va. speech proposing narrative approach, he said:

"It has been my view for a long time that it is highly unfair for the Commission to lie in ambush, so to speak, while practices are developing which violate its concept of the public interest, convenience & necessity, and then make an example of an uninformed broadcaster. I believe, rather it is generally our duty to inform the public through appropriate orders or reports of the criteria we expect to apply in advance of action against an individual broadcaster."

But in an exchange with Goldenson, Ford said he has trouble deciding what to do in matching a licensee's promises with his performance. "It's impossible," he said, "to hold a licensee to a particular program." In fact, he said, the FCC's present requirement that stations give a percentage breakdown of programming, by type, "is lifting the eyebrow pretty high."

Goldenson said that stations must be permitted to change plans, because "the public interest is a moving target."

Goldenson's basic tenets: Industry is correcting ills such as quiz rigging & payola, FCC should take no "unwise & precipitous action;" Commission has plenty of power now to handle abuses, needs no new laws;

FCC should rely on the public to call problems to its attention. (For details of his testimony & that of ABC-TV Pres. Oliver Treyz, see p. 11.)

Now that hearing is over, FCC network staff gets back to job it started before quiz-payola scandals broke—examination of each part of industry's role in programming. Agency representatives have testified. Start has been made with network executives below top level. FCC attorneys have spent 17 days with film producers in Hollywood. Next step may be hearings in Hollywood, probably within 2 months. Then, testimony by network operating heads. These would again have chief examiner James Cunningham as presiding officer. Meanwhile, Commissioners will hold huddles to decide whether to recommend new laws or new rules as a result of their historic powers-&-policies hearing, reporting their findings to Congress in couple months or so.

JERROLD JOINS WRATHER ENTERTAINMENT EMPIRE: Oilman-showman Jack Wrather and his financial associates branched into yet another phase of the communications-entertainment business last week with the acquisition of more than 33% of Jerrold Electronics Corp. for an estimated $4 million.

Jerrold is the largest manufacturer of community TV antenna equipment. In addition, the 12-year-old Philadelphia firm owns 9 CATV systems, provides CATV engineering service, manufactures & engineers apartment house and other distribution and closed-circuit TV installations. It also manufactures some consumer items, including the highly successful "TV Receptor" indoor intenna.

Wrather's associate in purchase of Jerrold control is John L. Loeb, senior partner in the investment house of John L. Loeb, Rhoades & Co., associated with Wrather in other ventures. Wrather's burgeoning interests—some held jointly with Loeb—include producer-syndicator Independent TV Corp. (with Britain's ATV); TV series Lassie, Lone Ranger and Sgt. Preston; Muzak Corp.; 22% interest in Transcontinent TV Corp. (6 TV & 3 radio stations). Last year, his ITC took over big TPA program syndication operation. In the non-TV field, Wrather owns chain of luxury hotels (Disneyland, Palm Springs, San Diego, Las Vegas) and oil properties.

Sellers of the Jerrold stock were Pres. Milton J. Shapp & his wife, who had owned 644,025 of the publicly-held company's 1,269,500 outstanding shares. Loeb is buying 322,000 shares, Wrather 220,000, the Shapps retaining 100,025 (less than 9%). The stock reportedly was sold at $8 a share, or about the current market price. Shapp, who remains as pres., announced there will be no changes in management or personnel.

Wrather organization thus becomes another of the TV-oriented combines entering community antenna field—the last one being TelePrompTer Corp., which this week added 2 more CATV systems to its stable, expects eventually to have total of 13 (see below).

Wrather is known as a shrewd buyer & seller. He invests in properties which appeal to him, spinning off portions of them which aren't pulling their weight or which can be sold at a good profit. Even now, Wrather & Loeb are understood to be negotiating to sell their interests in one part of ITC's wide-ranging operation—co-owner ATV of London being the buyer. It's expected that ITC's film distribution wing will be sold, while Wrather retains his own production unit in Hollywood.

Auxiliary Services

TPT's 2 CATVs: In a mostly-cash, part-stock deal totalling "more than $1 million," TelePrompTer Corp. has acquired control of CATV systems in Rawlings, Wyo. & Farmington, N.M., Pres. Irving B. Kahn stated last week. The diversification move by TPT has been in the works for some time, and is part of a plan by the closed-circuit firm to buy into a total of 13 CATV systems (Vol. 16:4 p11). The multi-channel CATV systems currently serve about 5,000 subscribers.

Purchase of the CATV systems from Bruce Merrill of Phoenix, Ariz. followed the earlier acquisition by TPT of a CATV system, also Merrill-owned, in Silver City, N.M. In the same deal, TPT also bought a microwave system that feeds the Farmington CATV, as well as a small music-programming system in Rawlins.

TelePrompTer's troubled fistic front was somewhat soothed-over Feb. 5 when TPT signed a consent decree with N.Y. State Attorney Gen. Louis Lefkowitz, terminating the state's corporate-dissolution and anti-monopoly proceedings for alleged violation of state anti-trust & boxing laws (Vol. 16:5 p3 & 14). Pres. Irving B. Kahn agreed to withdraw from his contract for ancillary rights to the proposed return heavyweight bout between Patterson & Johannson, but indicated to us that he will actively bid for the rights "should a promoter arrange for the rematch." The consent decree has no bearing on the tax proceeding in which the state seeks to collect from TPT $100,000 in gross receipts from the first P-J fight last June, we were told. "The consent decree was accepted on the advice of counsel because of length & cost of court action," said Kahn, adding, "It doesn't acknowledge violation of the law." Boxing represents less than 10% of TPT's gross.

Networks

NBC's STATEMENT

Of Programming Responsibilties Relating to Children as Viewers

NBC requests that all producers contributing to its schedule cooperate in assuring that children are well served by our programs.

The following statement deals specifically with the questions of sex and violence on programs reaching a broad family audience. It implements the NBC radio and television broadcast standards and the Television Code of the National Association of Broadcasters, with particular reference to the section of the Code headed "responsibility towards children." The wording and intent of these documents are clear.

As a medium that is still young, television must continue to appraise its aims and responsibilities. Where children are concerned, television has the special responsibility of reflecting the realities of the world at large in a way that is beneficial to young viewers. We accept this responsibility and we will use every means to live up to it.

We suggest, in addition, that parents have a responsibility in this matter—the responsibility of guiding their children in the development of good viewing habits. We believe that good television encourages habits of good health or reading.

Violence

Like other media, television reflects the conflicts that exist in the real world. Conflict does not of itself constitute violence, but as it increases and as its nature changes, conflict sometimes becomes violence. We believe, in other words, that violence is a matter of degree and intrinsic intent.

Producers must use great care in determining the degree and intent of conflict—not only in the actual content of a program but in the "teaser" and "trailer" highlights that are seen out of context.

Anything that approaches the sensational is unacceptable. To show an actor firing bullets into a victim already dead is entirely superfluous, not to say morbid. To extend a fist fight into a prolonged beating and to show close-ups of the facial injury goes well beyond the needs of establishing conflict and borders on the sadistic. Such extremes of violence will not be used on NBC programs for children.

Sex

Television also reflects the realities of the relationship between the sexes. Here again, degree and intent are the keys to good programming for a family audience.

Simple affection is a vital part of the expression of human love. There is reasonable acceptance of the portrayal of this affection between man and woman—this need to touch one another and, in so doing, to demonstrate love.

In meeting our responsibilities to the family audience, we can do without the leer, the brutal set of the jaw, and the intent to possess as the symbol of power and domination.

On this subject there are extreme approaches, but NBC favors a middle ground for programs drawing a wide family audience.

In cases where interpretation is exceptionally complex, all producers and their staffs can count on NBC to work with them to carry out the spirit of this statement and of the television standards that it implements.

NETS' ANTI-VIOLENCE DRIVE: Network action to control sex & violence in nighttime shows was well under way last week. NBC-TV issued to producers & creative personnel a copious amount of written material reminding talent of their responsibilities in the production of adult shows that may be seen by children. CBS-TV issued no memos but continued its private conversations with individual producers along the same line.

At NBC-TV, the warning came in the form of:

(1) A letter from vp for standards & practices James A. Stabile calling attention to a tough new interpretation of NBC's 26-year-old Broadcast Standards and the 8-year-old NAB TV Code. "It is important that all persons engaged in the creation of programs broadcast over NBC facilities be . . . cognizant of these standards," said Stabile.

(2) A 2-page interpretation of NBC ground rules (see text next col.) which declared flatly that NBC was accepting "the special responsibility of reflecting the realities of the world at large in a way that is beneficial to young viewers." Admitting that "violence is a matter of degree & intrinsic intent" and that "the relationship between the sexes" was a similar problem, the interpretation pointedly asked producers, inside & outside NBC, to "cooperate in assuring that children are well served by our programs."

(3) A copy of NBC's current, 43-page "TV-Radio Broadcast Standards." In his letter, Stabile noted: "We are in the process of revising the NBC standards book, and amendments will be sent as they are adopted."

(4) A copy of the TV Code of NAB (5th edition, March 1959), plus Dec. 1959 amendments, with special attention called to "the responsibility toward children outlined on pages 2, 3 & 4."

Helffrich Explains Barrage of Directives

Why was NBC making these moves against electronic brutality & televised leers? Was it another network push on the post-quiz cleanup front? Was there anything really new about the NBC directives?

We put these questions to Stockton Helffrich, NBC continuity acceptance dir. and veteran wielder of the network's blue pencil. Replied he: "What we've done here is to make a re-appraisal of a situation. The basic rules aren't new. But the climate of the times demands a conscious responsibility on the part of NBC in this area. Also, it serves as a valuable refresher for experienced TV producers and as an indoctrination for new producers, many of whom have come to TV from movies & theater recently."

Helffrich also reiterated a point that many of TV's outside-the-industry critics conveniently forget: "We can try to do our best, but it is also up to parents of children watching TV to do their part in sharing the general responsibility."

The other 2 networks, meanwhile, weren't making as overt a move as NBC to checkrein nighttime program content, but there were indications that NBC was not alone in sharpening the scissors.

At CBS-TV, spokesmen for the network's program dept. admitted in N.Y. that a quiet campaign against excessive TV violence was under way. The CBS cleanup is like NBC's in that it stresses adherence to existing rules. It differs from the NBC campaign in one important aspect, however. CBS-TV program executives have been conducting a series of face-to-face meetings with producers, primarily independents, to review network & NAB program standards. One explanation for the lack of rule-by-memo was offered by dir. of editing Herbert Carlborg, who re-

ports to program practices vp Joseph Ream. Said Carlborg: "We like to work with few directives. If you try to spell out every detail, you can get into an inflexible position."

Said vp Ream: "We've made it a point to review the violence content of Westerns & private-eye shows. When we think the producers are getting out of bounds, Bill Tankersley (dir. program practices, Hollywood) talks to them. The producers are being very cooperative."

At ABC-TV—a stronghold of action-adventure & crime shows—no special orders, written or verbal, were issued, but Tom Moore told us: "The network continuity dept. watches & checks against excessive violence or sex in ABC programs. If what they consider 'excessive' instances are found, the producer is informed, individually, so that changes can be made before airtime."

No network last week could claim that all its problems in the violence-&-sex area had been solved, however. One strong reminder came from across the Atlantic, where the *Philip Marlowe* telefilm series (Goodson-Todman Productions for Cal. National, ABC-TV, Tues. 9:30-10 p.m. currently) had just premiered on BBC-TV. British viewers and the British press reacted with a shower of phone calls & editorial blasts at the show's "gratuitous violence." BBC officials apologized, and said future episodes would be screened carefully, with those considered "too violent" summarily rejected.

(From Boston, Mass., came word that the Congress of Women's Clubs had voted *The Untouchables* the best TV series.)

* * *

Hollywood producers we talked to had already received NBC-TV's written instructions to hold down on violence. They corroborated that CBS-TV gave them verbal orders to cut excessive violence, and that ABC-TV has not issued any new instructions but is proceeding with the customary script-by-script editing of violence. The producers said they didn't expect substantial changes this season as a result of the NBC-TV and CBS-TV moves, partly because much of the product has already been filmed, and mostly because they've been hewing to this line anyway under the eye of the network continuity-acceptance depts.

It's far more likely that the results of the new orders will be noticed next season. Pilots are already being revamped in conformance with the no-violence edicts. For example, Sharpe-Lewis productions is doing a pilot, *K-9 Corps*, in association with CBS-TV. Originally planned as a drama series with action, the show has been revised to avoid criminal shooting. Acknowledging that this is being done at the behest of CBS-TV, producer Warren Lewis said, "Now we will stress human interest stories in our broad revision of the whole approach to the show. This will redound to the benefit of the show."

* * *

Of the 11 series cancelled to date, 8 feature violence in varying degrees. Trade observers predict that before the casualty season is over, 40 to 45 series will be cancelled. If the ratio persists, it will be a miserable year for mayhem on TV. But 2 series of this type continue to be decided hits— *The Untouchables* and *77 Sunset Strip*.

Shows with violence which are early casualties include *The Lineup, 5 Fingers, Wichita Town, Richard Diamond, Private Dctective, M Squad, Man With a Camera* and *Philip Marlowe. Desilu Westinghouse Playhouse*, cut back to alternating weeks, had featured many Westerns and dramas of violence. *Bourbon Street Beat* and *Law of thc Plainsman* lost partial sponsorship but found replacements. Other (non-violent) casualties to date are *Love & Marriage, Fibber McGee & Molly* and *The Gale Storm Show*.

NBC-TV to Revise Discounts: A plan to gear the NBC-TV prime-time discount structure more closely to national audience levels was confirmed by the network last week. Following the lead of CBS-TV, which has already announced a 1960 revision of network rate structure (Vol. 15:40 p9), NBC-TV intends to make discounts for the 7:30-9 p.m. & 10:30-11 p.m. slots more attractive to advertisers while keeping prime 9-10:30 periods at full price with a top discount of 25%. Discounts on the early-evening & late-night slots will range from 27½% to 35%. Dollar volume & contract duration will count heavily in the revised discount structure, but so will factors such as station lineup & summertime TV buying.

In the latter area, NBC-TV also plans to be competitive with CBS-TV, whose discounts are now arranged to encourage the use of TV in the summertime (no time-period discount for advertisers on CBS-TV for the 39-wk. "winter season" only). New NBC-TV discounts will go into effect in April.

NETWORK SALES ACTIVITY

ABC-TV

Untouchables, Thurs., 9:30-10:30 p.m., 16 one-sixths over 31 wks.
Liggett & Myers (McCann-Erickson)

Colt .45, Sun., 7-7:30 p.m., 5 one-thirds, 2 two-thirds sponsorships.
Block Drug (Sullivan, Stauffer, Colwell & Bayles)

CBS-TV

Be Our Guest, Wed., 7:30-8:30 p.m., short-term participations.
Manhattan Shirt Co. (Daniel & Charles) & *Vitamin Corp. of America* (Fairfax Inc.)

On the Go, Mon.-Fri., 10:30-11 a.m., short-term participations.
Vitamin Corp. of America (Fairfax Inc.) & *Commonwealth Products* (R. J. Scott)

Captain Kangaroo, Mon.-Sat., 8:15-9 a.m., short-term participations.
Fruit of the Loom (Daniel & Charles)

Edge of Night, Mon.-Fri., 4:30-5 p.m., & As the World Turns, Mon.-Fri., 1:30-2 p.m., alt. wk. 15-min. segs.
Helene Curtis (Edward H. Weiss)

Twilight Zone, Fri., 10-10:30 p.m., renewal through Sept.
Kimberly Clark (Foote, Cone & Belding) & *General Foods* (Young & Rubicam)

Person to Person, Fri., 10:30-11 p.m., & The Texan, Mon., 8-8:30 p.m.
Allstate Insurance (Leo Burnett)

NBC-TV

Jack Paar Special, April 26, 10-11 p.m., plus 2 Paar programs on unscheduled dates next fall.
Elgin National Watch Co. (J. Walter Thompson)

Today, Mon.-Fri., 7-9 a.m., 91 participations from April through Nov. 9.
Electric Auto Lite Co. (Grant Adv.)

The Man & The Challenge, Sat., 8:30-9 p.m., renewal for 6 months.
R. J. Reynolds (Wm. Esty) & *Chemstrand* (Doyle Dane Bernbach)

Masquerade Party, Fri., 9:30-10 p.m., co-sponsorship.
Block Drug (Grey) & *Hazel Bishop* (Donahue & Coe)

NBC-TV-Disneyland Deal? Conversations have been held between Walt Disney and NBC-TV regarding their teaming to establish another Disneyland—this time in Florida. The original Disneyland, in Anaheim, Cal., was built by Disney with AB-PT as part owner. The NBC-TV-Disney deal "might eventually go through," we were told by an executive and associate of Disney's, but he declined to elaborate. One reason for the reluctance to discuss the proposed deal with NBC-TV is that contractually Disney is still committed to ABC-TV. But Disney is in litigation to get out of his contract with ABC-TV—a trial which will be held in N.Y., probably in the latter part of this month. Attempts to settle out-of-court have collapsed.

Disney hasn't yet chosen his site for his Fla. park, but disclosed at his recent stockholders' meeting that he has narrowed the choice down to 2 locations.

While *Walt Disney Presents* will return next season on ABC-TV, in a different time slot (6:30 p.m. Sun.), it's not likely there will be other Disney shows on ABC-TV because of the current friction and a Disney feeling that the network has not been pushing sales of its series.

Ironical twist to current negotiations: NBC originally turned down Disney proposal to become part owner of the now fabulously successful Disneyland in Cal. So did CBS. AB-PT accepted the proposal and so began the long Disney-ABC alliance—now on the rocks.

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Pride & joy of ABC-TV last week was the latest Trendex nighttime report, now broadened to include 29 U.S. cities. Trendex showed ABC-TV leading the pack in the key nighttime hours of 8-10:30 p.m. with a 4-night (Mon.-Thur.) rating average of 20.2 vs. CBS-TV's 17.9 and NBC-TV's 16.0. Several of ABC-TV's shows considered "doubtful" when the season began last fall were now showing real Trendex strength. *Adventures in Paradise* on Feb. 1 scored a tops-in-time-period 20.7 against 18.4 for CBS-TV and 11.7 for NBC-TV. *Hawaiian Eye* on Feb. 3 topped *Perry Como* on NBC-TV, during its first 30-min., with a 22.3 against Como's 19.5 and an also-ran 15.4 for *The Millionaire* on CBS-TV.

NBC Chmn. Robert W. Sarnoff, tackling several major TV issues Feb. 3 before the Detroit council of the AAAA, urged that "every advertiser should examine whether his needs cannot be served effectively by image-building programs in the public affairs & cultural fields." Commenting on magazine-concept TV advertising, Sarnoff defended his opposition on grounds that "the advertiser would have no identification with a single program." On TV advertising propriety: "TV's responsibility is heavy because of its special impact & power, but this does not mean that competing media should enjoy special treatment by law enforcement agencies."

Low-light TV camera tube will be put into regular use by ABC-TV in its coverage of the national political conventions next July. The new image orthicon—interchangeable with the standard image orth—requires less than ordinary room lighting and will be used for special pickups from halls, hotel rooms, airports, etc. The tube is similar to the low-light image orthicon developed by GE and used in Crosley Bcstg. Co. color pickups (Vol. 15:44, 49 p8).

Russian viewers will see coverage of the Winter Olympics. CBS, which holds exclusive world TV rights to the Feb. 18-28 Squaw Valley sports events, will supply 15 hours of kinescopes to USIA, which will furnish them to USSR & its satellites—and the rest of Europe.

Stations

FTC CITES STATIONS FOR PAYOLA: For the first time in its drive against payola practices, FTC last week accused radio stations as well as TV & radio disc jockeys of accepting payments from record firms for broadcasting their music.

Neither stations nor jockeys were identified in the new complaints—confined to Boston—which brought FTC's payola score to 40 since it began moving into the field 2 months ago. FTC's announcement of the actions listed only 3 Boston record distributors and their officers as payola case respondents: Records Inc., 790 Commonwealth Ave., and Pres.-treas. Cecil Steen. Music Suppliers Inc., 263 Huntington Ave., and Pres.-treas. Harry Carter & vp Gordon Dinerstein. Dumont Record Distributing Corp., 1280 Tremont Ave., and Pres. Donald E. Dumont.

FTC said the 3 firms had made illegal payments to jockeys, "radio stations & others" to exploit their records. In line with the advertising-policing agency's policy of not making public the names of recipients of alleged payola, it refused to amplify the announcement—but in usual routine, the names were sent along to FCC for its information.

Reporting on FTC payola investigations at the midwinter Advertising Federation of America conference in Washington (see p. 12), Chmn. Earl W. Kintner said that of 256 record manufacturers & 481 distributors now reported in business, "apparently an exceedingly high percentage of them have been using 'payola' as a standard commercial procedure."

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Meanwhile, FTC heard from another record company cited earlier:

Payola is promotion, Cincinnati's A & I Record Distributing Co. Inc. assured FTC in answer to the agency's complaint that it made illegal under-table payments to disc jockeys to popularize its records (Vol. 16:3 p8). But A & I and its Pres. Isadore Klayman said they were ready to agree to an FTC order to discontinue the practice. Third record firm to accept a cease-&-desist agreement in FTC's massive anti-payola campaign (Vol. 16:5 p10), the Cincinnati firm said it was unaware it was violating any FTC laws "by advancing small amounts of money to certain disc jockeys during the past 3 years." The reply to the FTC charges said such payments, totaling about $800, were "considered promotion expense" and had been deducted in income tax returns. The answer added: "There was no attempt to defraud the public by such payments, inasmuch as the amounts paid were so small that it could not possibly cause a disc jockey to play their records unless they were worthy of playing them on their programs."

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Donation of more than $180 million worth of TV-radio time & print space was made by advertisers & media last year to the public-service campaign of the Advertising Council, stated Pres. Theodore S. Repplier to a midwinter Washington conference of the Advertising Federation of America. Said Repplier of the TV-radio industry: "Whatever may be its sins . . . it has been everlastingly faithful (for the past 18 years) to its assignment as carrier of Advertising Council public-service messages." According to A. C. Nielsen estimates, "more than 18 million TV-radio home impressions" were made in commercial network time periods for ad council campaigns during 1959.

HOUSE PAYOLA HEARINGS: Three former employes of Westinghouse's radio KYW Cleveland, and a record distributor there, were waiting in the wings last week to be cued on stage as the first public performers in the House Commerce Oversight Subcommittee's initial 1960 production—payola hearings.

Subpoenaed to be on hand for the opening of the long-rehearsed proceedings at 10 A.M. Feb. 8 in the caucus room of the Old House Office Bldg. (Vol. 16:5 p6) were ex-KYW disc jockey Joe Finan & Wesley Hopkins, ex-KYW record librarian Charles Young, and vp James Shipley of Main Line Cleveland Inc.

Finan, Hopkins and Young were among the first to lose their jobs in an across-the-country wave of dismissals at stations which followed the Oversighters' first foray into the payola field last Nov. (Vol. 15:45 et seq.). Westinghouse tersely announced they had been fired for "infractions of company policies & practices," then followed up with a general denunciation of payola.

Shipley's Main Line Cleveland record-distributing firm was among the first 9 companies cited in a complaint by FTC in its anti-payola campaign (Vol. 15:49 p12). Commenting on the payola situation in Cleveland, Shipley alleged that KYW's Finan had instituted the practive there.

Names of other prospective stars in the hearings m.c.'d by subcommittee Chmn. Harris (D-Ark.) were not immediately disclosed. But one subcommittee source told us that unnamed witnesses from Boston—executives of record manufacturers & distributors, disc jockeys and "radio station personnel"—also were being lined for early appearances this week.

Washington speculation that ABC-TV headliner Dick Clark of *Bandstand* would get top billing in the cast of characters was discounted by subcommittee staffers. They said it was unlikely that the disc-jockey idol of teen-agers, who has severed connections with music publishing, would be called to the stand.

The Harris subcommittee's hearings were scheduled for a run of only one week, with testimony restricted to payola. But other phases of the Oversighters' investigations of broadcasting practices—including advertising plugola—probably will be explored at a subsequent series of hearings.

* * *

First payola testimony to be given by officials of more than 50 record companies was heard last week by a N.Y. county grand jury. District Attorney Frank S. Hogan's office refused to disclose names of the witnesses, although spokesmen said no disc jockeys were called. The record executives are not being required to sign waivers of immunity. Hogan's office had subpoenaed books & financial records of the record companies last fall during the quiz hearings (Vol. 15:46 p13 et seq.).

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KSLA-TV (Ch. 12) Shreveport has been bought for $3.4 million by KSLA-TV Inc. The latter is 51% owned by the *Shreveport Journal*, whose pres. & publisher is Douglas F. Attaway; 20% by the Don George estate; the balance by several local stockholders including Winston B. Linam who will continue as station mgr. The sellers are the Don George estate (43%), Ben Beckham Jr. (25%), Henry E. Linam (25%), W. C. Henderson (7%). The brokers were Blackburn & Co.

More about

FCC's QUIZ-PAYOLA PROPOSALS: The precise language of FCC's proposed legislation & rules to curb deceptive practices (see p. 3) hasn't been drafted, but the full text of the Commission's announcement of intent gives a good indication of their scope:

"The present laws governing Commission broadcast regulation reach only the station licensees. Evidence indicates that many objectionable broadcast practices have been due to the methods of program packagers & disc jockeys who are not directly subject to the regulatory powers of the FCC. Accordingly, the Commission is drafting supplemental legislation & rules which would provide more effective control in such matters.

"It's legislative considerations include authority to apply sanctions less drastic than the present revocation penalty—such as suspensions of licenses or fines; also use of cease-&-desist orders, or court injunctions or restraining orders which can be implemented promptly.

'Contemplated new rules would require broadcast licensees to pay more attention to phases of program procurement & production. They would be designed to hold the licensees responsible for installing more effective systems of internal controls to detect & prevent such abuses.

"At the present time the Commission cannot act against a specific program unless the program violates a specific law. The courts have held that broadcasting is under the same free speech protection of the First Amendment of the Constitution as the press. The Commission is restricted by the 'no censorship' provision of the Communications Act to considering the overall programming balance of a broadcaster, which is a complicated & exhaustive process.

"Making reprehensible practices definite violations of the law would permit the Commission to apply to the court upon a proper allegation of fact for temporary injunction or restraining order pending a public hearing. Increasing the power of the Commission to effectively deal with frauds & deceits not heretofore specified in law would hurdle the present available defense that a person cannot be held accountable unless the complained of practice is definitely & legally prohibited beforehand. Banning the fraudulent quiz & payola practices by actual law would go a long way in deterring those responsible who are not directly amenable to Commission jurisdiction. The supplemental rules would enable the licensee to know & understand what conduct is to be interdicted & prevented before it gets on the air.

"The Commission also has under consideration other recommendations made by the Attorney General in his report to the President on deceptive practices in broadcasting media."

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WRDW-TV (Ch. 12) Augusta has been bought by the Friendly Group for "in excess of $1,500,000" from Southeastern Newspapers Inc.—radio WRDW not included in the transaction. The Friendly Group also owns: WSTV-TV & WSTV Steubenville, O.; KODE-TV & KODE Joplin, Mo.; WBOY-TV & WBOY Clarksburg, W.Va.; WRGP-TV Chattanooga (70%); radio stations WPAR Parkersburg, W.Va.; KMLB Monroe, La.; WPIT Pittsburgh and WSOL Tampa, Fla. The sale was negotiated by Friendly's Fred Weber and gives the group a full quota of 5 vhf TVs and 7 AMs. It's one of the rare TV sales by a newspaper. It's understood that Southeastern Newspapers intends to sell WRDW too and buy into the *Savannah News & Press*.

Canada Approves First New Stations: Canada's first competitive TV stations have been approved by the Board of Broadcast Governors in decisions based on a 13-point yardstick.

Winners: Ralph S. Misener & Associates in Winnipeg (Ch. 7), and Vantel Bcstg. Co. Ltd. in Vancouver (Ch. 8). Seven more TV licenses will be granted by July 1 and all 9 will be operating by Dec. 31, 1960. Misener's TV competition in Winnipeg's 400,000 population will be strictly government-owned CBC; but in Vancouver (750,000), Vantel will compete with CBC plus 5 stations in Seattle, Tacoma and Bellingham, Wash., and Victoria, B.C. Losers were Metropolitan Bcstg. Co. Ltd., which is affiliated with both Vancouver daily newspapers, and Red River Television Assn., which is connected with the *Winnipeg Free Press* and other prairie newspaper interests.

Associated with Misener in Winnipeg are Lloyd Moffatt, majority stockholder in CKY Winnipeg and CHED Edmonton; Roland Couture, majority stock holder in CKSB in Winnipeg's twin city of St. Boniface; T. O. Peterson, formerly owner of radio CFOB in Fort Frances, Ont.; Walter Kroeker, majority stockholder in CFAM, Altona, Man., and Campbell Haig, Winnipeg lawyer. Jack Davidson, CKY gen mgr., will become gen. mgr. of the new TV station. Misener's company plans to spend $843,000 for equipment and $443,000 for building & studios.

Vantel is headed by 34-year-old Art Jones of Artray Film Productions. Associated with him are W. J. Ferguson, pres., Transport Finance; J. D. Hagar, Victoria investment dealer; Peter Saunders, pres., and Andrew Saxton, exec. vp, Imperial Investment Corp.; Col. Edward Eakins & Mrs. Eakins; Chas. R. White, pres., Western Canada Coin Washer Ltd.; Arthur Andrews, senior partner, Price Waterhouse Co., auditors; and J. R. & N. R. Whittall, investment dealers.

Vantel's presentation in support of its application included a 30-min. color film to show program proposals & resources of Artray film productions.

BBG Lists 13 Criteria

In announcing decisions, BBG listed these 13 points of consideration: (1) coverage; (2) nature of facilities; (3) composition of board of directors; (4) distribution of voting stock and location of effective control; (5) general plan of financing; (6) financial capacity of those named in application; (7) experience & standing of those named; (8) association of applicants with other communications media; (9) estimates of expected revenue and capacity of market to support station—"particularly capacity of the market to meet full costs of service to which applicant would be committed;" (10) establishment proposed, and experience & management capacity of personnel; (11) manner in which programming policies would be decided & implemented; (12) program commitments in relation to Broadcasting Act (55% Canadian content) and varied service of high standard; (13) characteristics of community, nature of available broadcasting service and capacity of applicant to meet varied needs of proposed service.

BBG also approved TV satellites at Upsalquitch Lake, N.B. (Ch. 12), by CKCW-TV Moncton, N.B.; and at Oliver, B.C. (Ch. 8), by CHBC-TV Kewlona. BBG also approved power increase to 100 kw for CHEK-TV, Victoria.

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"Economic injury" concept—the impact of new stations on existing service—is avoided in the U.S. but it was applied vigorously in Canada last week. The Board of Broadcast Governors turned down several AM applications in the Winnipeg, Ottawa, Calgary & Vancouver areas at the same time it picked winners for TV grants in Winnipeg & Vancouver. Said the BBG in each case: "The Board believes that the simultaneous appearance of an additional TV & an additional radio station cannot be justified by the immediate conditions in the [market], and could easily create a degree of dislocation which would result in deterioration in the quality of service. In the opinion of the Board, broadcasting service [in the market] would be enhanced more by alternative TV than by the addition of another radio station . . . The Board will not recommend a license for an additional radio station [in the market] until a second TV station is in operation and its effects on the market are apparent." The BBG also established the principle that no license will be given to radio stations basically devoted to religious broadcasting. In rejecting a Toronto application from A. W. Ness, BBG said religious broadcasting should be incorporated into the programming of all stations under guidance of broadly-based advisory councils.

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Bartell Family's radios WAKE Atlanta and WYDE Birmingham, Ala. have been sold for $1,025,000 to Ira Herbert and wife Bernice Judis, heading a group which includes Emil Mogul of Williams & Saylor agency and retired adman Milton Biow. The broker was Edwin Tornberg. The Bartell family retains radio stations WADO New York, WOKY Milwaukee, KYA San Francisco & KCBQ San Diego. It also has an interest in 3 Caribbean-area TV stations now under construction: Tele-Aruba (Ch. 7) Oranjestad, Tele-Curaco (Ch. 5) Willemstad and Tele-Haiti (Ch. 5) Port-au-Prince (Vol. 15:41 p9).

WNBQ & radio WMAQ Chicago tallied record sales in 1959, reports Lloyd E. Yoder, NBC vp & gen. mgr. of the 2 stations. WNBQ's total (national spot & local) sales soared 33% above 1958's level and 27% above the previous record volume set in 1956. The TV outlet's local sales accounted for 36% of the increase; spot sales were 32% ahead. WMAQ had a total sales gain of 11% over 1958. Local sales were 30% higher; spot sales approximated those of the preceding year.

Full-dress NAB Board sessions, postponed from Jan. 24-29 in Palm Springs, Cal. while NAB concentrated on its FCC programming hearing testimony (Vol. 16:5 p2), will be held March 7-11 in Washington's Statler Hilton Hotel. The TV Board will meet March 9, the Radio Board March 10, the full 43-member Board March 11. NAB committee meetings are scheduled for NAB hq March 7-8.

AFTRA members at KDKA-TV Pittsburgh have been authorized by the union's exec. committee to strike the station if contractual negotiations currently in process hit a snag, we learned from AFTRA last week. The station's AFTRA contract expired Jan. 31. Strike benefits have been allocated by AFTRA exec. secy. Don Hirsch, should the station members vote to walk out.

Automatic programmer, described by its manufacturer as the "most advanced in the world," has been delivered by Oki Electric Co. to Sanyo Bcstg. Co. (JOYR-TV Okayama, Japan). The programmer handles complete program sequencing and keeps a complete log.

Pulse Annual Review for 1959, covering rating performance of TV-radio stations, will be published April 1. Price: $50 to Pulse subscribers, $75 to non-subscribers, by Pulse Inc., 730 Fifth Ave., N.Y. 19.

TV-tape storage cabinets for 6-, 8-, 12½-, 14-inch reels have been introduced by Neumade Products Corp., N.Y.

The FCC

More about

ABC WRAPS UP FCC HEARING: After AB-PT Pres. Leonard H. Goldenson & ABC-TV Pres. Oliver Treyz finished testifying in FCC's "powers & policy" hearing last week—concluding it (see p. 4)—it was apparent that ABC & NBC stand very close together in their positions on FCC's authority & duties, differing substantially from CBS, whose Pres. Frank Stanton has grave fears about any Commission attempt to evaluate station performance (Vol. 16:5 p2).

Answering Comr. Cross, Goldenson said FCC should concern itself with programming, questioning the character of a licensee if he misrepresents his performance. "If a licensee doesn't operate in the public interest," he said, "the FCC can put him on notice." On the other hand, he told Comr. Ford, a station can't be held inflexibly to earlier promises. "We must rely on the public," he said, "The public will call problems to FCC's attention."

Comr. Bartley developed a favorite subject of his—the absence of late-evening network news—asking what happened to the 10 p.m. John Daly show. "Lack of public response," explained Goldenson.

Comr. Hyde was skeptical about the industry's self-correcting capacities. He asked about its performance regarding quiz-rigging & payola: "Industry didn't act voluntarily, did it? Nothing happened until there was widespread national exposure."

"The democratic process is slow but sound," said Goldenson. Hyde also asked about ABC's policy on editorializing. Said Goldenson: "We're opposed to it. Using our own airways could become a serious problem." In preference, he said, ABC offers its facilities to permit others to give their views on controversial subjects. He added, however, that ABC may editorialize in the future.

Emphasizes Limits on FCC Power

Chmn. Doerfer, irked by Comr. Cross's frequent questions about "fast buck" operators, asked Goldenson if he knew of any such. Goldenson said he knew of none. Doerfer obtained Goldenson's agreement on the following concepts: FCC should be concerned when a licensee is guilty only of "misrepresentations;" FCC shouldn't prescribe specific program "directives;" stations are forbidden to use their facilities "as a private business." Doerfer's purpose, as with previous witnesses, was to emphasize strict limits on FCC powers.

FCC counsel Ashbrook Bryant's favorite line of questioning seemed directed at making a case for the licensing of networks. He noted that station witnesses indicated they have meager knowledge of forthcoming network programs. Treyz disagreed, outlining ABC's procedures and stating his belief that they're adequate.

Answering other Bryant questions, Treyz said ABC gives "no creative control" to advertisers. On the other hand, he said, ABC doesn't have "creative control" of the Hollywood-produced films on its schedule—though it definitely sets the policy for them.

As for Comr. Cross's "3 Ms"—"mayhem, murder & mediocrity"—Treyz said: "ABC policy rules out excessive violence." He asserted that violence is employed only when necessary to develop plot & character.

The Goldenson-Treyz prepared statement stressed ABC's "counter-programming" concept—the technique of filling programming wants neglected by the other networks. Hence, they said, ABC first stressed action & adventure. Now that CBS & NBC have joined the fields, ABC is planning such programs as the Winston Churchill series, a weekly agricultural program, biblical themes, etc.

Goldenson defended TV's catering to mass tastes: "What is wrong, exactly, about serving the majority of Americans with the type of programs they prefer, with the popular entertainment for which they probably purchased their TV sets in the first place?" Then he added: "The minority's views are entitled to respect & consideration . . . we have tried to serve [them]. We think we are doing a reasonably good job and through our experience we hope to improve."

Goldenson concluded: "Unwise & precipitous action against a background such as this, whether in the form of legislation or regulation or even whether in the form of pressure too heavily applied, may result in the establishing of operating principles which can place this TV industry in a straitjacket. We must avoid any controls which might cripple or retard its growth and its ability to experiment, to be daring, to be vigorous and to enter into new fields that are the appropriate courses of conduct for so young & so new a vital force."

Jack Harris, vp-gen. mgr. of KPRC-TV Houston, submitted a statement as chmn. of NBC-TV affiliate delegates, loyally backing up the network's earlier presentation (Vol. 16:5 p2). He said "the abuses which triggered the Commission's present inquiry had been effectively eliminated even before this inquiry began." He assured FCC that the industry "can be relied upon decisively & effectively to protect & promote the public interest without the need for additional governmental intervention."

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Miami Ch. 10 conspiracy retrial, delayed by hospitalization of ex-FCC Comr. Richard A. Mack for mental examination (Vol. 16:5 p6), may proceed without his presence at the defense table. Justice Dept. attorney Oliver Dibble said the Govt. is considering dividing the case and going ahead with Mack's co-defendant, Thurman A. Whiteside, in the dock alone. No decision on procedure will be taken, he said, until Miami County Judge George T. Clark holds a hearing on Mack's ability to stand trial again. Meanwhile, Judge Alexander Holtzoff of Washington's U.S. District Court, where the second trial had been scheduled to start Feb. 2, said he'd set no new trial date for at least 2 weeks.

Proposed revocation of license of radio KIMN Denver for "vulgar, obscene" broadcasts (Vol. 16:2 p4) should be stopped because no "specific law has been violated," the station told FCC in a supplement to its petition for reconsideration. Pointing to Commission's public notice of its plans for payola legislation (see p. 3), KIMN quoted this "significant language" in it: "At the present time the Commission cannot act against a specific program unless the program violates a specific law." FCC's revocation proceeding "cannot be reconciled" with its own "legal principles," the station argued. Commission hasn't charged KIMN with violating obscenity laws.

FCC housekeeping chores in compiling detailed personnel records for Congress under Sec. 4 (k) (3) of the Communications Act would be reduced under a bill (S-2958) introduced at FCC's request by Senate Commerce Committee Chmn. Magnuson (D-Wash.). In asking for the amendment, FCC figured that 3 weeks of office work per year were needed to edit & type the payroll reports, which are available in Commission files anyway, and that elimination of the requirement would cut the budget "slightly."

Translator Rules Rapped: "Unduly harsh" are Colo. Gov. Stephen L. R. McNichols' words for FCC's proposed translator rules (Vol. 16:5 p14), which he said "do nothing to clarify the legal status of the existing vhf TV repeater stations." Suggesting that a logical approach to solution of translator problems would be appointment of a joint committee representing vhf operators & Commission, McNichols told FCC the proposed rules are "over-detailed" as well as "harsh." He called for "a transitional method & a transitional time," asserting that as it stands FCC's formula "is the result of 'tacking on' of vhf rules to uhf rules, and of an unrealistic approach by the Commission to the problems facing vhf TV operators."

On the other hand, Rep. Don Magnuson (D-Wash.) praised FCC for its plan, but said that he supports requests for more power whenever vhf translator operators believe they need it. Magnuson also suggested that FCC limit translator applications to states which already have operating boosters, that no additional states be added to the list until after special hearings & investigations. In other comments:

Jesse A. Slusser, National TV Repeater Assn. pres., said: "Let's pull the booster rules out from under the uhf translator rules, so we can all see what they are & how vhf installations are affected. Let's take another—a more realistic look."

James Beamer, Tri-State Repeater Assn. secy., opposed NCTA's 5-year operation plan as "impractical, as it imposes an unwarranted additional cost to the public in converting their equipment in areas where vhf translators have proven themselves completely practical."

And in Livingston, Mont., the Tri-State Repeater Assn. adopted a resolution charging that NCTA's plan would spell a death sentence for vhf boosters in 5 years.

———■———

Evaluation of TV-radio towers from an air navigation hazard standpoint would pass from the Airspace Div. of the Govt.'s Air Coordinating Committee to the Federal Aviation Agency, under proposed rules issued by FCC and FAA. The ACC comprises representatives of agencies concerned with air safety. FAA has been assuming their functions. Said FCC: "The procedures proposed by the FAA set forth the same general practices adhered to in the past, and determinations or findings by it would be in the nature of recommendations to the FCC with the ultimate determination to be made by the FCC."

Laclede Radio Inc. purchase of Rollins radio KATZ St. Louis for $600,000 has been approved by FCC following an inquiry to the N.Y. buyer as to whether the station might be used to promote "private business interests" of stockholders. FCC asked for assurance by Laclede that "products or services" offered by such stockholders as Milton M. Blink (music publishing) and Harry S. Golden (TV-radio station repping) would not be used "in preference to, or to the exclusion of" others.

FCC Chmn. John C. Doerfer, taking a medical checkup & a vacation, will be absent from his office until Feb. 23. The checkup is to determine whether he suffered any ill effects from wearing, for more than a year, a Rolex GMT Master watch. The timepiece had been recalled because its luminous dial contained an excessive amount of strontium 90. It was returned this week with a new dial.

Deadline for comments in FCC's clear channel radio proceeding has been extended from Feb. 19 to April 1. Clear Channel Bcstg. Service had asked 3-month extension.

Advertising

DOERFER BACKS COMMERCIAL PREVIEWING: Berating NAB for spending "too much" of its $1.25-million annual budget for "tranquilizers instead of real therapeutic medicines" to cure bad TV commercials, FCC Chmn. Doerfer last week came out solidly for previewing of advertising for TV Code approval. He shared the dais with FTC Chmn. Earl W. Kintner, who announced an agreement with major cigaret makers to eliminate health claims from TV & other advertising. TV Code Review Board member E. K. Hartenbower (KCMO-TV Kansas City) also spoke.

The previewing plan—long advocated by Triangle Stations' Roger W. Clipp (Vol. 15:47 et seq.) but viewed dimly by some other NAB leaders as a form of censorship —"would substitute a noteworthy effort for mere lip service" to NAB Code ideals, Doerfer said.

Doerfer's criticism of NAB and endorsement of the pre-testing idea (much like *Good Housekeeping*'s guarantee-seal for magazine advertising, he said) were made in a speech to the 2nd annual midwinter conference of the Advertising Federation of America in Washington.

Doerfer called for "farsighted self-regulation" by broadcasters to correct abuses. "Congressmen & Commissioners are in no mood to tolerate for long defiance or dilatory corrections of that [in TV commercials] which offends many families," he said. "The fact that offensive practices may be a small percentage of the total is no excuse for delay."

Urges Arrangements with Agencies, Sponsors

NAB, said Doerfer, "must now reappraise the advisability of re-allocating funds into more important association activities." He said broadcasters should "explore some organizational set-up with adequate liaison arrangements with the advertising components to checkmate objectionable advertising before it goes on the air."

The AFA was told by Doerfer that "a penny's worth of prevention is worth thousands of dollars spent in attempting to retrieve the confidence of the American public —even though besmirched by the mistakes of a few."

Then, without naming Clipp, Doerfer said: "One specific plan proposed by a responsible broadcaster and endorsed by a number of advertising agencies, as well as by other broadcasters, is gaining more & more support." He pointed out it would cover "programs & commercials from whatever source," brushed aside objections within the industry that it would cost too much or that it would constitute censorship, called for a joint conference between advertisers & broadcasters to work it out.

As for cost, Doerfer said: "I am advised that the NAB TV Code staff could be expanded at a cost of around 5% of the estimated $5 million presently being expended by the entire broadcasting industry in trade association membership dues." As for censorship: "Censorship, when self-imposed, is a peculiar term to apply to self-discipline."

FTC's Kintner reached a triumphant point in his AFA speech when he confirmed "a rumor on Madison Ave." that his agency's Bureau of Consultation had persuaded the cigaret industry to eliminate "tar & nicotine" claims from $190 million worth of advertising which he said the industry spends annually. Cooperative FTC negotiations with cigaret makers on such claims were started after FTC issued a cigaret-advertising guide in 1955, were stepped up in mid-Dec. 1959, and got a big shove when

FTC cited Brown & Williamson, its Life cigarets and its agency Ted Bates in a formal complaint (Vol. 15:50 p10).

"Rather than continue the apparent conflict in claims, the tobacco industry, through the aegis of the Bureau of Consultation, decided to halt the 'tar derby,' " Kintner said, adding that "this is a landmark example of industry-govt. cooperation in solving a pressing problem."

Kintner reported he had it "on good authority that more than one advertising agency is working nights" to "change the major emphasis of a number of brands" as a result of the industry-wide agreement.

The FTC chief, fresh from another speech to the Assn. of National Advertisers in N.Y. (see adjoining column), also told the AFA conference that he hoped self-regulation by advertisers & broadcasters would itself halt deceptive advertising practices.

Kintner warned that FTC is pondering proposals to make broadcasters parties to cases involving charges of advertising frauds (Vol. 16:5 p10). But he also said: "For my part, I hope that the Federal Trade Commission never will find it necessary to make any publishing medium, printed or broadcasting, party respondent in a deceptive advertising case."

Speaking for NAB's TV Code Review Board, Hartenbower said the Code "had endured & survived its most serious crisis in the past year" and that it's now being strengthened toward a time "when John Q. Public will look for & expect [the] Seal of Good Practice on all commercials & programming."

He asked AFA members to "respect the prohibitions of the Code." Hartenbower said they should "resist the human urge to nudge, to fudge—and not to budge."

The AFA conference was climaxed by a Congressional reception for scores of legislators from Capitol Hill. A side feature of the meeting was a breakfast demonstration by TvB, including its wide-screen presentation, "The Exponential" (Vol. 15:45 p 13, 47 p8).

At the TvB session, Senate Commerce Committee Chmn. Magnuson (D-Wash.), one of many guests from the Hill, said: "If this movie showed anything this morning, it showed that the impact of the great medium of TV is the greatest the world has ever known—and therefore, the greater responsibility to you people."

Plans to set up local "vigilance committees" and other procedures to clean up misleading & poor-taste advertising were announced at the AFA conference by Chmn. James S. Fish. He said 181 ad clubs across the country will be asked to work closely with Better Business Bureaus—and set up their own policing operations in cities where there is no active BBB.

* * *

When we asked top film & tape commercial producers if they were enjoying a bonanza of orders to re-shoot filter-tip cigarette commercials, they were generally aware of the FTC-tobacco industry agreement, but none reported new orders—yet. None of the continuity acceptance dirs. of the 3 networks, at the same time, had been notified by tobacco advertisers that new commercials would be supplied. However, the networks told us that compliance with FTC's requests would probably come, in the near future, with revised filter-tip commercials.

Marked shift from day to night sponsorship of network TV in Jan., compared with Jan. 1958, is noted by *Sponsor*. Total sponsored hours for all nighttime TV rose 16%. Daytime sponsored time sagged 22%.

More about

ANA AD CLEANUP: Client-level admen last week received a firsthand report on the soul-searching in which ad media have engaged since last November, plus some pointed warnings concerning advertising practices, from several of the industry's leading figures. The occasion was an unprecedented emergency meeting Feb. 2 of ANA members in N.Y. (see p. 4). Highlights of what admen were told:

By Chmn. Earl W. Kintner, FTC: "The degree of self-policing that your industry makes evident to the public will go as far as anything in reducing pressure for more restrictive laws . . . Virtually all of your recent troubles stem from the well-publicized amorality of a few and their indifference to existing laws . . . We are asking increased appropriations of $760,000 to be used for intensified work in all our areas of responsibility. But the FTC's actions are puny indeed compared to the potential for self-policing which you national advertisers have at your command . . . Of course, the advertising agencies may argue some, but they'll end up listening."

By Donald S. Frost, ANA chmn. & Bristol-Myers vp: "Much that is considered objectionable & undesirable in advertising is not illegal—is not misleading or deceptive. No, it falls in that gray area involving such questions as bad taste, overexposure, the number of commercials, the way various types of products are advertised—yes, even down to the level of the commercial sound track. Here the responsibility must first lie with the advertiser, and it is here that the individual advertiser must exercise self-regulation to the greatest degree."

NBC's Kintner Welcomes 'Discussion'

By Robert E. Kintner, NBC pres.: "Public discussion & scrutiny of media are worthwhile. There is no excuse for the quiz scandals, payola, off-taste & illegitimate advertising. The broadcaster . . . must present quality programming . . . a service which will make a real contribution to the varying tastes & interests of his audience. Broadcasters have a definite obligation to inform the country through comprehensive news & public-affairs coverage . . . to review & evaluate the commercial messages [they] present. These pertinent questions might be asked: Is there a small group of advertisers trying to see how close to the borderline of good taste they can go in their claims? Are certain advertisers attempting to use an unfair short-cut against their competitors through unfair comparisons?"

By James T. Aubrey Jr., CBS-TV pres.: "I am sure that we are deeply united in our views of the overall objectives to be achieved—namely, to stop this erosion of public confidence and restore the faith & trust of our customers & audiences. We [as networks] must retain in our own hands the absolute veto power over commercials. We propose to request fully certified descriptions of the circumstances & procedures of . . . demonstrations. We must have the final voice in determining what programs we will accept solely on the basis of what constitutes the best programming for our schedule, whatever the source. Generally speaking, we believe there is no real danger to the public interest in permitting expert participation of the advertiser in entertainment programs. However, we make one important exception—serious dramatic programming."

By Donald H. McGannon, NAB Code Review Board chmn. & Westinghouse Bcstg. Co. pres.: "The NAB TV Code is not an ivory-tower group foisting their opinions. They are practical broadcasters. We have met with top people [in the advertising industry] and have established

the basis of a relationship. What does the NAB Code Board want from ANA? Vigorous, outspoken support . . . liaison . . . a mutual program of advice & research . . . dissemination of Code material. We have a very simple alternative . . . If you create a void, the forces of government will move in . . . unless you fill it yourself with self-regulatory force."

N.Y. Anti-Deception Bill: Advertisers, not media, will be held primarily responsible for false advertising in new legislation being sought by N.Y. Gov. Nelson A. Rockefeller & Attorney Gen. Louis Lefkowitz.

The bill, if passed, would amend the state's general business law to empower its Attorney General to seek an injunction "where he has reason to believe that a person, firm or corporation has or is about to engage in false advertising, false labeling or other deceptive acts." Before applying for such an injunction, he would be required to give the advertiser notice and an opportunity to be heard. The injunctive power would apply to the advertiser "and not to a TV or radio station or to a publisher or printer."

Section 421 of the Penal Law also would be amended to make it clear that it is "a misdemeanor to publish a statement containing an untrue, deceptive or misleading statement of fact in the course of conducting business or furnishing a service." The amendment would extend to "disparaging remarks about a competitor's product as well as statements about the advertiser's own product."

The legislation would bring the state's general business law into conformity with FTC and put all businessmen, whether inter- or intra-state, "in an equally competitive position," a spokesman for the governor told us in N.Y. Co-sponsors of the bill will be Sen. David G. Albert of Mineola, L.I. & Assemblyman L. R. Marano of Brooklyn.

Ad People: Allen D. Patterson elected a Ted Bates vp. . . . Robert J. Eck, Foote, Cone & Belding, Chicago supervisor, named vp . . . David P. Crane elected a senior vp, Ogilvy, Benson & Mather . . . Jack K. Carver and Samuel B. Vitt, Doherty, Clifford, Steers & Shenfield media supervisors, elected vps.

John Chapin named vp, Grant Advertising . . .Robert B. Pile elected a Campbell-Mithun vp . . . Alton B. Copeland named Donahue & Coe media supervisor . . . Robert Welsh has been named mgr., Kenyon & Eckhardt, San Francisco.

Colgate-Palmolive went to bat for its dental cream "with Gardol" at an FTC hearing last week, winning part of one argument and losing another against a complaint that TV commercials for the dentifrice were deceptive (Vol. 16:5 p10). FTC examiner Leon Gross tossed out 2 of 7 commercials which FTC attorney Edward F. Downs submitted as evidence against the company. At the same time Gross ruled that it was no defense for Colgate-Palmolive to plead that its competitors engaged in fraudulent advertising. The company & FTC agreed on one thing in a stipulation reached at a pre-hearing conference: No dentifrice provides complete protection from tooth decay.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WCAU-TV Philadelphia	$3500 to $3800	$800 to $850*	Dec. 20
KFSD-TV San Diego	950 to 1050	250 (no change)	Feb. 1
WBAY-TV Green Bay, Wis.	600 to 700	120 to 175	Jan. 1
WPTV Palm Beach	275 to 300	60 to 90	Jan. 1
KMSO-TV Missoula, Mont.	200 to 250	40 to 50	Jan. 1

* 20 Sec. only.

Programming

Ideas for Public-Service TV: Local TV programmers are having a go at the proposition that "truth is stranger than fiction." The tempo of non-entertainment is on a fast upbeat at the local-station level—and in some cases the locals are blazing public-service trails for networks to follow. The locals are looking more searchingly into social, political, medical and international affairs & problems—and many are using prime time. Some recent dispatches from these service-to-community-minded stations:

●

TV analysis of progress in the Carolinas was initiated by WBTV Charlotte last week with 90-min., prime-time (9:30 to 11 p.m.) "Open-Heart Surgery," which updated viewers on advances in this field, portrayed application of a heart-lung machine in surgery. The program was the kickoff for *Spearhead*, a public-service series which exec. vp Charles H. Crutchfield says will "depict the forward progress of the Carolinas in all its aspects, dramatically, yet factually, exploring new angles, shedding new light. It will show flaws in that progress where they exist and perhaps set forth a few remedies." Among upcoming *Spearhead* shows: 15-hour telethon for the Fine Arts Fund, a profile on Rev. Keyes, N.C.'s "Parson of the Hills."

●

Six staff-produced TV documentaries have been scheduled by WCKT Miami, news dir. Gene Strul reports, to "give its viewers a hard look at Cuba and what the U.S. should do about our backyard neighbor; explore the economic & political problems of the turbulent Caribbean; determine the meaning of Miami's vanishing city [deteriorating downtown area]; shake hands with the next Gov. of Fla.; gain an insight into the role Fla. plays in the political conventions, and meet the Cuban people face to face." The specials, projects of the station's news dept., are slated for telecast on various Sundays from Feb. 7 through July.

●

Fortnightly prime-evening documentary series was unveiled by WFIL-TV Philadelphia last week with "White Murder," a 10:30-11 p.m. report on local drug addiction. It was the debut of the station's *Eyewitness* series which in coming weeks will explore such subjects as heart ailments, beatniks, the city's transportation problem. The series opener drew enthusiastic newspaper reviews. Typical notice: "A vivid comprehensive report . . . in every way a commendable job."

●

Serialized study of juvenile delinquency was presented by WTMJ-TV Milwaukee in 5 installments on its nightly 6:25-6:30 p.m. Mon.-Fri. *Special Assignment* series. Filmed & produced by the news staff of the *Milwaukee Journal* station, *Special Assignment* covers national & local problems, as well as the lighter side of the news.

●

Free air time valued at $853,000 was devoted for public-service announcements & programs by WRGB & radio WGY Schenectady in 1959. The 2 stations served 166 cultural, educational, civic, religious, govt. and public welfare agencies.

●

Church groups must participate actively in evolving better TV programs, and not be content with the negative role of criticizing unsuitable shows, the Protestant Coun-

cil of N.Y. has concluded in a session on "Mass Media—Its Impact on Family Life." Churches should suggest new program fare and express approval when the networks produce programs with moral ideals, it was urged. A greater effort to get network religious programs out of "the Sun. morning box," also was stressed.

●

Public-relations TV series has been initiated by KMOX-TV St. Louis to give viewers a behind-scenes look at TV, answer their letters of suggestion & complaint. Vp-gen. mgr. Gene Wilkey said *Inside KMOX-TV* will "give the viewers a frank & forthright answer to 'how' & 'why' we do certain things." Public affairs dir. Parker Wheatley hosts the series, telecast Sun., 1:45-2 p.m.

●

Ambitious TV visit to Mexico City was logged by KTRK-TV Houston recently with a series of five 120-min. programs tape-originated across the border and scheduled for daily telecast 8:30-10:30 a.m., Mon.-Fri. Co-operating Telesistema Mexicano furnished studio, video-tape machines, 2 mobile units and crews to assist KTRK-TV personnel in taping bull fights, entertainers, historical and scenic sites. The daily tapes were flown from Mexico City to Houston and telecast on the *Howard Finch Show* within hours of their origination. Sister organization *Houston Chronicle* was slated to carry daily reports on the programming and the experiences of the remote cast & crew.

●

Local women's clubs will star in a new public-service series which debuts at KOA-TV Denver this week (8). The 30-min. *Come To Order* will televise the regular proceedings (3 p.m. Mon.) of a different club meeting weekly to enable the groups to publicize their current projects & air views on local, national and international problems.

●

City council meetings are being televised for the first time in Cleveland by Westinghouse's KYW-TV. Occasional interesting sessions are video-taped, edited to assure faster pace and telecast on a delayed basis. A trial run last summer—taped but never aired—convinced the lawmakers TV could observe without being a nuisance.

●

Cascade Bcstg. Co. (KIMA-TV Yakima, etc.) is forming area viewers' council. Gen. mgr. Thomas C. Bostic states: "It strikes us that this approach, giving audiences a feeling of participation in what they see at the local level, will go a long way toward dissipating the hue & cry for the formation of a so-called national citizens' group, which most elements of our business agree would be very unworkable." KIMA-TV started the program with a telecast editorial telling of its plans to establish a TV Advisory Council comprising 200 "parents, preachers, truckers, teachers, farmers, people from the field of labor & business, housewives, bank executives, PTA members."

●

We'll publish more of these local public-service show ideas as we hear of them. Tell us about yours.

———■———

Local public-affairs shows are a feature of the 6th "Timebuyer Opinion Study" being conducted by NBC Spot Sales, which has sent a questionnaire on "the use & potentialities" of public-service TV to 1,200 agency & media men.

Film & Tape

AMPEX'S VTR TOUR: Making the first of 4 stops in a nationwide roadshow frankly designed to "sell Ampex," the Videotape-recorder manufacturer highlighted its 2-day San Francisco symposium for broadcasters with the introduction of a "Playback Delay Equalizer." The new $695 accessory appears to be basically similar to the "electronic quadrature adjustment" on RCA TV tape recorders (Vol. 15:12 p2), and helps insure compatibility with RCA-recorded tapes.

Of the device, Ampex said: "Those users who have frequent occasion to play tapes of unknown recording accuracy, tapes from foreign sources or tapes made on other machines with possible recording inaccuracies will find it possible by use of the Delay Equalizer to play satisfactorily any tapes of non-standard quadrature which they may receive, while avoiding the necessity of temporarily maladjusting their recording heads . . ." Ampex officials also reported on the new Inter-Sync accessory, which eliminates rollover when switching between VTR and another picture source (Vol. 16:4 p10).

Ampex officials staged the show in KGO-TV's giant Studio A, provided the continuity and iced the cake with hard engineering data, but it was a parade of 7 station officials who delivered the "sell" as they read monographs on their experiences, illustrated with locally-made tapes.

Robert Kelly, KCRA-TV Sacramento: "Videotape allowed us to originate more local programming, opened new fields of revenue since the local advertiser can see what he is getting, and improved our on-the-air promotion with network personalities recording for us. Tape bettered our competitive position with the newspaper and opened a whole spectrum of spot production for local advertisers. Our goal this year is $100,000 a month in local sales."

Bel Lange, KOVR Stockton-Sacramento: "We have 2 studios in 2 cities and a transmitter in a 3rd location. Our one Videotape recorder has practically taken over all production. We have done this by making all station operations revolve around the VTR."

Lloyd E. Cooney, KSL-TV Salt Lake City: "Who should control VTR? The sales manager for all commercial work and the director of operations when VTR is used for station work. Our VTR clears about $1,000 a month for us in tape charges, as a sales tool and in improved use of manpower. We are now developing a new rate card in which the client pays the actual costs of taping."

Douglas Elleson, KRON-TV San Francisco: "It is important that all control of tape use be centralized in one person from initial requests to final tape erasure. The greatest problem spot is the tape session. Here the station director must be in firm control."

Theodore Cook, KOIN-TV Portland: "There is a tendency on the part of clients to abuse taping sessions, so we established a strict set of rules. When these rules were applied, most of the booby traps disappeared."

Robert Ferguson, KING-TV Seattle, stressed the intangible advantages of station promotion and showed a recent tape in which police arrested a suspected criminal on the set of a local show.

* * *

Ampex symposium on TV tape in Washington Feb. 15-16 (Vol. 16:5 p8) will be held in the Sheraton Park Hotel, where Allied Studios facilities will be used. The agenda includes reports by executives of a half-dozen stations on their tape experiences.

STRIKE SITUATION AT A GLANCE

Union	Strike vs. TV-Film Makers?	Strike vs. TV Networks?	Strike vs. Movies?	Effects on TV Management	Prognosis for TV
WGA (Writers Guild of America)	Yes. Against Alliance of TV Film Producers. Began Jan. 16 over residual demands (foreign showings, perpetuity and new system based on writer's fee instead of minimum).	Impending. WGA last week rejected networks' counter-proposal and contract was slated to expire Feb. 6. WGA council meets Feb. 8 to decide on strike already authorized by members. Same key issues as those in strike against TV-film makers. Unaffected so far are some 300 writers in live TV-radio & network staff writers. Their contract expires Mar. 31 and negotiations begin this week.	Yes. Strike began Jan. 16 over demands for share of post-1948 film sales to TV.	No cutback in production of TV pilots or series at the affected studios. Anticipating strike, TV producers stockpiled scripts and all seemingly are amply supplied. N.Y. ad agencies are shopping for new TV shows cautiously, wanting assurance of adequate script backlog.	How long writers can live with unemployment is key factor. WGA faces another crisis with expiration Feb. 12 of its contract with independent (non-network, non-Alliance) TV producers.
SAG (Screen Actors Guild)	No. SAG's threatened strike against major movie studios does not involve their TV operations. Also, SAG contracts with independent TV producers won't expire until Mar. 31.	No. Present contract for TV film does not expire until Mar. 31.	Impending. Contract expired Jan. 31 and SAG is balloting its 14,000 members for authority to strike on issues of share of post-1948 film sales to TV, pension-welfare fund, others. SAG says negotiations with major movie studios (Assn. of Motion Picture Producers) have collapsed. Guild has opened negotiations with movie independents.	Not much now. Uncertainty of residual issue has some effect on release of post-1948s to TV.	If SAG goes out against TV, producers & networks will have to shore up programming with ample supplies of reruns. New film production would be pretty much stymied. However, strike action against TV is remote.
IATSE (International Alliance of Theatrical Stage Employees)	No.	No.	No. Contract of studio unions do not expire until Jan. 1961. However, they have re-opener clauses for negotiations with major movie studios (Assn. of Motion Picture Producers) have collapsed. Guild has opened negotiations with movie independents.	None.	IATSE has already conferred with SAG & WGA on possibilities of cutting slice of post-1948 pie.
SEG (Screen Extras Guild)	No. Contract expired Apr. 2, 1959, negotiations still going on.	No. Contract expired Apr. 2, 1959, negotiations still going on.	Voted to support a SAG strike.	None.	Same as SAG.
DGA (Directors Guild of America)	No. Contract expires Apr. 30.	No, but trouble brews. Networks reportedly have told DGA they will hire new directors even though they refuse to pay DGA's $2,000 membership fee. Contract expires Dec. 31.	No.	None.	See column 3.

THE STRIKE SITUATION: An impasse remains on key issues in negotiations between the Alliance of Television Film Producers and Writers Guild of America, neither side giving an inch on the important issues. But to date, there has been no halt in production as a result of the WGA strike which began Jan. 16 (Vol. 16:5 p8). WGA and the Alliance met last week, but no progress was made on the important issues. WGA faces another crisis Feb. 12—date of the expiration of extension of its contract with independents who are not members of the Alliance.

If there was any shortage of TV scripts, it wasn't obvious. Production continued at the various TV film companies, on pilots as well as regular series. One executive of a leading company told us he had a 5-months supply of scripts on hand.

The Screen Actors Guild negotiations with the major movie studios were in a strange & unresolved state last week. SAG natl. exec. secy. John L. Dales said negotiations had collapsed and no more meetings were scheduled. But Charles S. Boren, exec. vp of the Assn. of Motion Picture Producers had an opposite opinion.

Tape Angle in WGA Strike: A tape wrinkle arose last week in the Writers Guild of America strike against TV's film producers which began Jan. 16 (Vol. 16:5 p8). Some executives, planning for all eventualities, including a long strike, are talking of using tape next year instead of film. They theorize that while WGA has jurisdiction in live & film TV, no jurisdiction has ever been established in tape.

When we checked WGA on this, a spokesman replied: "We don't care whether a show is live, film or tape. There is no jurisdictional dispute involving writers in tape, and in any event we provide the services of writers. If a producer on our struck list tapes a show, he still won't be able to hire any of our writers."

In another tape development, negotiations between the Screen Actors Guild and AFTRA—involved in a jurisdictional dispute over tape—have resulted in agreement by AFTRA not to push for such jurisdiction while SAG negotiates with TV's film producers.

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Television Producers Guild, organized mainly to seek residuals, last week formally drafted its demands, but did not decide when to present them to the TV companies.

HOLLYWOOD ROUNDUP

NTA's *Play of the Week* received still another financial transfusion last week when KCOP Los Angeles became the first outside-N.Y. station to buy the 2-hour tape series now being syndicated (L.A. price: $390,000 for 39). Last month Standard Oil of N.J. rescued "Play" from near-certain demise, following heavy public demand (30,000 mail pieces) to keep the show going (Vol. 16:4 p9). Unlike WNTA-TV N.Y., which televises "Play" as an across-the-board nighttime strip, KCOP will carry the drama series on a once-weekly basis.

Paramount Television is planning an adventure pilot, *Innocent Jones*. Carey Wilbur will produce. The series has not yet been cast . . . **Comedy 3 Productions**, owned by the 3 Stooges and Norman Maurer Productions, plans to pilot a series combining animated & live sequences. The Stooges will star, Maurer will produce. TV Spots will produce 78 five-minute cartoons of the Stooges, to be incorporated in the series.

Warner Bros. has finished its 26 *Maverick* telefilms for this season, and will film the first show of next season this week before calling a production halt. The *Maverick* deal is for 26 first-runs & 26 repeats.

Video-Tel International, handling distribution of *You Asked For It* outside the U.S. for Crosby-Crown Productions, has sold a 26-run of the show to the French-Canadian network. It will be seen there under the title *Sur Demande*. . . . **Jerry Schnitzer** plans to pilot a comedy, *Pilgrim's Progress*.

CBS-TV has signed Keefe Brasselle to star in a new series . . . **General Foods** has first refusal on *The Andy Griffith Show* pilot, which will be showcased on *The Danny Thomas Show* on CBS-TV. Thomas and his producer-director, Sheldon Leonard, are partnered with Griffith.

Producer Whitney Ellsworth will produce 26 episodes of *The Adventures of Superboy*, as a sequel to the *Superman* series which he also produced . . . **Tandem Productions**, has decided not to pilot its *Band of Gold* anthology, and will seek to sell it via presentation instead.

Frank P. Rosenberg has resigned as producer of United Artists TV's *The Troubleshooters* series, starring Keenan Wynn. He will produce a movie, "North from Rome," for UA. No successor will be picked, until a decision is made on renewal of the series.

Paramount Television Productions has video-taped 2 championship fights in Los Angeles for global distribution. Tapes of the Jose Becerra-Alphonse Halimi and Battling Torres-Carlos Ortiz bouts, held the same night in the Coliseum, have been sent to Mexico and to Britain's BBC.

Cayuga Productions begins March 15 at MGM on the final 10 episodes of *Twilight Zone* for this season . . . Roncom Productions has signed Don DeFore to star in its pilot of *Home Team*, a situation comedy which goes into production at Fox Western Studios this week.

Producer Herbert B. Leonard has signed Martin Milner to star with George Maharis in his new project, *Route 66* . . . **Revue Studios** has resumed production on its *Whispering Smith* series, starring Audie Murphy.

NBC-TV and Jack Webb's Mark VII Ltd. are negotiating for network financing of a 30-min. dramatic series pilot.

NEW YORK ROUNDUP

Hubbell Robinson Productions will package classic mysteries in *Thriller*, a new 60-min. filmed series scheduled for prime-time exposure on NBC-TV this fall. The series will be produced by Fletcher Markle with James Cavanaugh as associate producer & story editor. Filming of the first 26 episodes of series begins Feb. 15, with primary production at Revue International in Hollywood but with some episodes due to be produced on foreign locations. First property will be "Doubles in Death," adapted from William Grew's novel. Future episodes will aim for taut-but-bloodless suspense, avoid violence under new NBC rules.

Gold Medal Studios pres. Martin Poll, whose Bronx film studios have housed a number of N.Y.-produced pilot films & TV commercials, will be co-producer (with Selma Tamber) of a Broadway comedy that hits fairly close to home: "Viva Madison Avenue!", by George Panetta. Buddy Hackett has been signed for the lead role, and the play is scheduled to go into rehearsal in N.Y. Feb. 15. A special circular makes an offering of limited partnership to agencymen, TV executives and others of $2,000 for 1% of the partnership's net profits.

United Artists Associated, primarily a feature-film distributor in TV, has made a successful foray into home movies. Fred Hyman, sales dir. of the firm's 8-mm entertainment film div., reported recently that UAA's sales in this field, begun last March, will increase 100% in 1960, and now include as a sales outlet "2,000 of the 6,000 dealers who sell 8-mm home movies." A prime reason for UAA's sales success, says Hyman, is the firm's innovation of throwing out the old title cards used in its silent films and adding on-the-picture subtitles instead.

Client-level cleanup on CBS-TV—in addition to the network's own tightening of program self-regulation—is being staged by Lever Bros., co-sponsor of *Mr. Lucky* (Sat. 9-9:30 p.m.). In future, star John Vivyan will no longer be the proprietor of a gambling casino; he's to be a restaurateur. "There was no decree, no official order," said *Mr. Lucky* packager Don Sharpe. Lever had first brought up the cut-out-the-gambling move and then worked it out with the producer.

Textbooks on video-tape recording are now beginning to appear. Published last week: *A Primer on Television Tape Recording* by George B. Goodall, Ampex Corp. (Robins Industries Corp., 36-27 Prince St., Flushing 54, N.Y., 47 pp., soft cover, $1), which originally appeared as a series of 5 articles in *International Projectionist*. Due to be published Feb. 23 by Hastings House: *TV Tape Commercials* by Harry Wayne McMahan.

ITC's "Interpol Calling" has been sold in 12 countries within 8 weeks of its release for foreign sales. Estimated outside-U.S.-gross is $515,000 to date, international sales dir. Abe Mandell reported.

NTA's *How to Marry a Millionaire* has been bought by Studebaker dealers in Philadelphia & New Haven for WFIL-TV & WNHC-TV respectively. In Springfield, Mass., they will carry NTA's *Grand Jury* on WWLP.

Seymour Reed succeeds Harold Hackett as Official Films pres.; **Louis C. Lerner** is new chmn.; **Leonard I. Schreiber**, vp; **Stanley Mitchell**, treas. . . . **Michael Reddy** has been appointed art dir., Pictafilm Inc.

Television Digest

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Personals: Thomas B. McFadden promoted from general sales exec. to NBC-TV vp-national sales mgr.; Max E. Buck promoted from station mgr., WRCA-TV N.Y., to NBC-TV vp & eastern sales mgr.; Edward M. Hitz promoted from vp for network sales, NBC central div., to vp & general sales exec., NBC-TV; Angus Robinson and Cyril C. Wagner named dir. & mgr., respectively, of network TV sales, central div. . . . William F. Fairbanks named vp & sales dir., NBC radio . . . Herbert Sussan resigns as NBC-TV special programs dir.-Hollywood to form United Talent Ventures, a TV & theater program production firm.

John B. Poor named finances & investment vp, RKO General; Hathaway Watson appointed broadcasting operations vp . . . Donald M. Hine resigns as program mgr. of KNXT Los Angeles to become special projects dir., World Tennis Inc., eff. March 1; he's succeeded by Leon Drew, ex-KMOX-TV St. Louis . . . William Whitsett, ex-Don Lee network, named administrative vp for NAFI Corp.'s broadcast div. . . . Frank J. Jordan named mgr., NBC News, Chicago . . . Robert L. Greenwell promoted from asst. art dir. to art dir., NBC-TV sales planning.

Frank P. Fogarty, vp & gen. mgr. of Meredith's WOW-TV & WOW Omaha, appointed chmn. of NAB's Freedom of Information Committee, succeeding Robert D. Swezey, who resigned Jan. 1 as exec. vp & gen. mgr. of WDSU-TV & WDSU New Orleans; Lewis W. Shollenberger of CBS News, new pres. of Radio-TV Correspondents Assn., replaces David Brinkley of NBC News on committee . . . Kenneth E. Chernin, Triangle Publications TV & radio div. promotion dir., named membership committee chmn., Bcstrs. Promotion Assn.

Don Cook resigns as production mgr., KNXT Los Angeles, to join CBS-TV staff of directors assigned to cover Winter Olympics . . . John F. Meyers, ex-NBC-TV, named program mgr. in Hollywood for CBS Films, Inc. . . . Joseph P. Dougherty, gen. mgr., WPRO-TV Providence, named also vp of Capital Cities Bcstg. Corp. (WTEN & radio WROW Albany; WCDC Adams, Mass.; WTVD Durham, N.C., in addition to WPRO-TV & WPRO) . . . Duane Holman promoted from local sales mgr. to sales mgr., KOLN-TV Lincoln, Neb.

Harold G. Ross, ex-NBC economist, joins Fox, Wells & Rogers investment firm which controls KFSD-TV & KFSD San Diego . . . Walter Cronkite, CBS News, named recipient of the 12th annual Collegian Award by LaSalle College, Philadelphia.

Richard D. Heffner promoted to new post of special projects dir., CBS-TV information services . . . Joseph Csida, one-time RCA vp and more recently a music publisher, appointed vp for Eastern operations, Capitol Records . . . Maurice Rashbaum Jr. promoted from sales exec. to research & promotion vp, Harrington, Righter & Parsons, TV station reps . . . Harry Francis appointed production dir., KCMO-TV Kansas City, Mo. . . . Lawrence Beckerman promoted to public affairs dir. of WTOP-TV & WTOP Washington, Stephen W. Cushing to news dir. . . . Gary S. Franklin, ex-WJZ-TV Baltimore, named news dir., KYW-TV & KYW Cleveland, succeeding Sanford Markey, named radio KYW news supervisor . . . A. M. (Bert) Cairns, ex-radio CFAC Calgary, Canada, appointed vp-gen. mgr., CHCT-TV Calgary.

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Radio & TV Correspondents Assn., whose exec. committee serves as the governing body of Senate & House TV & radio galleries, has elected Lewis W. Shollenberger of CBS as pres. Other officers: vp Ann M. Corrick, Westinghouse Bcstg. Co.; secy. John H. Secondari, ABC; treas. Elmer M. Lower, NBC. Delegates at large: Charles E. Shutt, Telenews; Leslie W. Higbie, Les Higbie Associates; John R. Corporon, WDSU-TV & WDSU New Orleans. They will be inducted Feb. 27 at the organization's annual dinner in Washington's Statler-Hilton Hotel.

Meetings this week: Academy of TV Arts & Sciences forum on TV for children & teenagers (Feb. 8), CBS Studio 52, N.Y. . . . RTES time-buying-selling seminar (9). Ray L. Stone, associate media dir., Maxon, and Robert A. Wulfhorst, associate media dir., Dancer-Fitzgerald-Sample, will discuss "Station Image Factor in Timebuying." Hotel Lexington, N.Y. . . . Mich. Assn. of Bcstrs. annual spring convention (9-10), Olds Hotel Lansing . . . British Columbia Assn. of Bcstrs. annual meeting (11-12), Hotel Vancouver, Vancouver, B.C. . . . IRE Washington section annual banquet (13), Hotel Statler-Hilton, Washington, D.C.

Meeting next week: RTES timebuying-selling seminar (Feb. 16). ITC Chmn. Jack Wrather will discuss "Commercial TV in Britain." Hotel Lexington, N.Y.

NBC-TV's Dave Garroway has been lauded by Rep. McDowell (D-Del.) for his "dynamic display of leadership" in educational programming by offering nuclear physicist Dr. Edward Teller a weekly spot on *Today*. McDowell said that the proposed physics-appreciation course "could & would awaken millions of American citizens from the present state of disastrous apathy in this nuclear age."

TV's night owls are mainly women, concludes Feb. 6 *Sponsor* after a study of late-night Mon.-Fri. TV audiences. At 10 p.m., the study found, the average TV audience comprises 49% women, 37% men, the balance teeners & younger; 90-min. later, 54% women, 38% men.

Obituary

Al Tisch, 63, a founder with his 2 sons of the Tisch Hotel chain, which owns controlling interest in Loew's Theatres Inc. (WMGM N.Y.), died Feb. 1 of a heart ailment in a Houston, Tex. hospital. He is survived by his wife, sons Laurence Alan & Preston Robert Tisch, and a sister.

Harvey L. Mott, 54, OCDM public affairs dir. and former managing editor of the *Arizona Republic* in Phoenix, where he also was a radio commentator before going to Washington in 1955, died Feb. 3 of a heart attack at his desk. Surviving: his wife, 4 daughters, a brother, a sister.

Trade Report . . . .

FEBRUARY 8, 1960

OFFICIAL TV-RADIO-PHONO HISTORY OF '59: Exact dimensions of home electronics' recovery year—in TV-radio-phono business—have been measured by the industry's statistical custodian, Electronic Industries Assn., closing the books on 1959.

Perennial guideposts for production-marketing planners, the EIA annual figures may be compared with previous years' data on page 26 of our fall-winter TV Factbook. For first time, reliable figures are available for phono production & sales, although only 11 months had been tallied at press time.

Here are the outstanding trends shown by the figures:

(1) Official 1959 count of TV retail sales stands at 5,748,676, compared with 5,140,082 in 1958. With the exception of 1958, last year's retail sales figure was the lowest since 1951. TV production in 1959 totaled 6,349,380, up from 4,920,428 recorded in 1958—but only 3 years since 1949 have seen lower output.

(2) Production of all types of radios totaled 15,622,357, up from 11,817,243 in 1958—making 1959 radio's 2nd best year in history from the standpoint of units produced. Retail sales of home radios, however, totaled only 8,897,451, just about 250,000 ahead of 1958's 8,631,344. (While EIA's radio figures are designed to reflect domestic production, they include foreign-made sets sold under U.S. manufacturers' brand names.)

(3) Production of FM & FM-AM radios totaled 540,522—excluding phono combinations with FM, which are believed to have numbered about 600,000. There's no comparable figure for 1958, since EIA didn't compile FM statistics for the full year of 1958. The last years for which EIA has comparable FM figures are 1955, when 252,800 were made; 1954, 188,685, and 1953, 455,662.

(4) Factory sales of phonos totaled about 4.3 million units, of which more than two-thirds were stereo. The 1958 figure was slightly less than 4 million. (Both figures exclude record-player attachments.)

(5) Picture & receiving tube sales increased over 1958, reflecting bigger renewal & original-equipment sales. Transistor production continued to soar (complete tube & transistor figures due next week).

Here are over-all monthly TV-radio-phono figures for 1959:

	1959 Production				1959 Retail Sales		
	Total TV	Total Radio	Auto Radio	*Phono	Total TV	Home Radio	Phono
January	437,026	1,124,737	420,052	361,483	501,704	700,490	390,643
February	459,492	1,125,385	432,551	353,623	448,173	474,888	327,604
March	494,032	1,347,554	511,219	287,192	425,751	515,563	279,652
April	389,251	1,040,183	422,346	172,264	263,998	388,863	212,423
May	431,911	1,039,562	476,222	123,183	279,536	400,882	152,993
June	571,003	1,430,165	637,806	197,876	344,795	678,195	167,961
July	350,360	829,035	254,725	203,259	370,575	526,827	207,721
August	547,445	1,009,423	279,424	342,724	492,449	671,713	297,058
September	808,337	1,981,208	717,501	480,184	684,773	928,457	390,543
October	706,583	1,795,718	531,116	596,050	637,147	839,912	495,676
November	560,770	1,346,079	290,815	623,461	598,070	1,016,634	652,822
December	593,170	1,553,308	581,378	—	701,705	1,755,027	—
TOTAL	6,349,380	15,622,357	5,555,155	3,741,299 (11 mo.)	5,748,676	8,897,451	3,575,096 (11 mo.)

* Phono figures are factory sales and exclude record-player attachments.

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Additional breakdown of TV sales for 1959: Factory sales totaled 6,278,476, foreign sales 188,719, distributor sales to retailers 6,012,979.

In radio category, here is the 1959 breakdown by type of set:

	Table	Clock	Portable Transistor	Portable Tube
Production	3,144,622	2,793,997	3,922,256	206,327
Retail sales	2,729,468	2,480,489	3,366,259	321,235

Extent to which stereo has captured phono market is shown in these 11-month figures for Jan.-Nov. 1959 factory, distributor & retail sales, and Jan.-Nov. 1958 factory sales:

1958	Factory Sales	Distributor Sales	Retail Sales
Monaural	2,565,139	not tabulated	not tabulated
Stereo	892,509	608,905	not tabulated
Total	3,457,648	not tabulated	not tabulated
1959			
Monaural	1,113,207	1,372,668	1,423,148
Stereo	2,628,092	2,441,946	2,151,948
Total	3,741,299	3,814,614	3,575,096

The figures above don't include 70,712 record-player attachments sold at the factory in 1959, down from 112,686 sold in 1958.

TV-RADIO PRODUCTION: EIA statistics for week ended Jan. 29 (4th week of 1960):

	Jan. 22-29	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	141,111	141,303	129,745	524,902	437,026
Total radio	383,424	354,098	295,036	1,352,760	1,124,737
auto radio	175,535	143,371	95,323	632,318	420,052

Only all-channel TV sets could be built, under the terms of legislation proposed by the FCC (see p. 2). A new subsection (S) would be added to Sec. 303 of the Communications Act, stating that the FCC would "(S) Have authority, whenever the objectives of this Act so require, to prescribe minimum performance capabilities for apparatus designed to receive TV pictures broadcast simultaneously with sound, when such apparatus is traded or shipped in interstate commerce for sale or resale to the public." A new Sec. 330 would be added, reading: "No person shall trade or ship in interstate commerce for sale or resale to the public apparatus described in Subsection 303(S) unless it complies with minimum performance capabilities prescribed by the Commission pursuant to Sec. 303(S); provided that this section shall not apply to carriers transporting such apparatus without trading in it."

"Compatible stereo" system for FM & TV has been proposed to FCC by Richard S. Svorec, 824 36th St., South Bend, Ind. Engineers say that it appears similar to the Lippincott system. Svorec's patent application states that the system's objectives are to provide: (1) No subcarrier in the SCA band. (2) "Complete secrecy of the SCA band from accidental unauthorized listening." (3) "A subcarrier which is frequency modulated with a multiplex channel for transmission of subsidiary intelligence or signals of non-broadcast nature, such as background music, news, stock quotations, and the like, so as to afford maximum utilization of the SCA band." (4) Compatibility with existing receivers.

Another patent study—*Govt. Assistance to Invention & Research: A Legislative History*, 22nd in a series published by the Senate Judiciary Patents Subcommittee—is available for 35¢ from the Supt. of Documents, Govt. Printing Office, Washington 25. It was prepared by Mrs. Barbara H. Jibrin of the legislative reference service of the Library of Congress.

Japanese TV imports—how soon? A marked difference of opinion seems to exist between Tokyo's Sony Corp. and its U.S. distributor, Delmonico International. As reported in these pages last month, Delmonico is already advertising Sony's 8-in. battery-operated TV to the trade and quoting April as the starting date for dealer deliveries (Vol. 16:4 p15). However, an interview with Sony Pres. Masaru Ibuka in the Jan. *Radio & TV* magazine (Tokyo) explains that the company is "taking a prudent attitude in world marketing of its new product because of . . . problems connected with repair servicing." Ibuka is quoted: "Of course we are thinking of exporting this set to world markets. However, this will take some time since the production is still very limited and because the product is new. It is not wise for us to launch a world-wide marketing of this set immediately." Scheduled to go on the market in Japan some time next month, the set initially will be produced in quantities of 1,000-1,500 sets a month, increasing to 10,000 monthly by the end of this year.

Import-labeling bill, amending the 1930 Tariff Act to require stamping of the country of origin on containers for foreign-produced articles which are repackaged for sale here, has been passed by the House. Opposed by the National Retail Merchants Assn. & other retail groups, the measure (HR-5054) would apply to importers, jobbers, distributors, dealers, retailers, "or other person who does the repackaging." Rep. Herlong (D-Fla.), floor manager for the House bill, said it's intended to close a Tariff Act loophole exempting "articles which for one reason or another cannot themselves be marked."

Unusual TV textbook which explains theory & technology of TV in detail without mathematics or complicated engineering language is *The Physics of Television* by Philco research dir. Donald G. Fink & Penguin Books (England) science editor David M. Lutyens (Anchor Books Science Study Series, paperback, 160 pp., 95¢), out now.

Armstrong's Posthumous Victory: The widow of Maj. Edwin H. Armstrong last week came another step closer to winning her husband's bitter battle against most of the TV-radio industry, when Emerson dropped its appeal from a court ruling that its TV & FM sets had infringed Armstrong FM patents and agreed to payment amounting to about $500,000.

Although at least 9 other manufacturers, including RCA, had settled previously with the Armstrong estate (Vol. 15:40 p15), the Emerson case was the first to go through a court trial, and is therefore expected to affect the remaining Armstrong suits awaiting trial—against Admiral, Bendix, Du Mont Labs, Motorola and Philco—by exerting stronger pressure for an out-of-court settlement.

Last fall, a N.Y. federal court ruled in favor of the Armstrong estate in the Emerson case, holding that the FM inventions in question "are to be found in every FM broadcast receiver, in every TV receiver, and they have wide applications to military, police, other mobile services."

Emerson had appealed the decision, but last week agreed to accept the lower court decision and stipulated a settlement which is understood to be less than it would have paid if it had been an Armstrong licensee. The 3 patents involved have expired—the last one in Sept. 1957.

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Fire-destroyed TV components, held in a warehouse for export, are still subject to the manufacturers' excise tax, the Internal Revenue Service has ruled (Rev. Rul. 60-29). The knotty problem of fire loss was posed by an unidentified U.S. company which sold components for shipment to a Mexican TV-set assembler. The shipment was totally destroyed when a broker's warehouse in Tex. burned down. Question: Did the components come under excise exemptions for sales for export? No, IRS decided: "Although the TV components were identifiable as having been sold for export, they were not actually exported and proof of exportation could not be furnished."

Two new transistor radios and a $10 price cut on a popular hold-over model have been announced by GE. Model P-776, a 7-transistor leather-case portable, was reduced to $49.95 list from $59.95. The new sets—both pocket units—are a 7-transistor set (P-815) at $39.95 and a 6-transistor radio (P-791) at $34.95. Radio gift packs—radio, case, earphone—were also announced.

Obituary

Dr. James Wilson McRae, 49, one of the nation's top figures in microwave & radio research, died Feb. 2 while on his way to address the AIEE's winter general meeting. At the time of his death, the former IRE pres. was an AT&T vp and coordinator of defense activities for the Bell Telephone System. Since joining AT&T's Bell Labs in 1938 as a researcher in transoceanic radio, he had held the following positions: Wartime coordinator of airborne radar & radar countermeasures for the Signal Corps (for which he won the Legion of Merit); chief of engineering, Signal Corps Engineering Labs, Bradley Beach, N.J.; Bell Labs dir. of radio projects & TV research; Bell Labs vp for telephone systems development; vp of Western Electric and pres. of subsidiary Sandia Corp. Last April he was appointed chmn. of the Army Scientific Advisory Panel. He is survived by his widow, 2 daughters & 2 sons.

Oskar Kalb, father of Herold Radio Chmn. Roland J. Kalb, and former internal auditor of the company, died Feb. 1 of a heart attack at his home in Riverdale, N.Y.

Trade Personals: Frank J. Rogers promoted from gen. mgr. to vp, Admiral commercial electronics div. (hotel-motel systems & special installations), headquartering in Newark, N.J. . . . Harold H. Howlett named secy., GT&E, succeeding Robert F. Briggs, retired . . . Glen P. Bieging, ex-GE, named to new post of mktg. vp, Packard Bell defense & industrial group . . . Paul J. Larsen, ex-Hughes Aircraft and former dir. of Civil Mobilization & Defense, Office of the President, appointed govt. relations dir., Du Mont Labs.

Jack G. Anderson, ex-Hoffman Labs mktg. vp, named a Stromberg-Carlson vp., reporting to James D. McLean, former Hoffman Labs pres., who became Stromberg-Carlson pres. last month (Vol. 16:3 p18) . . . Lawrence J. Epstein, ex-United Audio Products, appointed sales & merchandising mgr. of high fidelity & professional products, Siegler Corp. Bogen-Presto div. . . . Van M. Stevens Jr. promoted to asst. to the corporate dir. of commercial mktg. services, Raytheon.

Maj. Gen. John B. Medaris, retired head of Army's Ordnance Missile Command at Redstone Arsenal, Ala., elected chairman of Electronic Teaching Labs, Washington firm which pioneered in language instruction by use of recorders & other electronic devices . . . Frank H. Bower, ex-Motorola, named engineering administrator, Sylvania semiconductor div. . . . Earl J. Shelton, ex-Raytheon, appointed development dir., Eitel-McCullough . . . George C. Kanen Jr., ex-Philco, named military dept. senior program advisor for Dage TV div. of Thompson Ramo Wooldridge. . . . Jack E. Ricard named electronics div. national sales mgr. for Sampson Co., distributor of Hitachi products.

William A. White Sr., ex-publisher of *Danbury* (Conn.) *News-Times*, appointed head of Commerce Dept.'s Business & Defense Services Administration to succeed Horace B. McCoy, who resigned (Vol. 15:52 p19) . . . J. Albert Bertolacci named treas., Cornell-Dubilier . . . Roy S. Kullby & Robert P. Howington Jr. advance to partners in Chicago law firm of Pope, Ballard, Uriell, Kennedy, Shepard & Fowle, which represents Admiral . . . Sidney Brandt, ex-Loew's and Magnavox, named operations vp, MGM Records . . . Marshall Bartlett Jr. named mktg. mgr., audio products section, GE radio receiver dept.; George M. Miesenhelder appointed finance mgr., same dept. . . . John W. (Jack) Merritt resumes post of distributor sales mgr., Howard W. Sams & Co., after serving on a special assignment with Sams subsidiary Bobbs Merrill Co.

Arnold Sutta, Emerson, named pres. of Purchasing Agents of the Radio, TV & Electronics Industries, N.Y.; Edward Kovacs, Republic Electronic Industries Corp., elected treas.; Abe Schneiderman, Olympic, recording secy.

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Tele-Dynamics Inc. was purchased by American Bosch Arma for an undisclosed sum last week from RCA Victor distributor Raymond Rosen & Co., Philadelphia, Pa. (Tele-Dynamics Pres. J. B. Elliott is chairman of EIA's small business committee.) Tele-Dynamics, which specializes in communications & telemetry equipment, will be operated as a division of American Bosch. It presently employs some 450 people, has 100,000-sq. ft. of plant & office space in Philadelphia. The sale was "initiated & negotiated" by Philadelphia broker Charles J. McCue & Co. Inc.

Curtis Mathes Mfg. Co., Dallas, introduced a new line of furniture-styled TV sets with 3-speaker sound systems. Included are 23-in. sets with tambour doors at $299.95 & $329.95, table 21-in. sets at $199.95 & $209.95 and other 21-in. sets at $219.95 to $269.95.

Finance

Officers-&-Directors stock transactions as reported to SEC for Jan.:

Admiral. Frank J. Kazda exercised option to buy 3,600, held 4,666. James R. Oberly exercised option to buy 4,400, held 5,424. Sylvio S. Rossate exercised option to buy 3,600, held 5,520.

Allied Artists. Roger W. Hurlock bought 200, held 18,800. Albert Zugsmith bought 13,100, held 136,000.

American Bosch Arma. Charles Allen Jr. sold 5,000 through Allen & Co., held 50,214 in Allen & Co., none personally. Frank I. Bertsch sold 100, held 500.

AT&T. F. R. Kappel bought 100, held 808.

Ampex. Philip L. Gundy exercised option to buy 1,000, held 1,550. Murray Innes Jr. sold 2,000 and 1,000 more from trusts, held 2,000 personally, 667 in trusts. Neal K. McNaughton exercised option to buy 250, held 266. A. M. Poniatoff sold 1,000, held 2,850.

Amphenol-Borg. Harold R. Egenes sold 500, held 1,633.

Audio Devices. Henry E. Mendes bought 100, held 2,000 personally, 105 for daughter.

Avco. W. A. Mogensen sold 2,400, held 9,300. Benjamin H. Namm bought 500, held 2,806.

Cinerama. Bernard Goodwin sold 1,000, held 2,105.

Clarostat. Arthur Richenthal exercised option to buy 5,000, held 5,000 personally, 300 for wife, 100 for Charles J. Goldstein.

Clevite. Willard W. Brown exercised option to buy 2,000, held 3,-000. O. P. Gokay exercised option to buy 1,000, held 1,800. Curtis B. Hoffman exercised option to buy 400, held 500. William G. Laffer exercised option to buy 3,000, held 6,229. Wilbur D. Prescott exercised option to buy 500, held 500.

Collins Radio. Arthur A. Collins bought 100, held 131,288 personally, 221,864 as trust beneficiary, 55,132 for minor children, 84,933 in trust for mother. M. L. Doelz sold 204, held 4. H. V. Gaskill bought 525 and sold 200, held 1,133. Robert S. Gates sold 200 from Trust A, held 20,-325 in Trust A, 535 in Trust B, 1,267 personally. Albert H. Gordon bought 6,496 through Kidder Peabody & Co. and acquired 2,723 more through Kidder Peabody & Co. by exchanges of convertible debentures preferred stock, sold 8,653 through Kidder Peabody & Co., held 566 in Kidder Peabody & Co., 1,040 personally. S. J. Storm sold 256, held 1,442.

Consolidated Electronics Industries. Charles G. Munn sold 200, held 2,000. Pieter van den Berg exercised option to buy 2,500, held 3,750.

Corning Glass. William H. Armistead sold 2,000, held 1,000. William C. Decker sold 3,300, held 14,937. Thomas Waaland exercised option to buy 2,000, held 4,700.

Daystrom. William H. Westphal bought 100, held 300.

Decca Records. Milton R. Rackmil bought 700 as co-trustee, held 11,400 as co-trustee, 1,713 personally.

Emerson. Harold Goldberg bought 885, sold 200, held 1,553.

Filmways. William Cowan sold 1,515, held none.

General Dynamics. Ellsworth C. Alvord bought 2,880, sold 3,032 through holding company, held 5,495 personally, 14,568 in holding company, 10,484 in trust. Frederic de Hoffman sold 600, held 3,730. Vernon M. Welsh sold 1,000, held 9,000.

GE. John W. Belanger exercised option to buy 5,125, held 19,068. Lemuel R. Boulware exercised option to buy 4,570, held 18,070. James H. Goss exercised option to buy 7,522, held 9,442. George L. Haller bought 600, held 700. Edwin H. Howell sold 200, held 1,565. John D. Lockton exercised option to buy 2,841, held 12,360. Francis K. McCune exercised option to buy 1,000, held 9,339. Harold A. Olson bought 4,837, held 6,327. Harold E. Strang sold 1,600, held 9,240. William C. Wichman exercised option to buy 1,695, held 5,226.

General Precision Equipment. Joel Dean sold 500, held 1,600. George T. Link sold 2,472, held 500.

General Telephone & Electronics. Don G. Mitchell exercised option to buy 3,000, held 5,766 personally, 1,500 in Waldon Inc. Gardiner Symonds sold 100, held 1,000.

Globe Union. Ralph W. Conway exercised option to buy 200, held 2,200. William S. Parsons exercised option to buy 1,000, held 3,255. William M. Wanvig exercised option to buy 300, held 3,100. Remington H. Warner exercised option to buy 200, held 520 personally, 230 for wife.

IBM. Charles V. Boulton exercised option to buy 201, held 472. Edward E. Ford sold 2,400 from trust, held 72,336 in trust, 41,076 personally. Herbert T. Hansford bought 252, held 1,671. J. J. Kenney sold 450, held 1,500. L. H. LaMotte sold 850, held 5,359 personally, 10 in LaMotte Foundation. T. Vincent Learson bought 500, held 1,097. H. M. Sibley exercised option to buy 172, held 1,400.

International Resistance. George I. Black exercised option to buy 400, held 2,200.

ITT. Edward D. Phinney exercised option to buy 2,680, held 4,466. Paul F. Swantee sold 500, held 4,634.

Lear. Albert C. Keske sold 241, held 1,100. William P. Lear sold 30,000, held 392,768.

Litton. Glen McDaniel sold 600, held 19,900. Russell W. McFall bought 800, held 825.

Loew's. Ellsworth C. Alvord bought 760, sold 800 through holding company, held 1,760 personally, nine in holding company. J. Howard McGrath bought 250, held 500.

Loew's Theatres. Arnold M. Grant bought 500, held 10,500. Simon H. Rifkind bought 1,000, held 1,000.

P. R. Mallory. Charles A. Barnes bought 500, held 500. J. Taylor Foster exercised option to buy 1,836, held 3,684. F. E. Head sold 200, held 414. P. R. Mallory bought 1,000, held 80,636 pers., 17,994 in trust.

Microwave Associates. Julian Pathe sold 1,000, held 1,500.

National Telefilm Associates. Ely A. Landau sold 3,000, held 17,000.

National Theatres & TV. Samuel Firks sold 250, held 59,750.

Paramount Pictures. Louis A. Novins sold 500, held 1,791.

RCA. George H. Brown exercised option to buy 100, held 295. Elmer W. Engstrom exercised option to buy 600, held 3,143. Alan M. Glover exercised option to buy 300, held 564. Ernest B. Gorin sold 681, held 100. Pinckney B. Reed exercised option to buy 300, held 439. Robert W. Sarnoff exercised option to buy 9,000, held 9,904. Frank Sleeter exercised option to buy 1,800, held 2,006. James M. Toney sold 84 and 25 more for son, held 163 personally, none for son.

Raytheon. David D. Coffin exercised option to buy 2,259, held 2,686. Carl J. Gilbert bought 500, held 500. N. B. Krim sold 2,000, held 450.

Standard Coil. James O. Burke sold 16,830, held 393,640 personally, 26,780 in Tripp Bldg. Corp. Robert C. A. Eland sold 1,000, held 4,150. Arthur Richenthal sold 5,000, held 31,066.

TV Industries. William Zeckendorf sold 1,910, held none personally, 24,835 in Webb & Knapp.

Texas Instruments. Bryan F. Smith sold 300, held 11,369 personally, 159 in trust.

Thompson-Ramo-Wooldridge. Burton F. Miller sold 300 from trust, held 8,700 in trust, 3,757 personally.

Trans Lux. Harry Brandt bought 1,250 for foundations, sold 1,100, held 33,980 in foundations, 160,730 personally, 17,000 for wife, 100 in Barvic Theatres Corp., 2,000 in Brapick Inc., 100 in Marathon Pictures Corp., 400 in Bipham Corp., 400 in Pamela Amusement Co.

20th Century-Fox. Robert Lehman sold 1,000, held 9,700. Joseph H. Moskowitz sold 5,600, held 5,000.

Varian Associates. Edward W. Herold bought 150, held 150.

Warner Bros. Benjamin Kalmenson sold 10,000 in private transactions, held none. Jack L. Warner sold 1,900 in private transactions, held 225,055 personally, 1,400 in trust.

Westinghouse. C. H. Bartlett sold 500 held 275. R. D. Blasier sold 800, held 1,368. John W. Craig bought & sold 1,000, held 1,000 personally, 100 in trust. John K. Hodnette exercised option to buy 3,325, held 5,788. E. V. Huggins bought 100, held 2,126. Leslie E. Lynde exercised option to buy 250, held 2,903. George G. Main sold 950, held 400 personally, 400 in trust. L. W. McLeod sold 100, held 1,150. A. C. Monteith sold 975, held 3 personally, 1,000 in trust. Carlisle P. Myers sold 180, held 252. Russell B. Read exercised option to buy 225, held 693. Charles C. Shutt sold 300, held 1,025. Charles H. Weaver sold 700, held 25.

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Motorola's 1959 net profits were more than 90% higher than the $7,356,213 reported in 1958, and its sales were more than 30% ahead of 1958's $216,590,325, Pres. Robert Galvin told Motorola management at the company's annual management conference in Chicago Feb. 5. He said preliminary results of the company's record year show a net in excess of $14 million and sales well above $280 million. Consumer electronics, mobile radio, Handy-Talkie equipment and semiconductors all contributed to the upsurge, he added, while Motorola's military electronics business remained about the same as 1958. He repeated the prediction that the company's 1960 sales will exceed $300 million barring labor disturbances in major U.S. industries. He said that while Motorola intends to continue to diversify, it plans to continue to specialize in electronics. Galvin also indicated that the company hopes to acquire the electronics business of other companies as part of its expansion program in the next 10 years.

Transitron Electronics Corp., Wakefield, Mass. producer of semiconductor products, issued its first financial report to shareholders since its initial offering of stock to the public last Dec. (Vol. 15:46 p24). Leo & David Bakalar, chmn. & pres. respectively, reported sales of all product lines running at a good rate. For the 26 weeks ended Dec. 26, Transitron had a net income of $3,807,262 (51¢ a share) on sales of $21,984,611 (vs. $13,068,718 sales in the year-ago period; comparative earnings are not available). In the 13 weeks ended Dec. 26, net sales amounted to $11,-829,026; net income totaled $2,030,213, equal to 27¢ a share on the 7,502,500 shares of capital stock outstanding. Comparative 1958 figures are not available.

Dynamics Corp. of America has acquired control of Anemostat Corp. of America with the purchase of 77,395 additional shares of the Hartford company which manufactures air-diffusing & air-conditioning equipment. The shares were purchased from Securities Corp. General, an investment firm, for $155,820 cash & 2 blocks of Dynamics-held Securities Corp. preferred stock. Pres. Raymond F. Kelley said Dynamics Corp. will operate Anemostat as a subsidiary. Dynamics Corp. now owns 84%, or 127,031 shares, of Anemostat's 151,000 outstanding shares. Anemostat, in 1958, reported earnings equal to 59¢ a share on sales of $4,383,640.

Magnavox anticipates 1960 sales of $135-$150 million and is "shooting for a net of $2.50 to $3 a share," C. Wesley LeBlanc, asst. to Pres. Frank Freimann, told the Detroit Financial Analysts Society last week. High-aiming Magnavox (Vol. 16:4 p19) had 1959 sales of about $107 million & earnings of some $1.90 a share.

Pentron Electronics Corp., Chicago maker of magnetic tape recorders & related electronic equipment, has asked SEC (File 2-16092) to register 250,000 common stock shares for public sale at $3 per share. An underwriting group is headed by Stanley Heller & Co. Also reported in the registration statement is the purchase of 10,000 shares at 25¢ per share by Heller's senior partner Stanley Heller from Pentron's Pres. Theodore Rossman & exec. vp Irving Rossman. Most of the proceeds of the public sale would be applied to payment of outstanding 6% debentures.

Savoy Industries subsidiary Transelectronics, Ltd., has opened a production plant for electronic components in Freeport, Grand Bahamas. Savoy Pres. Louis Danenberg said cheaper labor & tax advantages prompted the Tulsa-based concern to erect the plant in the Bahamas. At the outset, output of the Freeport facility will be used by Savoy's Fort Lauderdale (Fla.) and Griffin (Ga.) electronic equipment plants. As production expands, the components will be offered to other equipment makers. Freeport's initial employment of 100 is expected to rise to more than 200 in a year.

Tung-Sol hit a sales peak in 1959 with a 20% gain over 1958's $59.8-million volume, but the net approximated the $2,643,842 ($2.67 a share) earned in the preceding year. Vp-treas. H. Merle Darling explained that while sales soared past the previous high of $64.1 million (set in 1957), the steel strike, competition and heavy expenditures for expansion of the company's semiconductor div. were drags on earnings. "Competition whittled down our prices on electron tubes, particularly in the renewal or replacement field," he said. "We think this trend will be reversed this year."

Electronic Research Associates Inc., Cedar Grove, N.J. maker of specialized commercial & military transistorized devices & other electronic components, seeks SEC registration of 216,254 Class A capital shares to be offered in exchange for an equal number of Class B shares on a share-for-share basis. The company said that some stockholders may subsequently offer their Class A shares for public sale. Principal Class B holders now include vp Noah J. Gottfried (48,775 shares).

Elco Corp., Philadelphia manufacturer of basic electronic equipment components, submitted an SEC registration statement (File 2-16072) for 88,135 common stock shares reserved for issuance on exercise of outstanding warrants. The warrants were issued to S. D. Fuller & Co., which underwrote a 1954 stock offering, and to Elco pres. Benjamin Fox & other key personnel.

Healthy financial climate is reflected by the higher dividends voted by 145 companies in Jan.—up from 101 in Jan. 1959 and a record for the month, reports Standard & Poor's Corp.

Ampex has gotten the nod from Stock of the Month Club Inc., Warwick, N.Y.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Allied Artists	Q	$0.13¾	Mar. 15	Mar. 3
GE Ltd.	Stk.	3%	Apr. 6	Feb. 29
GT&E	Q	.55	Mar. 31	Feb. 23
Gen. Tire & Rubber	Q	.25	Feb. 29	Feb. 15
ITE Circuit Breaker	Q	.45	Mar. 1	Feb. 15
Lear Inc.	—	.10	Mar. 1	Feb. 11
Sonotone	—	.07	Mar. 31	Mar. 4
Standard Radio Ltd.	Q	.15	Apr. 8	Mar. 18
United Artists	Q	.40	Mar. 25	Mar. 11
Walt Disney Prod.	Q	.10	Apr. 1	Mar. 18

P. R. Mallory & Co. scored record earnings & sales for the year ended Dec. 31, 1959. Net income was up 51% from 1958 and 38% from 1957, the previous record year. Sales increased 26% over 1958 and 11% over 1957. For the year ended Dec. 31 (1958 & 1959 per-share earnings after pfd. dividends and both based on 1959 shares outstanding):

	1959	1958
Sales	$86,504,443	$68,286,563
Net income	4,339,042	2,872,526
Per common share	2.87	1.85
Common shares	1,441,090	1,409,584

Dresser Industries reports a sag in net income despite a sharp sales gain in its 1959 fiscal year. The Dallas-based corp. & subsidiaries (Dresser-Ideco, Southwestern Industrial Electronics div., etc.) report for the year ended Oct. 31:

	1959	1958
Net sales	$232,309,621	$225,287,985
Net income	9,171,131	9,882,233
Per common share	1.95	2.14
Common shares	4,709,547	4,612,283

Belock Instrument Corp. scored marked increases in sales & earnings in the fiscal year ended Oct. 31:

	1959	1958
Net sales	$15,794,325	$12,731,300
Net income	349,988	202,743
Per common share	40¢	24¢
Average common shares	852,776	811,447

Hewlett-Packard Co. sales & earnings climbed sharply in fiscal '59. For year ended Oct. 31:

	1959	1958
Sales	$47,745,073	$35,653,353
Net income	3,899,941	2,571,952
Per common share	1.19	79¢

Axe Science & Electronics Corp. mutual fund reports strong gains in net assets for the year ended Dec. 31:

	1959	1958
Net assets	$12,521,784	$9,446,139
Net assets per share	12.42	11.99
Capital shares	1,008,346	788,093

Howard W. Sams & Co., Indianapolis publishing, electronics research & engineering firm, and subsidiary Bobbs Merrill Co., report a 22% sales gain for the first half of fiscal 1960 over the same period of fiscal 1959 ($5,857,904 vs. $4,818,710). The figures cover July 1 to Dec. 31, and are before eliminating inter-company transactions. Pre-tax profits were $647,549 vs. $483,933—a 33% increase.

Ling-Altec Electronics sales in 1960 are expected to soar past $75 million, compared with 1959's estimated $45 million, Chmn. James J. Ling forecast last week. He would not estimate 1959 earnings, but hoped they "will be in the ball park" of an Oct. forecast of $1.40 a share—or about $2,240,000, based on 1.6 million shares outstanding.

Reports & comments available: GE, discussion, E. F. Hutton & Co., 61 Broadway, N.Y. 6 . . . **Philco**, analysis, Amott, Baker & Co., 150 Broadway, N.Y. 38 . . . **Hoffman Electronics**, review, Carreau & Co., 115 Broadway, N.Y. 6 . . . **General Precision** and **Bendix Aviation**, discussions, Bache & Co., 36 Wall St., N.Y. 5 . . . **Telechrome Mfg. Corp.**, prospectus, Amos Treat & Co. Inc., 79 Wall St., N.Y. 5 . . . **Tenney Engineering Inc.**, prospectus, Milton D. Blauner & Co., 115 Broadway, N.Y. 6 . . . **Data-Control Systems Inc.**, prospectus, C. E. Unterberg, Towbin Co., 61 Broadway, N.Y. . . . **Technicolor**, profile, Feb. 1 *Forbes*.

Walt Disney Productions reported a net loss & decline in revenues for the 13 weeks to Jan. 2 as TV income alone fell $2,062,679, compared with the year-ago period. Treas. Paul Pease attributed the overall decline to "the continuing effect of the low profit margin that we have experienced on our recent theatrical releases coupled with a loss on the current *Walt Disney Presents* TV show." During fiscal-1960's first quarter, he said, the film concern derived no income from *Mickey Mouse Club* and *Zorro*, which are not being televised because of the disagreement with ABC about the right to license to other TV outlets (Vol. 15:48 p6). For 13 weeks to Jan. 2:

	1960	1959
Revenues	$9,731,841	$11,799,302
Net profit (loss in 1960)	(165,939)	629,838
Per common share	—	40¢
Common shares	1,628,023	1,581,011

Warner Bros. sales for the first fiscal quarter ended Nov. 28 were well ahead of the 1958 period, but net income was down because of a higher provision for federal income taxes ($1.7 million vs. $650,000 in 1958). Stockholders were told last week at the annual meeting in Wilmington, Del. that 2nd-quarter earnings will be "slightly less than in the first quarter." Secy. Herbert Freston said that while Warners' 1960-61 TV film schedule hasn't been arranged, there may be a shift in emphasis away from Western & adventure programming. The company's report for the quarter ended Nov. 28:

	1959	1958
Sales, film rentals, etc.	$23,037,000	$18,938,000
Net before income tax	3,453,000	2,572,000
Net income	1,753,000	1,922,000
Per common share	1.16	1.10
Common shares	1,505,196	1,745,196

RKO General, the TV-radio subsidiary of General Tire & Rubber Co. (4 TVs, 5 radio stations), was one of leading factors in increasing the company's 1959 net earnings to a record $26,624,080 ($4.84 a share). This was 136% over 1958's $11,279,117 ($2.06). Pres. William O'Neil, discussing the company's various subsidiary operations, said: "One of our best performances was turned in [by] RKO General. While we do not consolidate this division's sales in our figures, its earnings are consolidated and added substantially to our total." The parent company's consolidated net sales (excluding non-Canadian foreign operations, those of RKO General and A. M. Byers) totaled a record $676,942,133 vs. $469,782,099 in 1958.

United Telefilms Ltd. shareholders have approved a 1-for-4 consolidation of stock (Vol. 15:52 p20). Canada's *Financial Post* says "it is rumored that this is preparatory to the issue, probably in the U.S., of $15 million 5½% 8-year convertible debentures." United Telefilms' present authorized capital is 6 million shares, of which 3,993,000 are outstanding. Pres. G. P. Cass has stated that the Toronto-based concern will expand by acquiring products in all phases of the entertainment field.

Meredith Publishing Co. (WHEN-TV & WHEN Syracuse, WOW-TV & WOW Omaha, KPHO-TV & KPHO Phoenix, KCMO-TV & KCMO Kansas City, Mo., radio KRMG Tulsa, *Better Homes & Gardens*, *Successful Farming*) reports a jump in net income to $2,202,854 ($1.69 a share) in the 6 months to Dec. 31, up from $1,772,865 ($1.37) in the year-ago period.

Magnetic tape sales totaled $40 million in 1959 and will reach $100 million by 1963, according to a forecast by Ampex vp John M. Leslie, gen. mgr. of Ampex's tape-making Orr Industries div.

Foreign

Australia's favorite TV series is the Warner Bros. *77 Sunset Strip*, which last week was winner of the "Logie" award (named for British TV Pioneer John Logie Baird). The prize was given after an annual poll by Melbourne's *TV Week* magazine. Variety star Graham Kennedy, who hosts a nightly Melbourne TV show, was awarded a "Logie" as "star of the year," and Edd (Kookie) Byrnes of "77" (currently on suspension from WB in a contract dispute) was runner-up. Other U.S. export winners in the program category: *The Phil Silvers Show* and *Father Knows Best*. Owned by the News Ltd. of Australia (in which ABC-TV owns an interest), *TV Week*, modeled closely after *TV Guide*, now goes to one in every 3 Australian TV homes, the magazine's N.Y. office told us.

Ad revenue of Britain's commercial TV program contractors reached a total gross of $162.2 million in 1959, up from $135.5 million in 1958, reports *Advertiser's Weekly*. Top grosser was Associated-Rediffusion, with revenue of more than $34.6 million. Granada was 2nd with $32.6 million. The program contractors telecast 300,668 separate individual ads. The most popular TV spot was the 15-sec. variety, with 97,819 separate transmissions. The 30-sec. film commercial took 2nd place with 88,463 appearances.

British Marconi has sold more than $28 million worth of TV equipment in the last 10 years, according to a new brochure published by the company. Other highlights: It has sold more than 550 TV camera chains (503 image orthicon cameras), 37 mobile TV units, 102 TV transmitters, 46 TV transmitting antennas, $14 million worth of studio equipment. Interesting sidelight in the Marconi booklet: "Marconi's have also designed & manufactured a complete mobile [color-TV] unit for an American company."

"East Eurovision" network, linking TV systems in Communist bloc countries, is now under construction, according to Tass, which said programs would be interchanged among the Soviet Union, Czechoslovakia, Poland, Bulgaria, Romania & East Germany. A coaxial cable is being laid for the Russian-Polish link, the dispatch said. As to an interconnection with West Europe, Tass added: "Quite feasible technically, given a proper agreement, is inclusion of Warsaw or Prague in the Western European Eurovision system."

TV sets in Denmark now number 320,433, according to the latest report by the Danish Information Office on licenses issued, for a fee, to set owners. Seven TV stations now dispense the non-commercial video service throughout the nation. An 8th station is expected soon in Bornholm. Advocates of commercial TV still fail to make headway and were defeated decisively at the recent Nordic Council session on their proposal to introduce TV-radio ads in Denmark, Norway and Sweden.

Middle East's most powerful radio station has been opened near Mansura, Egypt, according to the Commerce Dept.'s *Foreign Commerce Weekly*. The 300-kw medium-wave facility carries broadcasts of Radio Cairo & Voice of the Arabs throughout the Arab world and in most of Africa. The United Arab Republic also plans four 100-kw short-wave transmitters, is building a TV-radio center at Cairo.

NTSC color system has been officially adopted by Japan after a long period of tests & experimentation.

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

WITH THIS ISSUE: "Investing in Applied Science," Special Supplement on buying electronics securities, by George Edgar, of Carl M. Loeb, Rhoades & Co. (story on p. 2).

Industry Image

OUR CHECKLIST OF what 12 organizations in government, advertising and industry have done for TV's image (pp. 1 & 5).

DISC JOCKEYS & "3Bs"—"babes, booze & bribes" at Miami convention—become major target of payola expose by Oren Harris & his House probers (p. 6).

PAYOLA & DECEPTION REMEDIES. Texts of FCC's proposed rules & legislation. Punishment: $5,000 or 1 year, or both (p. 7).

FORD'S VIEW OF FCC POWERS includes conviction it has authority to review station performance. Says no one proposes "blue pencilling by govt. clerks" (p. 8).

Congress

OVERSIGHTERS' BILL PARADE is led by Bennett, ranking Republican on House subcommittee, who propses jail & fines for anybody who tries to "deceive" on TV or radio (p. 1). Dept. (p. 9).

Foreign

USIA's FOREIGN TV REPORT shows stations up 47% (p. 18).

Film & Tape

SUMMARY OF TV STRIKE SITUATION: WGA still deadlocked with TV Alliance & major-studio TV units on key issues; network TV film strike delayed (p. 16).

Manufacturing & Distribution

OUT OF THE LABS and into production come 2 new electron devices expected to have important TV potential—GE's tunnel diode & RCA's Nuvistor (p. 19).

TRANSISTOR OUTPUT lagging behind defense goals as result of Japanese competition, EIA states in final argument for govt. action. Japan's 1959 radio exports to U.S.—6 million sets (p. 19).

1959 PHONO SALES totaled 4.3 million units at the factory, 4.4 million at retail, for 2nd best unit sales year (p. 21).

EIA's NSRC SHUTS SHOP following FCC's refusal to set up TASO-like all-industry group to test & evaluate stereo systems (p. 21).

Programming

THOSE FALL PROGRAM BLUEPRINTS: our report on how new-season television will look on the 3 networks (p. 14).

Finance

CBS POSTS RECORD sales & earnings in 1959 as sales climb 8% to $444.3 million and income gains 3% to lift corporation to $25-million profit plateau for first time (p. 24).

Other Departments

ADVERTISING (pp. 2 & 12). **TECHNOLOGY** (p. 3). **AUXILIARY SERVICES** (pp. 3 & 11). **FCC** (p. 9). **NETWORKS** (p. 10). **STATIONS** (p. 13). **PERSONALS** (p. 18). **FOREIGN** (p. 18).

QUICK CHECKLIST OF GOVT.-INDUSTRY MOVES: For your convenience in determining just where industry & govt. now are in their efforts to clean up & improve TV, we have compiled the chart on pages 5 & 6 showing just what each major agency or organization has done, plans to do, is considering doing—together with our estimate of what may happen. It's necessarily brief because it covers such a mass of material, but we think it provides a valuable quick reference.

OVERSIGHTERS' BILL PARADE IS LED BY BENNETT: House Commerce Legislative Oversight Subcommittee's report on its TV quiz investigation (Vol. 16:6 p1) last week produced first of expected flock of bills implementing its recommendations to correct industry's faults—and one legislative proposal was a humdinger.

Hitting hopper with bang for broadcasters was bill (HR-10241) by Rep. Bennett (R-Mich.), ranking minority Oversighter, "to prohibit the broadcasting of material intended to deceive the listening or viewing public." It would set up 2-year jail terms and/or $5,000 fines for anybody convicted of having anything to do with preparing or broadcasting programs "with intent to deceive"—theatrical illusions not excepted in bill as written. In addition, anybody responsible for commercials used on such TV or radio shows would be subject to same criminal penalties.

Sponsors of any programs which turn out to be rigged—whether or not commercials themselves are phony—would face jail under these terms of Bennett bill: "Advertising matter which is broadcast in connec-

tion with a program, and which is intended or calculated to promote the sale of articles or services, shall be held to be a part of such program. The term 'matter' includes all writing, signs, signals, pictures, and sounds of all kinds, or any combination thereof, disseminated or communicated by means of radio communication."

Bennett also introduced FCC station-discipline bill (HR-10242) permitting Commission to put wayward broadcasters on probation or under suspension when it decides that would serve "public interest, convenience and necessity." Instead of renewing licenses for 3 years or revoking them (only penalty now provided FCC for punishment of stations for misconduct), FCC could order "conditional" renewals for one-year periods or suspend them for periods up to 30 days.

Chances of action on Bennett bills seemed dim at this short election-year session of Congress. He's still waiting for Commerce Committee to do something about his measure (HR-5042) for FCC regulation of networks—another subcommittee recommendation—which he submitted nearly year ago (Vol. 15:9 p4). And if any legislative priority is given to broadcasting bills on Capitol Hill before adjournment for July political conventions, it probably will go to still-undrafted omnibus measure by Commerce Chmn. Harris (D-Ark.). It will be designed to carry out all of his subcommittee's wide-roaming proposals—from FCC control of station trafficking to FTC injunctions against any deceptive commercials. Multiple-purpose Harris bill "won't be ready for weeks or even months," one Committee source told us.

But Bennett bills are grim samples of threats which will confront broadcasters in wake of quiz findings by Oversighters, who moved on into headline-fertile field of payola hearings last week (see p. 6) while FCC came up with its own legislative ideas for excising payola & deception vices from industry (see p. 7).

INVESTING IN APPLIED SCIENCE: "There is no such thing as an electronics industry," says George Edgar of the research dept. of the big N.Y. investment house of Carl M. Loeb, Rhoades & Co., in describing his firm's approach to investments in electronics—or "applied science," as he prefers to call it.

To obtain maximum appreciation from investment in the rapidly-expanding electronic technology, buy into a specific "new product" at the frontiers of science—specifically on the component end. For greatest growth, buy into a company which specializes as much as possible in that new product. In a nutshell, this is the highlight of Edgar's "new concept" in electronics investing, which rejects many traditional theories about stock buying.

We found Edgar's approach to investment in electronics so interesting that we asked him to edit for publication an extemporaneous address he delivered recently in St. Louis, and we are passing it on to you as a Special Supplement with this issue—knowing that most of our subscribers, being personally involved in electronics, are active or potential investors in electronics. Of course, we neither endorse nor disown his specific stock recommendations, but we know you'll find his comments interesting & useful reading.

The analysis was made originally for security dealers and delivered under auspices of A. G. Edwards & Sons, St. Louis correspondents of Carl M. Loeb, Rhoades & Co. Edgar is a member of the N.Y. Society of Security Analysts and the Electrical & Electronic Analysts Group.

TELEFILM'S LORELEI SONG: Virtually every Hollywood producer now offering new telefilm shows to agencies & advertisers (Vol. 16:5, Supplement) has added a co-financing come-on, we're told by top TV admen in N.Y. The tactic isn't dictated by money shortage among leading producers. Producers known to be offering join-the-act deals include Desilu, Filmways, Four Star, ITC, MGM-TV, Paramount, Revue, Screen Gems and Ziv. Combined, these firms are offering 68 shows, many in completed pilot form. Nearly all have strong credit ratings.

Real intent of co-financing deals is 3-fold, agencymen believe: (1) A sponsor isn't likely to bother with other pilots once he's decided on a telefilm co-financing investment. (2) He's even less likely to cancel the show once it's on the air, since he's now producer's financial partner. (3) Sponsor-producer "marriages" help producers to circumvent growing tendency (partly inspired by quiz-scandal cleanup) of networks to control program scheduling & physical production.

Standard TV film offer is the 50-50 split. If he'll underwrite a show's production, the sponsor will receive half the show's profits, particularly profits in a co-sponsorship sale, residuals from reruns, overseas sales. And sponsors are usually offered a larger-than-average voice in the show's production policies, casting, script choice, etc. Such deals aren't new (see p. 12).

Agencymen aren't happy about the trend, particularly TV executives at small & medium-sized agencies. Consensus of their gripes: Sponsors should stay out of show business, unless they have large, experienced, internal program departments (such as that of P&G). Most telefilm network shows operate at a first-run loss, and sponsors who visualize a quick profit will be disappointed; it may take years to recoup the investment in reruns. Agencies are bound to be dragged in to supervise production, and may lose money under the 15%-commission set up (because of added TV personnel) unless sponsor will consent to special-fee arrangement.

CATV, COMING OF AGE, SEEKS COMPROMISE: Community antenna business is in an important transitional phase, and board of National Community TV Assn. recognized this in its Washington meeting this week. Most of time was devoted to the legislation designed to put CATV under FCC's jurisdiction, which is now before Senate despite FCC's distinct lack of desire to take over field.

NCTA believes pending bill (S-2653) is both discriminatory & unworkable, though it has long favored regulation by Commission. Board is most eager to compromise, hopes to get Senate Commerce Committee to modify bill, particularly on provision designed to keep CATV systems from carrying programs also telecast by stations in their communities (Vol. 15:36 p4). Prospects seem at least fair.

CATV's penchant for federal regulation stems from desire for relief from uncertainties of state & local controls. In addition, federal regulation tends to produce stability—a sort of recognition that industry has solid status. With many systems now on market because of great tax benefits following exhaustion of depreciation, operators are eager to present the aspect of maturity to prospective investors. Along the same line, they're most pleased to note entrance into field of such large & shrewd investors as Jack Wrather & John Loeb, through purchase of major holdings in Jerrold Electronics, and TelePrompTer's acquisition of systems in Farmington, N.M. & Rawlins, Wyo. (Vol. 16:6 p5). We hear several more major sales now are being negotiated.

CATV is eager to come to terms with vhf booster operators, too. NCTA told FCC recently that it recommended simply accepting status quo for 5 years, putting almost no restrictions on boosters (or translators, as FCC calls them)—as long as no new ones are permitted in vhf. NCTA is considering suggesting that existing boosters not be required to shift to uhf for 10 years.

Lacking federal regulation, CATV financial data is hard to come by, is available in bits & pieces as operators choose to release it. One area with a marked vacuum is that of CATV systems' rates to subscribers. We've surveyed industry and have come up with first compilation ever published on patterns of installation charges & monthly rates (see p. 11).

LIVE TRANS-OCEAN TV—WHO NEEDS IT? Discovery of "atmospheric ducts" which could carry TV signals across the Atlantic (Vol. 16:5 p12) has revived a favorite prediction of electronics prognosticators: Live trans-oceanic TV will be "in general use" within the next 5, 10 or X years. While this is exciting, stirs the imagination, it also brings to mind this question: How much "general use" would we get out of it?

Biggest barrier to widespread use of transatlantic TV will be, not the pace of invention, but the time differential. On a normal day, what could we see during the prime evening hours of 7:30-10:30 p.m. (EST) via transatlantic relay? Well, we might catch a late late show at the Folies Bergere in Paris (the time there is 1:30-4:30 a.m.), but Congress wouldn't like that—at least, not while the kiddies are still awake. Or the streetwalkers on Picadilly Circus (London time 12:30-3:30 a.m.). If we let the Russians in on our relay, we could watch the early shift reporting to work at the Moskvitch auto plant (3:30-6:30 a.m.). With transpacific TV we could see the morning crowds on Tokyo's Ginza (9 a.m.-12:30 p.m.) during our prime time, or perhaps a Japanese-dubbed rerun of Rin Tin Tin direct from Nippon TV.

This isn't quite enough to sustain viewer or sponsor interest and pay the cost of live trans-ocean relays on a regular basis. During the important evening hours in Europe, it's afternoon in N.Y.—not a good time to slot an expensive show, and shows from Europe will be expensive.

If trans-ocean TV were a necessity—or even an important luxury—we'd have it now. For at least 5 years, communications technology & knowhow have been at a sufficiently advanced stage to build an island-hopping over-horizon Atlantic "scatter" relay. Cost: $50 to $100 million. Now the trans-ocean-TV spotlight has shifted to space satellites and over-the-ocean air ducts. Probably cheaper, easier—but still too costly

for the little use TV would get from them—unless their installation can be financed for other types of military or civilian communication. Under such conditions, TV could go along for the ride now & then.

Yes, only now & then. The fact is, networks here & abroad aren't particularly interested in live trans-ocean TV—exciting as it would be for an occasional news or sports event. As for regular program exchanges with foreign countries—live TV wouldn't make them a bit easier than they are now. Most shows are on film or tape now—so foreign programs are easily available to us—but we rarely see them.

How about important spot news events? For prime-time live coverage, it would be best if we could arrange for news to break in the wee small hours of the European morning. But why break our necks to cover European news live when even our own domestic news is covered 2nd-hand via film or tape for transmittal at the proper news time period? Tape or film & jet plane produces good results on spot news far cheaper.

Once in a lifetime there is a Coronation in England, and some of the pageantry could be caught live while Americans are awake. Live TV would be at its best in transmitting the day-long Olympics. This year's Olympic games will begin at 9 a.m. (Rome time) and often continue as late as 11 p.m., for indoor events such as basketball. This means they'd start at 3 a.m. N.Y. time (midnight in Los Angeles), continuing until about 6 p.m. Fine. The Olympics are held once every 4 years. Even the Winter Olympics, in our own country, are being televised live only on weekends—mostly unsponsored.

Best summation of possibilities of the wonderful world of live trans-ocean TV: It's a swell idea. Networks would use it once in a while, if only for prestige purposes—but somebody else would have to pay to get it built—and it would be hard to convince most sponsors to pay what will probably be monumental transmission charges. Except for a few really worthwhile occasions each year, it would be an extremely expensive novelty—especially when you consider that most of our own domestic "live" shows, from N.Y. & Hollywood, are now on tape.

Industry Image

TV Code subscribers totaled 380 stations (among 517 operating commercial outlets) for another new high at last week's end, 8 more having joined up since NAB submitted a roster of 372 to FCC as of Jan. 5 (Vol. 16:2 p3). New subscribers are WMSL-TV (Ch. 23) Decatur, Ala.; WSIX-TV (Ch. 8) Nashville, Tenn.; KMOS-TV (Ch. 6) Sedalia, Mo.; KRGV-TV (Ch. 5) Weslaco, Tex.; KTBC-TV (Ch. 7) Austin, Tex., KTWO-TV (Ch. 2) Casper, Wyo.; WOI-TV (Ch. 5) Ames, Ia.; KSTF (Ch. 10) Scottsbluff, Neb. (satellite of KFBC-TV Cheyenne, Wyo.). Also on Code subscription list are the TV nets, 20 film producers.

Most advertising is pure, according to Rep. Wilson (R-Cal.), who was a partner in Champ, Wilson & Slocum, San Diego ad agency, when he first went to Congress in 1953. By now it's "99 & 44/100% pure," he assured his colleagues in a *Congressional Record* statement commenting on a recent *Wall St. Journal* ad ("Advertising Versus Badvertising—A Few Quiet Reflections"). "It is the exception that is making the headlines these days," Wilson said. "It is the misleading claim, the excessive counterclaim, the absurd distortion, or the downright rude or crude commercial that is under attack. All of these are true exceptions."

"Some very bad advertising" is on the air, NAB Pres. Harold E. Fellows conceded in a speech to the Electric Institute Inc. at Boston. But he argued that self-regulation by broadcasters—not govt. control, which "spells the end of individual freedom"—should correct industry faults. "We are guilty in broadcasting of blatancy in many instances, of over-commercialism—not as that may be measured by govt., but as it might be offensive to the listeners as viewers," Fellows said. "We were lax in the case of the quiz scandals, and we have been lax in the case of payola." However, none of this should "constitute a launching platform for a campaign to change the Constitution," he maintained.

TV summit conference with the Senate Commerce Committee Feb. 19 on the industry's advertising & programming ills (Vol. 16:4 p2) will bring these participants together at 10:30 a.m. in room 5110 of the New Senate Office Bldg.: FCC & FTC members, NAB Pres. Harold E. Fellows, TV Code Review Board Chmn. Donald H. McGannon, ABC Pres. Leonard H. Goldenson, NBC Pres. Robert E. Kintner, CBS-TV Pres. James T. Aubrey, Advertising Federation of America counsel John J. Ryan, Assn. of National Advertisers vp Peter Allport, American Assn. of Advertising Agencies Pres. Frederick R. Gamble.

More govt. regulation of TV, unless TV self-regulation is successful—was the warning sounded to admen by 2 leading broadcasters last week. "The shadow of authoritarian control constantly hovers over us," Donald H. McGannon, pres. of Westinghouse Bcstg. Co. & chmn. of NAB Code Review Board told an AFA district meeting in Boston Feb. 8. "Broadcasters must stand together in opposition to advertising matter or any other kind of program substance that clearly & violently offends public taste or is deceptive," he said. Clark B. George, gen. mgr. of WBBM-TV Chicago, similarly told the Advertising Execs. Club of that city: "It is time that we insure that no ambitious group elected to office is able to seize the power of TV . . . It is hoped that every TV station in the country will be guided by the [NAB] Code within a relatively short period."

"Clipp Plan" for NAB Code previewing of commercials, proposed by Triangle Stations' Roger W. Clipp and endorsed by FCC Chmn. Doerfer (Vol. 16:6 p12), is due for discussion at NAB's March 3 board meeting, NAB Pres. Harold E. Fellows informed Senate Commerce Committee Chmn. Magnuson (D-Wash.). The Senator had asked Fellows for NAB's position on the plan, and Fellows indicated that no final action had been taken yet, though he stated that Code activities should be expanded.

GOVERNMENT & INDUSTRY ACTION ON TELEVISION

AGENCY OR ORGANIZATION	ACTIVITY	PROGNOSIS
CONGRESS	(1) House Commerce Legislative Oversight Subcommittee recommended sweping legislation to stop & prevent abuses. (2) Oversight Suhcommittee started payola hearings. (3) Senate Commerce Committee called extraordinary conference with networks, FCC, FTC, NAB, advertising groups on advertising policies & practices.	Many bills, much talk, a few legislative hearings, little action by Congress this session. No end in sight. Meeting takes place this Friday. House Subcommittee will keep on carrying broadcasting ball.
FCC (Federal Communlcations Commission)	(1) Chmn. Doerfer's prime-time puhlic-service network program suggestion accepted, as modified, by networks. Due to start in Nov. (2) Issued proposed rules & legislation to curb deceptive broadcasts & payola. (3) Conducted extensive hearing on FCC's powers & policies in programming field. (4) Tightened renewal procedures for statlons charged with violating specific laws or rules. (5) Chmn. Doerfer endorsed NAB Code Board previewing of new commercials.	Kudos from govt. & puhlic. Generally low ratings for the shows. Rules will be adopted. Will adopt renewal procedure requiring stations to show efforts to find & meet communities' needs. Will drop present requirement that stations supply percentage breakdown of programs by category. Sustained pressure, more intense investigation of complaints. Previewing by NAB Code Board alone unlikely, but intra-industry cooperation will be greatly stepped up. Continued attacks on "poor taste" by Doerfer & other Commissioners.
FTC (Federal Trade Commission)	(1) Called extraordinary conference with all networks & NAB on advertising policies & practices. (2) Expanded its TV-radio monitoring system. (3) Moved against payola for first time. (4) Stepped up campaign against fraudulent commercials, began citing agencies as well as advertisers. (5) Started close liaison with FCC & Justice Dept.	Periodic check-up meetings with industry groups. More & more monitoring. Steady flow of complaints for a while hitting most of record industry. Fewer complaints, reflecting new caution by advertisers & agencies. Collaboration will grow.
JUSTICE DEPT.	(1) Recommended new laws to curb payola and to permit FCC to punish licensees with penalties less severe than revocation. (2) Stated that FCC & FTC now have powers adequate to handle most problems, including poor programming, but haven't exercised authority vigorously. (3) Raised no anti-trust objection to Doerfer plan for network collaboration on public-service programming.	Will wait & see what industry, FCC & FTC do about recommendations. Will continue to extend anti-trust protection to industry efforts at program improvement, at same time maintaining tough anti-trust attitude on industry business practices.
NAB (National Association of Broadcasters)	(1) Expanded & tightened TV & radio codes to outlaw rigged shows, ban payola, clean up commercials, prevent fakery. Enrolled record numbers of subscribers (380 TV, 1,257 radio currently). (2) Designated task force of broadcasters & NAB staffers for emergency handling of ethical & legal issues confronting industry. (3) Intensified campaign to insure consultation & co-operation by advertising groups & film producers.	Increasing respect for code seals by industry & puhlic. No-nonsense administration & enforcement by NAB. Standing NAB committee. NAB previewing of commercials unlikely, but self-interest liaison will grow among all branches of industry.
TIO (TV Information Organization)	(1) Created hy broadcasting industry in 1959 to "improve TV image" through program of publicity, fact-dissemination. (2) Maintains liaison with NAB, networks, industry groups, via office of TIO dir. Louis Hausman. (3) Makes independent research projects and attitude studies.	TIO program's first effects should be felt this year. Greater awareness by broadcasters of TV's "bad image" areas; campaigns to improve them. More ammunition to rebut critics who attack TV on qualitative level.
ABC-TV (American Broadcasting Co.)	(1) Required its o&o station DJs to sign a no-payola pledge last Nov. (2) Participating in 3-network agreement with FCC Chmn. Doerfer to have more prime-time public-affairs programming. (3) Gives closer scrutiny for excessive violence or sex in TV programs. Notifies offenders individually before airtime. (4) Setting up closer working liaison with advertising groups, associations & govt. agencies.	Should be generally effective safeguard against recurrence of payola. Will program at least minimum level set for public-affairs TV. Will curb excessive violence in their programs. Less friction, fewer delays in cleanup programs.
CBS-TV (Columbia Broadcasting System)	(1) Was first network to stage major cleanup of quiz shows. (2) Created new program practices div. headed by vp Joseph H. Ream. (3) Issued numerous executive-level directives covering identification of program practices, giveaway merchandise, canned laughter, etc. Meeting wtih individual film producers to hold down shows' violence & brutality. (4) Announced new program-acceptance policy this month, whereby network will decide which show goes where, with "hands off" policy on public-affairs programming. (5) Participating in 3-network agreement with FCC Chmn. Doerfer to have more prime-time public-affairs programming. (6) Setting up closer working liaison with advertising groups, associations & govt. agencies.	Few, if any, shows of this type in future on CBS-TV. Frequent re-appraisal of existing rules, tighter changes where necessary in programming, commercials. Tighter regulation (possibly strictest of all 3 networks) on program & commercial content. Greater network control by CBS-TV of program structure, as well as content. Since network is well above minimum level of plan now, CBS-TV may top all 3 networks in 1960 in total amount of public-service programming. Less friction, fewer delays in cleanup program.

(Continued on next page)

AGENCY OR ORGANIZATION	ACTIVITY	PROGNOSIS
NBC-TV (National Broadcasting Co.)	(1) Required executives to give depositions concerning quiz-fixing, payola. (2) Created new standards & practices dept. headed by vp James A. Stabile. (3) Issued new directives covering identification of taped shows, quiz-prize practices, violence & brutality, etc. (4) Participating in 3-network agreement with FCC Chmn. Doerfer to have more prime-time public-affairs programming. (5) Setting up closer working liaison with advertising groups, associations & govt. agencies.	New safeguards at network level against recurrence of scandals. Frequent re-appraisal of practices, tighter rules for programs, commercials. Tighter regulation of program areas that have drawn criticism. Minimum level set now for public-affairs TV. Present plans call for more information shows than agreement requires. Less friction, fewer delays in cleanup program.
AFA (Advertising Federation of America)	(1) Has announced plan this month for greater self-regulation of local advertising by local ad clubs and Better Business Bureaus. (2) Has sent to membership a bill of specifics complementing ANA plan to establish advisory council, and announced AFA support of effort by advertising organizations, on local & national level, to correct abuses & maintain high standards.	Tighter regulation of local advertisers to conform to new national practices. Closer liaison with ANA, other advertising groups.
ANA (Association of National Advertisers)	(1) Approved 3-point program of advertising (all media) self-regulation at emergency meeting in N.Y. Feb. 2. (2) Establishing closer "working relationship" with FTC. (3) Setting up closer liaison with media's self-regulatory groups within AAAA, NAB, networks, etc.	Secures basic cooperation of its members, who represent 85% of national & regional U.S. advertising. Less friction between FTC and ANA members. Smoother functioning of self-policing machinery, starting at advertiser level. Better understanding by clients of newest media regulations & problems.
AAAA (American Association of Advertising Agencies)	(1) Has speeded-up process of having 4-A agencies act as watchdogs against "objectionable advertising" by other members. Failure to comply can bring expulsion. (2) Issued new TV "Interpretation of AAAA Copy Code" Jan. 19, putting stress on "good manners" in selling via TV in U.S. homes. (3) Setting up closer liaison with ANA, media, govt. agencies on questions of commercial practices.	Threat of public censure by other agencymen may bring recalcitrant agencies into line. May spark more recommendations by agencies for "soft sell" commercials, improve content.

DISC JOCKEYS & '3 Bs': It took just 3 hearing days last week for House investigators of payola to run through a witness list of suspect disc jockeys and get down to the apparent central point of the broadcasting inquiry —what went on at a Miami Beach hotel in May 1959.

In what had been billed as a week-long, searching, "objective" study of payola practices at TV & radio stations across the country (Vol. 16:6 p9), the Commerce Legislative Oversight Subcommittee spent 2½ days giving tough times on the stand to jockeys & ex-jockeys from Westinghouse's radios WBZ Boston & KYW Cleveland.

Then, with scarcely-concealed glee, the Subcommittee under Rep. Harris (D-Ark.) turned to the most titillating subject it has explored since it went into the investigative business 3 years ago. This was the "International Radio Programming Seminar & Disc Jockey Convention" last May 29-31 at Miami Beach's Americana Hotel, sponsored by Storz Stations. The agenda & proceedings were headlined by one Miami newspaper as "Babes, Booze & Bribes."

The Subcommittee recessed for a long Lincoln Day weekend after chief counsel Robert W. Lishman set the scene for coming episodes—probably this week—by introducing Americana records showing that 19 record companies picked up $117,664 in tabs at the convention. Capitol Records spent $19,812, Dot Records $19,485, Roulette Records $19,158, Columbia Records $9,415, RCA Victor $8,569.

One item among many convention "functions"—costing the record companies $68,133 in all—was an all-night party ("Bar, BarBQ and Bkfast") at the Americana which set back Roulette Records $15,415. According to the hotel's special services dir. Edward E. Eicher, this bill included 2,000 bottles of bourbon served to guests from among the 2,000-2,500 who turned up for the convention.

"I've heard 3B's used as descriptive of the convention, but they weren't bar, barbeque and breakfast," Rep. Moss (D-Cal.) observed slyly. "They made a headline."

Eicher also told Chmn. Harris that among the convention guests whose expenses were paid by record firms were Pat Boone and at least one politician, "the governor of Tenn."—who was ex-Gov. Frank Clement. "Maybe I'd better stop now," Harris laughed, looking around at his Subcommittee colleagues.

There were more titters when Lishman said the subpoenaed records might constitute "documentary evidence which may be of use to the Subcommittee at some future time." That time was expected to come with the scheduled Feb. 15 resumption of the hearings.

"That isn't all of it," Harris told reporters. "Wait till you get the rest of it."

Before recessing for the weekend, the Subcommittee had time to hear from only one delegate to the convention —Stan Richards, ex-jockey at radio WILD Boston. He testified his hotel expenses—including $117.42 for some new sports clothing—was paid for by United Artists, and that he saw "nothing wrong" with that. Richards also said he had received $6,225 from Mutual Record & Music Suppliers of New England, Boston record distributors, but denied he'd made "deals" to play their music on WILD.

"This seems to be the American way of life, which is a wonderful way of life," the voluble Richards assured the subcommittee. "It's primarily built on romance. I'll do for you. What'll you do for me?"

With variations, this was what most of the week's other witnesses maintained—more or less stoutly—as Lishman & Subcommittee members took turns grilling them on their personal finances earlier in the week.

"Apparently they forgot about operating in the public interest," Chmn. Harris said at one point. "This is not an indictment of the whole industry, but it reflects on the entire industry and should be a warning."

The witnesses included:

Wesley Hopkins, ex-jockey at KYW Cleveland, who

said he received $12,000 in 1958-59 from record companies as "listening fees." He insisted that he didn't get the extra money for spinning the companies' products.

Joseph Finan, ex-KYW jockey, who testified that $16,-100 he had taken in from record firms in addition to his $40,000 annual station salary wasn't for plugging records, but for advising the companies on commercial prospects for their music. (Harris termed Finan's testimony "pathetic"—an adjective Finan protested bitterly).

Charles Young, ex-KYW librarian, who conceded that $3,000 he was paid by record firms probably was meant to "influence" him but that he didn't let that dictate what music went on the air.

David Maynard, jockey at WBZ Boston, now on probation, who conceded he had received more than $6,000 in gifts & cash, including payments on a new car, but said this was for off-station work promoting "record hops," etc.

Alan Dary, on probation as a WBZ jockey, said he had been paid $400-$500 in Christmas gifts by record firms in recent years, but none of it was for on-air plugs.

Much was made by Lishman of a 1958 block party at Brockton, Mass. which was promoted by WBZ on the air and in *Boston Globe* advertisements as a benefit for the Old Colony Mental Health Assn. In questioning WBZ gen. mgr. Paul G. O'Friel and society orchestra leader Lester Lanin, who played for 35,000 at the party, Lishman tried to show: (1) The party was a record promotion stunt, not a benefit. (2) WBZ exploited it as an example of the station's effectiveness as an ad medium in disparagement of newspapers. In a telegram to Harris, the mental health group's counsel Cortland A. Mathers protested "the public impression created." Mathers said he knew "of no occasion when a radio station performed a more useful service to any community."

Norman Prescott, ex-WBZ jockey, had been scheduled to go on the stand. But he asked to be heard in a closed session instead, and Harris refused to disclose what he said behind closed doors.

In contrast to the Subcommittee's capacity-crowd TV quiz hearings last year, the payola proceedings drew sparse houses last week. In constant attendance, however, was an Internal Revenue Service agent who sat quietly at a press table taking many notes. Another IRS agent was assigned at Washington hq to sift through the notes for any unreported disc jockey income.

Other Boston area radio station witnesses on the Subcommittee's future list—but uncalled—included **Maxwell E. Richmond** (WMEX), **Robert S. Richmond** (WMEX), **Arnie Ginsberg** (WMEX), **Mel Miller** (WMEX), **Joseph Smith** (WILD), **Bill Marlowe** (WILD), **Don Masters** (WHIL), **Jack McDermott** (WHIL), **Lou Goldberg** (WEZE).

Note: Asked about the House probe of TV quiz shows last year and the Subcommittee's new foray into payola, President Eisenhower said at his press conference last week that: (1) Public morality had forced a cleanup of fixed quiz shows. (2) Everyone should be working to see that such practices do not occur again. (3) Public morality is involved when the right of persons to use the airways under public license is converted to personal gain.

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CBS-TV's editing dept. has been renamed the dept. of program practices. "In order to reflect the current expansion in responsibilities & areas of operation, Herbert A. Carlborg has been designated director, program practices, and William H. Tankersley has been designated director, program practices, Hollywood," a CBS-TV memo stated.

PAYOLA & DECEPTION REMEDIES: FCC last week hammered out details of its proposed techniques for dealing with rigged quizzes, payola, and the like: (1) FCC rules to govern station licensees, the only group under the Commission jurisdiction. (2) Legislation to cover everyone, amending the U.S. Code.

The proposed rule to curb payola was issued Feb. 5 (Vol. 16:6 p3). Last week anti-deception rule was released:

"Quiz programs and other contests of intellectual skill or knowledge; announcement.—(a) No television broadcast station shall broadcast any program in which the appearance of a *bona fide* game, contest, or competition of intellectual skill or knowledge is of significance if the licensee knows, or in the exercise of reasonable diligence should know, that the outcome of such event has been in fact prearranged, or participants or contestants have been provided with information, instructions or any other communication for the purpose of influencing the outcome, by any person acting in behalf of the licensee or in behalf of any producer, sponsor or advertising agency associated with the program, unless the prearrangement is disclosed by an appropriate announcement.

"(b) The announcement provided for in subsection (a) shall clearly and fully describe the nature of the prearrangement, or assistance rendered to the contestant or contestants, in such manner that the audience will be apprised that the program is not in fact a spontaneous or genuine contest of intellectual skill or knowledge. Such announcement shall be made at the beginning and the end of such program.

"(c) No license shall be granted to a television broadcast station having any contract, arrangement or understanding, express or implied, with a network organization unless the station has received satisfactory assurance from the network organization that any program of the type described in subsection (a) will be accompanied by announcements in compliance with subsections (a) & (b)."

To cover everyone on the payola front, the Commission suggested that the following new Sec. 1345 be added to Title 18 of the U.S. Code: "Any person who broadcasts or knowingly permits or causes to be broadcast, over a radio station for which a license is required by any law of the United States, any matter for which service, money, or any other valuable consideration is directly or indirectly paid, or promised to, or charged or accepted by, such person from any other person without making at the time such matter is so broadcast an appropriate announcement that such matter is paid for or furnished, as the case may be, by such other person, shall be fined not more than $5,000 or imprisoned not more than one year, or both."

Deception could be attacked, FCC said, by adding this new Sec. 1344 to Chapter 63 of Title 18 of the Code: "Whoever shall wilfully and knowingly offer, devise, produce, sponsor, or present, or cause to be offered, devised, produced, sponsored or presented, or whoever shall wilfully and knowingly participate, or shall wilfully and knowingly cause any other person to participate in any program which is broadcast by any radio or television station operating pursuant to a license required by any law of the United States for which any money or other thing of value is given, awarded, or promised as a prize in a test or contest of intellectual skill or knowledge and which is offered or presented as a *bona fide* test or contest with knowledge that the outcome of such test or contest is prearranged or predetermined for the purpose of misleading or deceiving the public, shall be fined not more than $5,000 or imprisoned not more than one year, or both."

FORD'S VIEW OF FCC'S POWERS: FCC Comr. Frederick W. Ford hasn't the slightest doubt that the FCC possesses both the authority & the duty to examine a licensee's programming output to determine whether he's operating in the public interest. He spelled out his views emphatically last week (Feb. 11) when he summarized the arguments of the 2 major opposing views within the FCC, in an address to the TV & Radio Advertising Club of Philadelphia. Comr. Ford came up with this conclusion on the rulings of the courts:

"Never has it been found that the Commission consideration of programming was illegal or contrary to either the Communications Act or the Constitution. And never has it been found that the Commission engaged in censorship. Moreover, the authority of the Commission has been upheld by the Attorney General of the U.S. in his recent report to the President, and by the Special Subcommittee on Legislative Oversight of the House Interstate & Foreign Commerce Committee. To debate the matter further would be unproductive."

He proceeded then to restate his proposal for a means whereby FCC would be able to make a judgment as to whether stations are programming in the public interest. Quoting from his Aug. 1959 speech, he said:

No Desire for Program Dictation

"It appears to me that one course the Commission could follow would be to ask the licensees to tell us in narrative form the broadcast needs of the community they serve and to then explain how those needs had been & are to be met. The broadcaster himself is in a far better position to do that than anyone else, because after all it is his basic & primary responsibility to determine those needs & to serve them, whereas our only function in this area is to assure ourselves as best we can that he is carrying out his primary responsibility in order that we can conscientiously make the finding that he will serve the public interest, which we are required to do by law.

"This solution seems so simple & so basic that it is very difficult for me to understand how there can be any disagreement about it. So far as I know, no one at the Commission has the slightest desire to tell any broadcaster that he should or should not broadcast any particular program. It has been my observation that we all feel very strongly that the broadcast licensee should serve the public interest and that he should make an accounting to the Commission under the law for his stewardship of the public property committed to his care.

"No broadcaster should ever feel that he is in a strait jacket of any kind or that his programming flexibility is fettered or his imagination is circumscribed. He should take seriously the burden & trust that the Congress has placed in him that he will properly exercise his privilege to serve all the public in his service area. How he is to do this is his problem, but that he must do it the law demands. Our problem is to determine whether he has done it & plans to continue to do it."

Ford analyzed the present FCC requirement that stations provide a percentage breakdown of their programming by category. "Its weaknesses are readily apparent," he said. "The data is purely quantitative, indicating nothing about the quality of the programs themselves. It necessarily relies on arbitrary definitions of program types & categories which really tell little of the spiritual, educational or entertainment content of the programs themselves. And most importantly, it does nothing to relate the programs to the desires & needs of the community."

Paar Takes a Walk: Annoyed at a Feb. 10 group vote by members of NBC's new standards & practices to scissor a questionable joke from his pre-taped show, the comedian-host of *The Jack Paar Show* walked out of his show Feb. 11 in full view of some 5 million TV homes—leaving the network with a tricky exercise in talent, viewer & advertiser relations on its hands.

The Paar show has proved a late-night goldmine for NBC-TV, grossing just under $13 million last year from 51 sponsors which aired 1,512 commercials on a 151-station lineup. Even as Paar—whose income is $500,000 a year—choked back tears to tell audiences "there must be a better way to make a living," the network was awaiting reaction to a Feb. 4 letter notifying advertisers of a hike in program charges (from $1,635 to $1,950, net), and was planning a week-long Paar tape junket to London in March. If Paar stays away from the show, NBC-TV may have to do some fancy sales footwork to keep some advertisers from departing.

At week's end, however, NBC-TV was expressing the hope that the whole thing would blow over and that the 3-day weekend for Paar (the Feb. 12 show was a taped summary of previous episodes in the week) would give him a chance to cool off. In any event, Paar's contract with NBC-TV runs until 1962, and it's not likely it will permit him to work for another network in the meantime. "The whole thing will give Jack a chance to be brought back on Monday 'by popular demand,'" said one NBC-TV official, somewhat cynically.

Afternoon papers in N.Y. last Friday gave the story a big page-one play. The press was generally favorable toward NBC's courage in running the taped walk-out without editing, and to the firm stance taken by the network's standards & practices machinery in maintaining an internal housecleaning. The last word was probably achieved by *World Telegram & Sun* columnist Harriet Van Horne who summed up her reactions to the tear-stained Paar swan song with: "All *The Jack Paar Show* needed to restore a sense of balance & proportion last night was a brief word from Eva Marie Saint."

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"Broadcasting in the '60s" will be the theme of NAB's 5th annual conference of presidents of state bcstg. assns. Feb. 24-25 in the Shoreham Hotel, Washington, where NAB Pres. Harold E. Fellows will be the keynoter. Other speakers & events at the sessions where broadcasting's current problems & outlook will be explored: Feb. 24—reports by NAB's radio vp John F. Meagher, TV vp Thad H. Brown Jr., chief counsel Douglas A. Anello, govt. relations mgr. Vincent T. Wasilewski. Voice of Democracy awards luncheon, Statler Hilton Hotel. Reports by state organization leaders, including John C. Cooper (Ala.), Carlton Dargusch (O.) Elby Stevens (Me.), Charles B. Brakefield (Tenn.), Jack Gilbert (Neb.). Feb. 25—reports by U. of Mo. Freedom of Information Center dir. Dr. Paul Fisher, FCC Comr. Lee, asst. OCDM dir. Lewis Berry, David E. Driscoll (radio WCBS N.Y.) of the National Industry Advisory Committee, Wasilewski, NAB public relations mgr. John M. Couric. Luncheon address by FCC Chmn. John Doerfer. The roundtable will be moderated by Pres. Fellows.

More than 18 billion TV-radio impressions were donated by TV stations in commercial network time for ad council campaigns in 1959 and not, of course, 18 million as typographically mis-noted in our Vol. 16:6 p8 item on public-service donations.

Congress

North American Regional Broadcasting Agreement and the U.S.-Mexican AM treaty (Vol. 16:5 p7) will get quick Senate ratification, it was indicated last week. A Senate Foreign Relations Subcommittee headed by Sen. Morse (D-Ore.) voted unanimously after hearings on the long-pending pacts to recommend ratification—without reservations. The full Committee headed by Sen. Fulbright (D-Ark.) concurred. NARBA terms, negotiated by the State Dept. 9 years ago, cover radio allocations in Canada, Cuba, Dominican Republic, Jamaica and the Bahamas. The Mexican pact has been snagged since 1957. Both have been opposed by U.S. radio daytimers despite pleas for ratification by spokesmen for the State Dept., FCC and other segments of the broadcasting industry who argued that the agreements were needed to prevent international channel jumping.

Federal probe of agencies by the Senate Judiciary Administrative Practice & Procedure Subcommittee (which got almost nowhere last session—Vol. 16:4 p12) has won another go-ahead—but only after a spirited Senate floor debate on its merits. Chmn. Carroll (D-Colo.) was granted a $115,000 appropriation for 1960 work by his subcommittee & 9 staffers (including an economist & accountant) in trying to overhaul laws & regulations covering FCC & 100 other agencies. It took some fast floor work by Carroll, however, to overcome tart objections by Sens. Ellender (D-La.) & Curtis (R-Neb.). Ellender argued that it was time to halt soaring Senate expenditures for investigations of "everything from juvenile delinquency to world health." Curtis said inquiries such as Carroll's threatened "legislation by staff rather than by elected Senators."

"Lewdness & debauchery" are promoted by TV when such movies as 1948 French-made "The Devil in the Flesh" are shown on the air, according to Sen. Lausche (D-O.) He first lashed out at the film (shown at 11 p.m. Jan. 30 by WMAL-TV Washington) during Senate Commerce Communications Subcommittee allocations hearings, then went on the Senate floor to say that it's "a mockery of decency" for TV to present the film, "which openly portrayed the illicit relations of a young married woman and her teenage lover." He also assailed TV showing of "I Am a Camera" as an example of "programs which cannot have any other impact than to debauch & contaminate [nation's] youth."

Transistor radios donated by Admiral, RCA & Zenith are being sent around the world to 15 Voice of America listeners who participated in an audience survey to determine effectiveness of overseas English-language programs. Winners of the shortwave sets were drawn in Washington by USIA dir. George V. Allen from 65,000 replies from listeners who were asked to send in names, ages, addresses and occupations and identify programs they heard.

Communications Act changes complying with FCC requests, are proposed in bills by House Commerce Committee Chmn. Harris (D-Ark.) to relieve the Commission of the duty of filing annual personnel reports to Congress (HR-10261) and apply painting & lighting standards to unused as well as in-use towers (HR-10259). Similar legislation had been introduced by Senate Commerce Committee Chmn. Magnuson (D-Wash.) earlier (Vol. 16:6 p11).

Radio daytimer hours would be changed to 6 a.m.-to-6 p.m. from sunrise-to-sunset under a bill (HR-10275) by Rep. Pelly (R-Wash.). It's similar to a measure (HR-9627) proposed earlier by Rep. Abernathy (D-Miss.) (Vol. 16:3).

The FCC

Use of Ch. 9 in Baton Rouge temporarily by WAFB-TV (Ch. 28) was denied by the Court of Appeals last week as it vacated FCC's Special Temporary Authority (STA) which had authorized the shift. The Commission had granted the STA over the objections of radio WIBR, a competitor for Ch. 9. The Court (Judges Burger & Miller, with Danaher dissenting) stated that the Commission didn't show it gave attention to the objections raised, including the fact that there is common ownership & overlap in coverage between WAFB-TV & WDSU-TV New Orleans. The Court said that the Commission should have made "comprehensive findings on all relevant factors, including, but not limited to, the basis of the 'public need,' and, where appropriate, the question of concentration of mass media, in situations where (a) the public already has some service, or (b) where the 'temporary' operation may well last 2 or 3 years, or (c) where the investment of the 'temporary' operator is so large as to make his failure to prevail in the comparative hearing oppressive on him." The Court showed skepticism about FCC's assertion that WAFB-TV's temporary operation wouldn't influence its final comparative decision, saying: "It is suggested that to question this involves a challenge to the good faith of the Commission. But this is not a matter only of good faith. Ordinary human experience tells us that these factors have a force which cannot always be set aside by the triers no matter how sincere their effort or intent . . . they are mortal men."

Third station for Providence will come much quicker if Ch. 6 is left in New Bedford area instead of being shifted to Providence as FCC proposes, according to Eastern States Bcstg. Co. This organization and Wilson Bcstg. Co.—competitors for Ch. 6 with WNBH New Bedford—had agreed to a deal leaving WNBH unopposed for the CP. FCC's channel-shift proposal appears to have made the arrangement fruitless. Eastern last week asked the Commission for a special conference, *en banc*, hoping to dissuade it from the shift. It stated: "A prompt grant of the [WNBH] application offers the best & simplest method of securing additional service to the Providence-Fall River-New Bedford area at the earliest possible moment. Any other attempted method of obtaining such service would involve prolonged rule-making proceedings, show-cause proceedings, comparative proceedings and probably court litigation."

Retrial of ex-FCC Comr. Richard A. Mack & Thurman A Whiteside on Miami Ch. 10 conspiracy charges (Vol. 16:6 p11) was set last week for April 25 in U.S. District Court, Washington. In scheduling the second trial, Judge Alexander Holtzoff said Whiteside would be tried separately if Mack—now in a Miami hospital for mental examination—is unable to appear. Govt. attorneys were authorized to hire one or more psychiatrists to check on Mack's condition and submit a report to the Court. Meanwhile, Mrs. Susan S. Mack sued him for divorce in Miami, alleging that Mack engaged in "habitual" drinking which made him "disgusting & intolerable." Mack's drinking habits also were noted in a hospital report read to Judge Holtzoff by Justice Dept. attorney Oliver Dibble. It said emotional & mental disturbances brought on by Mack's trial troubles led him into consuming from one to 1½ pints of liquor a day, that he is tense, nervous & depressed.

WESH-TV Daytona Beach, Fla. has requested a waiver of FCC rules to identify itself also with Orlando.

Fresno-Bakersfield deintermixture proposal by FCC (Vol. 15:29 p6) was up for consideration again last week but Commission came to no decision. It's due for discussion Feb. 24. The Commission proposes to add Ch. 2, 5, 7 (educational) & 9 to Fresno, deleting Ch. 12, 18 (educational), 24 & 47. KFRE-TV would be shifted from Ch. 12 to Ch. 9, KJEO from Ch. 47 to Ch. 2, KMJ-TV from Ch. 24 to Ch. 5. Ch. 8 & 12 would be added to Bakersfield. All the Fresno stations would be required to operate from Patterson Mountain, 45 miles from Fresno. Last week, KFRE-TV asked the Commission to defer action, noting among other things that the stations wouldn't be able to provide service to Fresno from Patterson Mountain in compliance with the new engineering standards proposed by the Commission in its mileage-cut rule-making (Vol. 16:2 p4). It also argued that Fresno has no critical shortage of facilities demanding a quick decision.

Two applications for new TV stations were filed with the FCC last week—both for Ch. 4 Reno. One was from a local group headed by Robert L. Stoddard, owner of radio KBET there; the other by a group headed by Alex Gold of KSHO-TV Las Vegas and including Howard D. Johnson of KTLE(TV) Pocatello and Joseph Bloom, of the Forjoe TV rep firm. Total on file is now 114 (19 uhf).

Protest against microwave to feed Phoenix signals to a Yuma CATV system has been granted to KIVA Yuma by FCC, against Antennavision Service Co. The microwave is held up pending a hearing. Similarly, KSWS Roswell, N.M. has been granted a protest against Microrelay of N.M. Inc., which holds CPs for a microwave to bring Albuquerque signals to a Roswell CATV system.

Channel shifts for Columbus, Ga. & Dothan, Ala. stations were re-ordered by FCC Jan. 29 after WTVY Dothan dropped its fight against shifting from Ch. 9 to Ch. 4. In Columbus, WRBL-TV has assented to changing from Ch. 4 to Ch. 3, WTVM from Ch. 28 to Ch. 9.

Power increase of WABC-TV New York, sought by ABC through waiver of FCC rules, has been opposed by the Assn. of Maximum Service Telecasters and Scranton-Wilkes-Barre uhf stations WNEP-TV, WDAU-TV & WBRE-TV.

Technicolor Inc. is entering the radio-station ownership field through purchase of radio KICN Denver for $575,000, in the name of Technical Bcstg. Corp., headed by Technicolor Pres. John R. Clark. The company plans to expand station holdings, is interested in both radio & TV.

KPAC-TV (Ch. 4) Port Arthur, Tex. has been granted authority to change from 16 miles north of Port Arthur to 27 miles northeast of the city and 32 miles northwest of Lake Charles, La., increasing height to 990 ft.

Translator CPs granted: Ch. 73 & 80, Rhinelander, Wis., to J. R. Karban; Ch. 74, Brownwood, Tex., to Brownwood TV Cable Service; Ch. 80, Wheeler County, Tex., to Wheeler County Translator System.

Allocations petitions: By radio WACO Waco, Tex., to add Ch. 12 there; by Western Mich. U., Kalamazoo, to switch city's education assignment from Ch. 74 to Ch. 46.

On protest of KGUN-TV Tucson, the power-height increases and site moves of KVOA-TV & KOLD-TV Tucson have been set for hearing.

CPs granted: Ch. 3, Douglas, Ariz., to Electron Corp.; Ch. 10, Roswell, N. M. to Roswell Telecasting Co.

Networks

NO NBC-KTVU DEAL? A trade press story that NBC has negotiated the purchase of KTVU San Francisco for about $7.5 million came as "a complete bombshell" to the management of KTVU, we were told last week by KTVU exec. vp-gen. mgr. and 25% owner William D. Pabst. The story simply "is not true," said Pabst, although he acknowledged that his station expects an offer to be made.

Elsewhere in San Francisco, there were reports that NBC's negotiations to buy its local affiliate, the *San Francisco Chronicle*'s KRON-TV, broke down over the *Chronicle*'s whopping asking price of $16 million.

To reassure its employes that no sale deal had been consummated, KTVU issued this statement Feb. 10 to its staff: "Certain press stories which have appeared during the past few days have indicated or stated flatly that KTVU has been sold to NBC. This is not true."

There is an outside chance that the NBC station-buying deal may swing KTVU's way, although it hasn't so far. Pabst further noted that "KTVU may anticipate that the conditions of such a proposal will be presented in the immediate future, after which directors & shareholders will have to call a meeting to consider any such proposal." At the moment, such a move is impractical, KTVU officials told us, since stockholder Edwin Pauley (25%) "is currently vacationing in Mexico City."

NBC maintained a "no comment" stand last week.

On a related front, reports that RKO-General's Washington, D.C. radio WGMS has been sold to Dallas broadcaster Gordon McLendon were denied in N.Y. by William Winkler, asst. to RKO-General Pres. Thomas F. O'Neil. "McLendon's bid for WGMS is one of several, and we aren't accepting any offers until the current Boston-Philadelphia station swap with NBC is approved by the Justice Dept. and FCC," he told us.

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Gasoline advertisers more than tripled network TV spending in Jan.-Nov. 1959, going to $8,459,113 from $2,772,895 in the year-ago period, reports TvB. Total Nov. 1959 network billings were $58,138,086 (Vol. 16:5 p13). Leading network TV advertiser in Nov. was Procter & Gamble, with $3,574,968 in total billings. Anacin tablets was the leading net-advertised TV brand with billings of $888,280. The Nov. leader by product classification was food & food products, with a $9,635,443 net-TV investment.

National advertising on TV topped $1.240 billion in 1959 (gross time), up 15% from 1958's investment of $1,078,360,000 by national advertisers in network and national & regional spot TV, reports TvB Pres. Norman E. Cash. (The figures do not include talent or local ad costs.) Cash noted: "In national advertising, TV continues to outdistance the media field. With gains of $160 million last year, a larger increase than any other medium, TV in national advertising has moved even further ahead. Since advertising produces the sales that produce more advertising, it must be assumed that TV brings results."

Talent costs of CBC (performers, authors, composers, musicians, performing rights) are expected to top $15 million in the 12 months ending Mar. 31, reported the English-language network's gen. mgr. H. G. Walker. Refuting charges of increasing use of American talent by CBC, he forecast a 34.3% drop in non-Canadian "imports" for the fall-winter season (Oct. 1959-June 1960), compared with the 1958-59 season.

NETWORK SALES ACTIVITY

ABC-TV

Ted Mack & the Original Amateur Hour, Mon., 10:30-11 p.m., effective March 7.
Pharmaceuticals Inc. (Parkson Advertising)

American Bandstand, Mon.-Fri., 4-5:30 p.m., participations.
Western Tablet & Stationary Corp. (Bozell & Jacobs)

Daytime programming participations.
Beech-Nut Life Savers (Charles W. Hoyt), *Best Foods* (Dancer-Fitzgerald-Sample), *Borden Foods* (D-F-S), *Dinner Redy Corp.* (Foote, Cone & Belding), *Exec Mfg. Co.* (Hoyt), *Gen. Mills* (D-F-S), & *Whitehall Labs.* (Ted Bates)

Leave It to Beaver, Sat., 8:30-9 p.m., additional 13 wk. one-third sponsorship.
Ralston Purina (Guild, Bascom & Bonfigli)

Cheyenne, Mon., 7:30-8:30 p.m., 14 additional one-sixths.
Procter & Gamble (Benton & Bowles)

CBS-TV

Person to Person, Fri., 10:30-11 p.m., alt. wk. sponsorship.
Allstate Insurance Co. (Leo Burnett) & *Carter Products* (Ted Bates)

Rawhide, Fri., 7:30-8:30 p.m., alt. wk. one-thirds.
Gulf Oil (Young & Rubicam) & *Hamm Brewing* (Campbell-Mithun)

NBC-TV

Journey to Understanding, Part 3, half-sponsorship each of six 60-min. & ten 30-min. programs covering Pres. Eisenhower's & Premier Khrushchev's travels. First show Feb. 27, 9:30-10:30 p.m.
North American Phillips Co. (C. J. La Roche), *American Motors* (Geyer, Morey, Madden & Ballard)

Bonanza, Sat., 7:30-8:30 p.m., alt. wk. sponsorships.
RCA (J. Walter Thompson), *Procter & Gamble* (Benton & Bowles), *Du Pont* (BBDO) *Gold Seal* (Campbell-Mithun), *Johnson Motors* (JWT)

Riverboat, Mon., 7:30-8:30 p.m., **Overland Trail,** Sun., 7-8 p.m. & **Tales of the Plainsman, Thurs.,** 7:30-8 p.m. one-third participations.
Procter & Gamble (Benton & Bowles)

High-definition still-picture TV system for military or outer-space reconnaissance has been developed by CBS Labs and the first unit already has been delivered to an unidentified govt. agency. Capable of almost unlimited resolution, the system works this way: A photographic camera in an unmanned aircraft or rocket snaps a picture, which is automatically developed chemically. The resulting transparency then is revolved on a drum while it is scanned by a brilliant stationary spot of light from a CBS-developed "line scan tube." A photo-multiplier tube behind the film catches the resulting variations in strength of the light which modulate the transmitted signal. At the receiving station, the situation is reversed, the line-scan tube painting a picture on unexposed film which is then chemically processed.

ABC-TV & Popular Library are jointly promoting the network's *Untouchables* (Thurs., 9:30-10:30 p.m.) and a paperback version of the book on which the series is based. The show is plugged on the book's back cover as well as in point-of-purchase signs in paperback outlets.

Auxiliary Services

More about

CATV RATE PATTERNS: Our survey of CATV rate practices (see p. 3) shows great variations in the industry, attributable to many factors—availability of free signals, capital & operating costs of system, age of system, number of channels offered, affluence of community, experience of operator, etc.

Genesis of rates was simple. The first operators asked Milton J. Shapp, pres. of equipment supplier Jerrold Electronics, for his opinion about rates—because no one had any experience. Shapp weighed all the cost factors he could muster and came up with a $125 installations charge and $3.50 monthly fee. Many operators followed that pattern. In recent years, the trend has been toward a much lower installation fee and a somewhat higher monthly charge. We have analyzed responses by 232 system operators. Here's how they break down:

INITIAL INSTALLATION		MONTHLY	
Charge	Number of Systems	Charge	Number of Systems
None	20		
$1-$10	22	Under $3	16
$11-$25	43	$3-$3.50	63
$26-$50	36	$3.51-$4	44
$51-$100	40	$4.01-$5	63
$101-$150	48	Over $5.01	24
Over $150	1		

We haven't attempted to weigh the foregoing, to determine whether the larger systems are clustered at one end or the other of the scales. Experienced operators tell us, however, that they believe the larger & older systems tend toward the smaller initial fee & slightly higher monthly charge.

Unique microwave operation, which proves that CATV & stations "can work very nicely where they have mutual interests," is claimed by Mont. CATV operator Paul B. McAdam, who also owns radio KPRK Livingston. A 600-mi. 7-hop microwave system not only carries Salt Lake City signals to CATV customers in Bozeman & Livingston but serves KGHL-TV Billings, which in turn provides an off-air pickup for KWRB-TV Riverton, Wyo. Moreover, McAdam tells us, he has firm commitments from 2 more TV stations to use the microwave. He adds that the $210,000 microwave system couldn't have been financed without KGHL-TV's cooperation.

Medical promise of TV tape & recorders in diagnostic studies was outlined by Dr. Albert Jutras before the recent meeting of the Canadian Assn. of Radiologists. "Videotape recording," he said, "implies possibilities far beyond the restricted capabilities of sensitized emulsions . . . is done simultaneously with fluoroscopy, thus eliminating successive [X-ray] phases, thereby decreasing the radiation exposure to the patient." Dr. Jutras said video tape's immediate playback, erasure and other features offer "tremendous savings in films, chemicals, processing labor, film storage and clerical work. Most important of all, it saves time for radiologists, consultants and patients."

Council on Medical TV of the Institute for Advancement of Medical Communication, N.Y., will meet April 20-21 at the National Institutes of Health, Bethesda, Md., to discuss techniques in televised medical education. Attendance is limited to members & invited observers.

Theatre Network TV has produced an 18-min. film illustrating new uses of closed-circuit TV as a business marketing medium. Titled "By Invitation Only," the film highlights past TNT closed-circuit meetings.

Advertising

More about

Join-the-Act Deals: "You'd be surprised how many sponsors would be willing to spend $5 million—the time-&-talent price of a 30-min. series for a year on a network—just to protect a $100,000 pilot they've backed," the pres. of a Park Ave. ad agency billing in the top 10 told us.

In essence, this is the sales strategy behind the growing number of co-financing offers being made by Hollywood telefilmers to TV sponsors as the current program sales season quickens (see p. 2). Once a sponsor has a telefilm tiger by the tail, it's hard to let go.

Historically, some deals of this sort have been glowing successes. Ballantine's purchase of Sheldon Reynolds' original *Foreign Intrigue* ultimately paid for itself. The brewing firm and its agency, J. Walter Thompson, syndicated the show in many non-Ballantine TV markets. P&G part-ownership of *Fireside Theatre* and Schlitz's investment in *Schlitz Playhouse* proved good investments through extensive reruns.

Some deals, however—such as General Foods' investment in a $100,000 MGM-TV pilot of *Father of the Bride* that never went on the air, or Young & Rubicam's equally large investment of agency money in a *Rob Roy* pilot—have been classic flops. Nobody concerned usually likes to remember such deals; least of all, producers who are offering co-financing arrangements.

Producers also hesitate to mention another caution: TV is a far more public medium than such investment areas as research, new products, mergers, etc. If a major public corporation invests in a flop TV show, there's a good chance the issue will emerge embarrassingly at the annual stockholder meeting—even though a program loss is a relatively minor factor in the billion-dollar business level of corporate giants which spend millions in TV.

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Ethical drug sponsorship of new medical FM radio programming service is being sought by NBC-RCA. Cost of underwriting each 15-min. medical news segment of the program service is $338,000 for 52 weeks, $212,000 for 26 weeks. The system, announced by NBC-RCA last Nov. (Vol. 15:47 p10), is expected to begin operating next Sept. Sponsors will be allowed 3 min. of commercial time during each of the thrice-daily medical information programs. Several agencies, however, have expressed resentment of the plan. RCA has been selling time availabilities in the service on a direct basis to pharmaceutical advertisers, instead of working through agencies. Thus, agencies say, they will have to charge clients special service fees for preparation of commercials. In Washington, NBC scheduled a demonstration of the system at studios of WRC Feb. 19. A closed-circuit program from the Clinical Center of the National Institutes of Health will comprise a status report on Asian influenza by world authorities following the conclusion of a 3-day world conference on the flu.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WXYZ-TV Detroit	$2500 to $2600	$700 to $725	Feb. 1
WPIX New York	2000 (no change)	500 to 550	n.r.
KCMO-TV Kansas City	1350 (no change)	330 to 360	Mar. 1
WKY-TV Oklahoma City	950 (no change)	240 to 250	Feb. 1
KPTV Portland, Ore.	800 to 900[1]	315 (no change)	Feb. 15
WHO-TV Des Moines	750 to 800	150 to 190	Feb. 1
KUTV Salt Lake City	650 to 700	200 (no change)	Mar. 1
KTBS-TV Shreveport	550 to 600	150 to 180	Mar. 1

[1] New Class AA (7:30-10 p.m. daily), Class A (6:30-7:30 Mon.-Sat., 5-7:30 p.m. Sun., 10-10:30 p.m. daily) hour remains $800, Min. $225.
n.r.—not reported.

Commercial Translator: To meet the growing demand for overseas versions of U.S. TV commercials that maintain the original sales impact and "idiomatically conform to local custom," ex-NBC producer John Gres announced the formation in N.Y. recently of Round Hill International Productions, a new TV-radio-advertising service film.

"The importance of effectively translating TV-radio & film material cannot be underestimated," said Gres, who used to produce Spanish-language versions of NBC shows sponsored by Firestone, Chesterfield & Sterling Drug. "More than 240 million people in 32 countries are currently being reached by commercial TV originating within their own frontiers or overlapping them."

Round Hill is currently under a non-exclusive contract with Alexander Film Productions, and is already at work translating or modifying commercials for such firms as IBM, General Motors, Pittsburgh Paint, American Motors, 7-Up, Citroen, Catalina Swimwear, and Kayser-Roth. The firm is ready to provide translations of air advertising into "any one of 50 foreign languages."

As an example of how American sales messages suffer in normal translation, unless modified, Round Hill executives cited the following case. A Kayser commercial featured the slightly coy, but effective, line: "You don't have a leg to stand on if you aren't wearing Kayser hosiery." In its original translation to Spanish, for use in Latin-American areas, the line emerged roughly as "You will have a leg amputated if you aren't, etc." Gres quickly came up with a new copy slant.

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Libbey-Owens-Ford has filed a formal denial of FTC charges that camera trickery was used in TV commercials promoting Safety Plate Glass used in GM cars (Vol. 16:2 p15). Protesting FTC's complaint that L-O-F & GM misrepresented non-distortion qualities of the glass in side windows, the glass manufacturer maintained that "its advertisements were in all respects true & accurate statements, portrayals & demonstrations of the facts." The complaint should be dismissed, L-O-F said, denying that "this proceeding is in the public interest."

New reps: KBAK-TV Bakersfield to Peters, Griffin, Woodward Jan. 1 from Weed. WFBC-TV Greenville, S.C. to Avery-Knodel Feb. 1 from Weed. KNOP North Platte, Neb. to Bob Dore Jan. 1 from Hal Holman. KMOX-TV Sedalia, Mo. to Bob Dore Feb. 1 from Pearson. KAVE-TV Carlsbad, N.M. to Bolling Jan. 1 from Branham. WALA Mobile to Bolling Feb. 15 from H-R Television.

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Ad People: Bruce A. Baker, pres. of Baker, Tilden, Bolgard & Barger, named a senior vp of Compton Advertising in a merger of the companies; Louis E. Tilden, BTB&B chmn., appointed Compton vp . . . Anthony J. Pan named a senior vp, Lennen & Newell . . . Alvin A. Achenbaum, Robert S. Zimmern and Aldon H. Sulger elected Grey Advertising vps . . . James D. Kysor retires as Foote, Cone & Belding media supervisor after 44 years in advertising . . . Dr. Wallace H. Wulfeck, William Esty exec. vp, elected vice-chmn.

Obituary

Joseph R. Stauffer, 62, former mgr. of N. W. Ayer's radio production dept., N.Y., and head of TV program development when he retired in 1959, died Feb. 7 at his brother's home in Stamford, Conn. He is survived by his wife, a son, his mother and 2 sisters.

Stations

FTC Payola Cases Total 42: Two more payola complaints involving 5 N.Y. record distributing firms have been filed by FTC in its drive to stop payoffs to TV & radio disc jockeys—and stations (Vol. 16:6 p8)—for broadcasting music.

Cases No. 41 & 42 were chalked up on FTC's scoreboard against Am-Par Record Corp. and Pamco Music Inc., 77 W. 66th St., and Pres. Samuel H. Clark, vp Harry Levine, secy. Edith Schaffer and treas. Simon B. Siegel; Herald Music Corp., Ember Records Inc. and Ember Distributors Inc., 150 W. 55th St., and Pres. Al Silver & secy.-treas. Jack Braverman.

Each was accused of giving money "or other valuable consideration" to unnamed disc jockeys for "exposure" of records, some of which were played 6-10 times daily on the unidentified stations.

At the same time, Alpha Distributing Co., 457 W. 45th St., N.Y. and its partners John Halonka & Harry Apostoleris, cited last month for payola practices (Vol. 16:2 p7), asked FTC to dismiss charges against them. They told FTC that the firm had "given valuable consideration to certain individuals in radio stations to test, promote and expose records." But the formal answer to the Alpha complaint maintained that the payments weren't illegal, that in any event FTC lacks jurisdiction.

Meanwhile, FTC Chmn. Earl W. Kintner was reported readying combat orders to his staff to put his crash program against deceptive TV commercials on a continuing, permanent basis. In the wake of last year's TV quiz scandals he doubled his agency's tiny broadcast monitoring unit as part of an emergency clean-up operation (Vol. 15:44 p12 et seq.).

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Station-image studies are secondary factors in the overall time-buying judgment function, 2 ad-agency associate media dirs. told the RTES timebuying seminar in N.Y. Feb. 9. Ray Stone, Maxon Advertising, & Robert A. Wulfhorst, Dancer-Fitzgerald-Sample, agreed that the image factor was less important in TV network affiliates which have less opportunity for local programming. When asked from the floor whether there has been initiative on the part of advertisers to look for stations with public-service image "in view of the current Washington climate," both admen agreed that there was "no marked rash of advertisers seeking such an image."

Minneapolis Star and Tribune Co. (Cowles) has purchased the *San Fernando Valley* (Cal.) *Times* for an undisclosed sum from Russell A. Quisenberry, Claire S. Newberry & John J. Tuttle. Robert N. Weed, promotion & public service dir. of *Minneapolis Star & Tribune*, is now publisher of the *Valley Times*. *Minneapolis Star & Tribune* owns 80% of KTVH Hutchinson-Wichita and 47% of WCCO-TV & WCCO Minneapolis. Cowles Bcstg. Co., operated as a separate entity, owns KRNT-TV & KRNT Des Moines and WHTN-TV Huntington, W.Va.

On-the-job training for academic credit is being provided by KFMB-TV & KFMB San Diego for senior students majoring in broadcasting at San Diego State College. The students work at the stations 6 hours weekly for 2 credit units, and are to be graded by its executives at semester's end. George Whitney, vp-gen. mgr. of the stations, said: "Every effort will be made to give the students as complete a picture of commercial operation as possible, by exposing the students to work situations in all depts."

Broadcast equipment exhibitors at NAB's 38th annual convention April 3-6 in the Conrad Hilton Hotel, Chicago, will be: Adler, Alford, Ampex, Caterpillar Tractor, Century Lighting, Collins, Conrac, Continental Electronics, Dage, Electronic Applications, Fairchild Camera, Foto-Video Labs, Gates Radio, GE, General Electronic Labs, General Precision, Harwald, Hughey & Phillips, Industrial Transmitters & Antennas, Kahn Research Labs, Kliegl Bros., MacKenzie Electronics, Metropolitan Electric, Minneapolis-Honeywell, Nems-Clarke, Muzak, RCA, Raytheon, Sarkes Tarzian, Schafer Custom Engineering, Telechrome, TelePrompTer, Telescript-CSP, Tower Construction, Utility Tower, Visual Electronics.

Novel film-splicing device, designed to reduce the number of man-hours spent editing commercials into syndicated film shows, has been developed by William L. Cooper Jr., WPIX N.Y. film mgr. The station has installed 5 of the "pixieola" units, 4 adapted to 35-mm film. one for 16-mm film. WPIX programs about 90 film shows a week. In pre-pixieola days, the station's editors spent up to 4 hours on each 30-min. show. Now, the time will be cut by nearly 75%. Camera Equipment Corp. is distributing the unit to other stations. The unit enables an operator to inspect, edit, insert commercials, view for scratches, framing and sound sync, measure footage and take up on a projection reel—in one operation.

Soviet Council of Ministers Chmn. D. S. Polyansky made his first live appearance on U.S. TV over WCKT Miami when he granted an exclusive on-air interview (10:30-11 p.m.) to newscaster Wayne Fariss. They had met last summer when Fariss accompanied the tour of Russia by U.S. governors. Following the telecast, Polyansky toured the station, noted it had "excellent facilities" for news gathering. WCKT scored a second beat last week by telecasting for NBC-TV network feed the first films of a machine-gun-punctuated disturbance near the Cuban rendezvous of Castro & Soviet Deputy Premier Mikoyan. The films were made by a WCKT staffer & flown to Miami several steps ahead of confiscation.

TV quiz-probe script, which gave a permanent place in broadcasting history to the House Commerce Legislative Oversight Subcommittee last year, actually was written earlier by a N.Y. grand jury, according to N.Y. District Atty. Frank S. Hogan. Pointing out that Chmn. Harris (D-Ark.) and his investigators had been given 12 volumes of jury testimony about the scandals, Hogan told a meeting of N.Y. County Grand Jury Assn. that the Oversighters were "latter-day heroes" in the quiz exposes.

Public-service programming by WHIO-TV Dayton, which for 8 years has donated 30 min. weekly to the Dayton Council of World Affairs for the *It's Your World* discussion series, has won praise in Congress. Rep. Schenck (R-O.) said the station headed by James M. Cox Jr. "deserves the gratitude of all who benefit from [the programs] and justifies our pride in the owner."

NAB deadline for applications by station executives to attend the 2nd broadcasters' seminar July 10-22 at Harvard Business School is March 1.

Civilian TV engineers are being recruited by Army Pictorial Center, 35-11 35th Ave., Long Island City, N.Y. The jobs pay $8,810.

RCA shipped a monochrome TV tape recorder last week to KXLY-TV Spokane.

Programming

THOSE FALL PROGRAM BLUEPRINTS: Although the start of the fall TV season is a good 7 months away, autumn colors were in fashion at all 3 networks last week as sales & program executives mapped 1960-61 schedules. Such trial schedules—subject to everything from the temperament of show stars to shifting competition on other networks—will probably be revised, reshuffled & re-revised before being locked up for winter. But top N.Y. agencies were being given behind-closed-doors looks at such network planning:

ABC-TV fall schedule: There will probably be fewer basic nighttime changes at ABC-TV than at any other network, since most of the present schedule has shown real rating strength. New shows being discussed are similar to those that have made the grade. The action-adventure trend will continue, and ABC-TV will generally steer clear of prime-time blockbuster specials, musicals and variety programming. The number of weekly 60-min. film shows may reach 15.

For Monday, ABC-TV is considering a shift of the 8:30-9:30 p.m. *Bourbon St. Beat* to Tues. 9:30-10:30, with a new 60-min. property (possibly MGM-TV's *Asphalt Jungle*) dropped in as replacement. (The Ted Bates agency, a major customer at ABC-TV, is staunchly opposed to the "Bourbon" shift, and ABC-TV may abandon the idea.) A situation comedy package, *For Men Only*, may replace *Man with a Camera* at 10:30 p.m. Mon., with the remainder of the Mon.-night schedule unchanged.

On Tuesdays, the major change would be in the 9:30-10:30 p.m. slot, now occupied by *Philip Marlowe* and *Alcoa Presents*. The former is to be axed and the latter will move to 10:30 p.m., thus freeing the time for either *Bourbon St. Beat* or one of several 60-min. properties in which ABC-TV is interested. Also ended would be *Keep Talking*, now at 10:30 p.m. Tues.

Wednesdays will represent a real shake-up in ABC-TV's fall plans. *Bugs Bunny*, a 30-min. Warner Bros. cartoon show, and *Leave It to Beaver* are tentatively scheduled to replace *Court of Last Resort* and *The Charley Weaver Show* in the 7:30-8:30 p.m. period. Mid-evening Wed. shows (*Ozzie & Harriet, Hawaiian Eye*) would be unchanged, but at 10 p.m.—long the 45-min. arena of *Wed. Night Fights*—the shift would be from live sports to filmed cops-&-robbers, with the Screen Gems-ABC *Naked City* moving in and the fights moving to a Sat.-night slot.

Thursdays on ABC-TV are far from firm, apart from the high-rated Desilu *The Untouchables* at 9:30 p.m. Advance planning calls for either the 30-min. *Guestward Ho!* or 60-min. *Stagecoach West* at 7:30 p.m. (In the latter case *Donna Reed Show* will probably be moved to a Fri.-night slot). *The Real McCoys* will remain at 8:30 p.m., but the *Pat Boone Show* may shift elsewhere and *Take a Good Look* will probably be dropped.

Friday's early lineup is due for changing. Blueprinted tentatively for 7:30-8:30 p.m., replacing *Walt Disney Presents* (likely to shift to Sun. 6:30 p.m.) is a back-to-back pair of situation comedies, *Shaggy Dog*, based on the Disney feature film, and *The Flagstones*, a Screen Gems cartoon show, with Donna Reed following. The strong *77 Sunset Strip-Detectives-Black Saddle* lineup will remain.

Saturday nights, as advance planning has it, will be tailored for a masculine appeal & an older audience, once past the 7:30-8 p.m. *Dick Clark Show*. Blueprints call for either a shift of *Lawrence Welk's Dancing Party* from 9 p.m. down to 8 p.m., or the substitution of a 60-min. *Pat Boone Show* at 8 p.m. At 9 p.m., ABC-TV is considering a follow-up to its success with *The Untouchables*—a 60-min. action series from Warner Bros. called *The Roaring 20's*—which would, in turn, lead nicely into the fights (moved over from Wed.).

Sundays are visualized with *Disney Presents* leading an earlier-than-ever start of 3-network nighttime competition at 6:30 p.m., thus getting the jump on *Overland Trail* (NBC-TV, 7 p.m.)—which has the jump on *Maverick* (ABC-TV, 7:30 p.m.)—which has the jump on the *Ed Sullivan Show* (CBS-TV, 8 p.m.). No further Sun. changes are planned until 9:30 p.m., when *The Islanders*, a 60-min. MGM-TV property not unlike *Adventures in Paradise*, may be substituted for Warner Bros. *The Alaskans*. (This switch may be abandoned; *Alaskans* is currently gaining steadily in the rating lists, and ABC-TV may renew it in the fall, dropping *Islanders* in another harbor, possible Tues. night at 9:30 p.m.). *Winston Churchill's Memoirs* will probably go into the Sun. 10:30 p.m. slot, replacing *21 Beacon St.*

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CBS-TV's fall schedule, at the moment, is only partially complete. It's known what shows are likely to be axed, but—in nearly every case—agencies aren't being told what the replacements will be. In general, CBS-TV planning calls for a few more 60-min. film shows, heavier emphasis on 30-min. situation comedy, a reduction in the number of entertainment specials on a pre-emption basis, and an increase in nighttime public-affairs series. First public showcasing of CBS-TV's fall plans is likely to be the upcoming Feb. 29 Washington meeting with network affiliates. Here's where the changes will probably come in the nighttime CBS-TV schedule:

Monday: *The Kate Smith Show* (7:30-8 p.m.) will probably be moved, and *Father Knows Best* (8:30-9 p.m.) is being dropped by the Rodney-Young production team.

Tuesday: The back-to-back *Grand Jury* and *Dennis O'Keefe shows* (8:30-9:30 p.m.) are likely to be ousted in favor of a 60-min. series. The remainder of the schedule is fairly firm, although there's some doubt the *Garry Moore Show* will continue at 10 p.m.

Wednesday: Changes are likely to fall in the early part of the schedule, with *Be Our Guest* (7:30-8:30 p.m.) *Men into Space* (8:30-9 p.m.), and *The Millionaire* (9-9:30 p.m.) likely to be axed.

Thursday is the night of heaviest CBS-TV shifting. Virtually everything between 7:30 and 11 p.m. is due to be bounced or moved elsewhere. (It's also a night in which CBS-TV may try to launch a magazine-concept brand of TV selling.) Only one show is pencilled-in for Thur., an Ivan Tors-Ziv action-adventure package, *Savage of the Deep*, in the 7:30-8:30 p.m. slot.

Friday: More heavy changes, with all the shows between 8:30 & 11 p.m. (*Hotel de Paree, Desilu Playhouse, Twilight Zone* and *Person to Person*) in doubt.

Saturday: No changes mapped.

Sunday: *Alfred Hitchcock Presents* (9:30-10 p.m.) will shift to NBC-TV, requiring a replacement, and *The Jack Benny Show* (10-10:30 p.m.) will go on a once-weekly basis.

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A major change in NBC-TV's nighttime structure is now being tested on N.Y. agencies. In brief, NBC-TV is abandoning much of its stance as the prime champion of nighttime specials (this season's crop of some 200 specials, most of which have drawn so-so ratings & high cpm's, will be cut back to about half that level), and will emerge

with a fall schedule in many ways not unlike that of ABC-TV in the current season. Here are highlights:

Monday-night schedule is likely to be unchanged between 7:30 & 10 p.m. (*Riverboat, Tales of Wells Fargo, Peter Gunn, Alcoa-Goodyear*). At 10 p.m., however, *The Steve Allen Show* will probably be dropped in favor of one of several action-adventure 60-min. film packages being considered by the network.

Tuesday nights, the big question is *Ford Startime*, whose high costs & modest ratings at 9-10 p.m. are causing Ford agencymen to be doubtful of its chances for renewal in its present form for the 1960-61 season. Otherwise, the now-local 10:30 p.m. period may be recaptured and the 10-10:30 *M Squad* shifted or dropped to make way for a 60-min. film show.

Wednesdays are relatively firm up to 10 p.m., at which point NBC may either drop a 60-min. adventure or private-eye series into the time periods now occupied by *This Is Your Life* and the previously-axed (by P&G) *Wichita Town*, or schedule a public-affairs show at 10:30 p.m.

Thursdays, NBC-TV is planning to lead the evening schedule at 7:30 p.m. with *Bonanza* (currently, Sat. 7:30-8:30 p.m.), replacing *Law of the Plainsman* and *Bat Masterson*, currently planning no changes in remainder of schedule—a series of 30-min. shows until 11 p.m.

Fridays, to counter ABC-TV's Fri.-night strength and the possibilities of stepped-up CBS-TV competition, NBC-TV will probably perform a complete program face-lifting. As with Thursdays, several basic plans are being considered. One is to put still another 60-min. adventure entry (undisclosed) in the 7:30-8:30 p.m. period, with at least one other show of a similar vein slotted prior to 10 p.m., at which time Hubbell Robinson's 60-min. "thriller" mysteries are scheduled to replace the veteran *Gillette Cavalcade of Sports*. Another Fri. plan is to use that day primarily as a showcase for major NBC-TV specials.

Saturdays will see more action-adventure & Western film programming going in, with *Outlaws* tentatively scheduled to replace *Bonanza* in the 7:30-8:30 p.m. slot, *The Deputy* moving earlier to 8:30 p.m. to replace *The Man & the Challenge*, and possibly one more 60-min. film show launched in the 9-10 p.m. period. Almost certainly in the schedule, possibly at 10 p.m., will be NBC-TV's *World Wide 60* public-affairs series.

Sunday-night audiences will get more back-to-back film programming of 60-min. shows, if present plans go through. *Overland Trail* (current replacement for *Riverboat* in the 7-8 p.m. slot) will continue, with *The Barbarians*, a Mahin-Rackin adventure film package, following from 8-9 p.m., replacing the *Sunday Showcase* series of live/tape drama specials. NBC-TV's *Dinah Shore Chevy Show* at 9 p.m. & *Loretta Young Show* at 10 p.m. will probably continue unchanged.

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Editorial praise was heaped on TV last week by both the *N.Y. Times* and *N.Y. Herald Tribune*. Both singled out the same recipients: WNTA-TV Newark, the Ch. 13 station's *Play of the Week* and its presentation of Jean Giradoux' "Tiger at the Gates," and sponsor Standard Oil Co. of N.J. "Mature, adult entertainment . . . both Ch. 13 & Standard Oil are to be complimented & thanked for providing it," lauded the *Herald Tribune*. The *Times* went still further: "To see & enjoy this fine example of TV programming & advertising at their best is to raise the question why such occasions are so relatively rare. And why, for the time being at least, is this delightful play limited to us . . . lucky enough to live in this community?"

More ABC News Specials: ABC-TV is expanding its plans for prime-time public-affairs programming. Presently blueprinted is "at least one news special a month." This is not as ambitious as the plans of the other networks, but represents a 300% increase over the ABC score of 4 documentaries this season. Four are currently in production.

As part of the stepped-up program plans, ABC-TV announced a series of news department appointments & promotions Feb. 11, led by the naming of Thomas A. Velotta as vp for special products. Others include: John H. Secondari, named producer for special projects, and Mary Laing, Walter Peters & Helen Jean Rogers, appointed unit producers. Robert H. Fleming will succeed Secondari as ABC News Washington bureau chief. John T. Madigan has been named mgr. of ABC News N.Y. newsrooms.

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Hope May Leave NBC: Bob Hope, who has been with NBC since 1934, may leave the network when his 10-year contract expires in June. The comedian told us his agent, James Saphier, is now in N.Y., negotiating with all 3 networks. He said his present TV sponsor, Buick, has already indicated its desire to renew for next season. NBC-TV owns 50% of Hope Enterprises, which was formed to produce movies as well as the comedian's TV shows. He still has a commitment to do 2 movies for that company. If a deal is made with another network, Hope will form a new production company.

Hope's 10-year NBC-TV contract contains escalator clauses which have provided for automatic raises during that span. It's estimated that the comedian has received approximately $20-25 million (including production costs) for his TV shows during that period. A new Hope deal would probably be for 5 years, with options.

Hope was the first movie star to become a TV regular, signing with NBC-TV when he was one of Paramount's leading box office stars. "I'll never forget," he recalled, "the way [Paramount Pres.] Barney Balaban reacted, and the many wires I got from exhibitors all over the world telling me I was crazy to go into TV. I told Balaban if he would make me the same deal NBC-TV offered me, I woudn't sign. He didn't answer."

Regarding post-1948 residuals, Hope said he thought the major studios should agree to put $10-20 million into an actors' fund from the post-1948 revenue they receive. "I was paid $50,000 for starring in 'Sorrowful Jones,'" he explained, "and right after that my price jumped to $150,000. Today it's much more. Lucille Ball was in the same picture, and she got about $10,000. Today the movie studios will realize a lot more from these movies because of the increased value of the star names, so I don't go along with their argument of 'We paid them once, so why should we pay them again?'"

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Most CBS-TV comedians are angry at the network's edict that comedy shows must be accompanied by an announcement that laughter "is technically augmented." Jack Benny, whose contract with the network expires this year, told us that when he first heard the order he wanted to quit. He even had talks with ABC-TV, and has been courted by NBC-TV. However, he has since cooled down and, "It looks very much as though I will stay with CBS," he said. "NBC-TV hasn't found it necessary to have such announcements A studio audience may not like your material, but you're playing to millions of viewers who might. All of us try to use as much original laughter as possible. I protested to Bill Paley, and he said he understood, but didn't do anything about it. I think it's ridiculous."

Film & Tape

THE STRIKES CONTINUE: Even the most optimistic observers can see no sign of an early break in the current deadlock involving the Writers Guild of America against the Alliance of Television Film Producers and the TV subsidiaries of the major movie studios. The WGA strike began Jan. 16 (Vol. 16:6 p16). The Guild's negotiations with the networks on TV film have collapsed, but a strike has been postponed pending further negotiations on live TV, radio and staff writers. WGA has given independent telefilmers who are not associated with the major movie studios or Alliance an extension to March 12.

WGA and the Alliance held another meeting last week, but no progress was made on the important issues (Guild demands for residuals of films shown abroad and increased residuals in this country). The Alliance flatly rejected Guild demands for extra payment if the films are eventually shown on pay TV. Progress was made in some areas, involving speculative writing and rights in literary material, and talks are continuing.

WGA has not negotiated with the major TV-film operations since Jan. 14, when talks ended after the majors refused to grant any concessions on key issues. As for pay TV, the majors took the position that it was an extension of the boxoffice, and should be discussed in connection with the movie contract. There was no agreement on speculative writing.

Rummaging for Second-Hand Scripts

Meanwhile, we learned, some telefilm companies are dipping into their backlogs of old telefilms to do remakes. This, they calculate, will enable them to hold out indefinitely in the event of a prolonged strike. Said one production exec.: "We are granted remake rights under the recently-expired Guild contract. Only if a script is based on a published story do we have to make another payment, and that's to the original author. We do not have to pay again the writer who did the teleplay. What's wrong with remakes? The movies have been doing this for years." WGA confirmed that producers can do remakes without paying the scripters again, but it is demanding such payments in its new set of proposals.

Production in TV has not been curtailed much by the strike. As far as can be learned, the only series which has run into problems is *Ford Startime*, which has held up several film shows because scripts are only partly written. Scripts for James Stewart, Greer Garson and George Gobel are involved.

The Screen Actors Guild is expected this week to announce results of its balloting of membership to seek strike authorization against the major movie studios. SAG is still in negotiations with independent movie producers. WGA, striking the major movie studios, last week contended that its strike has stopped work on scripts of 30 movies involving production costs of about $50 million. WGA also reported progress by signing 3 more movie independents to contracts and termed its strike against the independents "virtually won." About two-thirds of the movie independents in Hollywood have signed since the strike began last Oct. 10, the latest being Otto Preminger, Kirk Douglas and Gary Cooper. The ticklish post-1948 issue is handled in these contracts by a stipulation that once an industry pattern is established the independents will accept it.

Film's Assembly-Line Economy: Faced with low budgets, high production costs and stiff competition, knowledgeable TV-film makers have been devising methods for grinding out their product without stretching their budgets.

Best gadget thus far discovered for this purpose, though, is a producer or director who can adapt himself to assembly-line operations. The rapid tempo & low budgets of TV bewilder & defeat the average movie maker. (Notable example: *Screen Directors Playhouse* of several years back, when that guild had prominent movie directors handle the 30-min. shows. Many came in over budget, most were poor, and the show was cancelled after one season.)

One producer, Gene Wang of *Philip Marlowe*, told us he avoids lavish production which would be lost on the TV screen. He also re-dresses sets so that they can be used repeatedly. He avoids footage by using a tighter story and narration. "It looks to the viewer as if we shot the footage and then did the narration. Actually the reverse is true," explained Wang. Dialog is kept to a bare essential, because under Screen Actors Guild regulations any actor who speaks even one line gets residuals. Scripts are therefore written so that lesser characters don't talk unless it's absolutely essential to the story. Sets are kept to a minimum. Occasionally Wang will borrow a lavish set used by a movie at Metro, where his series is filmed. He avoids using many extras. If, for instance, it's a big nightclub scene, the 2 or 3 characters in it indicate via dialog that the club isn't open yet, or it's after closing hour.

Walt Disney Productions last year filmed several *Zorro* episodes simultaneously, thereby saving considerably on sets & crew. Guy Williams, star of *Zorro*, told us at the time that it was confusing to memorize several scripts and rush from one set to another in this fast-paced operation. But it was done—and Disney saved money.

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TV Innocents Abroad: American producers interested in filming TV shows overseas because they might be made more cheaply—should stay home. That's the advice of a Desilu Productions executive after working on a *Westinghouse Playhouse* film in Rome. Jack Aldworth, coordinator on the film—which starred Desilu Pres. Desi Arnaz—told us the 60-min. film originally had a 3-week shooting schedule and a $125,000 budget. It took 4 weeks to shoot the film—and $50,000 more than the budget allowed. The film, "Thunder in the Night," which will be telecast on CBS-TV Feb. 19, was shot at Cinema Espermantale.

Production expenses, explained Aldforth, are higher in Rome because they lack Hollywood efficiency. The studio wasn't properly equipped and, Aldworth told us, "It cost $5 a sq. ft. to build a rush set; in Hollywood it would be $2." Rome TV-film workers work "when they feel like it. Their attitude is that the sooner they finish the picture, the sooner they'll be laid off. So it's always *manana*. American technicians work hard, but the Italians just don't care," said the Desilu executive.

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Lifting of the Japanese lid on foreign TV newsfilm last week is expected to be followed shortly by equally liberalized regulations on entertainment films. Currently, Japanese stations are prohibited from spending more than $300 for a 30-min. U.S. TV-film show. Indications are that the dollar-control will be stretched to a $450-$600 limit this year, eventually go by the boards. As of Feb. 8, Japanese news media no longer were required to submit to the Japanese Finance Ministry applications for remittance of dollars to the U.S. to buy news & newsreels.

NEW YORK ROUNDUP

Expected sell-out by Jack Wrather of his holdings in ITC (Vol. 16:6 p5) became a reality last week. Under the deal's terms, Associated TV Ltd. of London, hitherto a 50% partner with Wrather in ITC, becomes full owner. ATV's Michael Nidorf will take over as ITC chmn., replacing Wrather who will become a director. Other new board members will include Leslie Harris, now in charge of ITC overseas film production, Morris Wright of Kuhn Loeb, and ITC Pres. Walter Kingsley. Wrather's officially stated reason for his bow-out was that "the growth of the activities of my own company, the Jack Wrather organization, made my ITC duties more & more taxing. It has always been my principle in business to only have financial interests in situations that I personally could be active in."

Star **William Reynolds** & producer Dick Bare of MGM-TV's *The Islanders* were injured in a plane crash in Jamaica, B.W.I. Feb. 12. They were flying in the area of Montego Bay, where location photography for the 60-min. series (tentatively scheduled for Sun. nights on ABC-TV this fall) has been done. Both were hospitalized at week's end. Their plane was a twin-engined Grumman amphibian, used in the series.

Screen Gems will make barter deals (exchange of rerun film series for time, rather than cash) an integral part of syndication operations. Telescreen Advertising, SG's barter subsidiary created last June, is being placed under the supervision of syndication dir. Robert Seidelman and syndication sales mgr. Stanley Dudelson. Charles Weigert and Sidney Barbet have resigned as operating heads of the Telescreen subsidiary.

Student-produced TV film for a Columbia U. TV-radio course is slated for spring telecast by WPIX N.Y. Operating with virtually no budget, 6 members of the graduate school of journalism, in cooperation with the N.Y. depts. of health & air pollution control, are filming "The Hidden Threats," a grim reminder of the city's rats, smoke and poison problems. The amateur producers are working with camera & tape recorder on location, editing and adding music in Columbia's TV studio.

NBC has sold exclusive rights to its news & public affairs shows to TCN Sydney and HSV Melbourne, Australia. The 3-year contracts call for 87 hours of programming a year, including the network's daily news service, *World Wide 60* and *Chet Huntley Reports*. Programs will be jet-flown from the West Coast.

Manhattan Productions Inc., new packaging outfit formed by ex-Goodson-Todman producer Frank Abrahams, is preparing for syndication 260 new cartoon episodes of *Winky Dink & You*, former CBS-TV children's show. The syndicated version will follow the original format of home participation with plastic tracing kits to be sold by stations in mail-order deals, and by toy stores.

Ziv TV's *Tombstone Territory* will be spotted in 8 markets by Studebaker and in 9 by Brown & Williamson tobacco. B&W also will sponsor Ziv's *This Man Dawson* in N.Y., Los Angeles, Baltimore, Pittsburgh & Louisville . . . **Ziv TV International** has opened dubbing studios in Rio de Janeiro for re-voicing series in Portuguese.

Tod Andrews will star in Derel Productions' new series, *Bellevue Is My Home* . . . **Phil Dean Associates**, TV-radio publicity firm, will move Feb. 15 to 2 W. 46th St.

HOLLYWOOD ROUNDUP

General Foods, whose sponsorship of *The Danny Thomas Show* on CBS-TV expires this season, is negotiating a new 3-year deal with Thomas. Involved in the discussions is the fate of a backlog of 215 Thomas films made over the past 7 years. Thomas wants to sell them as reruns, probably for daytime stripping. Negotiators say the likelihood of such a move seems "fairly promising."

Frank Sinatra, whose 3-yr. ABC-TV contract has expired, is also being courted by NBC-TV and CBS-TV. He, however, hasn't decided about his TV future. Associates tell us he will probably do a few specials. Sinatra still has commitments for 2 specials on ABC-TV this season, one to be telecast this week.

Revue Productions has named William Frye producer of special projects. Frye relinquishes his duties as exec. producer of Revue's *The Deputy* and *Johnny Staccato* to devote his time to new properties and produce 60-min. shows for various series, including *Ford Startime* . . . **Crosby-Brown Productions** has promoted Henry R. Flynn from gen. mgr. to vp-gen. mgr. and Peter Robeck to sales vp. Robeck has been mgr. of the firm's Eastern office.

Goodson-Todman and NBC-TV, in association with producers Al Lewis and Sid Dorfman, will roll the pilot of a new comedy series, *One Happy Family*, Feb. 19 . . . CBS-TV has set all of its regulars into its *Gunsmoke* series for next season . . . G-T also—in association with Fenady-Kershner-Kowalski and ABC-TV—will start production on the pilot of *The Yank* Feb. 26 at Paramount . . . **TLG Productions** has finished a video-taped pilot, *Figures & Fashion*.

Producer Ralph Levy has obtained his release from CBS Films, where he was to have produced a pilot. He joined Michel Productions as a producer and will produce in Europe the pilot of *Harry's Girls*, a joint venture of MGM-TV and Michel. The latter company is owned by Alan Jay Lerner.

J&M Productions, owned by Jack Benny, is preparing a pilot for a 30-min. situation comedy series entitled *Chuck*. The show will be filmed at Revue in March . . . **The pilot of Screen Gems'** *333 Montgomery Street* is being filmed in San Francisco. Gene Roddenberry is producer.

Ziv TV has signed Margaret Hayes to star in its *Time Out for Ginger* pilot . . . At the **Hal Roach Studios**, filming has resumed on *The Dennis O'Keefe Show* following a 7-week production hiatus.

Rod Taylor has been signed to star in *Hong Kong*, a new series planned by 20th Century-Fox Television. The pilot goes into production in March. William Self is exec. producer.

Alan Handley has been named producer-dir. for NBC-TV's "Annual Academy Awards Presentation," . . . **Mildred Gusse** is the new head of Screen Gems talent & casting dept.

Producer Herbert Hirschman of the *Perry Mason* series has asked CBS-TV for his release in order to form his own company & start production of several pilots.

AFTRA paid out $506,000 in welfare benefit payments during 1959. The union now has total assets of $7,249,977 in its pension fund and $1,832,885 in the welfare fund.

Television Digest

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Personals: Richard L. Linkroum appointed NBC-TV special programs dir., succeeded as special programs sales dir. by Edwin S. Friendly Jr. . . .Robert D. Kasmire appointed corporate information coordinator, NBC . . . Stephen J. McCormick elected news & Washington operations vp, MBS; Joseph F. Keating named operations & programs vp; Norman Baer appointed news & special events dir. . . . Dan Bellus, ex-KFMB-TV & KFMB (Transcontinent stations), named ad & promotion dir., Transcontinent stations.

Patrick J. Winkler named standards & practices vp, RKO General stations . . . Stephen A. Flynn promoted from head of sales services to dir., station sales, station clearance & sales services, NBC-TV; Joseph Iaricci promoted from contract services mgr. to sales administration dir. . . . Dean Craig promoted to telesales mgr., NBC-TV Pacific div. production dept.; Gino Conte named production services mgr.; George Habib appointed mgr. of unit mgrs. . . . Alvin H. Perlmutter made program mgr., WRCA-TV N.Y.; Eleanor Riger named mgr., public affairs dept.

C. Tom Garten named vp-gen. mgr., WSAZ-TV & WSAZ Huntington-Charleston, W. Va., succeeding Lawrence H. (Bud) Rogers, named exec. vp, Taft Bcstg. (Vol. 16:2 p16) . . . Harry R. Lapham, ex-WTRF-TV Wheeling, appointed sales promotion dir., WCAU-TV Philadelphia.

Richard J. Muller, ex-WNBC New Britain-Hartford, named news dir., KDKA-TV Pittsburgh . . . Roger Hudson named N.Y. TV sales mgr., McGavren TV; Ed Gardner appointed Chicago TV sales mgr. . . . Ira D. Beck named Latin America supervisor of UAA & UA-TV . . . H. J. Schlafly Jr., TelePrompTer engineering vp, named dir of research & development div.; Edward Reveaux appointed vp for program & production div.; Nat C. Myers Jr. named vp for communications system div.—all new divisions . . . Everett G. Henry, ex-Office of Opinions & Review, succeeds William N. Krebs, retired, as chief of FCC's marine div.

Annenberg School of Communications at the U. of Pa. will add a multi-service communications center embracing TV-radio studios, book-film-tape-disc library and a 400-seat auditorium. Construction of the proposed $1.6-million, 3-story structure (54,800 sq. ft.) will begin this spring, and occupancy will take place by Sept. 1961. Construction costs & early operating expenses of the school are being underwritten by the Annenberg Fund Inc. and the M. L. Annenberg Foundation, as a memorial to the late M. L. Annenberg. The school's educational program grants a master's degree in the communications arts.

Foreign

USIA'S FOREIGN TV REPORT: "TV abroad boomed in 1959," reported the U.S. Information Agency in its quarterly analysis of foreign TV. As of Jan. 1, it stated, stations had increased 349 to 1,088 (up 47%) and receivers rose nearly 10 million to 32,909,000 (up 40%). The report excludes U.S. territories, Canada and U.S. armed forces stations.

Of the new stations, 282 were added in the Free World, 67 in the Sino-Soviet bloc. Of the new sets, the Free World gained 7.2 million—rising to 26.8 million—while the Sino-Soviet bloc increased 2 million to 5.3 million.

Most of the gain in transmitting stations was in small satellites. Italy added 91, W. Germany 61, Japan 38.

There were 56 countries with TV—the following getting their first stations in 1959: Chile, Haiti, Honduras, Panama, Lebanon, Nigeria, New Zealand. Russia is estimated to have increased its set count from 2.6 million to 4 million, its stations from 91 to 136.

The United Kingdom led the foreign countries in receiver distribution with 10 million, followed by Japan with 4,288,000, USSR with 4 million, West Germany with 3.5 million, Italy with 1,666,400, France with 1.4 million.

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TV in Japan: Nippon's TV sets now number 3,463,447 according to the official figures of Nihon Hoso Kyokai (NHK), the government TV network. This is the official figure, but many Japanese don't register their sets with NHK in order to avoid paying the 300-yen (360=$1) per month viewing charge. Unofficial figures put the real figure well over 5,000,000.

With sets & stations skyrocketing, many viewers now claim they shouldn't have to pay the monthly charge because they don't watch NHK. Two years ago Japanese viewers had their choice of 3 network stations; now they've 6, including 2 of NHK's. One is educational. (The NHK charge for radio listening is 85 yen a month.)

One out of 5 Japanese families now own (or are buying on the installment plan) a TV set. Japan now has 87 TV stations (44 are NHK, 43 commercial). The government has given preliminary licenses for 10 more NHK stations & 11 commercial stations due to go on the air this year. NHK has applied for 10 additional stations and commercial companies for 73 more. And the boom goes on.

TV's value & growth as an ad medium are seen in these statistics from the Dentsu Advertising Agency:

Year	Radio	TV
1956	$36,111,000	$ 5,556,000
1957	41,667,000	16,667,000
1958	43,611,000	29,167,000

However, says the Japanese government: "The advent of the television age will not necessarily insure prosperity for all TV companies. The mushrooming of new TV stations in metropolitan centers is bound to entail bitter competition, while provincial stations will have a difficult time arousing the interest of advertising sponsors, and procuring equipment & operating funds."

* * *

NHK & Nihon Television Network (NTV), which were granted licenses for experimenting on color television late in 1957, have since carried out technical tests. NTV (first commercial network in Japan) applied for a permit to operate an "experimental station for practical application." It is telecasting programs in color every evening of a standard that's drawing favorable comment from experts.

Trade Report . . . .

FEBRUARY 15, 1960

2 NEW COMPONENTS EMERGE FROM LABS: Demonstrating the ever-decreasing lead-time between invention & production, factory output has been started on 2 new basic electron devices whose development in the labs was first announced less than a year ago. Both have intriguing TV possibilities.

Start of factory pilot production of tunnel diodes, announced last week by GE, probably opens biggest new field since introduction of the transistor. Advantages of the tiny new semiconductor device (Vol. 15:30 p16) make it look almost tailor-made—when prices come down—for battery portable TV. It is capable of higher oscillation frequency, lower noise, lower power requirements than transistor.

Pilot production prices of initial models are $10 & $12.50 each—down from lab-sample price of $60 & $75. As full-scale production is reached, prices are expected to drop far lower. RCA & General Transistor are now providing lab samples of tunnel diodes and are expected to announce pilot production soon. Also called the Esaki diode, after inventor Leo Esaki, Sony Co. semiconductor research chief, tunnel-diode pilot production is also expected next month by Sony.

As for the tunnel diode's TV applications, discussed by us last Aug. (Vol. 15:34 p15), a GE engineer told us last week that use in this field now looks "much more promising" but that "actual use [in TV] will depend on further cost reductions."

RCA started commercial production, meanwhile, of its first Nuvistor—a thimble-sized unit representing a breakthrough in tube technology. Initial price of this tiny, rugged low-power-consuming metal-ceramic tube is $1.96 in a medium-mu triode version, principally for industrial applications.

TV & hi-fi uses for Nuvistor were suggested last March when RCA showed lab models (Vol. 15:11 p18). Pentode & beam-power tubes, due to be next Nuvistor types, may be ideally suited for these applications—but, again, price will have to come down before Nuvistor can compete with 50¢-$1 tubes for TV applications. Nuvistors eventually will be priced competitively with standard receiving tubes, RCA said last spring—and when this happens, there's no doubt some TV makers will swing over to "Nuvistorized" models. This will mean much longer tube life, lower power requirements.

DO TRANSISTOR IMPORTS HURT U.S. DEFENSE? Even as newly available Japanese govt. figures placed 1959 radio exports to U.S. at 6 million sets—or 60% as high as domestic production of home & portable radios—the Electronic Industries Assn. last week told OCDM that semiconductor development & production capacity is lagging behind defense plans as result of low-priced Japanese competition.

OCDM's inquiry into whether defense readiness is being hampered by imported transistors—initiated at request of EIA—now enters investigatory stage. All comments have been filed, and the electronics div. of Commerce Dept.'s Business & Defense Services Administration has been assigned task of gathering data for OCDM's final consideration.

If OCDM finds Japanese imports a threat to U.S. security, it has power to recommend remedial action—in form of trade restrictions or agreements—to the President. It's expected within govt. that inquiry will be completed before year's end.

As filings came last week from EIA & AFL-CIO—the last to be submitted—paperwork box score stood this way: 15 statements from manufacturers and other groups backing EIA position, 3 opposing.

"There is already a lag in the development of germanium devices," EIA told OCDM in its final petition. "Companies no longer find it profitable to enter the germanium semiconductor field because of the threat of Japanese imports which has discouraged expansion in this area." Countering Japanese contentions that so-called "entertainment" transistors have little bearing on military readiness, EIA maintained that the consumer market finances research & development of military semiconductors, that heavy investments required for military semiconductor production facilities can be economically justified only by building them for mass output of consumer-product transistors.

Tracing growth of transistor imports & domestic output, EIA cited Japan's 1959 exports to the U.S. of some 25 million semiconductor devices (including those in finished products), valued at $12.5 million—up from only 2,000 (at $4,000) in 1956. On basis of Japanese production plans (200 million germanium consumer-type transistors per year), EIA estimated that at least 100 million units will be exported to this country annually, "to enable the Japanese to capture over two-thirds of the consumer-type transistor markets foreseen in the U.S. by 1962."

Domestically, 66% of U.S.-made transistors went into consumer products in 1958, said EIA, adding: "No industry will continue to expand production facilities or undertake costly research & development programs in the face of the inevitable loss of up to two-thirds of its unit markets."

Military requirements for transistors will multiply tenfold by fiscal 1965, EIA stated, quoting report of Electronic Production Resources Agency (EPRA). By 1964, EIA estimated, defense requirements will reach about 200 million transistors—about 2 1/3 times 1959 output and nearly 1 1/2 times estimated 1960 production. By that year, military will require some 72 million high-frequency germanium transistors, while 1959 deliveries totaled only about 2 1/2 million units. Even cold-war semiconductor capacity isn't yet in being, EIA argues—suppose there's a hot war?

Supporting briefs by U.S. semiconductor manufacturers testified that they would have to consider curtailing capital expenditures on transistor operations if imports continue to rise. Such statements came from Raytheon, Mallory, Industro Transistor, General Transistor, Rheem Semiconductor, Sylvania, CBS Electronics, Clevite Transistor Products and Tung-Sol. Other supporting statements were filed by Texas Instruments, Arvin, Radio Development & Research Corp., Sprague Electric, AFL-CIO.

Major opposition to EIA position was 119-page document submitted by Electronic Industries Assn. of Japan, Japan Electronics Export Promotion Assn. and Japan Machinery Exporters' Assn. Its principal points: (1) U.S. electronics industry has more than enough capacity to supply defense requirements. (2) Japanese semiconductor exports aren't displacing U.S. products so as to cause economic damage to U.S. industry—in fact, Japanese exports will taper off and fall as U.S. products improve & prices drop. (3) Military & nonmilitary semiconductors represent separate markets and there is no identifiable economic relationship between the two. (4) Japan can make major contribution to U.S. mobilization by helping overcome shortage of trained personnel for research & development. (5) Japanese semiconductor progress is based on "2nd-hand technology" in form of research & development efforts conducted by U.S. industry; because Japan does not have big R&D budgets, it cannot compete with U.S. in military-type semiconductors.

Action to restrict semiconductor imports was also opposed by British-American Chamber of Commerce and the car-radio div. of the Robert Bosch Corp. (German Blaupunkt radio), Long Island City, N.Y.

TV-RADIO PRODUCTION: EIA statistics for week ended Feb. 5 (5th week of 1960):

	Jan. 29-Feb. 5	Preceding week	1959 week	'60 cumulative	'59 cumulative
TV	135,438	141,111	129,499	660,340	551,897
Total radio	379,076	383,424	290,190	1,731,836	1,406,081
auto radio	173,361	175,535	107,905	805,679	528,189

Sales of picture & receiving tubes in 1959 exceeded those of 1958 in both factory unit sales & factory price, but neither category set an all-time high. Here is the official 1959 picture & receiving tube summary, as released last week by EIA:

	TV Picture Tubes		Receiving Tubes	
	Units	Value	Units	Value
January	784,906	$ 15,209,896	31,150,000	$ 26,808,000
February	738,336	14,084,922	33,155,000	28,630,000
March	717,144	13,804,012	39,841,000	35,286,000
April	696,503	13,275,123	29,800,000	26,047,000
May	667,080	12,745,714	30,612,000	25,904,000
June	766,566	15,136,612	37,421,000	33,099,000
July	750,352	14,648,444	36,394,000	29,786,000
August	823,098	15,493,908	35,435,000	28,974,000
September	913,697	18,066,647	41,989,000	34,810,000
October	1,007,211	19,306,788	42,680,000	35,527,000
November	840,866	16,058,816	37,211,000	31,600,000
December	816,787	15,941,040	37,248,000	32,401,000
1959 Totals	9,522,546	$183,771,922	432,936,000	$368,872,000
1958 Totals	8,252,480	$163,482,674	397,366,000	$341,929,000

Hoffman solar cells' minimum conversion efficiency guarantee has been upped to 10% from 9%.

Legislation requiring all-channel TV-receivers—requested by FCC as a method of producing an audience for new-channel stations (Vol. 16:6 p20)—will be opposed by EIA. The manufacturers have informed Sen. Pastore (D-R.I.)—who said he would introduce the legislation at the request of FCC—that they want to testify in opposition whenever hearings are held. Last May, EIA decided on the position, authorizing Pres. David Hull and exec. vp James Secrest to take the necessary steps. Last week, they made it official in a letter to Pastore. EIA's basic position is that it's unfair to force the public to pay extra for something it can't use and possibly may not use in the future.

Raytheon & Compagnie-Generale de TSF have signed an agreement for mutual assistance in microwave-tube developments, reports *Wall St. Journal*. Raytheon's amplitron & the French concern's carcinotron electronic tubes are used in military & commercial radar.

1959 PHONO SALES: Last year was a disappointing year in phono sales only from the standpoint of over-grandiose predictions early in the year. Full-year 1959 EIA sales figures show more than 4.3 million units sold at the factory (exclusive of 85,711 record-player attachments), compared with slightly less than 4 million units (plus 124,000 record players) sold in 1958. In unit sales, 1959 was 2nd best year for phonos—1957 being best with about 4.7 million phonos sold.

But dollar-wise, 1959 was by far the biggest year for phono sales. Factory sales totaled an estimated $370 million vs. $263 million in 1958 and $351 million in 1957—the increase due to higher per-unit average price.

EIA also released for the first time phono retail sales figures—which show a total of 4,397,857 units sold last year to the public as against 4,303,611 sold by factories. Here are the official EIA units sales figures (complete packages only; no components), which update the 11-month table printed here last week (Vol. 16:6 p19):

	Factory Sales		Retail Sales	
	Monaural	Stereo	Monaural	Stereo
January	184,147	177,336	231,429	159,214
February	164,873	188,750	171,127	156,477
March	119,075	168,117	139,577	140,075
April	47,153	125,111	94,226	118,197
May	33,356	89,827	70,228	82,765
June	44,976	152,900	66,979	100,982
July	44,591	158,668	82,742	124,979
August	65,179	277,545	98,132	198,926
September	102,399	377,785	132,686	257,857
October	139,579	456,471	152,248	343,428
November	167,879	455,582	183,774	469,048
December	154,574	407,744	229,989	592,772
1959 Totals	1,267,781	3,035,836	1,653,137	2,744,720
1958 Totals	2,867,606	1,104,924	Not compiled	Not compiled

EIA's NSRC Shuts Shop: As expected, the EIA-sponsored National Stereophonic Radio Committee went out of active business last week as a result of FCC refusal to reorganize it into a TASO-like all-industry group to evaluate & test stereo systems (Vol. 16:5 p2). In a letter to FCC Chmn. Doerfer, EIA Pres. D. R. Hull said that NSRC, formed just a year ago, couldn't complete its work because of FCC's decision—but that a committee organization would be maintained on a standby basis. Hull pointed out that RCA & CBS, which refused to join NSRC for anti-trust legal reasons, had indicated they would have joined in an all-industry effort under TASO-type auspices.

"White we are disappointed in the Commission's decision, we recognize the complexity of the problem and accept the Commission's judgment in the matter," Hull wrote Doerfer. "We are prepared to submit to the Commiission prior to March 15 a report of the work of the NSRC in the field of FM stereo standards. The work of the committee on AM & TV stereo standards will be terminated, but the committee will be maintained on a standby basis for the present should the Commission decide later to call on EIA for assistance on AM stereo . . ."

Hull reported that a pro-tem chairman of the standby group would be named soon to replace GE's C. Graydon Lloyd, who resigned because of new company duties.

NSRC thus becomes inactive with some of its most important work on FM stereo systems yet undone—including field testing, which was never begun. The lack of an all-industry engineering coordinating group is expected to delay completion of the Commission's FM deliberation, making it unlikely that FM stereo broadcast standards will be established this year.

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General Transistor plans to complete this year a 50,000 sq. ft. plant in Hicksville, N.Y.

Sarkes Tarzian's Expansion: Consumer electronics field is next big target of broadcaster-manufacturer Sarkes Tarzian Inc., currently exploring a number of proposed products and already at work on several. The privately-held company owns WTTV (Ch. 4) & radio WTTS Bloomington-Indianapolis, WPTA (Ch. 21) Ft. Wayne, and WFAM-TV (Ch. 18) Lafayette, all Indiana, and has just put new FM affiliates on air in Ft. Wayne & Lafayette.

The Bloomington, Ind. firm headed by former RCA engineer Sarkes Tarzian has a diversified electronics manufacturing operation including TV tuners (its biggest division), semiconductors, variable capacitors and broadcast equipment. Its expansion has seen the addition of a magnetic tape div., and a consumer products section within the broadcast equipment div.

A couple of the firm's new consumer products have been developed around its broadcast operations. A low-priced FM radio—designed to sell at low profit for $19.95—had been developed to help increase the audience for Tarzian's own new FM stations, being offered over the air through cooperating retailers. This approach held so much promise, the firm believed, that it recently offered the low-priced FM sets to other FM station operators on a limited-time basis. In the first month, 10,000 sets were sold this way, according to gen. sales mgr. Biagio Presti. After the expiration of the station offer, the FM sets will be put into general consumer distribution at a higher price.

Sarkes Tarzian is exploring a similar approach to the sale of uhf converters. It has developed a single-channel transistorized converter at $12.95 to win viewers for WFAM-TV, may eventually offer similar units nation-wide.

Among other consumer products being explored—but not definitely slated for production—are FM auto radios & tuners, home tape-recorders. One of Tarzian's older consumer products is a tunable indoor rabbit-ear antenna which lists at $4.95.

The new magnetic tape div. will manufacture tape for audio use initially, later may expand into telemetering & computer tape as well as video tape.

Another Tarzian product with a unique slant is an FM tuner for TV receivers, which has been selling to manufacturers for about a year. When built into a TV set, it permits its use as an FM radio, using the fine-tuning knob as a radio tuning dial.

The broadcast equipment div. makes TV transmitters, camera chains, studio & microwave equipment, and has just developed the first heterodyne-type microwave relay system (the type used by AT&T) to be offered for private use. The first such unit—a 5-hop system—was recently sold to an unidentified station.

The semiconductor div. (formerly rectifier div.) manufactures rectifiers, silicon & selenium diodes and other semiconductor products. The air trimmer div. makes variable capacitors.

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Below-cost pricing by companies to drive small retailers out of business would be prohibited under a bill (HR-10235) introduced by Chmn. Patman (D-Tex.) of the House Small Business Committee. He said the measure amending the FTC Act is intended to prevent big firms from making "loss leader" deals with retail chains & supermarkets to halt competition by independent stores. Identical bills (HR-10236-10240) were offered by Reps. Evins (D-Tenn.), Multer (D-N.Y.), Steed (D-Okla.), Roosevelt (D-Cal.), Garmatz (D-Md.). Patman said that need for the legislation had been demonstrated by his Committee's food industry hearings.

Trade Personals: Larry J. Konrath promoted to controller, Packard Bell home products div. . . . L. H. Orpin, ex-Stromberg-Carlson, appointed RCA defense electronic products planning mgr. . . . Murray Fiebert, ex-Pacific Mercury, appointed gen. mgr. of Harman-Kardon's new electronetics systems div. (computers & data processing); Ian Shivack named data systems vp; Allen Chertoff named research & development vp.

Lee D. Webster, Ling-Altec vp, promoted to exec. vp and a dir.; James O. Weldon, pres. of subsidiary Continental Electronics Mfg. Co., also named Ling-Altec dir. . . . W. Furneaux named pres., Aerovox Canada . . . Ernest A. Wester named vp-treas., Servomechanisms.

Fred H. O'Kelley Jr. named mktg. mgr., Raytheon commercial apparatus & systems div., with responsibility also for microwave cooking mktg. dept. . . . Fred Womersley appointed distributor operations mgr., Philco Corp. of Canada; Herbert C. Bell named contract sales mgr.

Louis M. Robb named to new post of mkt. development mgr., GE receiving tube dept. . . . Milton J. McGovern named national sales dir., TV Shares Management Co., which manages investments of TV-Electronics Fund . . . W. Walter Jablon named pres., Mark Simpson Mfg. Co. succeeding Mrs. Miryam Simpson, now chmn. . . . R. Fred Meinicke named sales mgr., Amphenol-Borg . . . Charles L. Alden named to new post of merchandising supervisor, Minnesota Mining & Mfg. magnetic products div. . . . Dr. Donald A. Dunn named dir of new Eitel-McCullough research div.

Realignment of Philco's public relations staff under Robert Jones, corporate PR dir., results in these new posts: Kenneth E. Kefauver, consumer products div.; P. Bernard Fleming, govt. & industrial group; H. Clyde Baker, research div.; Steven Madelaine, Lansdale div.; Charles Krauss, N.Y. representative; Paul Riblett, community relations; Mark Lutz, employe relations; Joan Barthelmy, stockholder & financial relations.

RCA's David Sarnoff Awards for outstanding achievement in science & engineering in 1959 were awarded last week to Dr. Leon S. Nergaard, RCA Labs, for "basic & practical contributions to the science of microwave electron tubes & thermionic cathodes," and to Duane C. Brown, RCA Service Co., for "development of original & effective solutions to complex problems of missile & rocket trajectories at the Atlantic Missile Range."

RCA Chmn. David Sarnoff & his wife have established a charitable foundation to further various scientific, literary, religious and educational organizations. Also listed as board members of The David & Lizette Sarnoff Foundation: Wilbur H. Friedman, James J. Fuld and Klaus Eppler, all N.Y.C.

———■———

Capehart veterans Charles Ward, onetime Western regional mgr. of Capehart when it was an ITT div., and Lowell Wood, former Capehart distributor, have formed Capehart Pacific div. of GFO Distributing Corp. to handle distribution of new Capehart TV & hi-fi lines in the West.

Philco furloughed 500 production workers (mostly in TV dept.) Feb. 12. A company spokesman said the layoffs followed the "normal seasonal pattern."

Obituary

Milford S. Klinedinst, 49, ITT mktg. administrator, died Feb. 6 at his home in Ridgewood, N.J. Surviving are his wife and son.

Survey of tube & semiconductor production, consumption & trade—including imports & exports—in 9 European contries has been published by Commerce Dept. Prepared by electronics div. of Business & Defense Services Administration, *Electron Tubes & Semiconductors; Selected European Countries* contains descriptive text & statistical data for each country. It's the first of a series of 3 studies on tube & semiconductor trade in foreign countries and is available for 25¢ from the Superintendent of Documents, U.S. Govt. Printing Office, Washington 25.

Admiral's consumer electronics sales in Jan. were 39% higher than last year, Admiral Sales Corp. Pres. Carl E. Lantz reported last week, attributing the increase to popularity of 23-in. TV sets and to the impact of heavy ad campaign. He added that Admiral will soon answer Japanese transistor radio competition with "a new product [which] should help to slow down foreign exports."

"Music power rating," EIA's recommended standard for measuring output of hi-fi phono systems (Vol. 15:39 p15) has been approved by the manufacturer organization's standards committee. Copies ofthe standard, giving details of test conditions, definitions ofterms and test procedure are available for 25¢ from EIA engineering dept., 11 W. 52 St., N.Y. 36.

Finance

Electronics Investment Corp., the mutual fund headed by Charles E. Salik, reports a 50% increase in total net assets and a 30% rise in net asset value per share during 1959. A summary of company activity as of Dec. 31 (1959 per-share value is adjusted for 44½¢-a-share capital gains distribution during the year):

	1959	1958
Total net assets	$32,522,309	$21,639,740
Net asset value per share	8.00	6.49
Shares outstanding	4,063,913	3,347,376
No. shareholders (approx.)	26,840	21,000

Siegler will merge with Magnetic Amplifiers Inc. on the basis of one share of Siegler for 3½ shares of Magnetic common, subject to approval of stockholders & boards. Involved are the exchange of some 122,000 shares of Siegler for Magnetic's 428,200 outstanding common. N.Y.C.-based Magnetic produces aviation & missile electronic equipment, employs some 200 in N.Y. & Cal. plants, scored 1959 sales of more than $3 million. Siegler Pres. John G. Brooks said Magnetic probably would become a division.

Andrea Radio Corp. stock will be offered to the public under the terms of a stock registration filed with SEC covering 120,000 common shares and warrants for the purchase of 5,500 common shares. W. C. Langley & Co., N.Y., will buy the common shares from Pres. F. A. D. Andrea; the Langley firm and S. W. Muldowny will buy the warrants from the company, for public distribution.

Reports & comments available: Philco, review, Thompson & McKinnon, 2 Broadway, N.Y. 4 . . . Bendix Aviation, discussion, Reynolds & Co., 120 Broadway, N.Y. 5. . . . ACF Industries, review, Fahnestock & Co., 65 Broadway.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
AT&T	Q	$0.82½	Apr. 11	Mar. 11
AB-PT	Q	.25	Mar. 15	Feb. 19
CBS Inc.	Q	.35	Mar. 11	Feb. 26
Cornell-Dubilier	—	.05	Mar. 11	Feb. 24
Fed. Pacific Elec.	Q	.20	Mar. 15	Mar. 1
GPE	—	.25	Mar. 15	Feb. 26
Siemens & Halske	—	14% cash, subj. to vote	Mar. 2	
Times-Mirror	Q	.25	Mar. 14	Mar. 2

Republic Pictures Corp. had a sharp decline in revenues & earnings for the 1959 fiscal year ended Oct. 31, Chmn.-Pres. Victor M. Carter related last week. He forecast gross revenues of $25-$26 million vs. nearly $33.5 million in fiscal 1958, earnings of 22¢-25¢ a common share compared with 54¢ a year ago (shares outstanding continued at 2,004,190). Carter pointed out, however, that 9 of Republic's 10 units are now showing a profit. "We expect to bring the last one into the black in the next 60 to 90 days," he added. He attributed the decline in revenue to tapering film-distribution activities, said Republic has no intention of going back into the movie-making business which it abandoned in 1957. Republic is exploring the financing of TV and theatrical films made by others and currently is negotiating 3 such transactions. The distribution of TV & theatrical films accounted for about 20% of Republic's fiscal-1959 gross revenue.

Muntz TV Inc. nearly tripled earnings on soaring sales in the 4 months ended Dec. 31. Chmn. Floyd G. Dana estimated that Muntz accounts for about 1% of total TV sales. He forecast that the Chicago concern's share-of-market would rise to 3% this year, when Muntz is slated to produce 160,000 TV sets. The daily output will be stepped up to 550 sets from 400 by fall. As we noted last month (Vol. 16:2 p18), Muntz TV is dropping stereo-only production and will concentrate on TV & TV-stereo combos, Pres. Wallace A. Keil confirmed. For 4 months ended Dec. 31:

	1959	1958
Sales	$4,089,453	$2,433,839
Net income	513,002	174,311
Per com. share (after pfd.)	43¢	14¢
Common shares	1,165,376	1,165,376

General Precision Equipment recorded a 13-fold increase in earnings on a surge in sales in the year ended Dec. 31:

	1959	1958
Net sales	$215,588,430	$168,333,316
Net income	4,198,199	304,267
Per com. share (after pfd.)	2.63	—
Common shares	1,126,625	1,125,810
For quarter ended Dec. 31:		
Net sales	$59,168,125	$45,560,885
Net income (loss in 1958)	1,154,571	(611,345)
Per com. share (after pfd.)	43¢	14¢

Harman-Kardon, Westbury, N.Y., producer of hi-fi components & equipment, netted a moderate profit increase on a slight sales gain in the 6 months ended Dec. 31:

	1959	1958
Sales	$2,191,215	$2,180,190
Net income	98,594	85,620
Per common share	22¢	19¢
Common shares (1959)	455,000	455,000

Skiatron Electronics hearing before SEC on charges that it filed a faulty stock-registration statement (Vol. 16:5 p22) will resume this week in Washington. The hearing was scheduled to be continued Feb. 10, but SEC postponed it until Feb. 15 because of the illness of Morton Carlin of Judson Commercial Co., N.Y. factoring firm, who had been called to testify. Meanwhile, SEC announced a further suspension of trading in Skiatron common stock.

Sprague Electric Chmn. Robert C. Sprague has sold 32,000 previously authorized but unissued shares of common stock to 2 unidentified institutional investors, pursuant to the authority of the company's board, Mr. Sprague announced last week.

Two-for-one stock split and a dividend increase were projected by Motorola's board Feb. 12. The directors voted to recommend to the May 2 stockholders meeting a 100% stock distribution July 15 to holders of record June 30—one additional share for each one held, along with an increase in authorized common shares to 6 million from the present 2 million. The board also announced its "present intention, if earnings warrant," to declare a 25¢ quarterly post-split cash dividend on stock of record June 30, the equivalent of a 33% increase over the present dividend rate. Motorola is now paying 37½% quarterly.

Victoreen Instrument Co. has acquired Chicago electronic-components maker John E. Fast & Co. with the purchase of all outstanding stock for $700,000. Victoreen Chmn.-Pres. David H. Cogan (onetime CBS-Columbia pres.) said Fast will operate as a subsidiary, with Louis Kopinski Sr. continuing as president. "The coordination of distribution & integration of Fast products with Victoreen's should result in an addition of approximately $5 million a year to the company's sales volume," Cogan forecast. Cleveland-based Victoreen produces electronic components & instruments.

Zenith stock-trading privileges on an unlisted basis are sought in an SEC application by the Philadelphia-Baltimore Stock Exchange. The stock is listed now on N.Y. & Midwest Exchanges.

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CBS at Profit-Sales Peak: Reflecting overall healthy glow of both the broadcasting & electronics business, CBS Inc. racked up record sales & earnings in its fiscal year which closed Jan. 2, Chmn. William S. Paley & Pres. Frank Stanton reported last week. Consolidated net income for network, o&o, manufacturing and research operations gained 3% to lift CBS Inc. to the $25-million profit plateau for the first time. Net sales rose 8% over the volume of the preceding 53-week fiscal.

Major gains were netted by CBS-TV, which consistently outbilled the other TV networks in each of 1959's first 11 months (Vol. 16:5 p13). The network's 11-month total dollar volume of $242,404,016 was 7.8% ahead of its cumulative billings in Jan.-Nov. 1958.

For the 52-week 1959 fiscal year ended Jan. 2 (1958 per-share earnings adjusted to reflect a 3% stock dividend):

	1959	1958
Net sales	$444,311,000	$411,800,000
Net income	25,267,000	24,429,000
Per common share	3.11	3.01
Average common shares	8,129,481	8,117,942

NAFI Corp., the automotive trim & seat-cushion firm which diversified into broadcasting through the purchase of KCOP Los Angeles, KPTV Portland and radio KXYZ Houston, last week entered into a contract to buy all the outstanding stock of Cris-Craft Corp. for $40 million.

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Cornell-Dubilier's Mergers: Old-line components maker Cornell-Dubilier Electric Corp. seemingly was moving in opposite directions last week: acquisition of one company —and merger with another.

The big South Plainfield, N.J. capacitor manufacturer purchased for an undisclosed sum the machinery, inventories and other assets of relay-maker Standard Electro Magnetics Inc., said it would lease the acquired company's Walkersville, Md. plant and operate it as a division. At the same time, Cornell-Dubilier was making rapid progress on the road to merger with Federal Pacific Electric Co. and a new status as a subsidiary of the Newark, N.J. manufacturer of electrical transmission & distribution equipment. Meanwhile, C-D reported sales & earnings were up sharply in 1960's first fiscal quarter ended Dec. 31.

The impending C-D marriage with Federal Pacific is not entirely unexpected. They've been holding hands for some time. Federal & the family of Pres. Thomas M. Cole own some 25% of C-D's outstanding common; the 2 firms are establishing a joint development lab in C-D's Norwood, Mass. plant and are at work on electrical relays & motor controls incorporating electronic parts.

Federal Pacific stockholders have approved the acquisition of C-D's 512,390 outstanding common, have created a new class of 500,000 shares of 5½% convertible 2nd preferred stock ($23 par value) which will be offered for the C-D common on a share-for-share basis. To provide for the conversion, Federal's authorized common was increased to 3 million shares from 2.5. Federal has 1,441,534 common shares & 581,040 Class B outstanding.

C-D stockholders last week, in a move to facilitate the proposed acquisition, granted voting rights to the company's 8,059 outstanding preferred shares. Although C-D's preferred is not sought by Federal, the exchange for the common shares will be tax-free if Federal acquires 80% of the total of C-D's common & preferred. C-D Pres. Octave Blake has advised stockholders that the Blake interests will accept the offer for their 16% interest in C-D if the exchange is tax-free.

Federal Pacific, Cole forecast, will earn $4.5-$5 million on $78-$80 million sales in the 1960 fiscal year ending June 30, compared with fiscal-1959 earnings of $2.3 million on $62.7 million sales. If the C-D acquisition goes through, combined net profits "might be $6 million on sales of about $115 million" in the first full year, he said. Cole noted that his firm's products are almost entirely electro-mechanical with moving parts, hopes to develop replacements using electronic components. Cornell-Dubilier, in addition to its major components-production activities, is U.S. & Canadian distributor for Toshiba transistors (Vol. 15:34 p 17). Federal Pacific exec. vp & C-D dir. Frank H. Roby reports C-D likely will sell some $1 million worth of the Japanese imports in the next year. (C-D last month acquired U.S. Dynamics Corp., Boston producer of semiconductors & silicon rectifiers.)

Cornell-Dubilier, for the first fiscal quarter ended Dec. 31:

	1960	1959
Sales	$7,409,651	$5,932,977
Net earnings	377,565	54,643
Per common share	72¢	9¢
Common shares (1960)	507,390	507,390

International Resistance Co. racked up record sales & earnings in 1959 and forecast that sales this year will rise 15%, barring a downswing in the electronics market. Chmn. Charles Weyl of the Philadelphia components producer estimated 1959 earnings at $1.7-$1.8 million ($1.25-$1.30 a common share) on sales of $19-$20 million. Profits in 1958 totaled $504,268 (37¢) on $13,744,000 sales.

WEEKLY **Television Digest**

SPECIAL SUPPLEMENT

FEBRUARY 15, 1960

FEB 15 1960

"There is no such thing as an electronics industry . . ."

Investing in Applied Science

By GEORGE EDGAR, Research Dept., Carl M. Loeb, Rhoades & Co.

Edited by Mr. Edgar from an Extemporaneous Talk in St. Louis Under Auspices of A. G. Edwards & Sons, Correspondent of Carl M. Loeb, Rhoades & Co.

A recent issue of *Newsweek*, devoted to the decade of the '60s, notes that there are 2 fundamental, dynamic forces in our economy. The first is the predictable growth of population; there will be 30 million new Americans over the next 10 years. The 2nd major force is the upgrading of consumer tastes. This upgrading, in the words of Sam Stedman [Loeb, Rhoades partner Samuel L. Stedman, described in Feb. *Fortune* as one of the 10 most influential men on Wall Street], means that there will be more people with more money to spend in more leisure time. As a result, where will they spend their money? They will spend it on the true growth industries: health, recreation, convenience and education.

The securities in these true growth categories are well known to you. They are the Polaroids, the Brunswick-Balkes, selected drugs such as Rexall, the Crowell-Colliers, the Grolier Societies, Diner's Club, Avon Products, and so forth. The area I am concerned with in this talk is new technology, which is also one of the truly valid growth areas.

But first, a few general comments about the stock market are in order.

It's a generally high market

There are differences of opinion at Carl M. Loeb, Rhoades, as there are in any investment firm. But, generally, we regard this market as being high. However, we argue that there is no such thing as a stock market. We have a market of stocks. Since we are in the business of selling securities, what we must do against this general background of high security prices is guide our clients into those issues that are relatively attractive.

Mr. Stedman's philosophy, as you well know, has always been emphasis on growth . . . true growth. There are 3 other ways of making money in the market: (1) Buying cyclical stocks at the right point in the cycle; (2) buying companies which are in the process of being rehabilitated; and (3) buying an undervalued, overlooked stock that eventually will be recognized by the market. Each approach has its merits and its followers. However, Mr. Stedman and I are oriented more to growth because you can be wrong in your timing, but if you stay with a growth stock you will be right much sooner.

Vindication of this thesis was seen in the recent sharp decline in Polaroid and other growth stocks as the result of Mr. Khrushchev's visit. You saw how quickly they recovered and went on to make new highs.

In a nutshell, over the long run we are bullish on consumer spending, we are bullish on inflation, and we are bullish on advanced technology. Now we come to the area of electronics.

Please consider these remarks very seriously. There are gross misconceptions about electronics in the investment community and, as a result, gross excesses are taking place in the market. People are going to be hurt again, as they were during the uranium bubble. To avoid these misconceptions and pitfalls, and to be able to recognize the correct road to investment success in "electronics," I shall offer a new concept, a new approach, a new method.

$10 radios & $2,000,000 computers

I will start by saying there is no such thing as an electronics industry. It is a myth. This is why: The engineer will tell you that electronics is any product built around a vacuum tube or its equivalent semiconductor device, such as a transistor. Using this definition, they say that electronics is a $15-billion industry, that it is attractive, that it is dynamic. From the investment viewpoint, I say nonsense! This is not so!

If you look at this industry, you will see that it includes $10 radios and $2 million computers. How can you compare them? It includes 40¢ receiving tubes and $10,000 microwave klystron tubes. It includes a company making a simple widget that goes on an obsolete bazooka. It will also, in the same category, include a highly sophisticated scientific group developing a new means of global communication using satellite relays. It includes radio and TV. Now we all know that radio and TV, as a business, is no different from refrigerators and waffle irons. Is there anything dynamic about it? Is there anything dynamic about receiving tubes? Is there anything dynamic about 2¢ paper capacitors that go into portable radios? Obviously not. So, you see, the electronics industry, according to the classical definition, includes large areas of business activity that are mundane and that are certainly un-dynamic.

What, then, are we looking for? I believe we are seeking growth. Growth comes from new products that create new markets. New products and new markets come from the fruits of applied science.

I believe you want to invest in the frontiers of science because it is science that is the basis of automation, it is

Companies Recommended by Mr. Edgar

(Firms cited are Mr. Edgar's recommendations only and are used for the purposes of illustration.)

Solid-state physics—
Investment-grade issues: Texas Instruments, Transitron.
Semi-investment issues: Fairchild Camera, International Rectifier, Philco.
Enterprising speculation: General Transistor.

Passive components—
Blue chip: Sprague Electric.
Valid speculation: Aerovox.

Microwave—
Investment grade: Varian Associates.
Semi-investment grade: Eitel-McCullough.

Microwave instruments—
Blue chip: Hewlett Packard.
Others: Polarad, FXR, Electro Instruments, Microwave Associates.

Electronic metals—Fansteel Metallurgical, Kawecki Chemical.

Data processing—Control Data Corp., Electronic Associates.

Data preparation—
Attractive issues: Friden, Farrington Mfg., General Time.
Speculative: Soroban Engineering, Digitronics.

Information technology—Itek.

Ultrasonics—Acoustica Associates, Branson.

Infrared—Barnes Engineering Co., Servo Corp. of America, Infrared Industries.

Magnetics—Indiana General Corp.

Nuclear energy—Nuclear of Chicago.

Closed-circuit & CATV—Jerrold Electronics.

Applied science—Ampex, High Voltage Engineering, Electronic Associates.

Speculative specialties—Hermes Electronics, C. G. S. Labs, Electro Instruments, Milgo Electronics, British Industries.

Standard conservative issues—RCA, Sprague Electric, Electronic Associates, Litton Industries, Texas Instruments, Ampex.

"Four great speculations"—Polaroid, Farrington, Fairchild Camera, Itek.

Attractive low-priced speculations—Hermes Electronics, FXR, Jerrold Electronics, CGS Labs, Barnes Engineering, General Transistor.

"A good, standard speculation"—Philco.

the main arena of our conflict with Russia, it will be the mainspring of the tremendous future upheaval in our standard of living. So never again think in terms of electronics; think in terms of applied science.

There are many applied sciences. An example of a specific area of applied science is drugs. In the future when you think of space-age stocks and electronics stocks, I would ask you to use the analogy of the drug industry because the drug industry is based upon specific sciences, such as biology and chemistry, out of which come new products. In drugs you are not investing in products; you are investing in the brain power that can create the products. The same is true of all applied sciences.

Other examples of applied science are metallurgy, new concepts of photography, chemistry, optics, and physics. I am not competent to discuss all of these with you, but I can discuss photography and physics, so I will confine myself to these specific areas.

The new approach that you will hear today has 3 clear-cut steps: The first is to select the specific technologies that are attractive, which I will enumerate later. The 2nd is to select the companies that give you maximum exposure to the specific technologies. The 3rd aspect to this new approach is to consider the equity base (price times number of shares) and, other things equal, to favor the company with the smaller base. This is one of the most important concepts.

This new approach should not be considered the Golden Rule—there are many fine companies which will not qualify, such as IBM because of its large size, or RCA because of its widespread activities. In addition there are companies that make relatively mundane products but which have superlative managements. Therefore, treat this new approach only as a rough guide.

Virtue of small companies

While the greater potential lies in the smaller equity base, this does not mean that you indiscriminately should concentrate on small companies. Obviously the requirements of your customers must be recognized. A large company giving good exposure to a specific, attractive technology would be suitable for institutional and conservative clients. But, for the businessman and the intelligent speculator, a package of small companies usually is more desirable.

These, then, are the 3 steps to the new approach. I will be specific later.

There are 2 other broad considerations. They are that, as a general rule, the consumer market for scientific products is unattractive. There are certain exceptions, such as the drugs, and one great exception—Polaroid Corp. It is a great exception because Polaroid is one of the few companies that has a basic patent position.

The 2nd general rule is that it is better to invest in the basic component than in the end system. This is very important, so let me explain what I mean.

We all want to invest in missiles. We all know many missiles are being developed. But we can never be sure which one will finally go up. We are never sure which missile will be canceled, which will go ahead. But we do know one thing: no matter what missile goes up, it will use transistors, diodes, rectifiers, magnetic amplifiers, exotic fuels, new metals, complex test and tracking equipment, and so on. These are the basic building-blocks for any missile system. Therefore, we prefer to concentrate on basic components.

In other words, buying a basic, sophisticated component to take advantage of all of the exciting things happening in hundreds of new types of end equipments and systems is like buying the oil industry through Halliburton Oil Well Cementing. You cover the waterfront with one investment vehicle.

How science investing differs

In dealing with science we must change many of our classical investment rules because they simply do not apply. For example, the real asset of a good science company is brain power. So what difference does it make if it has a low book value? Therefore, one of the classical concepts that you must reject is slavish emphasis on book value.

Another problem in dealing with good science stocks is that they grow rapidly and have long-term validity, yet most investors—for some strange reason—feel compelled to sell on a double. When you find a good technical company, sound advice is to ride with it all the way. How many customers have come to you and cried bitter tears that they could have been rich if they had bought IBM 10 years ago? The truth of the matter is that they would have sold it out 10 times over. It *is* possible when you are dealing with true, dynamic growth to shoot for the 500% and 1,000% marks. So don't sell out on the first double.

Another classical predilection that we must dismiss is that of the dividend. A company that is growing fast cannot afford to pay significant cash dividends. The appearance of a significant cash dividend is often the sign of an unattractive stock.

Then there is the problem of the listed versus the unlisted. Our clients love listed stocks. They like to see the

prices dance on the tape or quoted in the daily newspapers. But, dynamic appreciation only too often occurs when a company graduates from the unlisted to the listed market. We, and our customers, must be aware of the great values and potentials that are among unlisted companies.

Another popular prejudice is the preference for large companies. Other things being equal, the small company in the right field, with the right management, will turn in much better investment results. Therefore, don't disregard small companies. A corollary of this, of course, is the known versus the unknown. Everybody likes to play a favorite which by definition already reflects an enthusiasm that probably has caused the price-earnings multiple to expand from 10 to 30 times earnings. You all know that we can make as much or more money from the recognition of a stock—as the complexion of its investment acceptance changes from white chip to red chip to blue chip—as from the growth of the company itself. Therefore, don't be biased against unknown companies.

Attitude toward high climbers

Investors have another problem in their reluctance to buy a stock that has risen sharply or which is selling at a historical high. Any time in the past 5 years when you bought Ampex it probably was selling at a historical high. But we still find people who say: "My goodness, look where the stock came from! How can you expect me to buy it now?" The important thing to consider is future potential, not history.

Another pitfall is the investor's penchant for diversified companies. There is nothing wrong with a specialized company, provided it is in an interesting area of specialization. For example, Ampex, Electronic Associates, and High Voltage Engineering are specialized companies. The correct application of our new method will often find us dealing with specialized companies. We can achieve diversification by buying a package of specialized companies.

Now that we have covered many generalities, we will get down to brass tacks.

I am going to discuss certain specific technologies that I think are attractive and suggest, to some extent, that you mold your thinking and investment program along these lines.

In the course of this discussion the names of many companies will be mentioned. However, this will be for illustrative purposes. I don't consider all of the companies attractive and in some cases I will so indicate. On the other hand there are many companies that qualify under our new formula, such as Haloid, which will not be mentioned because of time limitation. Keep in mind that it is a new philosophy that is being advocated here.

The first basic technology I recommend is solid-state physics. You all know what solid-state physics is, but you are not aware of it. A product of solid-state physics is the transistor. The trouble with most investors is that they think of the transistor as being an industry in itself. Solid-state physics (remember the analogy to drugs) is the science that created the transistor of which there are hundreds of different types. It also created diodes and rectifiers. In the future, it will give us tunnel diodes, thermoelectric generators, electronic refrigeration and electroluminescence (which means wall panels of built-in light).

Newsweek discusses something quite dramatic: thermoelectricity (the direct conversion of heat into electricity). This is also the principle of electronic refrigeration. These are things of the future. They will be tremendous new industries that will emerge out of solid-state physics. Therefore, you should not rush to the phone to sell your "transistor" stocks because a tunnel diode was discovered that is going to "replace transistors." The company that has solid-state physics technology will make the transistor . . . it will make the tunnel diode . . . some day it will make thermoelectric elements . . . and . . . some day it will make components for electronic refrigerators.

Solid-state physics is one of the basic new industries of our age. From a commercial viewpoint, it was born only 5 years ago. It started with about $35 million of sales in 1955. This year sales will be about $350 million. I think sales will reach $1 billion over the next 5 to 7 years in only those products presently being produced or soon to be introduced.

The interesting thing about scientific developments is that usually they do not replace anything. You heard that the transistor would replace the vacuum receiving tube. Vacuum-tube sales will be higher this year than they have ever been in the past, principally because the market for industrial and specialty tubes is growing rapidly. By the same token I believe that when the tunnel diode becomes a commercial product in three years, transistor sales will still continue to rise. Basic technologies create products that never were possible with the old products. Computers that we use today could not have been designed around vacuum tubes. So the new products of science generally do not replace anything. They primarily create new markets. This is the essence of growth.

A curious thing about solid-state physics, and the other technologies that we will mention, is that when you count the number of companies that provide meaningful investment exposure, you find a frighteningly small number of eligible vehicles.

For example, we think solid-state physics is an attractive business, and it is. Now RCA makes transistors and so does Texas Instruments. Two years ago when you bought Texas Instruments, you bought more transistors in every dollar of investment than you did in RCA simply because RCA also made a lot of radios and TV sets and things that had nothing to do with transistors. Other things being equal, therefore, Texas Instruments gave you better exposure to that specific development.

There are only 6 established companies that really give you meaningful exposure to solid-state physics. General Electric is a big producer of semiconductor devices (the term "semiconductor" is synonymous with solid-state physics), but you don't get enough of it in GE. The same is true of Westinghouse, Raytheon, RCA, Hoffman, Clevite, and so on.

Half-dozen in solid-state

The 6 meaningful investment vehicles in solid-state physics, in their order of size (equity base), are Texas Instruments, Transitron, Philco, Fairchild Camera, International Rectifier, and General Transistor.

Among these 6 you will find a stock for every appetite —from the conservative investor to the enterprising businessman and the intelligent speculator. Now let us look at this list of companies.

The first startling aspect about this list is the wide range of values that the companies command in the market —that is, their market price times the total number of shares outstanding. The present market values of these companies are, roughly: Texas Instruments $700 million, Transitron $350 million, Philco $150 million, Fairchild Camera $140 million, International Rectifier $30 million and General Transistor $22 million. Immediately we can see that the investment-grade issues will be at the higher end of the size ladder, because safety generally increases with larger size, while the speculations with greater potential will be at the lower end. After all, other things being equal, it is easier for a $22-million or a $30-million company to double in value than it is for a $700-million or $350-million company.

The second important statistic to consider is the total volume of business done by each company and the percentage that comes from semiconductors. Texas Instruments, whose revenues are approaching $250 million, finds only about 30% of its sales in the semiconductor area. By the end of 1960, Fairchild Camera will have about 50% of its projected $65-million volume in semiconductors. International Rectifier, whose sales are approaching $15 million, finds about 60% of its business in semiconductors.

Philco will have a much smaller ratio, but I would like to discuss this company later on as a special situation. Transitron, doing a business of $50 million, and General Transistor, with sales currently at the rate of about $12 million, are the only 2 in the list whose business is virtually entirely devoted to semiconductors.

Therefore we not only find great differences in market size and dollar volume, but the relative proportion of semiconductor sales differs widely. Both factors are key in determining the quality of the investment, ranging from blue chip to intelligent speculation, and the degree of exposure to solid-state physics.

This type of analysis is essential in all of the other specific technologies.

My choices for investment-grade issues, where we must give up some dynamism in order to maximize safety, are Texas Instruments and Transitron, in that order. The semi-investment or red-chip issues are Fairchild Camera which, size for size, probably has the best technical group in the industry, International Rectifier and Philco. The enterprising speculation is General Transistor.

Strictly speaking, not all of these companies are directly competitive. There are many different aspects to the semiconductor industry. There are signal devices and power devices. There are germanium and silicon devices; grown junction, acid-etch and diffused devices, and so on. Semiconductor products are not like light bulbs that you take out of one socket and put into another. They are very unique gadgets. No company makes all of these products. Also, the art has so much room for advancement that widespread, early standardization is unlikely. Therefore, don't pay too much attention to the problem of competition for the next few years.

Market for passive components

The next area that is attractive is passive components. Semiconductor devices such as transistors or diodes are active components; they *do* something. These active devices need associated passive components, such as capacitors, that *control something*. The new active devices have created a market for new passive devices. The leading company in new passive components is Sprague Electric. It is a blue chip that has broken out of its 5-year plateau. I consider the stock cheap. In addition to making advanced passive devices, it is developing a semiconductor business under Philco license.

A valid speculation in passive components is Aerovox.

The 3rd attractive technology is microwave. In the *Newsweek* article referred to previously, Dr. Stephens of Stanford Research Institute was quoted as saying that the '60s would be the decade of microwave.

Microwave is not a specific equipment. It is not radar. It is not a relay station. It is a section of the radio spectrum that starts where TV leaves off and ends where infrared begins. It is high frequency, and high frequency has certain properties that make it useful in a broad range of different applications, as, for example, missile guidance, computers, radar, satellites, telemetry, tropospheric communications, and even electronic cooking. These are all specific applications that come out of the basic technology of microwave.

I told you before that we prefer to stress components. We tend to avoid the systems company. In microwave technology, we have a very convenient component. It is the microwave tube. It's hard to make and there are only 2 companies that give you meaningful exposure to it. They are Varian Associates and Eitel-McCullough. These are not the only 2 companies in the industry. Bendix makes microwave tubes; so do RCA, GE, Raytheon, Westinghouse, Sperry Rand and Litton. However, you get the most exposure to microwave tubes per dollar of investment from Varian and Eitel-McCullough.

Because of its larger size, broader technical base and longer seasoning, Varian is the investment-grade issue. Eitel-McCullough, which is somewhat statistically cheaper but more speculative, is the semi-investment grade issue.

There is another area of microwave that is attractive —microwave instruments and test equipment. Here again, you find a very small number of eligible companies. They are Hewlett Packard, the giant and blue chip of the microwave instrument industry, and Polarad (not Polaroid), and FXR, which particularly appeal to me. Another excellent company is Electro Instruments. And the last in that small group is Microwave Associates. I must mention this fine company because it fits into the group. However, I feel that the stock around 28 is extremely high. On any significant reaction it deserves accumulation in speculative accounts.

In the areas of new "electronic" metals, there are only 2 companies: Fansteel Metallurgical and Kawecki Chemical. This is why Kawecki has been so active and strong lately. It has few shares, a small equity base, giving you maximum exposure to new metals, particularly tantalum. Tantalum is growing parallel with semiconductors because they are used together. They are "kissing cousins." Kaweki is by far the most interesting speculation. In the field of data processing, you have giants such as IBM and National Cash Register. I am not very interested in that group because the companies are so large. I don't mean to say that I would sell IBM out of a portfolio. It is a magnificent company. However, even among the giants we find 2 small companies that have unique positions and that merit a place in a representative science portfolio. They are Control Data Corp., which probably has the most advanced large-scale computer on the market today, bar none, and Electronic Associates which, though catering to the analog computer field, has captured 65% of the market.

There is another area of the data processing industry of which most people are unaware — data preparation or data handling. Our computers calculate with the speed of light, but we bring information to them on ox-carts, meaning that we hire batteries of girls, looking at original invoices, who manually prepare punched cards. This is the bottleneck. Therefore, this is the area to investigate. Data handling, as a market, some day will be as large as data processing, which currently is about $750 million annually. The companies in this field that attract me are Friden Calculators, Farrington Mfg., and General Time. Two specialties that should not be bought indiscriminately, because they are very small and speculative, should appeal to the man who can take the risk. They are Soroban Engineering and Digitronics.

Exciting development at Farrington

Let me extract one company from this list—Farrington. Farrington makes a machine that reads! It will optically read an invoice or page of text and reduce it to computer language. The Air Force has a Farrington machine that reads technical Russian literature. It is hooked into an IBM computer and out comes the equivalent English. The Post Office has a Farrington machine that reads the addresses on your mail and routes letters automatically. American Telephone has several Farrington machines that prepare and read your dividend checks. Other blue chip users include *Reader's Digest*, National Biscuit, First National City Bank, Bankers Trust, Standard Oil of California, and Standard Oil of Indiana. Not bad for a beginning, eh? This is one of the most exciting new developments in office automation and this company may have a monopoly position. Potentially, it has a bigger market 5 years from now than Ampex had 5 years ago. It is a risky stock. It sells in the market for about $40 million and has only about 30 installations in the field. It will lose money this year; it may break even next year. But think of the potential 5 years from now if this company has one-half of the market in automatic reading equipment! This market probably exceeds 15,000 machines at a yearly rental of $20,000 each plus another $50,000 per machine in related income from credit cards, embossing services and point-of-sale imprinters.

There is a new specialized area of data processing called information technology. Modern society faces greater danger from being buried under a mountain of red tape than it does from the radiation of strontium 90. We solved only one-half of the data processing problem with our electronic business computers, insofar as they only handle arithmetic. But there is another aspect of paper work that these computers cannot control; that is the actual original document, such as a letter, engineering drawing, photograph, map, etc. We have not yet perfected a way to process automatically this kind of "graphic" information. But we will, and when we do, a new industry will arise that is called information technology.

Billion-dollar information-technology

Huge industrial corporations find that they design the same machine as many as 6 times a year, simply because they do not know that it has already been designed somewhere in another of their plants and the forgotten blueprints are gathering dust in the files. In the future, such companies will punch the parameters of a machine, such as a transformer, into this computer and out will come microfilm with the complete engineering drawings. This is one of the most important new industries. IBM is working on it and so are RCA, Thompson Ramo, Eastman Kodak, Magnavox and Itek. But Itek gives you maximum exposure because the bulk of that company's future activities will be in this new industry which will not enter a commercial phase for 3-5 years. But information technology will be a billion-dollar industry in the future. Itek has been financed by the Rockefellers and it has one of the most outstanding technical groups in the field. It represents a brilliant long-term speculation.

Photography is an applied science, and here we find our dear Polaroid. There is no need to elaborate further on this magnificent growth company. With less than 2 million 60-second cameras in use, and color, small cameras and industrial applications still to come, the surface has hardly been scratched. We consider Polaroid one of the great 10-year growth stocks.

Again in *Newsweek* you have read that the housewife of the future will wash her dishes and clothes with silent sound, or ultrasonics. Ultrasonics is a specific technology and only 3 companies give you maximum exposure to it: Acoustica Associates, Branson, and Narda Ultrasonics. I prefer Acoustica, but Branson is also valid.

Another specific technology that should interest the enterprising investor is infrared. Infrared begins where microwave leaves off and ends where visible light begins. It will have tremendous future application in the laboratory for analytical instruments, in the industrial plant for process control, along railroad tracks to spot hot boxes as trains pass by, and for space communication and anti-missile systems. Three small companies provide meaningful access—Barnes Engineering, Servo Corp. of America, and Infrared Industries. My clear choice is Barnes. It has a little over 300,000 shares outstanding and is earning about a dollar a share. At 25 times earnings the stock makes sense because the company may be on the threshold of a great upheaval. Perkin-Elmer, Electronic Corp of America, and Baird-Atomics also have stakes in the field, but I do not consider them appropriate vehicles at this time.

Another attractive specific technology is magnetics. There have been several exciting breakthroughs in the technology which have given this field a dynamic future. New types of ceramic magnets that are a magnitude stronger than conventional metal magnets, will create a revolution in the design of electric motors, and, possibly, automobile power accessories. Ferrite magnetic cores and magnetic drums are the heart of data processing memory systems. The most interesting and strongest company in the field, which also happens to be an investment-grade issue in my opinion, is Indiana General, which is slated to go on the Big Board soon.

In applied science there are 3 gems, 3 beautiful companies that stand by themselves. They are so great, so strong technically, that they virtually are the entire industry within themselves. There is nobody within sight of them. They are: Ampex in the field of magnetic recording, GE notwithstanding; High Voltage Engineering in the field of synthetic radiation and ion propulsion (the space craft of the future may be propelled by atomic particles generated from synthetic radiation generators); and Electronic Associates in the field of general-purpose analog computers.

There are a few small specialties which must be treated carefully. They are not suitable for average accounts, but they are extremely interesting because their small size makes them potentially explosive should they encounter even moderate success. They are: Hermes Electronics, selling around 10. Included in this company's extraordinary technical staff are 3 Nobel prize winners who, related to the price, can be bought for $3.33 apiece! For those who like low-priced speculations, this stock has real validity. C.G.S. Laboratories is a very small company. While its backlog is low, it has a strong technical group and some interesting proprietary products. Three hundred thousand shares, selling for $10, means only a $3-million equity base. There are the ingredients of a brilliant speculation. I would also like to mention, as being very interesting, Electro Instruments, Milgo Electronics, and British Industries.

There probably are a number of other specific attractive technologies that deserve a place in this new approach, but there is the problem of space limitation. However, I do want to mention 2 areas that have been omitted deliberately: The first is micro-modules or "minitronics," which has attracted the fancy of the market. Under this concept, an entire electronic circuit can be compressed into the space of a miniature device that now performs only one function. I think this development is overrated because it probably will be uneconomic for many years and, in the meantime, will find application only in such places as satellites where space and weight are compelling considerations. However, this whole subject is academic for the investor who has a position in solid-state physics because semiconductor companies are spearheading developments in this new field.

Another specific technology that does not appear relatively interesting is nuclear energy. The huge capital resources required in this business permit only the industrial giants to participate in the field, so the investor finds himself bumping up against the law of growth which says that big things do not display exponential growth. Radiation measurement and control instrumentation in nuclear applications is an extremely competitive field and a superbly managed, highly successful company like Nuclear of Chicago is the exception rather than the rule.

Over-the-counter list to be issued

Carl M. Loeb, Rhoades & Co. will issue shortly a list of over-the-counter securities which, in the electronics group, will include Dictaphone Corp., Hewlett Packard, International Rectifier, Philips' Lamp, Polarad Electronics, Sprague Elec., FXR, Itek and Thomas & Betts. There will be paragraphs on each of these companies. You will notice there has been some overlapping with my remarks.

Let us now go somewhat outside of the portfolio that arises from my approach. After all, we are dealing with human beings and they are not going to buy this new approach overnight. If they do partially, do not let them buy one stock. Say: "I want you to buy a package." These are specialized companies. There is always a risk in a specialized company, but you mitigate the risk by investing in several basic technologies or several specialized companies.

The standard conservative issues that we like are RCA, Sprague Electric and Electronic Associates. There are also the other acceptable blue chips: Litton Industries, Texas Instruments and Ampex. I may mention the same stock in different lists, but I am sure I don't have to explain that.

I consider particularly interesting as a semi-investment issue Philco Corp. I believe that Philco this year could earn $1 per share from its solid-state physics business alone, which would by itself justify the present price of the stock. You get everything else for nothing. That is the concept here. I don't know what everything else is worth; I don't know the value of the white goods business and the defense business and the computer business. But I do know that last year Philco generated $1.50 per share out of those businesses and I do know that management is being improved. Philco strikes me as a good, standard speculation.

Closed-circuit television for industry, military installations and schools, and subscription television via cable, are two impending new markets of great promise. Maximum exposure is best achieved through Jerrold Electronics which, despite its $10-million size, is the strongest factor in the sophisticated business of distributing TV and FM signals over complicated coaxial networks. Here, again, we find one of the few really valid low-priced issues. The shares, around 8, earn about 35¢ on a fully converted basis and have a cash flow of about 50¢ per share. There is an interesting little specialty which I mention with some reluctance because there are only 88,000 shares in floating supply out of a total capitalization of 425,000 shares. Therefore, it must be treated judiciously. I don't know whether this has long-term validity because we have not checked it out yet. But we will. The company is Howard Sams. It's a publishing company, but it specializes in the publishing of technical material for the electronics industry. Its growth record is excellent and the concept of its business is intriguing. It may be a way of buying the electronics industry for 12 to 15 times current earnings. This fits into the concept of a Grolier Society and Crowell-Collier. While we have not yet checked it out, I did want to give you some insight into what we are thinking about.

If you were to ask me to select 4 great speculations with moderate risk but really extraordinary long-term appreciation potential, I would choose Polaroid, Farrington, Fairchild Camera and Itek. A package of low-priced attractive speculations would be Hermes Electronics, FXR, Jerrold Electronics, CGS Laboratories, Barnes Engineering and General Transistor.

It is obvious that the defense program is an important prop behind many of the stocks I have mentioned. You all have your own opinions about where the defense program is going. If you recall, when Khrushchev visited America the electronics group broke sharply. When other people in the Street said "sell out your defense stocks," we sent a wire to all our correspondents saying that they are going to come back. That's just what happened. I believe that the defense program will continue a long time. I believe that if it changes it will shift into the more sophisticated areas of new technology, the ones that I mentioned. I believe that if we do have an agreement with the Soviet Union, there will be a tremendous market for the control equipment necessary to police the peace. I also believe that if there is a real rapprochement on the military front with Russia, there will be a tremendous economic and technical competition with the Soviet Union, and that competition again will be in the laboratory and will be in these areas of advanced science.

Research and development depends upon money. It has been estimated that research and development expenditures have increased tenfold over the last 15 years and currently are about $10 billion annually, of which only 5% represents pure research. This great increase explains the exploding importance of applied science and the acceleration of new discovery in our time. However, we must be aware that in the scientific competition with Russia one dollar of research in our country is considerably less than the equivalent dollar spent by the Russians. In any specific technology in our country there are many companies that compete with each other, that keep secrets from each other and, therefore, that duplicate, several times over, research programs leading to new or improved products. On the other hand, the highly centralized research and development in the Soviet Union avoids duplication. Therefore Russia probably realizes much more from fewer research dollars than we do. This is one of the key reasons that our own R & D programs have been so inadequate, and it is also the powerful argument for ever increasing expenditures that will find their way into the basic technologies. This is the fertile ground in which well-planted dollars should grow vigorously.

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WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

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TV TRENDS for spring & summer lines: General price increases, industry-wide adoption of 19-in. tube for portables & table models, demise of 21-in. set (p. 17).

RCA's SARNOFF & BURNS outline areas of growth for company & industry. Company's 1959 sales totaled record $1.395 billion, profits exceeded $40 million (pp. 19 & 21).

MORE RADIO IMPORTS for brand-name merchandising. Packard Bell signs 15,000-a-month deal. Admiral counters with U.S.-made shirt-pocket 7-transistor at $29.95 (p. 20).

82 MILLION TRANSISTORS sold by U.S. manufacturers last year at $113 million, nearly double 1958's factory value. More than 20 million more imported from Japan (p. 20).

Congress

DISC JOCKEY "SQUIRCHING" is charged at House payola hearings by Oren Harris, who says witnesses have been "retreating or drawing back" from truth (p. 3).

Networks

CENTRAL-AMERICAN TV NETWORK, with ABC-TV as 51% owner & U.S. sales agent, to join together 5 countries (p. 9).

1959 WAS 10.7% AHEAD; network-TV's gross time billings rose to $627,311,530 from $566,590,401 in 1958; Dec.-1959's business was 8.8% better than Dec. 1958 (p. 10).

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FCC PONDERS FREE DISCS & RECORD HOPS: Free records & record hops are among more troublesome questions FCC is considering as part of its payola-plugola problems. Current thinking at Commission is that Communications Act forces it to require identification of those giving stations or employes anything of value.

Literal reading of the law, according to FCC attorneys, would require that each free record be announced as "supplied by so-&-so" at time of playing. However, they think that some all-inclusive announcement every 15 min. would pass muster as "reasonable." Something like: "Records in the following program were supplied by Blank Record Co." Of course, exact language would be up to stations.

Record hops present similar problem. FCC legalists don't see how they can avoid requiring announcement identifying those contributing to & benefiting from record hops. Though some at FCC regard foregoing as hair-splitting, they believe remedy rests solely in amendment of Communications Act.

SAG'S 60-DAY EXTENSION: TV's film makers, struck by Writers Guild of America since Jan. 16, got unexpected break from another quarter last week. Powerful Screen Actors Guild, whose contract with Alliance of Television Film Producers doesn't expire until March 31, offered Alliance a 2-month extension of its contract. SAG negotiators must get approval from their board tonight (22), considered a formality.

Producers understandably breathed sigh of relief because it's actors' union which would shut down production if it should strike. SAG's move surprised many because there appeared no reason for it.

Informed sources attributed the action to 2 motives: (1) SAG wants time to settle question of proposed merger with AFTRA, and its schedule is already crowded by prolonged negotiations with the major movie studios on the contract which expired Jan. 31.

(2) SAG strategists don't want their demands to be too closely allied to those of striking WGA, because they think this would force their hand in negotiation.

One thing remained abundantly clear in this development. WGA, which had assured its members SAG would call a strike and thus support the writers, was on a limb. If SAG board approves the extension, it leaves WGA with no hope of support from its sister union in the near future. (For details, see p. 5.)

AIRBORNE ETV DELAYED: That $7-million Stratovision experiment with educational TV, planned by Midwest Council on Airborne TV Instruction (Vol. 15:42 et seq.), won't get off the ground by the start of school next fall. The target now is midwinter. Reason: simply too tight a schedule for everyone.

Another change: No ground-to-air transmission. Instead, video-tape recorders will be carried aloft, and all transmissions will be air-to-ground. It was decided that the ground-to-air transmissions would be costly, troublesome, unnecessary, likely to produce interference. The plan is to use a DC-7 plane orbiting in a 10-mile circle 23,000 ft. above Montpelier, Ind., 140 miles from Purdue U., where the activities are centered. Uhf will be employed—Ch. 41, 47, 53, & 59 from the planes.

COMPLETE AM-FM STATION DATA: Our 1960 Radio Station Directory is off presses and into mails to all full-service subscribers, consolidating all the AM & FM additions & changes reported during 1959 in our weekly AM-FM Addenda service.

The 230-page volume (up from last year's 202 pages) covers all North American countries. It's divided into 7 parts: AM & FM stations by state & city, AMs by frequency, FMs by frequency, AM & FM applications by state & city, AM & FM applications by frequency, AM & FM stations by call letters, FCC type-accepted transmitters & monitors.

For each station, data includes: Licensee name & address, management & engineering executives, technical facilities, network affiliation.

Radio growth in other North American countries is about at a standstill, compared with U.S. development. U.S. license & CP total rose during year from 3,423 to 3,527 for AM, 686 to 839 for FM. Canadian AMs went from 231 to 235, FMs from 32 to 33. Mexican AMs increased from 500 to 506, FMs from 1 to 4. Cuba was unchanged at 156 AMs, 5 FMs.

Extra copies are $7.50 each, $5 each for 3 or more, available from us at Box 700, Radnor, Pa.

FCC JOGS UNBUILT UHFS: Uhf CP-holders who have been waiting for someone to do something to give them a reason to build have been told to turn in their CPs—or give FCC good reason for being permitted to keep them.

There are 113 such grantees, 54 of which have applications for "extension of station construction completion dates." The 54 are being hit with "make up your mind" letters now. Balance will be queried as their applications come up.

Each grantee is entitled to oral argument if he wants it, FCC said. If full evidentiary hearing is requested instead, request may or may not be granted—depending on detailed facts alleged in each case. CP-holders are given 30 days to reply. Some of the grants date back to 1952. Said Commission, in part:

"The Commission has carefully considered the statement submitted with your application. It appears therefrom that delay in construction has been due not to any difficulty in the procurement of equipment or to an inability to complete construction because of reasons beyond your control, but rather to your voluntary decision to postpone construction because of your belief that the proposed station could not succeed financially under present economic conditions. On this basis, the Commission is unable to find that you have been diligent in proceeding with the construction of the facility authorized in your permit, or that you have been prevented from completing construction by causes not under your control. Therefore, the Commission has concluded that a grant of your application would not be warranted.

"You are hereby advised that unless you inform the Commission within thirty (30) days from the date of this letter that you desire to prosecute your application further, said application will be dismissed, your construction permit will be cancelled and your call letters deleted."

STATIONS VS. CATV ON THE HILL: Jockeying & lobbying were going great guns in Congress last week, as Western stations and CATV operators did their utmost to affect CATV & booster legislation. NAB's CATV committee met, promptly sought to prod Rep. Harris (D-Ark.) into advancing the Senate-passed pro-booster bill (Vol. 15:37 p3). At same time, committee members urged their Senators to tighten & force through the CATV-control bill (Vol. 15:36 p1).

CATV operators meanwhile, through NCTA, were attempting to persuade Senate Commerce Committee members to tone CATV bill down. Both sides were dubious about getting any action during debate on civil rights, or even during this session. It was difficult to get judgments about possibility of action on bills. However, Sen. McGee (D-Wyo.), one of staunchest pro-booster & anti-CATV members of Commerce Committee, had this to offer:

"I'm a little more optimistic about action on the booster bill in the House. As for the CATV bill, I'm hoping for action during a respite in the civil rights debate—or after it, by March 1. We have a very fair CATV bill, and the CATV people had agreed to it. Now they've backed off and are trying to go around the Committee. It's a breaking of trust."

Sen. Allott (R-Colo.), in a letter to Harris, urged action on booster bill, hadn't received reply by week's end.

Congress

DISC JOCKEYS ARE 'SQUIRCHING': The House Commerce Legislative Oversight Subcommittee, which helped put "payola" into common American usage and has learned what "freebies," "lay-on," "hype" and "break-out" mean to disc jockeys, added "squirching" to its glossary of broadcasting probe terms last week.

The new word, derived from the hillbilly patois of his home state, was put into the Oversighters' record by Chmn. Harris (D-Ark.). He used it to describe what witnesses were doing as the Subcommittee plodded through the 2nd week of hearings on payola practices, which had first been scheduled for only one week.

In monotonous succession, Boston area record distributors & jockeys took turns on the stand to admit that money had been paid out by the former & received by the latter. But almost without exception, the witnesses insisted that the money wasn't payola for popularizing particular platters on the air.

As Arnold (Woo Woo) Ginsburg of radio WMEX Boston put it characteristically, $4,000 he took in during the past 3 years from record firms was for "goodwill" & "tokens of appreciation"—not for on-air promotion of favored music.

"If you & the rest think we are going to swallow this as though it was just an incident, then you must think we're pretty naive, too," Harris told Ginsburg heatedly, protesting "all this reluctance, this squirching back on the facts." Interpreting the word later for reporters, Harris said it meant that the witnesses had been "retreating or drawing back" from telling the full truth.

Harris also suggested a big reason for the "squirching"—the knowledge that FCC could take away station licenses overnight. He didn't say so, but radio licenses in all 6 New England states will be up for renewal April 1, and it could be presumed that FCC will tell several of the licensees that renewal hearings seem to be indicated.

The Subcommittee got so bogged down in Boston testimony last week that it didn't have time before recessing its hearing to get back to Miami Beach and the most exciting item on its agenda—a fun-&-frolic convention there last May, when record manufacturers picked up more than $100,000 worth of tabs (Vol. 16:7 p6).

Jack L. Sandler, gen. mgr. of Storz Stations' WQAM Miami and vp of the radio chain which was official host at the convention, was served with a Subcommittee subpoena to produce a list of persons who attended it. But the Oversighters didn't get around to calling him, and testimony about the affair—to which girls were reported flown from N.Y. & Chicago—was put off, probably until mid-March.

Meanwhile, the liveliest incident at last week's hearings was provided by Harry Weiss, promotion man for Boston's Music Suppliers Inc. He threw a green, paper-covered book at UPI photographer E. Ed Alley and lunged at the cameraman in an effort to prevent him from taking a picture of the firm's Pres.-treas. Harry Carter. A Subcommittee staffer had to break it up, and the picture was taken anyway.

Record Labeled 'Hit' Before Going On Sale

On the stand later, Weiss swore that it was part of his job to contact Boston jockeys, but that he was unaware of any payola passed out to them by his company, although other testimony indicated $27,121 had been paid. He also testified that he used letterheads of radios WBZ, WBOS and WHIL to submit his own entries for "top 10" record popularity polls conducted by *Cash Box*.

Pleading poor health, Carter was excused from testifying in public, but the Subcommittee questioned him in a closed session, then released a transcript. In answer to questions put to him by Subcommittee counsel Robert W. Lishman, Carter conceded that his firm had managed to promote "Growing Love" on radio as a hit before the record was put on sale. It turned out to be a flop, Carter said.

Another witness heard in private was Pres. Samuel H. Clark of AB-PT's subsidiary Am-Par Record Corp., who also pleaded ill health. A former co-owner with Carter of Music Suppliers, he was asked by Harris whether ABC-TV's Dick Clark (no relation to Samuel) plugged Am-Par products on *American Bandstand*. Lishman noted

that 9 Am-Par records were played 30 times in a one-month period last fall. But Clark insisted that neither jockey Clark nor "any other disc jockey of his size or importance" would play records before they became hits. Clark also conceded that before he left the Boston firm in 1955 he made an "imprudent" agreement with Music Suppliers by which he was to be paid $208 per month for 20 years, although his AB-PT contract required him to dispose of any interest in other record companies.

In still another transcript of private testimony made public by the Subcommittee, ex-WBZ Boston jockey Norman Prescott was disclosed to have testified Feb. 8 that in 3 years he collected $9,955 from Music Suppliers, Dumont Record Distributing Corp., Mutual Distributors Inc. and Records Inc. He said he finally walked out of WBZ last July because: "I was ashamed of myself. I was ashamed of the industry." The first witness to admit that the payments were payola, he said the practice is nationwide.

No Payola — Just Testola

In public testimony, Pres. Harry Dumont of Dumont Record Distributing Corp., acknowledged that he had paid at least $8,830 to a dozen Boston jockeys & station librarians in 1958-59. But he maintained the payments were gifts for "testing" records & for "consideration in listening to my new releases for air play." He rejected suggestions by Lishman that he had agreed with the recipients to back up "concocted" & "fabricated" stories to explain the payments. In other testimony:

Maxwell Richmond, pres. of WMEX and radios WPGC Morningside, Md. & KBMI Henderson, Nev., said WMEX had been paid $1,400 in 3 months in a deal with Records Inc. It was the first admission at the hearings that a station itself—as well as employes—had benefited from such payments. But Richmond said the money wasn't payola. It went to help defray costs of mailing out free records to listeners, he insisted.

Melvin Miller, WMEX jockey, said he had received $450 from 5 record firms as "goodwill gifts."

Joe Smith, WILD jockey, offered a new twist. He said he collected royalties ranging from 1¢ to 5¢ from Coed & Dale record firms for every disc they sold in the Boston area, making $700 on the Coed deal and $450 on the Dale arrangement. Lishman brought out that ABC-TV's headliner Clark had had a financial interest in copyrights on one Coed record. Smith also acknowledged receiving about $7,700 from other record manufacturers & distributors. But he said none of the deals influenced his choice of records on his WILD show.

Gordon J. Dinerstein, vp of Music Suppliers, said his company stopped "goodwill" payments to jockeys last Dec. after the Oversighters started their payola probe. But payola wasn't involved, he swore.

"I do not believe you," Rep. Moss (D-Cal.) told Dinerstein. And Harris broke in: "Public indignation is such that the American public is not going to stand for that kind of practice."

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Conflict-of-interest laws governing conduct of govt. officials & employes need "substantial strengthening," Asst. Comptroller General Frank H. Weitzel testified last week. One of the first witnesses to appear in a series of hearings by the House Judiciary Anti-Trust Subcommittee headed by Rep. Celler (D-N.Y.), he said "constant & unwavering vigilance" by administrators of federal agencies was the best insurance against wrongdoing. But loopholes in laws should be closed to avoid "mischief," Weitzel added.

The FCC

In St. Louis Ch. 2 "influence" proceeding (Vol. 16:5 p6), FCC's office of the general counsel filed its brief last week, concluding that no applicant or Commissioner should be disqualified, but that "a comparative demerit" should be assessed against KTVI (Ch. 2) "in the event that further licensing proceedings are held to be necessary by the Commission." The Commission attorneys asserted that there were "significant *ex parte* contacts by proponents" and that the proceedings should be set aside. The brief was signed by Edgar W. Holtz, James T. Brennan & Joel Rosenbloom. Deadline for the filing is Feb. 23, and the other parties are expected to file then.

Vigorous defense of FCC was written last week by Dartmouth govt. Professor Elmer E. Smead in a letter to the *N.Y. Times*, which had suggested editorially that some Commission members are men of "low quality." Author of *Freedom of Speech by Radio & TV* and a witness at FCC's recent hearings on programming & powers (Vol. 15:51 p4), Smead said the editorial opinion was "a perfect example of the devil theory of govt." Citing FCC's complex problems & referring to the hearings, he went on: "In this instance, the charge is baseless. The Commission is not negligent. In fact, it is providing a constructive leadership for the entire industry, and it is acting in a statesmanlike fashion."

Grand Rapids-Kalamazoo drop-in proposal, in which the FCC plans to assign either Ch. 13 or Ch. 11 to the area (Vol. 16:5 p1), was modified by the Commission last week to provide that Ch. 6 (instead of Ch. 3) would be substituted for Ch. 9 in Alpena, Mich. The reason, FCC said, is that Ch. 6 would offer less interference to Canadian stations. The Commission also: (1) Denied a request by Blythe TV Co. for the assignment of Ch. 25 to Blythe, Cal., on the grounds that it would conflict with the assignment of Ch. 25 in Sonora, Mex. (2) Dismissed without prejudice the petition of J. Patrick Beacom for the assignment of Ch. 14 or Ch. 15 to Ft. Pierce, Fla.

Protest against station ownership of BMI, by the American Guild of Authors & Composers (Vol. 16:2 p6), was turned down by the FCC on procedural grounds. However, the Commission announcement said: "The Commission stated it will consider all information brought to its attention which bears on the qualifications of broadcast licensees and, accordingly, the matters set forth in the pleading will be studied to determine what action, if any, is warranted." AGAC said 563 stations spurn non-BMI music.

Another protest against a microwave to serve a CATV system has been granted by FCC—that of KLIX-TV Twin Falls, Ida. against CPs authorized to Idaho Microwave Inc., which planned to feed a Twin Falls CATV system with the signals of KSL-TV, KCPX-TV & KUTV Salt Lake City. A hearing will be conducted.

Top-level TV conference of NAB, network and advertising organization executives with the Senate Commerce Committee, scheduled for Feb. 19 (Vol. 16:7 p4), was postponed last week by Chmn. Magnuson (D-Wash.) until March 1. The session was put off because several Committee members couldn't be on hand for it and others didn't want to leave the Senate floor during the civil rights debate which started last week. The March 1 conference will be held at the same time & place: 10:30 a.m., New Senate Office Bldg., Room 5110.

Film & Tape

More about

SAG CONSIDERS WHILE WGA STRIKES: Responsible sources at WGA and the Alliance of Television Producers agreed last week that their prolonged negotiations had boiled down to one key issue—the question of overseas residuals on telefilms. WGA was confident that if this could be settled, the other issues (such as increased minimums, pay TV and residuals in perpetuity) could be resolved. In fact, the overseas issue is the only one being discussed now. WGA seeks 4% of the foreign gross. But the Alliance remained as adamant in its refusal to grant such residuals as WGA was in its demands for them. Neither side expressed confidence of an early settlement.

WGA will have a membership meeting Wed. night (24) to update writers on the status of negotiations in TV & movies. There has been no progress on negotiations with the majors—they are deadlocked over the issue of post-1948 movies sold to TV—but WGA has signed 6 more independent movie companies, including Harris-Kubrick Pictures and 2 companies headed by Richard Widmark.

SAG's conflict with the major studios—also on the issue of post-1948's—remained unresolved, but a strike did not appear imminent, although the Guild's contract with the majors expired Jan. 31, and membership has voted authorization for such a strike. The vote (largest in SAG history) was 5,899 for, 1,199 against.

Pension Fund Seen as Solution

SAG executives met with a group of actors at Tony Curtis' home last week, to say they seek a compromise. David Niven, who chaired the meeting, told us later: "The post-1948s are part of the actors' soft underbelly. We all worry about the future. I've been lucky, but many actors who are seen over & over again in old movies on TV suffer from it." Niven expressed his belief that the solution lies in a "generous" pension fund for actors, a belief shared by SAG. The studios have indicated willingness to grant such a fund, but the terms have yet to be settled.

Strangely, two virtually identical solutions for a pension-welfare fund (both entitled "a way out") were offered last week, one by *Variety*, the other by independent producer Richard Sokolove. Both suggested that the impasse could be destroyed by creation of a pension-welfare fund, with the majors to contribute 5% of the original cast costs of the post-1948 movies. The Sokolove plan was offered to the majors before the *Variety* plan appeared in print, but studios were cool to it, repeating their intent not to give the guilds any part of post-1948 revenue.

SAG leaders told us that if they give in on the residual issue they'll have to return $600,000 in post-1948 money already collected from independents. (Independents have paid SAG this money under the so-called "Monogram Plan," which called for producers to give actors 15% of their original salary in post-1948 movies sold to TV. Warners and RKO have made separate post-1948 deals, Warner on a few of its pictures, RKO on its entire backlog. Altogether the Guild has collected about $1.5 million in post-1948 movie residuals. The Monogram plan is based on the Aug. 1, 1948 stopgap clause.)

Meanwhile, SAG seeks to avert a future "post-1948" crisis—in its current contract demands the Guild wants a clause allowing actors appearing in post-1960 movies to make deals for extra pay when such movies appear on TV.

Ampex's Road Show: The latest symposium—in Washington Feb. 15-16 and 3rd of the series—gave station executives from the East & Southeast opportunity to tell how they use the VTR. Ampex people enjoyed their enthusiasm, of course, but they keep looking over their shoulders at slow-to-start but huge RCA, now stepping up production to catch up with a reported backlog of 100 orders. The competition will come to a peak at the April 3-6 NAB convention in Chicago, where it is reported RCA will use the slogan "I'm glad I waited for RCA." Ampex is countering with "I'm not a waiter. I'm an operator."

The symposium (idea of sales development mgr. Robert Day) held its first session in San Francisco Feb. 2-3 (Vol. 16:6 p15), its 2nd in Chicago Feb. 8-9. Day believes a 4th may be necessary—probably in Dallas. Because of the heavy interest by the military in Washington, he's considering a special showing for them. He reports that 600 VTRs have been sold, that 170 stations are equipped, that Ampex now offers 30-day delivery. The price is still $52,950—unchanged since last year's NAB convention. Day placed heavy emphasis on the development of inter-sync, stating that it makes tape as flexible as any other program source (Vol. 16:4 p10). Production models, available by Sept., will sell for "under $4,000."

Topics for each symposium meeting have been the same. All sessions have been taped, and Ampex will offer them to the industry by NAB convention time. Last week's speakers described at length how video tape drastically cuts overtime manpower, makes best use of local talent & programming material, increases local sales, improves quality of programs & commercials, removes "panic period" deadline pressures.

For example, Lawrence M. Carino, gen. mgr. of WWL-TV New Orleans, stated that VTR eliminates about $20,000 annually in overtime manpower, that it earned the station $30,000 from Gov. Davis's campaign. "We call the machine Old Sunshine," he said. WWL-TV has 2 recorders, is considering a 3rd to go in a remote truck.

Merl L. Galusha, mgr. of programming & technical operations of WRGB Schenectady, reported that his station now offers live-quality Sat. & Sun. programming without prohibitive manpower costs, that local money, once spent on syndicated film, is now flowing to the station in the form of locally-produced spots. "A local sponsor who wants a particular personality to sell for him can use him day & night," he said. He looked forward to "cracking the local dept. store business." Another use: GE, which owns WRGB, produced a 20-min. training tape (to be transferred to film) in 10 hours—"compared with 10 days required to shoot it on film."

The other speakers: Leroy Kilpatrick, operations vp of WSAZ-TV Huntington, W.Va., on "Efficient Scheduling of Crews & Equipment with VTR"; Lew Klein, program mgr. of WFIL-TV Philadelphia, on "Successful VTR Operating Policies"; Olin Terry, production mgr. of KFJZ-TV Ft. Worth, on "Production Techniques with VTR"; Carl Bergquist, program operations mgr. of WFLA-TV Tampa, on "One Machine Operation with VTR"; Eldon Brown, Ampex, on "Methods, Maintenance, Materials"; Joseph Roizen, Ampex, on "New Products & Techniques from Ampex"; Charles Anderson, Ampex, on "Design Philosophy & Future Prospects"; Jack Nettlich, Ampex, on "The Marconi Mark IV TV Camera."

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Britain is a buyer's market for U.S.-made telefilms, CBS Films' Robert M. Baruch, international sales dir., warned an RTES audience in N.Y. Feb. 16. Most of the money made by U.S. firms in the international telefilm market involves filmed-in-Britain shows that avoid the TV quota ceilings placed on non-British film product (14% on commercial TV channels, about 10% on BBC-TV), he stated. For the average U.S.-filmed show, it's a case of "waiting in line," unless the show is "the best available," said Baruch.

MPI's Anti-TV Move: The keep-new-movies-off-TV plans of an exhibitor-oriented group seeking to buy TV & theatrical re-issue rights of post-1948 movies have aroused "considerable interest" among several banks & underwriters, Ben Marcus, spokesman for Motion Picture Investors Inc., told us Feb. 18. Marcus, who heads Allied Theatre Owners of Wisconsin, said "exhibitors are 100% behind the plan" to raise $30 million for the purchase of post-1948 films with theatrical re-issue potential. He plans to meet with Walter Reade Jr., pres. of MPI and of Walter Reade Theatres, within the next 2 weeks to "proceed according to the original idea of purchasing the post-1948s." MPI hopes to raise $25 million from underwriters, $2 million from exhibitors and $3 million from public subscription. There's been no reaction to MPI yet from film distributors.

The MPI move is not unlike the campaign by Britain's Film Industry Defense Organization, known in Britain as FIDO, which has attempted to block the sale of postwar films to TV through purchase of rights from a fund supplied by exhibitor donations and a small percentage of every movie ticket sale. FIDO recently got a jolt, however, when Associated-Rediffusion bought a package of 55 post-1948 films from Romulus Films and Independent Film Distributors Ltd. by simply buying both companies last month for about $1.3 million.

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ITC sales are continuing during the transition period in which control of the firm is passing to Associated TV Ltd. of London. *Interpol Calling* is now being launched in U.S. & overseas syndication, despite initial name-similarity problems (with the Danzigers' *Man from Interpol* on NBC-TV). In the market abroad, ITC has sold *Interpol Calling, Susie* and a 2nd year of *Lone Ranger* to TV outlets in Puerto Rico, and has had renewals there on 6 series for a total gross of $110,000. An ITC branch office, with William Clapham named mgr., has been opened in Montreal, and a sale of the *Fury* series has been made to CBC for telecasting on both its English & French-language networks. General Foods, sponsor of the series in the U.S., has signed as co-sponsor for the Canadian *Fury* telecasts.

Last year's volume of Hollywood feature films, passed by that industry's Production Code Administration, was the lowest since the advent of TV—223. It compares with the peak figure for the decade of 432—in 1951. That figure dropped off in succeeding years to 368 in 1952, 354 in 1953, 303 in 1954. The drop was halted in 1955 by a tiny move back up to 305. This bullish movement remained a trend for two more years (337 in 1956 and 380 in 1957) but the industry started down again in 1958, with 287.

Ampex of Canada Ltd., a new affiliate of Ampex International S.A. (Fribourg, Switzerland), wholly-owned subsidiary of the Ampex Corp., has been formed to market all Ampex tape recording products in Canada. Marketing of Ampex video products will be conducted from the company's hq at 1458 Kipling Ave. N., Rexdale, Ont. Digital & analog data recorders will be marketed by a branch office in the Commonwealth Bldg., Ottawa.

TV Westerns go too far, believes Sen. Murray (D-Mont.). In the *Congressional Record* he inserted a "telling commentary" by publisher Don Coe of the Plains, Mont. *Plainsman* on such shows. "It's getting to be more than we can swallow," Coe wrote in his column "One Man's Opinion," reviewing recent Westerns. Cited was one episode in which "the bad guy" proposed to finish off a wounded "good guy" because "it's the Christian thing to do."

Icy Reaction to Producer Demands: Hollywood executives reacted negatively to demands of the Television Producers Guild, presented last week. Main proposals: Residuals (from $100 to $800 an episode depending on budget & film length) and recognition of TPG as a bargaining agency (Vol. 16:6 p16). The executives we checked opined that TPG is not a labor negotiating group because its members are part of management. And the Alliance of Television Film Producers, which has been given the demands, did not comment.

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Expansion of TV-film residual system to new areas (as sought by Writers Guild of America) would prompt other unions & guilds to demand slices of the pie. This could seriously affect the survival of the TV-film syndication business. So said Alliance of Television Film Producers Pres. Richard W. Jencks last week to the Hollywood Ad Club. Jencks didn't name the areas, but obviously meant overseas distribution. He said that in 1959 over 2,000 TV films were produced in Hollywood, as compared to over 200 movies, and estimated that two-thirds of show business employment there is in TV. Asserting that TV films have never received their proper recognition, Jencks elaborated that they are still smothered by the image of the movie industry and overshadowed by the publicity given to live network shows. He pointed out that TV films don't need the kind of publicity delivered for movies & TV spectaculars. He predicted that this decade will see "ever greater freedom & variety in the creation of popular entertainment, prepared for an increasingly sophisticated mass audience."

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Musicians Guild of America and the Assn. of Motion Picture Producers have signed a revised contract providing for a 400% increase in the minimum use of musicians for TV films produced by the major movie studios. The contract is expected to boost earnings of musicians working in TV at the majors by $1 million this year. All the majors except Universal-International now have TV operations.

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Senate probe of foreign-made sound tracks used in U.S. TV films, as proposed last year by Sen. Morse (D-Ore.) following AFM protests against the practice (Vol. 15:23 p3), has been demanded by the AFL-CIO exec. council. Meeting in Bal Harbour, Fla., the council endorsed a resolution from the musicians' union which said an investigation would uncover "retrogressive, job-destroying" effects of imported canned music. The council also approved a NABET resolution warning that employment of U.S. TV workers is menaced by production of TV shows abroad through use of video tape.

Use of live & domestically-recorded music in American TV films was endorsed last week by the Cal. Democratic Council when it adopted an AFM-introduced resolution. The Democrats, meeting at Fresno, also supported a resolution introduced in the Senate by Sen. Morse (D-Ore.) calling for a Congressional probe of "runaway" music soundtracks—i.e., canned abroad & used in U.S. TV films.

Four Star Television is reactivating its *Four Star Playhouse* series of several seasons ago, this time with 6 stars. The lineup will include Four Star owners Dick Powell, David Niven and Charles Boyer of the original series, and negotiations are under way to add Joan Crawford, Lana Turner and Lauren Bacall. Talks are now being held with an agency regarding the series for next fall.

NEW YORK ROUNDUP

Guild Films' merger with Vic Tanny's health-club chain lacks only Guild stockholders' approval to be complete, state Guild Pres. John J. Cole and Tanny. The latter will become the largest single shareholder of the muscles-&-movies combination as well as chmn. & chief executive officer, operating from the West Coast. Cole will continue to head N.Y. film-sales operations. Tanny is a heavy TV spot user, and Guild has lately been bartering many telefilm properties for unsold station time, of which it now has a sizeable backlog.

Ed Sullivan's Sylvan Productions has completed a 30-min. pilot of a projected dramatic anthology series to star Sullivan as host-narrator. It is titled *Win, Lose or Draw.* CBS-TV has backed the project financially . . . Another columnist, Bob Considine, may also have a TV show next season. He's been signed by Pathe News to host a 39-episode, 30-min. series titled *Men of Destiny* and based on old film footage picturing Thomas Edison, Theodore Roosevelt, Joseph Stalin, others . . . Tony Randall has been signed by the Billy Friedberg-Neil Simon production team to star in a Western situation-comedy series, *The Drumbeaters,* about a press agent in the 1870s. CBS-TV is considering the series for the fall.

Medium-priced TV movies play an important role in station film-programming by acting as a balance to high-priced, star-heavy feature films, said Atlantic TV Inc. Pres. Alfred H. Morton Feb. 19. Explained Morton, one-time NBC vp for o&o stations: "Station buyers should not fall into the trap which Hollywood experienced over the years—buying pictures for critical acclaim and not for box-office response. Particularly during rating months, the cost-per-rating point (of feature films to the station) becomes an important factor to cost-conscious film programmers."

International Productions Inc., in association with WKAQ-TV Telemundo, San Juan, P.R., is syndicating a 39-wk. 30-min. tape series, *Showtime in Puerto Rico,* designed specifically for U.S. Spanish-speaking markets, such as N.Y., Los Angeles & Miami. Puerto Rican TV talent will be employed in the bi-lingual series.

United Artists Associated 1959 sales exceeded $10 million, according to Pres. Eliot Hyman. The figure covers leases to TV stations of UA's features, cartoons and other film product . . . ABC Films Pres. Henry Plitt has reported that gross billings for 1959 domestic & foreign sales were up 42.9% over 1958.

Ira D. Beck has been named supervisor for Latin America of United Artists Associated & UA-TV . . . Harold Schaffel has been appointed administrative coordinator of Screen Gems' business affairs dept. . . . John Houseman & Vincent Minnelli will direct the 32nd annual "Oscar" presentations, NBC-TV, April 4.

Joe Franklin's *Memory Lane,* a WABC-TV N.Y. 60-min. daytime blend of personality interviews & ancient silent movies, scored a major regional sale last week, with La Rosa Spaghetti signing for a daily 15-min., Mon.-Fri. segment on an 18-wk. contract.

ABC Films has sold a French-dubbed version of ABC-TV's *John Gunther's High Road* to the CBC French-language network. Procter & Gamble of Canada Ltd. will sponsor the series, retitled *Decouvertes* ("Discoveries").

HOLLYWOOD ROUNDUP

Producer Herbert B. Swope Jr. has sued 20th Century-Fox Television for $55,066.67 in salary. He claims the studio fired him Jan. 20, although his contract, by which he receives $1,400 a week, runs until Oct. 23. He says he was in the midst of negotiations for settlement of his contract when the studio dismissed him, giving the Writers Guild of America strike as its reason. But production is proceeding normally despite the strike, alleges Swope. He produced *5 Fingers,* which was canceled last Dec.

John Robinson, producer of Four Star Television's *Wanted—Dead Or Alive,* has resigned to form his own TV company, Libra Ltd. Robert Ginter, Malcolm Stuart and Harry Wainwright are associated with him. Robinson finishes the final segment of *Wanted* this week . . . Terance De Marney, regular in Four Star's Johnny Ringo series, has left the show, the second regular to pull out. Karen Sharpe got her release 2 weeks ago. Both believed their roles too small . . . NT&T's annual stockholders meeting will be held March 15 in Los Angeles.

Voli Productions, just formed by Gene Kelly, will produce a new comedy-adventure series, *An American in Paris,* starring Van Johnson. The pilot is being filmed this week in Paris, with Kelly as producer . . . Desilu Productions is filming for ABC-TV the pilot of *Harrigan & Son,* starring Pat O'Brien. Cy Howard is producer . . . News Limited of Australia has opened a Hollywood news bureau to cover TV. Nona Teller is in charge.

Paramount Television Productions has taped a 30-min. pilot of a new series, *Celebration at Ciro's,* about the Hollywood nightclub. Ciro's owner, Frank Sennes, is exec. producer . . . Goodson-Todman, in association with Fenady-Kershner-Kowalski, plan to make a pilot for *Las Vegas Beat* in that Nevada town . . . G-T and Fenady-Kershner-Kowalski have signed James Drury to star in another pilot, *The Yank.*

General Foods has bought a comedy series, the tentatively titled *Andy Griffith Show* for next season, in a deal for 32 first-runs and 7 reruns. The pilot was made by Griffith's Grifflink Corp., in partnership with Danny Thomas, Sheldon Leonard and Louis Edelman, and was seen on Thomas' CBS-TV show last week . . . General Foods, meanwhile, has renewed the Thomas show for next season.

ITC, which recently sold out to ATV (Vol. 16:7 p17), is paring its personnel of 30 in Hollywood. All but about a dozen are leaving the company, among them Ted Rogers, dir. of programming & production, and Bud Kay, chief story editor. Phillips Wylly remains as production administrator. ITC still plans to film 11 more *Best of the Post* episodes, to bring that series to 39—also *Frontier Correspondent.*

The Directors Guild of America voted Desilu Productions' *The Untouchables,* directed by Phil Karlson, the most outstanding directorial achievement of the year at its annual awards dinner.

To aid study of the proposed merger of SAG & AFTRA (Vol. 16:2 & 3), Screen Actors Guild last week sent copies of the David L. Cole report to its members.

Crosby-Brown Productions has sold *The Pioneers,* syndicated version of *Death Valley Days,* in 10 markets, including KCOP Los Angeles and WPIX N.Y.

Educational Television

NEW GOVT. ETV GRANTS: Six colleges & universities share federal funds to finance educational TV research projects in a new batch of grants awarded by U.S. education Comr. Lawrence G. Derthick for audio-visual teaching studies under Title VII of the National Defense Education Act.

Following advisory-committee screening of applications received last fall for awards in the $3 million audio-visual research program for fiscal 1960 (Vol. 15:45 p23), Derthick approved these ETV-related proposals:

Stanford U., Palo Alto (with Denver public schools): Four-year research "on the context of instructional TV."

Florence (Ala.) State College: State ETV network experimentation in eradication of adult illiteracy.

Florida State U., Tallahassee: Experimental analysis of effects of varying techniques on student tests in a study program basic to TV teaching.

Ohio U., Athens: Investigation of uses of film to improve TV teacher training.

U. of Chicago: Complementary uses of audio-visual media by teaching staffs.

U. of Tex., Austin: Study of TV's effectiveness in in-service education of elementary mathematics teachers.

Amounts of the individual grants weren't reported by Derthick, some being subject to further negotiation with the institutions involved. Also subject to final negotiations were additional contracts for audio-visual educational conferences, tentatively awarded to the National Education Assn., Washington; Portland (Ore.) State College; Sacramento State College; American U., Washington; University Film Foundation, Ames, Ia.; U. of Colo., Boulder.

Earlier, Derthick announced a new mass-media research program of small govt. grants ($2,500 or less) to graduate students & teachers for study of audio-visual techniques. He said $300,000 will be available to finance these grants to June 30. "This program will provide an unusual opportunity for promising young researchers to engage in exploratory studies," Derthick said.

The Office of Education also announced another by-product of the National Defense Education Act—publication of a 90-page manual for school administrators. Titled "Improving Instruction—Budgeting Your Audio-Visual Program," it's available free from the Audio-Visual Center, Indiana U., Bloomington, Ind.

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Eight new uhf ETV channel assignments have been made by FCC for Alabama—in addition to its present 3 vhf & 4 uhf—to enable the state to establish a 2-program network. The following allocations were made: Ch. 29 Andalusia, Ch. 48 Birmingham, Ch. 18 Demopolis, Ch. 19 Dothan, Ch. 21 Florence (shifting it from Gadsden), Ch. 24 Munford, Ch. 22 Opelika, Ch. 14 Tuscaloosa. In the process, commercial Ch. 77 was substituted for Ch. 14 in Clanton, commercial Ch. 75 for Ch. 24 in Sylacauga. The Alabama Educational TV Commission now operates WAIQ (Ch. 2) Andalusia, WBIQ (Ch. 10) Birmingham, WCIQ (Ch. 7) Munford. The Commission also started rule-making to shift the educational in Kalamazoo from Ch. 74 to Ch. 46.

FCC needs "corrective action" to remedy its "completely indefensible" attitude toward educational TV, according to exec. secy. Edgar Fuller of the Council of Chief State School Officers. In Atlantic City for a meeting of the American Assn. of School Administrators, he maintained that FCC "has gone completely commercial," that "its policies on educational TV are not in the public interest." Until recently, Fuller said, FCC gave priority to ETV applicants for 3rd channels in cities where 2 commercial stations already were on the air, but now commercial applicants are getting the nod.

Ford Foundation Grants: The Ford Foundation announced educational TV grants totaling $1,603,420 last week—over half of this going to universities in the U.S. Of this sum, $73,640 is part of an appropriation earmarked for "further development of direct instruction by TV and for activating educational-TV channels." It was awarded as follows: U. of Me., $20,500 for activation of an ETV channel in Orono; Western Mich. U., $18,000 for exchange of TV college courses among 11 colleges & universities; Fla. Educational TV Commission, $10,140 for development of ETV service for schools & colleges; Western Interstate Commission for Higher Education, $25,000 for ETV cooperation in 13 Western states.

A grant of $500,000 (one of the 2 largest) went to National Educational TV & Radio Center for radio broadcast exchange between the U.S. and other countries. Under this grant, the Bcstg. Foundation of America (Ford grantee since 1958 and programmer of English language news analyses, scientific & cultural talks and programs prepared by foreign broadcasting organizations) will combine operations with the new International Exchange Div. of NET. The other $500,000 grant was awarded to Purdue Research Foundation for the Midwest Council on Airborne TV Instruction's experiment (Vol. 15:42 et seq.). This is the first major grant from the $4.5 million appropriation approved by the Foundation last year. An additional grant of $23,000 for the airborne ETV project was given to the National Bureau of Standards.

The U. of Texas received $139,220 for an 11-college network series of TV courses; a grant of $350,000 went to the National Education Assn. for completing studies on the use of the staff in secondary schools, and a Foundation-administered study on the prospects for ETV in secondary schools in India received $17,560.

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Short-spaced Ch. 9 CP—185.6 miles instead of 190—was granted by FCC last week for an ETV station in Savannah, to the Georgia State Board of Education. Reason for mileage cut was that a site meeting minimum spacing requirements couldn't be found without creating an air-navigation hazard. The ETV grantee agreed to accept any interference resulting from the operation of WTVM Columbus when it switches from Ch. 28 to Ch. 9, and WTVM said it would offer no objection to the grant. The authorization was made over the objections of the Assn. of Maximum Service Telecasters and adjacent channel WALB-TV (Ch. 10) Albany. No Commissioners dissented. The Commission concluded that the slight mileage cut was justified because it would produce a new station.

Postgraduate psychiatry course for general practitioners is being offered for credit by Wayne State U. via educational WTVS Detroit. The course, believed to be the first educational TV offering of its kind, embraces 50-min. lectures telecast weekly for 16 weeks, required reading, meetings of students & instructors for demonstrations & discussions. The course, taught by dept. of psychiatry faculty of the WSU college of medicine, will be accredited by both the college & the American Academy of General Practice.

FM educational network was inaugurated on an experimental basis last weekend with New York's municipally owned WNYC-FM as the originating outlet. Participating are Centenary College's WNTI Hackettstown, N.J.; WGPA Bethlehem, Pa.; WPPA-FM Pottsville, Pa.; and Penn State's WDFM University Park. Hours will be 5-6 p.m. weekdays & 3-7 p.m. Sundays.

Blow to ETV has been delivered in Washington by D.C. School Supt. Carl F. Hansen, who announced that the Capital's schools would stop using *Time for Science* after this term and won't support a foreign language course proposed by the Greater Washington Educational TV Assn. Hansen said the science program for 5th & 6th graders on WTTG didn't fit in with the schools' regular course and that it disrupted classroom routine. Other school officials indicated they had become disenchanted with ETV because it took up too much time, made pupils restive & inattentive, failed to get cooperation of classroom teachers. GWETA Pres. Mrs. Edmund D. Campbell was dismayed by the setback, but reported after a closed meeting with representatives of 14 other school systems of the area that they will keep *Time for Science* on the air. They'll meet again April 4 to decide whether to add the language course to the classroom TV schedule.

Weekly ETV audience of 750,000 viewers is claimed by educational WTTW Chicago, owned by the Chicago ETV Assn. Dr. John W. Taylor, exec. dir., reports the Ch. 11 station has telecast 17,000 programs of a general adult nature since its debut in 1955, that 20,000 students have taken its ETV college courses for credit, 50,000 others without credit. WTTW now offers 10 courses through its TV college, under the auspices of the Chicago City Junior College. Dr. Taylor, in a televised report to "citizen-stockholders," said the station has proposed an increase in operating budget to $808,000 from last year's $750,000, pointed out that in the past the station had raised some two-thirds of the budget through its own efforts (the balance from the public). Chief sources of revenue: producing ETV programs for the National ETV & Radio Center, the Chicago Board of Education; doing production, program and recording work for other organizations.

National ETV & Radio Center will offer video-tape facilities of all its 44 affiliated educational TV stations to Presidential candidates in the campaign this year, Pres. John F. White announced recently. In Washington for a quarterly meeting of NET directors at the Statler Hilton Hotel, he said Republican & Democratic nominees for the White House would be welcomed on all ETV outlets—and that any candidates of minor parties will be offered ETV time, too. Prospects for ETV legislation in Congress were discussed at a dinner prior to NET's Feb. 13 board meeting. Invited guests included Reps. Bennett (R-Mich.) & Avery (R-Kan.) of the Commerce Committee, Rep. Elliott (D-Ala.) of the Education & Labor Committee, and FCC Comrs. Ford, Cross, Hyde, Lee.

In-school ETV in N.Y. is reaching a record 494,370 public-school children weekly via WPIX Mon.-Fri. telecasts of the Regents ETV Project, reports the State Education Dept. In the 6 months ended Dec. 31, the audience increased 65% from the approximate 304,000 viewers in June. In the 16 months the Regents ETV Project has been telecast by Ch. 11, the initial weekly audience of 20,000 increased more than 1,471%. The figures relate only to N.Y. public-school viewers and do not include N.J., Conn. and Pa. public schools and N.Y. parochial & private schools which are known to use the WPIX programs to supplement their regular curricula. The ETV project reaches 16,479 classes weekly.

Tele-course in "Beginning Spanish" by Mich. State U. debuted last week (15) over WJIM-TV Lansing. The 4-credit course will be televised 7-7:30 a.m. Mon.-Fri. for 15 weeks. Tele-course in "Beginning Russian" is slated for fall presentation.

Networks

ABC-TV's Latin Network: First Central American TV network, initially joining 5 TV outlets in 5 countries, will go into operation in "about 6 or 8 weeks," according to ABC-TV, 51% owner. The first presentation about the new Central American TV Network (CATVN) was made Feb. 19 to a N.Y. audience of agencymen & newsmen, with AB-PT Pres. Leonard H. Goldenson serving as host.

The private stations affiliated with the network will own 49% interest, it was explained by ABC international div. vp Donald Coyle. Interconnection of the stations will be by off-the-air pickup—possible because the transmitters are all located on mountain peaks and because of the short distances between Central American capitals.

Stations in the network will be YSEB-TV (Ch. 8) San Salvador, El Salvador; YNSA-TV (Ch. 8) Managua, Nicaragua; HRTG-TV (Ch. 5) Tegucigalpa, Honduras; TG-BOL-TV (Ch. 3) Guatemala City; Televisora de Costa Rica (Ch. 5) San Jose (in which ABC holds minority ownership). All except Costa Rica outlet are on air now.

Facts about CATVN presented to the admen: (1) ABC-TV in N.Y. will act as sales agent. (2) The network will have an initial circulation of some 50,000 sets, although 17-in. sets "at half of the U.S. price" will be made available, some on the basis of coin-box installment buying. (3) Program segments or spot adjacencies will be available to U.S. advertisers marketing products in Central America. (4) A Class-A hour on CATVN will be priced initially at $575. (5) The market potential of the area is sizable, with a fast-growing population currently estimated at 12 million. (6) There will be program interchanges between the stations in the network, and between the network & ABC-TV via film.

Outlets in Panama are expected to join the network later. The area covered by the network imported $125 million in goods from the U.S. in 1957, last year for which statistics are available.

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NBC's KTVU Offer: A formal offer was finally made by NBC to KTVU Oakland-San Francisco on Feb. 19, we were told late last week by a station spokesman. Details of the offer, latest step in NBC's plans to acquire an o&o outlet in the Golden Gate City (Vol. 16:7 p10), were not disclosed by the station, nor by NBC in N.Y. The offer was being considered—but not yet accepted—by KTVU.

Within the next 10 days, KTVU dirs. representing 100% stock ownership will meet to consider the NBC offer and "possibly to arrive at a selling price." Stockholders are Ward D. Ingrim (25.005%), William D. Pabst (25.005%), Harry R. Lubcke (.25%), Edwin D. Pauley (25.005%), Stoddard P. Johnston (4.945%) & Willet H. Brown (19.79%). Pauley is currently vacationing in Mexico and was "unaware of NBC's offer," KTVU said.

Other San Francisco sources told us, meanwhile, that another offer was being made to *Chronicle*-owned KRON-TV by NBC. (KRON-TV's price is reportedly $16 million.) "No comment," however, were the reactions of KRON-TV gen. mgr. Harold P. See in San Francisco, and by NBC press dept. & station-relations officials in N.Y.

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Annual ABC-TV Cellomatic presentation covering the network's programming plans for the 1960-61 season is scheduled for Feb. 24 in N.Y. at the Waldorf-Astoria's grand ballroom, 9:15 a.m. It will be repeated Feb. 29 in Chicago and March 2 in Detroit.

TV Prospect List: Where will TV advertising money come from for the spring & summer seasons? The answer may well be in a TV prospect list we saw in N.Y. last week. This list, prepared by one of the networks, covers 48 advertisers in 11 categories currently spending a total of more than $50 million annually for advertising (including TV), much of it concentrated during the Father's Day-Mother's Day-graduation-bridal season and much of it in non-TV media. The list:

APPLIANCES, RADIOS

Admiral
Carrier
GE
Philco
RCA
RCA Whirlpool
Sunbeam
Sylvania
Westinghouse

BOOKS

Book-of-the-Month Club
Doubleday

CAMERAS

Eastman Kodak
Polaroid

GIFTS, JEWELRY, WRITING SUPPLIES

Avon Products
Bulova
De Beers Consolidated
Eversharp
Parker Pen
Sheaffer, W. A.
Speidel
U.S. Time

GENERAL

Cluett, Peabody
Florist Telegraph Delivery
Kayser Roth

LUGGAGE

Shwayder Bros. (Samsonite)

OUTBOARD MOTORS

Outboard Marine

SMOKERS SUPPLIES

ASR Products
Consolidated Cigar
General Cigar

SHAVING SUPPLIES

Gillette
Mennen
North American Phillips
Schick
Shulton
Sunbeam
Yardley of London

TRAVEL

American Airlines
British Overseas
Greyhound
Hertz
National Airlines
Pan American World Airways
Trans World Airlines
United Airlines

TYPEWRITERS

Royal McBee
Smith-Corona Marchant
Sperry Rand
Underwood

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When ABC-TV asked MGM-TV if it could have its new 60-min. series, *The Islanders*, ready for an April air start, the answer was no. MGM-TV, aside from the lack-of-time reason, prefers to begin the series next fall, rather than in the spring when seasonal viewer habits have already been established. MGM-TV sources told us last week that star William Reynolds & director Richard Bare are recovering from their plane crash in Jamaica (Vol. 16:7 p17). They had gone there for added footage for the pilot.

Jack Paar was the nation's most widely discussed TV personality even in the week before he left the show (Jan. 29-Feb. 4), reports Sindlinger & Company.

NETWORK SALES ACTIVITY

ABC-TV

Jubilee, U.S.A., Sat., 10-10:30 p.m.; Bronco-Sugarfoot, Tues., 7:30-8:30 p.m., Bourbon St. Beat, Mon., 8:30-9:30 p.m., Alaskans, Sun., 9:30-10:30 p.m., participations, effective July 2.
Polk Miller Products (N. W. Ayer)

American Bandstand, Mon.-Fri., 4-5:30 p.m., participations, effective July 1.
Nucoa Margarine (Dancer-Fitzgerald-Sample), *Borden Foods* (D-F-S) & *Elgin National Watch Co.* (J. Walter Thompson)

Network Television Billings

December 1959 and January-December 1959

(For Nov. report, see TELEVISION DIGEST, Vol. 16:5 p13)

1959 Was 10.7% Ahead: Network TV's gross-time billings rose to $627,311,530 in 1959, a healthy 10.7% gain over 1958's $566,590,401 business, reports TvB. The year closed strongly. The Dec. volume of $58,669,469 was 1959's 2nd highest monthly total (topped only by Oct.'s $59,030,752). It was also 8.8% higher than Dec. 1958's $53,938,821.

Each of the 3 networks scored 1959-over-1958 gains. Way-out leader in dollar billings was CBS with $266,355,269, up 7.5% over the preceding year's $247,782,734. NBC chipped a bit of CBS's lead with a 9% gain over its 1958 billings. ABC racked up the biggest percentage gain with a 22% climb.

NETWORK TELEVISION

	Dec. 1959	Dec. 1958	% change	Jan.-Dec. 1959	Jan.-Dec. 1958	% change
ABC	$13,280,610	$10,466,104	+26.9	$125,665,324	$103,016,938	+22.0
CBS	23,935,048	22,836,275	+ 4.8	266,355,269	247,782,734	+ 7.5
NBC	21,453,811	20,636,442	+ 4.0	235,290,937	215,790,729	+ 9.0
Total	$58,669,469	$53,938,821	+ 8.8	$627,311,530	$566,590,401	+10.7

1959 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	$10,647,078	$22,129,248	$19,299,853	$52,076,179
February	10,024,460	20,806,220	18,053,828	48,884,508
March	11,565,031	23,265,395	20,728,315	55,558,741
April	10,309,263	22,077,285	19,739,816	52,126,364
May	9,946,570	22,298,271	19,674,494	51,919,335
June	8,930,114	21,171,128	17,984,845	48,086,087
July	8,391,470	21,269,782	17,883,111	47,544,363
August	8,205,520	21,137,261	17,298,527	46,641,308
September	8,724,938	21,196,220	18,525,685	48,446,843
October	12,537,020	23,610,441	22,883,291	59,030,752
November	13,103,250	23,458,970	21,765,361	58,327,581
December	13,280,610	23,935,048	21,453,811	58,669,469

Note: Figures revised as of Feb. 10, 1960. These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on basis of one-time network rates or before frequency or cash discounts.

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Back Goes Jack: With the announcement that Jack Paar would be back as star of the network's late-night participation strip March 7, following a 3-wk. vacation, NBC-TV's guess that the walkout would blow over (Vol. 16:7 p8) proved correct. "Bob Sarnoff & I are delighted," said NBC Pres. Robert E. Kintner, following a Feb. 15 letter from Paar to NBC in which he stated he was "fully aware" of his contractual obligations (until 1962, at an annual salary of about $200,000 and not at $500,000 as widely reported).

Inasmuch as Paar's contract allows him approximately the amount of time he has been absent from his show as vacation, and since there was no flurry of sponsor cancellations, the crisis last week seemed to have passed. The network told us late last week that there will be no change in NBC's attitude toward material used on Paar's show. "He'll be subject to network rules & regulations, just like everybody else," said a spokesman.

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NBC termed its Boca Raton meeting (Feb. 15-16) for its Affiliates Board "harmonious." The stations expressed approval of NBC-TV summer program plans (in particular, the Roncom Productions plan to slot two 30-min. shows in place of the 60-min. Perry Como Show), the network's projected fall TV schedule (including the network's present plans to lead off each evening with 60-min. film shows); a 26-program list of projects in the hopper of programs & talent vp David Levy, the convention-election plans of NBC News vp William R. McAndrew, and the network's handling of the Jack Paar walkout.

Stanton vs. Govt. Program Control: Govt. control of TV program content would represent "imaginary short-term gains at the price of real long-term loss," said CBS Inc. Pres. Dr. Frank Stanton in N.Y. Feb. 18 as he received the annual Advertising Gold Medal Award presented by Vision Inc.-owned *Printers' Ink*. "The govt. is no more competent to dictate the contents of a medium that has technical limitations (*i.e.*, the spectrum) on the number of its outlets than it is to dictate to those that have economic limitations," added Stanton, who said it would be an easy step from Washington control of programming to a point where the govt. "also tells the only newspaper in town what it must print."

"A society that sees one more Indian bite the dust on TV is far safer than a society that sees one iota of its freedom of expression given up to its govt.," said Stanton. "This whole theory of benevolent censorship—anticipatory or by way of review—is mischievous doctrine. There is no conceivable way that it can be limited in degree or in nature...the road to Utopia is hard & rocky & uncharted."

High-level congratulations on his award were sent to Dr. Stanton in letter form from President Eisenhower. "This honor recognizes your leadership in a rapidly expanding field of mass communications . . . You have clearly discerned from the beginning the potentials for good that [the broadcasting industry] possesses, and you have accepted the responsibilities commensurate with those potentials," the President stated.

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No Election-Eve Monopolies: Multi-network political simulcasts by a single party will not be accepted by CBS, the network's editorial board ruled on Feb. 18. The anti-monopoly policy was formulated "to avoid the dangers of such saturation purchases during political campaigns as would significantly diminish the choice by the viewing or listening public among programs." The ruling, however, would apply only to paid political programs and not to simultaneous broadcasts of "events of clear national or local signficance."

CBS affiliates were informed of the new policy ruling Feb. 17 via closed-circuitcast in which Carl Ward, CBS-TV affiliate relations vp, explained the network's reasoning thus: "Last summer the Democratic National Committee ordered the 11 p.m.-midnight hour Nov. 7, 1960 (the night before the election) for political programming. Some time later, a similar order was placed by the Republican National Committee." The network subsequently learned that both political parties also ordered the same time period on ABC-TV & NBC-TV, he told the stations. Both committees were informed of CBS's decision Feb. 17.

No moves of a similar anti-monopoly nature are planned by NBC & ABC, we were told late last week. However, both networks have been studying the CBS move and may establish some ceiling on the amount of TV-radio time that may be sold to the major political parties as the election race nears the finish line.

Democratic National Chmn. Paul M. Butler objected promptly & vigorously to the CBS statement, said that the policy would permit the use of networks for White House messages which "often include direct or indirect political overtones." Said he: "We consider your policy to be illegal, unjust and discriminatory to the Democratic Party." He asserted that he would complain to FCC & Congress.

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First Canadian FM network will be established in April by CBC, linking stations in Montreal, Toronto & Ottawa.

Programming

Nets Prefer Own Public-Affairs Shows: News & informational specials are growing closer in both style & budget to entertainment specials, but there's little or no room for the outside package producer in this field. Programs of this type, networks insist, are best done in their shops.

The tightest control is being exercised by CBS-TV, which will probably have the largest number of public-affairs specials & series on the air next season—but the smallest percentage of non-network-produced shows of this category. NBC-TV & ABC-TV are more willing to talk about outside packages, particularly in the news-feature area, but there are signs that most doors will be closed to non-network producers eager to ride affairs.

The stiffening public-affairs policy applies to advertisers as well. Currently making the rounds of the 3 networks, for example, is a well-produced film documentary on missiles, done by David Wolper and optioned by Shulton Inc. No network has been willing to clear time, although officials who've seen it, admit it's a good job.

Irving Gitlin, CBS News creative projects, a top executive in the public-affairs field, expressed this attitude toward the sponsor's role in news specials: "I feel sponsors should have no participation in this kind of programming, as they do with entertainment programming. We are speaking of reportage, not entertainment. There's no position here for the sponsor to say 'You don't see that idea correctly. Here's how it should be done.'"

Sponsor's 'Rights' Are Outlined

Gitlin doesn't have in mind British-style magazine-concept TV buying of what he calls "actuality" shows. "A sponsor is primarily buying concepts & personal reputations in this field," he explained. "He's right in asking for the track records of producers, an idea of the show's format, and the subjects to be treated. He will often have a choice of time periods, and can cancel if he doesn't like the show. It shouldn't be a blind buy."

There's little doubt also that CBS News thinking—and program budgeting—is headed toward popularizing the appeal of public-affairs shows. On Gitlin's own drawing boards are such projects as:

(1) "William Holden's Hong Kong," a 60-min. location-filmed special for the daytime *Woman* series that will star Hong Kongophile Holden as host-narrator. It will probably be repeated later in a night-time CBS-TV slot.

(2) *The Desperate Years*, a 30-min. weekly series in dramatic form that will deal with the American Civil War "in a scrupulously accurate manner." It is tentatively slated for launching this fall. Material for the series will be drawn from the works of Bruce Catton.

(3) An untitled series of 6 prime-time specials dealing with the latest advances in medical research. (Note: Screen Gems is currently launching a 60-min. taped medical public-affairs show, but is aiming it at local-level syndication purchasers.)

(4) *Tomorrow*, a series of 6 informational specials, tentatively program-budgeted at $150,000 each, done in conjunction with MIT, and due to be sponsored by American Machine & Foundry.

(5) A 39-week, 30-min. weekly documentary series dealing with outer-space research.

(6) *U.S.A.*, a 30-min. weekly show that will put a focus on human problems ("such as following a family—with new camera techniques—through some kind of real-life crisis").

What's the great secret in public-affairs programming? "It's having a good producer-director who's in firm control of a special or a series, and who has a point of view about the material and isn't simply trying to cover it," said Gitlin. Wouldn't a policy of network-only production create its own shortage of program ideas? "No," Gitlin told us. "I could fill up the whole day & night CBS-TV schedule —if they'd let me."

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Networks are going at public-affairs programming wrong, believes Tom McDermott, vp of Four Star Television, and that's why such shows have failed to attract

audiences. Said the ex-Benton & Bowles executive: "They take these things from people basically in the entertainment field and put them in the hands of public-affairs men —people who have been newsmen or college professors— who cannot present dramatic shows with the necessary impact & entertainment values. When I saw NBC-TV's public affairs show on Cuba's Castro, I said there go *Have Gun—Will Travel* and *Gunsmoke* ratings right up to the roof. They took one of the more important events of our times and made it come off as a dull travelogue." McDermott believes present public-service shows lack a point of view, an air of excitement which would attract viewers, and interesting presentations. Four Star has obtained the rights to Justice Douglas's book, *Almanac of Living*, and is planning it as a 60-min. Americana dramatic series. The company owns several other properties in the public-service category, but, said McDermott candidly, "I don't think the market will buy these. They want situation comedy, dramatic and the other such shows which they have come to expect from us."

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More syndicated sports telefilms is one result of the current trend of telefilm distributors away from the action-adventure-crime formulas on which most syndicated shows are based. Ziv TV's latest local-level show, launched in station sales Feb. 15, is *Home Run Derby*, a 30-min. film series featuring leading major-league power hitters in a continuing homer contest involving $250,000 in prizes for the season. Air dates for the Ziv series will coincide with the start of Big League baseball in April. And in Chicago, Peter De Met Productions has racked up syndication sales in 78 markets within 5 weeks for its filmed 60-min. *National Football League Presents* package covering 26 pro football games held in the 1959 season. De Met, who distributes through World-Wide TV Sales Co., is now blueprinting a syndicated horse-racing show.

Mass-appeal TV religious show is planned by script-writer-author (*The 13th Apostle*) Eugene Vale & 20th Century-Fox TV as a 39-episode, 30-min. telefilm series. The pilot episode will go before TCF-TV cameras "as soon as the WGA strike is over." Vale told us last week that "in view of the many recent attacks on TV, network reception to the idea is very good." The untitled project is "not a public-affairs show, in the usual sense," he said. Rather, it will be "a dramatic series with a non-clerical leading character & a family appeal." Previous religious shows, Vale indicated, have suffered from "a tendency of writers to write in an obscure form with specialized appeal." There'll be no Ben Hur-type flashbacks, said Vale, who will supervise creation & development of his project. "I don't intend to create an impression that religion existed only in Biblical times."

FCC members were impressed last week by the unique National Grass Roots Opera Co., the "house" company of WRAL-TV Raleigh. Commissioners and other guests witnessed a video-taped presentation in Washington, through facilities of WTTG, of Donizetti's "Don Pasquale," featuring singers who are full-time or part-time employes of the station. For example, the tenor is David Witherspoon, promotion & publicity dir. The group has received kudos all over the U.S., where it has been heard by some 600,000 people, according to Pres. A. J. Fletcher. WRAL-TV is offering copies of the tape to other stations at a small fee. WTTG supplied playback facilities for last week's presentation in Washington.

TV censorship mystery boiled up last week over a report that a protest by the National Council of Churches caused NBC to scuttle a TV play about an adulterous minister. George A. Heimrich, West Coast representative of the Council's Bcstg. & Film Commission, said he was approached by NBC for script approval and that he warned NBC that his committee (predominantly clergymen) would "jump all over" the network if it went through with the play. A surprised NBC issued a statement that it had never submitted a script to Heimrich for approval, that it does not submit scripts for approval to the Council "or any other outside group," that it "has no knowledge of the cancellation of any TV play on its facilities involving a Protestant minister who commits adultery." No less surprised was the Rev. Dr. Everett C. Parker, head of a special committee of the Bcstg. & Film Commission that is studying the operation of Heimrich's office. "Astounded" at the "censorship operation on behalf of the National Council [of Churches]," Parker declared: "Certainly Mr. Heimrich does not speak for the National Council nor for the committee which is studying the function of his office."

USIA's overseas programs, including Voice of America & TV operations, will be evaluated by a 9-member committee appointed by President Eisenhower. Members are Bridgeport, Conn. lawyer Mansfield D. Sprague, chmn.; C. D. Jackson, former special White House asst.; Philip D. Reed, retired GE chmn.; Under Secy. of State Livingston T. Merchant; USIA Dir. George V. Allen; CIA Dir. Allen W. Dulles; Gordon Gray, special asst. to the President for national security affairs; Karl G. Harr Jr., special asst. to the President for security operations coordination; Asst. Defense Secy. John H. Erwin II.

Demands for equal time to air labor's side of the Kohler strike case have been served on Metropolitan's WTTG Washington & 5 other stations by the United Automobile Workers, following FCC's rebuke to WTTG for its handling of the story (Vol. 16:1 p11). Citing FCC's criticism of failure by WTTG to identify the National Assn. of Mfrs. as the distributor of kines of Senate hearings on the strike, the UAW asked for "an equal opportunity at an early date" to give its views. In addition to WTTG, stations receiving the demand (all named as carrying the NAM-supplied film) were WNEW-TV N.Y.; KMOT Minot, N.D.; KSTP-TV St. Paul-Minneapolis; WDAY-TV Fargo, N.D.; KFYR-TV Bismarck, N.D.

Local public-service documentary found a one-time sponsor last week when WFIL-TV Philadelphia sold the second episode of its *Eyewitness* series to Sun Oil Co. Sun will forego its commercials on the Feb. 27 show, "The Day Your Heart Stops," giving the time to the Southeastern Pennsylvania chapter of the American Heart Assn. Copy will take note of February as Heart Month and of the following day as Heart Sunday.

Canon 35 progress report was slated for delivery by study committee Chmn. Whitney North Seymour before the National Conference of Bar Presidents Feb. 21 at Chicago's Edgewater Beach Hotel. The meeting (through Feb. 23) is being held with the American Bar Committee. Seymour's report was to review his meetings with media executives and attempts to obtain financing from foundations for a "study in depth" of the problem of TV-radio coverage of court proceedings.

Voice of America has started a new 20-min. program series in which U.S. college students discuss campus issues. Topic of initial broadcast: "Should University Publications Be Allowed Unrestricted Freedom of Expression?"

Stations

Storer Program Manual: Demand for Storer's *Operating Manual* was so great (200 requests following our report in Vol. 15:44 p8) that the company has excerpted material for general distribution in a new *Storer Program Manual.* Copies are available to all stations on a first-come basis.

The 150-page loose-leaf document may be the first of its kind. NAB has covered much of the same material in various brochures but doesn't have them pulled together in one document. And, of course, other major broadcasters have made internal distribution of operating rules.

Some of the material is of general application, some of it Storer's interpretation & policy. The 9 chapter headings: Program Review Instructions, Storer Program Objectives & Controls, FCC Program Requirements, Copyrights, Property & Personal Rights, FCC Application, Complaint & Citation Procedures, NAB Program Codes, Federal Acts & FCC Rules, FCC Policy Statements, FCC & Storer Forms.

The manual was prepared by vp-secy. John E. McCoy, formerly a top FCC attorney who, among other things, headed TV & FM sections and prepared Commission renewal forms. Copies are available from McCoy at 1177 Kane Concourse, Miami Beach, Fla.

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Industry image at station level has been introduced by WNDU-TV South Bend, Ind., U. of Notre Dame-owned station. A series of 5-min. TV programs "designed to give the South Bend TV audience a clearer & more comprehensive view of TV and what the TV industry is trying to accomplish" has been inaugurated. "Communication to the audience of the intents & purposes of a local TV station might help ease the rather sensitive position occupied by all TV today," gen. mgr. W. Thomas Hamilton said. The programs, hosted by Hamilton, will cover advertising & general welfare, broadcasting in the public interest, freedom under broadcast license, careers in TV, the TV Code and the TV generation. The WNDU-TV series is based on a general outline of similar programs recently suggested to stations by TvB.

WVET-TV Rochester, now sharing Ch. 10 with WHEC-TV, has proposed to FCC that Ch. 13 be allocated to Rochester and that it share the new channel with the Rochester area Educational TV Assn. WVET-TV said that it would absorb all costs—about $500,000—of building & maintaining the ETV transmission facilities. Sharing both channels would give WVET-TV full-time operation.

Option to purchase 50% of WJPB-TV (Ch. 5) Weston W.Va. from J. Patrick Beacom for $100,000 was exercised recently by Thomas P. Johnson & George W. Eby, owners of off-air WENS (Ch. 22) Pittsburgh, and FCC has approved the deal. The agreement was made when WENS dropped its competing application for the Weston channel.

Midnight Sun Bcstg. Co.'s TV-radio holdings are being sold for $1.2 million to All-Alaska Bcstrs. Inc., headed by Randall D. Jansen & Edward W. Christiansen (⅓ each), principals of the CATV system in Ketchikan. The stations are KFAR-TV (Ch. 2) & KFAR Fairbanks, KENI-TV (Ch. 2) & KENI Anchorage and radio KTKN Ketchikan.

M. Robert Rogers, ex-pres. of radio WGMS Washington, heads a group buying Valley Forge Distribution Co., beer wholesaler, from Mrs. Carita Blum Sandler, who is a radio applicant for Laurel, Md. The price wasn't disclosed, but the firm has an estimated net worth of $1.75 million.

Broadcast engineering conference papers scheduled for sessions in conjunction with NAB's 38th annual convention in Chicago April 3-6 include April 4—"The Present Status of Stereophonic Broadcasting," C. G. Lloyd, GE; "Sine Squared Pulses for System Analysis," Ralph Kennedy, NBC; "Improving Picture Quality Through Phase Equalization," R. S. Jose, RCA; "Automatic Logging of Operating Parameters in Lieu of a Manual Log for AM-FM & TV Stations," Granville Klink Jr., WTOP Washington; "A New Approach to Balanced Audio Levels," Robert B. Monroe, CBS-TV. April 5—"Effects of Tower Lighting & Isloation Circuits upon the Resistance of Various AM Towers," Vir N. James, consulting radio engineer; "Tunnel Diodes," Eric Gottlieb, GE; "Recent FCC Rule Changes," James E. Barr, FCC; "Determining the Operational Patterns of Directional TV Antennas," Dr. Frank G. Kear, Kear & Kennedy; "Constant Level Program Amplifier," John Birch & Charles King, Gates; "The Folded Unipole Antenna for Broadcast," John B. Mullaney, consulting engineer; "Experimental Operation of a Co-Channel Supplemental Transmitter to Provide Coverage Fill-In," Daniel H. Smith, WTEN Albany; "Manifestations of the Special Law of Electron Eccentricity in Broadcast Equipment," John W. Wentworth, RCA. April 6—"TV Automation," F. R. McNicol, RCA; "Aural Program Automation Techniques," Paul Schafer, Schafer Custom Engineering; "Maintenance, Key to Minimizing Video Tape Recorder Operational Costs," Joe Roizen, Ampex; "Video Tape Recording Interchangeability Requirements," K. B. Benson, CBS-TV; "Integration of Video Tape with Live & Film Programs," A. W. Malang & M. C. Worster, ABC; "The New IRE Roll-Off as Related to the Broadcaster," G. Edward Hamilton, ABC; "Improvements in TV Cameras," John H. Roe, RCA.

Small-town TV enthusiast Bill Daniels, who recently sold part of his CATV holdings—Rawlins, Wyo. & Farmington, N.M. (Vol. 16:6 p5)—believes in all kinds of community TV. Already an applicant for regular stations in Lamar, Colo. & Gallup, N.M., he's shooting for a full bag of 5 vhfs through his Televents Inc. "We will see the day," he said, "when each city with over 6,000 population will have its own small TV station." He expects to lose initially, but is confident TV will repeat radio history.

Live demonstrations of GE's low-light image orthicon TV camera tube (Vol. 15:49 p8) will be conducted by GE engineers in about 25 broadcast stations throughout the country. Showings are scheduled this month in Milwaukee, Columbia, S.C., Minneapolis, Winston-Salem, Atlanta, New Orleans and Boston; for March, in St. Louis, Indianapolis, Pittsburgh, Detroit, Buffalo, Miami, Tampa, Jacksonville, Los Angeles, San Francisco, Seattle, Houston, Dallas and Oklahoma City; for April, Denver, Baltimore, Washington.

New Zoomar lens designed for 4½-in. image orthicon cameras has been developed and delivery of the initial unit has already been made. The new model 88 is designed to be interchangeable on all 4½-in. cameras and engages with the remote iris control in all ranges. It has a range of 2½ to 72 inches.

Add equipment exhibitors at NAB's April 3-6 Chicago convention (Vol. 16:7 p13): Standard Electronics, Bauer Electronics, Cellomatic. Another scheduled exhibitor—Nems-Clarke—has withdrawn from the list.

KTTV Los Angeles has acquired a $150,000 mobile tape unit, which mounts an Ampex videotape recorder, 2 RCA cameras, a special effects unit and a film & slide chain.

Ticklish clash between government & privately-owned TV stations is developing in Edmonton, capital of Alberta and northern oil center. The city is now served by privately-owned CFRN-TV, carrying CBC programs, but that network announces its intention to apply to the Board of Broadcast Governors for a TV license in competition with other applicants. Applications close April 29 and the BBG hearings will take place in Edmonton May 11. List of applicants includes Edmonton Video Co., headed by R. A. Milner and Gerry Gaetz, vp & gen. mgr. radio CJCA; Northwest Television Co. Ltd., formed by radio CHED; Mayfair Bcstg. Co. Ltd., headed by Alex Starko & associates; and North Gate Broadcasting Company Ltd., formed by Dr. Charles Allard & associates. If CBC wins application, CFRN-TV could lose its present CBC affiliation, causing a major upheaval in programming. CBC also announced it would not apply for TV license in Calgary, 200 miles south of Edmonton and the southern oil industry capital. Hearings there for a new TV outlet are scheduled for May 16. Closing date for applications is Feb. 29.

Board of Broadcast Governors has announced its intention to exercise the right of censorship & alteration of Canadian TV & radio promotion programs (to knock out promotions that create public nuisances & traffic tie-ups such as large crowds directed to areas in search of hidden treasures). Submissions on amendments to regulations will be heard by BBG in Montreal March 7 when 4 applications will also be heard for a French-language channel and 3 applications for an English-language channel (Vol: 16:2 p9). Another amendment to regulations will insert altered requirements to earn the program-approval appelation of "basically Canadian in content & character"—needed to qualify for 55% Canadian content in over-all programming. The new regulation requires films or reproductions to be made by a Canadian citizen, or by a company incorporated under Canadian law and having a majority of Canadian citizens as directors.

National Council of Broadcast Unions has been formed by the Canada-wide Canadian Labor Congress. The Council will co-ordinate the activities of CLC-affiliated unions in the TV, radio and film production industries on labor-management relations and "special problems." The founding unions of the Council: Canadian Council of Authors & Artists, National Assn. of Broadcast Employes & Technicians, International Alliance of Theatrical Stage Employes, and Canadian Wire Service Guild. Other CLC affiliates will be invited to join the Council.

Voice of Democracy winners from all states and D.C. have been announced. Judges in the 13th annual script-writing contest, co-sponsored by NAB & EIA with VFW cooperation, included FCC Chmn. Doerfer, Chmn. Magnuson (D-Wash.) of the Senate Commerce Committee, ABC vp John Daly. The top winner of a $1,500 college scholarship will be announced at an awards luncheon Feb. 24 in Washington's Statler-Hilton Hotel, where Rep. Inouye (D-Hawaii) will be the principal speaker.

New international station (making it the 4th privately operated in the U.S.) has been granted in Dallas to Global Bcstg. Co.(Albert L. Crain & S. Lee Braxton). The grantee proposes to transmit to British Guiana, Columbia, Ecuador, Venezuela, Surinam, Peru, Bolivia & Brazil. The other grants are WRUL Scituate, Mass., KGEI Belmont, Cal. and Crosley's experimental KQ2XAU Cincinnati. These are in addition to the 42 Voice of America transmitters.

WTMJ-TV & WTMJ Milwaukee raised $4,648 for the March of Dimes in January.

Another payola complaint, charging 2 affiliated Midwestern record distributing companies with paying unnamed TV & radio disc jockeys for "exposure" of music, has been filed by FTC. Named in the case—43rd since FTC started its anti-payola drive (Vol. 16:7 p13)—were Garmisa Distributing Co. Inc., 2011 S. Michigan Ave., Chicago; Garmisa Inc. of Wis., 1907 W. Vliet St., Milwaukee; Pres. Leonard Garmisa & vp Edward Yalowitz of both firms, and treas. Myron J. Schulz of the Milwaukee company. Meanwhile 2 affiliated Chicago distributors, cited earlier by FTC for payola, demanded dismissal of the complaint against them. James H. Martin Inc., 2419 S. Michigan Ave.; Music Distributors Inc., 1343 S. Michigan Ave., and sole owner-Pres. James H. Martin said "the alleged practice" isn't deceptive or an unfair method of competition under the Federal Trade Commission Act. In another development, FTC & FCC exchanged letters formalizing a reciprocal arrangement by which FTC staffers will have full access to FCC's own payola investigation files (Vol. 16:6 p3)—and *vice versa*. The liaison agreement provided that information "made available by either agency to the other, and which is not a matter of public record, shall be solely for the internal use of the recipient thereof and shall not be made public without the consent of the agency furnishing the information."

Broadcasting's future was outlined this way by NAB organizational services mgr. Frederick H. Garrigus in a series of "educated guesses" for the Philadelphia chapter of American Women in Radio & TV: (1) "The same wide variety of programming." (2) "A considerably more cautious approach [to actions which might] indicate any moral lapses or downright dishonest action." (3) More "public interest, educational and world affairs programs." (4) Continuing "interest & support" of viewers & listeners. (5) "Considerably fewer commercials of questionable good taste." (6) "A more careful & thoughtful consideration" of meaning of "public interest, convenience and necessity."

"Radio at its best" is provided by Metropolitan's WNEW N.Y., Rep. Lindsay (R-N.Y.) told the House in a speech congratulating the station for winning the 1959 Brotherhood Award of the National Conference of Christians & Jews. He said WNEW "has consistently & conspicuously set the highest standards of morality & decency."

WSPA-TV & WSPA Spartanburg, S.C. simulcast a 30th birthday party for the radio station Feb. 17. The 90-min. show recreated the format of the station's 3-hour debut, with many of the original participants on hand. WSPA was the first AM & FM in South Carolina.

Capital Cities Bcstg. Corp. (formerly Capital Cities TV Corp.) has moved its N.Y. offices to 24 E. 51st St. Capital Cities operates WTEN & radio WROW Albany with satellite WCDC Adams, Mass.; WTVD Durham, N.C.; WPRO-TV & WPRO Providence, R.I.

KNBS-TV (Ch. 22) Walla Walla, Wash. has affiliated with ABC-TV, station gen. mgr. Warren Grey and Robert Coe, ABC-TV station relations dir., have announced. The network's primary affiliates now total 100.

State Bcstg. Assns. are expected to set record attendance with at least 45 of the 48 association heads at NAB's 5th annual conference for the presidents, Feb. 24-25 in Washington's Shoreham Hotel (Vol. 16:7 p8).

WGN Inc. Chicago racked up record TV-radio billings in 1959. WGN-TV business rose 29.1% over the 1958 gross; WGN gained 31.7%. Ward L. Quaal, vp-gen. mgr. of the *Chicago Tribune*-owned outlets, sees record billings for '60.

Advertising

Denials of FTC charges that TV commercials misrepresented Palmolive Rapid Shave cream and Pepsodent toothpaste (Vol. 16:3 p8) were filed formally with the agency last week by Colgate-Palmolive Co., Lever Bros. Co. and their ad agencies. Colgate-Palmolive & Ted Bates, which protested FTC's complaint in newspaper ads last month (Vol. 16:5 p10), said there was no deception in commercials demonstrating a sandpaper-shaving test, that a mock-up was used "because of technical problems in the TV process which made it unfeasible to use sandpaper." Moreover, they said, the commercials had been discontinued. Lever Bros. and Foote, Cone & Belding said the challenged Pepsodent commercials, demonstrating the removal of tobacco stains from teeth, didn't mislead or deceive the public. In any event, the agency added, the commercials were presented "in good faith & with due care, in reliance upon adequate & responsible information with respect thereto." FTC was asked to dismiss both complaints.

Govt. indictments of ad media "might possibly be indictments of the society in which the media are performing," Donald H. McGannon, pres., Westinghouse Bcstg. Co. & chmn., NAB Code Review Board, told the Harvard Business School Club of Pittsburgh. "Is our economy and indeed our whole social system," he asked, "being too largely influenced by 'other forces,' notably the all-seeing eye of government?" Elsewhere on the TV image front, TIO dir. Lou Hausman attempted to define TV's function "in our democratic society." He told the Broadcast Advertising Club of Chicago that "TV's usefulness is its virtually universal acceptance & use." It will, he said, "never completely satisfy every special interest group."

Public relations men should "put themselves on the side of truth" to help ad clients stay out of trouble with FTC, Chmn. Earl W. Kintner told the N.Y. chapter of the Public Relations Society of America. Discussing the "crisis of confidence" brought on by broadcasting's quiz & payola scandals, he said "The public-relations advisor must point out that to so conduct one's business [as] to invite an FTC complaint is a mistake." Kintner called on PRSA members to "use your initiative & creativeness to keep your clients away from the borderline and on the safe side of truthful representations."

Complaints against advertising have risen about 40-fold since the payola disclosures, said *Wall St. Journal* Chmn. Robert M. Feemster last week, accepting the Indianapolis Advertising Club "Torch of Truth" award. However, he said: "The benefits of advertising should not be overlooked at a time when too many of our citizens are exercising panic-button-type alarm over some disclosures which are not typical by any means of the whole industry."

FTC Chmn. Earl W. Kintner, who has galvanized the advertising-policing agency into drives against deceptive TV commercials and payola practices since his promotion to the job last year, has been nominated by President Eisenhower for a full 7-year term starting in Sept. He is now serving out the unexpired term of John Gwynne, who retired.

New Ban TV commercials are being kept under wraps until April 1, when the revised deodorant spots are expected to hit network & spot channels, said Bristol-Myers' agency Ogilvy, Benson & Mather last week. Storyboard revisions of the Greek statue commercials were approved by NAB Code Review Board earlier this month (Vol. 16:5).

Bulova is returning to the radio time-break spots it used more than a decade ago, plus a heavy print-media campaign (magazines, Sunday supplements). The move completes a cycle for the watch firm. In 1949, Bulova cancelled radio spending in major markets, shifted to then-new TV, and virtually created the now-familiar 10-sec. ID spots. As TV grew, spot money was shifted to various types of TV network programming (participations, comedy, etc.). A similar TV-to-radio switch was also made last week by Hamilton Watch Co., at one time a fairly heavy radio user and more recently active seasonally in TV. On April 24, Hamilton will launch a 6-wk., 50-market spot radio drive built around one-min. announcements slotted in good-music programs on 75 AM & FM stations. But there will still be watch-firm footprints in the sands of TV time this season, despite the Bulova-Hamilton fade-out. Timex, which has gained short-term sales spurts as high as 300% in the wake of its jazz & musical specials, plans more of the same, most recently signing a forthcoming circus special on ABC-TV. And such watch concerns as Benrus, Elgin, Gruen, Longines-Wittnauer, Tissot, and the Watchmakers of Switzerland use network and/or spot TV in their current national or dealer co-op ad campaigns.

Pepsi-Cola spot TV is expected to hit $4 million this year, a $500,000 jump over 1959, we're told. The soft-drink firm's overall ad budget will jump to $32 million this year, as compared with $28 million last year. The parent company will continue a down-the-middle, co-op split of the total ad budget with local bottlers. Also stepped up will be network radio spending, expected to hit $1.5 million this year. Kenyon & Eckhardt handles the account for the parent company & local distributors.

Best TV commercials, as singled out by the Hollywood Ad Club in its broadcast producers awards, included, for one-min. live, Bell & Howell (McCann-Erickson, producer Jerry Fairbanks); over one-min. live, Dodge Div., Chrysler Corp. (Grant Advertising, producer ABC); animated one-min., Calo Pet Food, (Foote, Cone & Belding, producer Cascade Pictures of Cal.).

New rep: WANE-TV Fort Wayne to H-R Television Feb. 1 from Petry.

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In Other Media: Newspaper circulation has gained 43% since 1940 compared with a 24% increase in the adult population, reports the American Assn. of Newspaper Reps in a Feb. 6 *Editor & Publisher* article, refuting claims of newspaper atrophy. Other AANR findings: The average of 95 million daily-adult-newspaper-readers in 1956 increased to 102 million in 1958 and to more than 106 million in the first 9 months of last year. From 1957 through 1959's first 10 months, total hours spent reading U.S. dailies increased 20%. From 1956 to 1959, number of adult readers rose 11% vs. the 3% circulation increase.

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Ad People: Walter T. Sattler, ex-BBDO, named Warwick & Legler vp . . . **Dr. Arno H. Johnson**, vp-research dir. of J. Walter Thompson and Advertising Research Foundation chmn., elected a dir., Advertising Federation of America . . . **Russell Eller**, Sunkist Growers' ad mgr., named "Advertising Citizen of 1959" by Western States Advertising Agencies Assn. in Los Angeles . . . **Walter M. Swertfager** resigns as senior vp., Lennen & Newell, after 13 years with the agency . . . **Gerald D. Roscoe**, ex-Bresnick Co., Boston, joins Donahue & Coe as vp & account supervisor.

Television Digest

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Personals: Andre D. Gebstaedt, former ad mgr. of J. Arthur Rank Organization, joins ABC-TV as ad mgr., reporting to ad dir. Dean Linger . . . Robert H. Salk named secy., Corinthian Bcstg. Corp., and continuing as programming dir. . . . Donn Colee, ex-WLOF-TV Orlando, Fla., named gen. mgr. of Metropolitan's WTVH Peoria, Ill.; his wife Lee Colee appointed sales dir. . . . David A. Bader, ex-Atlantic TV, named pres.-managing dir., Durham Telefilms (521 Fifth Ave., N.Y.), a new wholly-owned TV production & distribution subsidiary of Consolidated Durham Mines & Resources of Toronto . . . Ed Benham, chief engineer of KTTV Los Angeles, named SMPTE educational committee chmn.

Arthur Hamilton, station mgr. of radio WRCA N.Y., and Vincent Mitchell, mgr. of NBC-TV advance facility planning, appointed dir. and traffic mgr. of NBC political bcstg. unit, headed by vp William S. Hedges . . . Gus Vanderheyden promoted to local sales mgr. of Notre Dame's WNDU-TV South Bend . . . Jay Hoffer, ex-ABC-TV, named mgr., radio KRAK Stockton-Sacramento, Cal. . . . Martin Mills, ex-Keystone Bcstg. System & Biow Adv., joins Meeker Co. as dir. of research . . . John D. Stebbins, ex-Bolling Co., Chicago, joins Washington office of broker Hamilton-Landis & Associates . . . Basil J. Mezines promoted to asst. to FTC exec. dir. Harry A. Babcock.

Charles E. Tamm, ex-WHYN-TV & WHYN Springfield-Holyoke, Mass., appointed chief engineer, WENH-TV Durham, N.H. . . . Ann Mar, ex-J. Walter Thompson, named national sales coordinator, WBAL-TV Baltimore.

James E. Greeley, Washington TV-radio attorney, and the N.Y. firm of Spear & Hill form Spear, Hill & Greeley, with offices at 60 E. 42nd St., N.Y., and 821 15th St. N.W., Washington. Greeley & Thomas W. Hill Jr. are former members of RCA-NBC counsel Cahill, Gordon, Reindel & Ohl, leaving in 1958. Harvey M. Spear had his own practice before joining Hill. Greeley will continue to concentrate on TV-radio. Much of the Spear & Hill work is among investment bankers & transportation firms, including those controlled by industrialist O. Roy Chalk.

Meetings this week: RTES timebuying-selling seminar (Feb. 23). Dick Clark will speak on the teen-age market. Hotel Lexington, N.Y. . . . Fifth Annual conference of state bcstrs. assns. presidents (24-25), Shoreham, Washington.

Divorce has been granted to Mrs. George B. Storer from the chmn. -pres. of Storer Bcstg. Co., in Wauchula, Fla.

Foreign

Marconi outbid 8 competitors—including 2 unnamed U.S. firms—with a $1.78-million proposal for installing an external radio broadcasting system at Tema, Ghana, according to the Commerce Dept.'s *Foreign Commerce Weekly*. Total cost of the project, scheduled for completion early in 1961, will be 25% under the Ghana govt.'s budget for the project.

Netherlands TV homes now total 16% of households in that country, the U.S. Embassy there reports. Stimulated by a 13% cut by Philips in the price of its sets, sales of receivers last year exceeded 500,000 vs. 391,000 in 1958 and 291,000 in 1957. The Netherlands govt. is negotiating with the Independent TV Exploitation Co. (CTEM) and Netherlands TV Foundation (NTS) to introduce TV commercials.

Ecuador's TV regulations, established by the govt. for all applicants for operations there, provide for U.S. broadcasting standards, facilities of more than 250 watts, employment of at least 75% Ecuadoran personnel, financial guarantees of 50,000 sucres (about $3,000). Licenses will be granted only to Ecuadoran firms, but non-Ecuadorans may participate in them.

Mail-order radio business has reached Kenya, Tanganyika and Uganda, where 12,000 Africans are on the initial mailing list of a new firm set up in Nairobi. It's already "paying good dividends" from mail orders placed from a catalogue (printed in Swahili & English) which lists everything from radio sets to kerosene lamps, according to the Commerce Dept.'s *Foreign Commerce Weekly*.

Australia's commercial TV service is being reviewed for major expansion. The Australian Bcstg. Control Board has begun public hearings on applications for commercial service in the federal capital of Canberra and in 12 provincial areas in 4 states—New South Wales (4), Victoria (4), Queensland (3), Tasmania (1).

ETV in Chile has been started on an experimental basis by universities in Santiago & Valparaiso—but commercial TV development there won't come soon, the USIA reported from Santiago. Few TV sets are available in Chile, and to conserve resources, the govt. isn't issuing import authorizations for commercial equipment or receivers.

Communist bloc broadcasts increased 15% from 2,350 hours weekly in Jan. 1959 to 2,921 at the end of the year, reports USIA. Competing with the Soviet-Sino propaganda on the air, USIA's Voice of America broadcast 609 hours weekly in 37 languages. Biggest 1959 increase in Communist radio output was in the Near East, South Asia and Africa—up 50%.

Ethiopia invites bids until June 9 for the installation of a radio system & the training of personnel. Equipment includes one 50-kw, one 10-kw and 9 one- or 2-kw medium-wave transmitters, antennas, spare parts, etc. Information is available from consulting engineer George P. Adair, 1610 I St. N.W., Washington, D.C.

First privately-owned long-distance microwave for TV in England has been built by Pye Ltd. for commercial programmer ATV. Spanning 135 miles from Birmingham to London, it was designed to enable ATV's London management to watch rehearsals originating in Birmingham and to let London advertisers view programs from Birmingham.

"Dial 999," Scotland Yard mystery series, produced by Towers of London, is now in Paris to be dubbed into French for the CBC French-Canadian network.

Trade Report . . . .

FEBRUARY 22, 1960

ACCLAIM FOR 'MUSIC POWER RATING': One part of EIA's stereo de-confusion drive—a standard measurement of amplifier power—probably will be put to work soon by most or all major package-hi-fi manufacturers. A survey last week showed that those which haven't definitely decided to conform to the new standards are prepared to go along "if the others do."

EIA's "Music Power Rating" (MPR) was approved last Sept. after a committee from all major hi-fi makers agreed on the standard (Vol. 15:39 p15). Its purpose is to make amplifier power-output ad claims of all manufacturers directly comparable—along same lines as auto horsepower ratings. The standards & test techniques have now been circulated to all manufacturers.

Many package-hi-fi makers now use "peak power" ratings in their ad claims. These can be more than twice as high as a measurement of "continuous power." MPR is somewhat greater than continuous power, but considerably lower than peak power. It's roughly defined as maximum power output of an amplifier (within limit of 5% distortion) during first surge of music. Similar measurement has been adopted by Institute of Hi-Fi Mfrs. (and virtually all component hi-fi makers), except that distortion tolerance is much stricter—one-half of one percent—and amount of distortion must be stated in ad claims.

Our survey indicated most manufacturers welcome the new EIA standard and will switch over as soon as possible, or at least by the time 1961 stereo models come out. Some of the important manufacturers (examples: Admiral, RCA) answered equivocally, but are expected to go along. Magnavox officials were unavailable for comment. Here's roundup of responses:

Zenith will go along with MPR "right away," says mktg. exec. vp Leonard C. Truesdell. "This is very similar to the way we've been measuring our power anyway, and we expect to have to change only the rating of one portable model. We will switch to EIA's approved terminology exclusively in our June line."

RCA had no official comment, but informally it was understood that the company expects to adopt the MPR system if majority of other important hi-fi manufacturers do.

Admiral, not a member of EIA but represented on the committee which formulated the MPR standard, says it plans "nothing immediate, pending a study by our sales & advertising departments."

Motorola is "prepared to go all-out" for the MPR standard, consumer products exec. vp Edward R. Taylor said. He praised EIA for "trying to get common understandable terms for the whole industry."

Philco will adopt MPR as soon as possible—in June models or earlier.

Columbia Phonograph dept. is "fully in accord with the standards and will use them in any future advertising which mentions amplifier power," according to vp-gen. mgr. James J. Shallow. He pointed out, however, that Columbia has avoided making any power claims for more than a year because of the confused measurement situation.

Sylvania will incorporate the new standard in advertising "as soon as it is feasible to do so without obsoleting otherwise current material." Sylvania Home Electronics Pres. Robert L. Shaw expressed a common industry fear when he told us: "If all manufacturers don't support the standards, those who do might find themselves at a competitive disadvantage." Sylvania currently uses peak power ratings.

Hoffman and Packard Bell, leading West Coast producers, told us they will adopt the MPR standard.

TV TRENDS—HIGHER PRICES, DEMISE OF 21-in.: What will the "new-model" derby bring this spring & summer? Although designs & policies for "1961" lines are fairly well frozen now, and some spring portable drop-in lines are already in production, manufacturers are understandably reluctant to talk about plans. Informal conversations & public statements, when combined, add up to these trends:

TV set prices will rise—not sharply, but subtly—with most increases concentrated on popular 23-in.

models. First 19-in. sets will appear next month, in portable versions. Later, the increased emphasis on 23-in., together with introduction of 19-in. table model, will spell beginning of end of 8-year reign of 21-in. set.

Nobody wants to be pinned down on pricing, but set makers' formal & informal statements indicate something's got to give—and preparations are being made for increases in general price levels. Examples:

From RCA: "While we have not decided on prices for the new line this year, there is a strong possibility that all prices will be increased somewhat due to rising costs & the need for improved profit margins" at all distribution levels.

From Hoffman: "It appears to us that, based on higher labor costs expected this year, there is a very good chance prices will go higher." (Consumer products vp Ray B. Cox)

From Packard Bell: "Prices are expected to move up because of the rise in costs of tubes & labor, [even though] the industry will try to hold the line." (Home products vp K. R. Johnson)

From Motorola: "We're doing everything possible to maintain the present price level to distributors. We're keeping costs down as much as possible, but we also expect to assure the distributor & dealer a fair profit. We don't look for any major rises."

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First 19-in. square-corner-tube portables are now in production. Although nobody's announcing any dates, it's our educated guess that Admiral will be first to introduce them—next month. Although Admiral officials won't comment, it's good bet the company will use 19-in. tube without bonded-on implosion plate in its portables. These tubes are in quantity production now, while there's only pilot output of bonded tubes.

The 19-in. situation is likely to boil down to this: Portables will use the non-bonded tube, which is almost as cheap & almost as lightweight as the 17-in.; table models will use bonded-shield & non-bonded tubes.

Sylvania probably will be first with a bonded-shield 19-in. table model, possibly in April—although the company will only say "before midyear." Sylvania Home Electronics Pres. Robert L. Shaw told us: "I don't foresee it replacing either the 17-in. portable or the 23-in. table model. The 19-in. table model should replace the 21-in. table model as we know it today and probably will be priced between the 17- & the 21-in."

Who else will have 19-in. sets this spring & summer? Just about everybody—dividing up between bonded-shield & non-bonded approaches.

The 23-in. set will completely steal spotlight from 21-in. this year—except in a couple of lines. Last year's holdouts will swing toward the square-corner approach. Experience with the new shape has been good, by & large, when backed by aggressive campaigns. RCA, for example says "sales indicate the 23-in. will outsell the 21-in. models despite higher prices."

How about completely new TV products this year? Most manufacturers are mum. But don't expect too much that's radical—witness Philco's experience with its now-discontinued separate-screen Predicta.

One exception is the battery portable. You'll probably see a few, and they won't necessarily be Japanese, either (Vol. 16:4 p15). Only manufacturer willing to tip its hand is Emerson, whose long-awaited transistor set turns out to be a 10-in. model (vs. the Japanese 8-in., Philco's 2-in. magnifying-reflex Safari). Pres. Benjamin Abrams told stockholders meeting last week that production will begin in April on the direct-view set, designed to retail at about $250 (competitive with Philco and anticipated Japanese set prices). It will weigh 28 lb. and operate from rechargeable batteries. The 17-in model promised last summer is still in lab.

TV-RADIO PRODUCTION: EIA statistics for week ended Feb. 12 (6th week of 1960):

	Feb. 5-12	Preceding week	1959 week	'60 cumulative	'59 cumulative
TV	129,510	135,438	98,841	789,850	684,516
Total radio	358,817	379,076	211,545	2,090,653	1,693,849
auto radio	141,871	173,361	68,874	947,550	635,052

Fair trade study to determine economic effects of state price-fixing laws on small firms is being undertaken by the Small Business Administration. Plans for the survey, which will cover such factors as profit rates, inventory turnover, etc., in fair-trade & non-fair-trade areas, were outlined at a House Appropriations Subcommittee hearing.

RCA has been awarded a $474,831,000 Air Force contract for work on the Ballistic Missile Early Warning System. RCA has been working on the radar-network project for more than a year and the award, in effect, formalizes & defines the contract. The award to RCA increases the Air Force investment in BMEWS to more than $700 million.

RCA'S HOME-ELECTRONICS PLANS: Despite RCA's increasing emphasis on commercial & industrial electronics (see p. 21), Chmn. David Sarnoff & Pres. John L. Burns last week made it clear that the world's biggest electronics company does not consider consumer electronics a "stepchild" in any sense of the word. In fact, Gen. Sarnoff told a Feb. 17 dinner of the N.Y. Society of Security Analysts, the "earnings crest" of the consumer electronics field is not yet in sight.

U.S. broadcasting & consumer-electronic products together grossed $6 billion last year, he said—more than 40% of the electronics industry's total volume. He predicted a rise to $8 billion by 1965. Last year, he said, RCA's business was 54% entertainment products & services, 46% non-entertainment.

With record sales in 1959 and healthily improved earnings, the impression given by RCA's speakers at the dinner was one of extreme confidence & solidity—marked by their willingness to answer all but the most highly competitive questions frankly & openly.

For example: We asked Pres. Burns, following the meeting, whether RCA had lost its No. 1 standing in TV set sales in 1959. He replied that if color sets were included, RCA was still first, but in b&w sets it was "*comme ci, comme ca*"—meaning presumably that Zenith & RCA were neck & neck. He explained that RCA had lost nearly 2 months last year by being late with new models as a result of the changeover in management of its TV receiver operation.

Other highlights of the RCA presentation to the Security Analysts, at which Burns & other RCA officials answered questions from the audience:

Sarnoff Projects Doubled Color Output

Color TV: This subject drew greatest amount of questioning from the audience of investment specialists. Gen. Sarnoff, in his address, reiterated that RCA earned a profit on color TV sets last year and stated: "It is our present intent to double color-receiver production in 1960." Later, in answer to a question, consumer-products exec. vp P. J. Casella estimated 1960 color set production would be 50-60% higher than 1959, with sales up about 45%. Questioned about the inconsistency between Gen. Sarnoff's & Casella's remarks, Burns replied that it was easier for Gen. Sarnoff or himself to make the higher prediction—because Casella was responsible for production & sales.

Burns said that RCA's manufacturing & broadcasting operations together are not yet realizing a profit from color (due to NBC's absorption of many color telecasting costs), "but this year looks like it will be pretty close to break-even." NBC Pres. Robert W. Sarnoff said more advertisers were insisting on color commercials, but declined to guess when the color "advertising breakthrough" would come—the point where NBC could start charging full premium for color.

Color discussion was concluded when the inevitable question came from the audience: "How many color sets did RCA produce last year and how many will it make this year?" Quipped Burns: "I'm going to let Pat Casella evade that question." He did.

Radio: "We sold more radios last year than any other year since we opened for business," said Sarnoff. Casella filled in the figures for RCA's big 1959 and projected a bigger 1960: The company's radio sales last year were 38% above those of 1958, and 1960 is expected to be 40-42% better than last year.

Foreign competition: "It's formidable in certain areas," said Burns. "But this is the fastest-growing industry and there's room for all. RCA is not concerned at this stage with foreign competition." Echoed group exec. vp W. W. Watts, pointing to RCA's success in the radio & transistor field: "I don't know how we can complain about foreign competition. We welcome it and . . . can compete with it."

Transistors: RCA claimed the No. 1 industry position in entertainment-type transistors and said it was now emphasizing development of transistors in the computer & military fields. Said Watts: "We're doing as well if not better in percentage of the market in the entertainment transistor field than we have traditionally done in the vacuum tube field, in which we are the leader."

Recording tape: RCA has been making tape on an experimental basis for several years, said Burns, and plans to begin commercial manufacture of recording tape—including video tape—in about a year.

Patent practices: Answering a question, Burns conceded that there has been a decline in revenue due to the consent decree which ended RCA's role as official patent-keeper to the industry. There has been "considerable loss" of revenue in the domestic patent field, he said, offset somewhat by "growth in the foreign field." He added that RCA has cut down its patent organization, and no longer offers its lab facilities to the industry at large.

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Emerson's Year: Last year was the 4th in the row during which Emerson showed a marked improvement in sales & profits, Pres. Benjamin Abrams told the stockholders' meeting last week in N.Y. He projected a 20% sales increase for 1960 and said company's 1959 TV sales—50% of which were in the portable category—were 20% higher than 1958. Radio sales were up 18%, Du Mont div. sales up 38%.

He reiterated that both the Emerson & Du Mont lines would feature color sets next fall, but added he didn't expect to realize a profit from color for 2 or 3 years.

Abrams revealed that Emerson's recent settlement of the FM patent suit brought by the widow of Major Edwin H. Armstrong (Vol. 16:6 p21) involves the payment of $475,000 to Mrs. Armstrong over a period of 11 years. He also announced that Emerson would convert its govt. & industrial electronics div. into a new wholly owned subsidiary, possibly eventually seeking some public financing. The division's current backlog is about $20 million. Emerson's reports on battery TV and its Japanese transistor radio imports will be found on pp. 18 & 20.

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Edison radio-amateur award for 1959 will be presented Feb. 25 at a GE-sponsored banquet in Washington's Sheraton-Carlton Hotel to Walter Ermer Sr., 51, who operates W8AEU at his Cleveland home. He was selected from among more than 30 candidates for organizing & directing a 300-member voluntary emergency radio communications corps which served Cleveland on 23 occasions last year in floods, lost-children searches, etc. Judges were FCC Comr. Hyde, Robert Edson of the Red Cross, American Radio Relay League vp E. C. Handy.

Another "loss-leader" bill, amending the Federal Trade Commission Act to prohibit big retailers from putting small competitors out of business by pricing products below cost, has been introduced by Rep. Johnson (D-Md.). His measure (HR-10499) is similar to legislation proposed by House Small Business Committee Chmn. Patman (D-Tex.) and others (Vol. 16:7 p21).

Hoffman Electronics has changed the name of its laboratories div. to military products div.

MORE RADIO IMPORTS: Schism among radio manufacturers on the subject of Japanese imports continues to be as sharp as ever. Among the latest developments: Packard Bell joined the importers in a 10-year deal with a Japanese radio manufacturer, while Admiral came out with a powerful new all-American weapon against imports—a 7-transistor shirt-pocket radio to list at $29.95.

Packard Bell's arrangement provides for initial shipments of 5,000 transistor radios a month, increasing to 15,000 in June. The sets will be sold in the U.S. under the Packard Bell name.

Admiral's new pocket set, with 7 transistors and 2 germanium diodes, will be merchandised as "guaranteed world's most powerful transistor radio for its size" and is the latest move by Admiral to compete with imports in both price & quality. The new set is smaller than the 7-transistor radio introduced by Admiral last fall at $29.95.

Emerson is importing about 15,000 Japanese radios a month for sale under the Jefferson-Travis label, Pres. Benjamin Abrams told the company's stockholders meeting last week in N.Y. "We will increase this figure if demand is good," he said, "or we will decrease it if we find we can produce a similar model at a competitive price."

Japanese radio exports to the U.S. (including some items which were re-shipped to Latin American markets) totaled more than 6 million sets last year, up from 2.5 million in 1958. Of the 1959 exports, nearly 4 million had 3 or more transistors, about 1.6 million were in the "toy" category (one or 2 transistors) and less than 500,000 were tube.

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Red China has begun production of TV sets, according to the New China News Agency, which reported recently that the Shanghai Radio Factory is now producing an 18-tube set. "The TV receiver is of a good appearance, excellent clarity & stability of image and pleasant tone," said the agency. "It can receive programs on 5 frequencies. All its electronic tubes are made in China. The image tubes & crystal tubes [sic] are imported."

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Canadian TV Slips: Canada's TV industry wound up 1959 on the downgrade. Distributor sales to dealers during the year sagged to 405,965 units from 430,980 in the preceding year, reports the EIA of Canada. Paradoxically, 1959-over-1958 sales gains (even if small) were racked up by portables, consoles, 3-way combos. Principal contributor to the overall decline: table TV, which slumped some 25%. Indicative of Canada's more rough than ready TV market, Sylvania Electric Ltd. last year gave up the ghost, dropping TV production in favor of other products because "the outlook for the next 10 years does not indicate a sharp upturn in consumer demand for TV sets" (Vol. 15:45 p20).

The breakdown of total 1959 sales (corresponding 1958 figures in parentheses): portables, 67,979 (65,838); table models, 107,757 (135,739); consoles, 215,872 (215,504); combinations, 14,357 (13,899).

Even more grim was the Dec.-1959 vs. Dec.-1958 performance. All product types except combos ran behind the year-ago pace—and combos just barely made it into the winner's circle. Breakdown of Dec. 1959 vs. Dec. 1958 sales: portables, 4,350 (6,048); table models, 8,852 (13,509); consoles, 17,429 (19,656); combos, 1,577 (1,455).

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RCA Frequency Bureau has moved its N.Y. office to 3 Hanover Sq., N.Y. 4.

82 Million Transistors: Transistor factory sales continued their rapid expansion in 1959. EIA reports that more than 82 million were sold, at a factory value of nearly $113 million. Thus 1959 saw 75% more transistors sold at almost double the value of 1958's output. Transistor production rose from 1.3 million (at $5.1 million) in 1954 to 3.6 million ($12.3 million) in 1955, 12.8 million ($37.4 million in 1956 and 28.7 million ($69.7 million) in 1957.

In addition to the 82 million domestically produced transistors last year, more than 20 million transistors were imported into the U.S. from Japan, all but about 2.4 million of them in end equipment—mostly portable radios. Here are the EIA figures of 1959 & 1958 monthly factory transistor sales:

	1959		1958	
	Units	Dollars	Units	Dollars
January	5,195,317	13,243,224	2,955,247	6,704,383
February	5,393,377	14,550,056	3,106,708	6,806,562
March	6,310,286	18,117,560	2,976,843	6,795,427
April	5,906,736	16,864,049	2,856,234	7,025,547
May	6,358,097	19,007,293	2,999,198	7,250,824
June	6,934,213	18,031,593	3,558,094	8,262,343
July	6,030,265	15,618,315	2,631,894	6,598,762
August	7,129,696	18,054,138	4,226,616	9,975,935
September	8,652,526	20,851,290	5,076,443	10,810,412
October	8,710,913	22,109,748	5,594,856	13,461,857
November	7,846,500	22,742,525	5,440,981	12,441,759
December	7,826,194	22,819,931	5,627,700	16,595,616
TOTALS	82,294,120	$222,009,722	47,050,814	$112,729,427

Trade Personals: Henry C. Gammell named vp & operations mgr., Motorola International S.A. . . . Edward Diamond promoted from secy.-gen. counsel to vp-counsel, Stromberg-Carlson . . . Louis M. Robb, former distributor sales administrator, appointed to new position of mgr. of mkt. development, GE receiving tube dept. . . . Ralph W. Peverley, chemical consultant of investment bankers Carl M. Loeb, Rhoades & Co., elected to board of Audio Devices (records & tape) . . . Charles J. Starner named mgr., high power design projects, RCA best. & TV equipment div.

Robert E. Lewis, Sylvania president, has been elected a trustee of Brooklyn Polytechnic Institute; Terry P. Cunningham named ad production dir., Edward L. Slater, ad dir., Sylvania; Richard C. Tonner appointed product line mgr., germanium drift & power transistors, Sylvania semiconductor div.; Dean M. Unger named product line mgr., germanium mesa transistors, same div. . . . G. Emerson Pray, ex-Dresser Industries, elected Ling-Altec vp for military contracts activities . . . R. V. Meraldi named management engineering mgr., RCA defense electronic products.

Donald S. Parris, dir., electronics div., Business & Defense Services Administration, receives Commerce Dept.'s Meritorious Service Award for "extremely competent performance of official duties for more than 20 years."

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New electronics studies by Defense Dept. specialists include *Development of a Ruggedized Vidicon & Deflection Components* and *Design for Ease of Maintenance, 2nd Symposium on Electronics Maintenance.* They are available from the Office of Technical Services, Business & Defense Service Administration, Commerce Dept., the first (PB 161082) for $1, the other (PB 161107) for $3.50.

New publication devoted to new-product releases: *What's New in Electronics*, bi-monthly, controlled circulation, by Parks Publishing Co., 56 E. Walton Pl., Chicago, beginning March 10.

Harman-Kardon, manufacturer of hi-fi components, is now producing a low-cost FM tuner circuit for TV, radio & phono manufacturers.

Jerrold has reduced the dealer cost of its TV Receptor indoor antenna to $2.40 from $3.97.

Three federal grand juries in Philadelphia are investigating alleged price-fixing, bid-rigging and other anti-trust violations in the electrical equipment industry. Two groups of criminal indictments were handed up last week. The first batch charged the companies with allocating govt. & private business among themselves by deciding which would submit the low bid, and in some cases agreeing to simultaneous price increases. These manufacturers of power switchgear assemblies & circuit breakers used in the generation & transmission of electricity were indicted, along with company officers: GE, Westinghouse, Allis-Chalmers, I-T-E Circuit Breaker, Federal Pacific Electric Co. Second group of indictments charged price-fixing conspiracy in bushings, lightning arrestors, insulators and open-fuse cutouts, all used by electric utilities. Named in these charges were GE, Westinghouse, Lapp Insulator, Ohio Brass Co., McGraw-Edison, H. K. Porter Co., Hubbard & Co., Joslyn Mfg. & Supply Co., Porcelain Insulator Corp., I-T-E Circuit Breaker, A. B. Chance Co., Southern States Equipment Corp.

Transistorized remote-control amplifier for TV sets was announced last week by Admiral and presumably will be incorporated in some of the company's 1961-model sets. The 7-transistor chassis, marking the first extensive use of transistors in TV receivers, replaces the tube-type amplifier now used for wireless remote units in Admiral and other brand sets. Principal advantages: The set is always ready for instantaneous remote operation without the necessity of the operator going near the set (the power for the transistor unit is never turned off; Admiral says it costs only a few cents a year); smaller size; no warm-up period; no heat; longer life. The hand unit is unchanged, using the ultrasonic "tuning-fork" principle.

Admiral has doubled its field merchandising staff in a step-up of marketing operations, reports Admiral Sales Corp. gen. sales mgr. R. J. Bambery. John F. Geisel & Wallace M. Obermoeller have been named field merchandising specialists for major appliances. John F. Daly (ex-Motorola) & William R. Kuzelka (ex-Procter & Gamble) have been appointed for electronic-products merchandising. All report to Chicago-based field merchandising supervisor Larry L. Malin.

Philco International Corp. has acquired a "substantial" minority interest in Mexican manufacturer Cia. Mercantil Internacional, S.A., Mexico City. The Mexican concern produces & sells Bendix washers in Mexico under license from a Swiss subsidiary of Philco. Cia. Mercantil Internacional began distributing Bendix washers in 1940.

Reeves Soundcraft Corp. has purchased the disc-manufacturing facilities & inventories of Siegler's Bogen-Presto div. for an undisclosed cash sum. Reeves exec. vp Frank B. Rogers Jr. said the purchase price would be paid over the next 3 years. He forecast that profits from the acquisition would cover the price. N.Y.-based Reeves produces magnetic recording tape & blank disc records.

GE had record TV sales in January. TV receiver dept. sales mgr. Joseph F. Effinger said the gains were made across the board in all GE markets, attributed the results to "solid merchandising plans for the entire product line."

Sylvania will build a research & development center for electron tubes at Emporium, Pa. The first stage of construction is to be completed this year, the balance by 1963, said Sylvania Electronic Tubes Pres. Matthew Burns.

Hoffman Electronics' TV receiver sales in Jan. were 33% higher than in Jan. 1959.

Finance

SARNOFF SEES $25 BILLION BY 1965: "You ain't seen nothing yet," RCA Chmn. Brig Gen. David Sarnoff figuratively told the N.Y. Society of Security Analysts last week in a bubbling-with-optimism analysis of the electronics industry's growth pattern. Never one to pull his prediction punches, Sarnoff foresaw:

Today's $14-billion electronics industry will grow to a $25-billion annual volume by 1965.

Pacemaker of electronics' expansion will be commercial & industrial business—the "3 Cs" of computers, controls and communications—which will surge 250% to a $7-billion-a-year business from today's $2 billion volume.

Home-entertainment electronics will increase to $8 billion from $6 billion, "with their earnings crest still ahead." (See p. 19 for RCA leaders' analysis of home electronics.)

RCA will parallel industry growth. Its 1959 sales set a record—19% ahead of 1958—and profits rose 30%. Its forecasts for 1960: minimum increases of 10% in earnings, 10%-12% in sales.

Electronic-equipment servicing "is the fastest growing element in the industry. RCA employs almost as many people to service electronic equipment today as it mustered in the entire company before World War II," Sarnoff said.

Electronics' share of the defense budget will increase to more than 20% from 16% today. This represents a dollar volume of some $10 billion.

In charting the scope & nature of electronics growth, Sarnoff noted that RCA was undergoing a "fundamental alteration" in character. "At the decade's start," he said, "we were dominantly an entertainment company, with only 12% of our business in non-entertainment fields. Last year, the proportion was 54% entertainment, 46% non-entertainment; and I expect this corporate mutation to continue on an accelerated basis."

'Money in the Bank' Computer Losses

Reflecting the broadened character of mutated RCA, the corporation is hinging a large part of its future on a heavy investment in the electronic-brain business. Sarnoff told the analysts that the computer business may reach $1 billion this year, and more than double—to $2½ billion—by 1965. "What must be spent, we are spending to establish RCA as a major participant in this still-formative industry," he said, noting significantly that RCA in 1959 "incurred what I call 'money in the bank' losses in data processing, and the losses will continue in 1960." He pointed out that dogged newcomer RCA last week opened an Electronic Systems Center in Wall St., is installing one in Washington, and will add 3 additional data-processing centers for business & industry before year's end.

In an expansive & confident mood, Sarnoff quipped that he was no newcomer to Wall St. He told the Society, meeting in its new quarters at 15 William St., that his own long career in electronics began just a few doors away, at 27 William St., onetime N.Y. office of Marconi Wireless Co.

Asked about his own investment in RCA's future, Sarnoff gave the analysts a "scoop." He had just exercised his option, he said, to purchase 20,000 shares of RCA (at about $50 a share) to increase his holdings to 25,000 shares. (RCA closed Feb. 19 at 64½.)

In the Q-&-A session that followed Sarnoff's address, various RCA executives noted: RCA's investment in data-processing is "tremendous" but still undisclosed; the break-

even point for RCA's burgeoning computer business is 2-4 years; no external financing for RCA's data-processing activities are required now, but outside money may be needed for the long haul.

"RCA is & always has been research-oriented," Sarnoff declared. "And it has not hesitated to blaze the trail with new products & new services. We do not wish to hide or to deny these facts. They account, in the largest measure, for the growth of our business, over the past 40 years, from one million to one-and-a-half billion dollars a year."

Sarnoff supported his point with a preliminary report of RCA's 1959 performance:

	1959	1958
Sales	$1,395,000,000	$1,176,094,398
Net profit	40,100,000	30,941,749
Per common share	2.65	2.01

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Collins Radio has submitted an SEC registration (File 2-16135) for $12 million of convertible subordinated debentures due 1980, to be offered for public sale by underwriters headed by Kidder, Peabody & Co. and White, Weld & Co. Interest & conversion rates, price and underwriting terms are to be supplied by the company in an amendment to the SEC registration. Initially, part of the proceeds would be used to reduce bank loans, including payment of $4.5 million in 5¾% demand notes. Collins said recent expenditures included a $1.6-million investment in Texiacal Inc., a real estate subsidiary, to finance new construction. Recently budgeted was $4.5 million for machine tools & other equipment. Collins Chmn.-Pres. Arthur A. Collins & his family hold 170,000 shares (27.57%) of 1,935,749 common shares outstanding.

Houston Fearless Corp., Los Angeles producer of TV-studio, film-processing, microwave and other equipment, reports completion of negotiations for the acquisition of 2 Cal. concerns: Torrance-based Horkey-Moore Associates, engineering & manufacturing company (1959 sales of nearly $3 million), and Western Surgical Co., Ltd., Los Angeles maker of medical equipment (1959 sales of about $7 million). Houston Fearless Chmn. Noah Dietrich noted that other acquisitions are in "stages of negotiations."

Audio Devices Inc. stockholders have approved the sale of the magnetic-tape maker's silicon rectifier div. to Lark Corp. of Chicago for $425,000. Audio Devices, in a proxy statement, said that the rectifier division formed in 1957 "has incurred losses in its operations since it was created." In the 9 months ended Sept. 30, the rectifier operation lost $425,495; sales totaled $289,453. In the same period, the concern had pre-tax earnings of $360,279 on magnetic-tape sales of $3,855,733.

Keystone Electronics Co. Inc., Newark maker of special-purpose tubes & other electronic components, will offer 200,000 common stock shares for public sale at $3 per share, according to an SEC registration statement (File 2-16115). An underwriting group for the offering (133,334 shares by the company, 66,666 by present holders) is headed by J. A. Winston & Co. Inc. and Netherlands Securities Inc.

Allied Artists Pictures reports a sevenfold increase in net income on a substantial sales rise for 26 weeks ended Dec. 26:

	1959	1958
Gross income	$9,035,088	$7,431,772
Net income	846,000	120,000
Per common share	92¢	11¢
Common shares	893,832	878,256

GE Hits Sales-Profit Peak: GE's 1959 sales & earnings were the best ever, Chmn. Ralph J. Cordiner reported last week. Profits rose 15% over the 1958 level and were 13% ahead of the previous high of $247,851,871 ($2.84 a share) set in 1957. Sales climbed 6% in 1959 over 1958 and edged slightly ahead of the heretofore record volume of $4,335,-664,061 achieved in 1957. Cordiner noted that GE's 1959 earnings-to-sales ratio was 6.4%, a "gratifying" increase over 1958's 5.9% ratio.

Principal contributor to GE's record performance last year was the components & materials group, which accounted for 27% of total sales and showed the greatest increase since 1958 of 4 major product groups. Transistors, other semiconductors, computers and other products of the "newer electronic technologies" were among the products having the fastest rate of growth, Cordiner said. Consumer products accounted for 26% of sales, defense products 25%, electrical apparatus 22%. Preliminary report for the year ended Dec. 31:

	1959	1958
Sales & services	$4,349,508,529	$4,120,769,801
Net income	280,242,123	242,942,533
Per common share	3.19	2.78
Average com. shares	87,925,923	87,515,284

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Crowell-Collier Publishing Co. reports 1960 sales & earnings of its radio & book divs. running well ahead of the 1959 pace. Chmn. Wilton D. Cole estimates that some $2.3 million of Crowell-Collier's $35-million-plus 1959 volume came from profit-making radio KFWB Los Angeles. Radios KDWB Minneapolis-St. Paul and KEWB San Francisco-Oakland showed a combined loss approximating $450,000. Cole said the company may eventually buy TV stations but its current interest is confined to radio. "We intend to expand further through acquisitions of radio stations in major markets when they become available," he said.

Wall Street rumor, neither confirmed nor denied by principals, last week had Glen Alden Corp. merging with NAFI Corp., owner of KCOP Los Angeles, KPTV Portland and radio KXYZ Houston. Glen Alden Chmn.-Pres. A. A. List said his company is discussing merger with 3 manufacturing firms. Glen Alden, one of the nation's top 2 producers of hard coal, also has interests in theater operations, textiles, leather, oil & gas properties and auto parts.

Industro Transistor Corp. reports a net income of $188,131 (35¢ a share) for the 6 months ended Dec. 31. Figures for the same year-ago period are not available.

Reports & comments available: RCA, discussion, A. M. Kidder & Co., 1 Wall St., N.Y. 5, profile in Feb. 15 *Forbes* . . . Magnavox, report, Goodbody & Co., 2 Broadway, N.Y. 4 . . . Allied Radio, review, Woodward-Elwood & Co., 840 Rand Tower, Minneapolis 2 . . . Electronics Industry, report, Merrill Lynch, Pierce, Fenner & Smith, 1422 Chestnut St., Philadelphia 2.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Balto. Radio (WFBR)	Q	$0.10	Mar. 1	Feb. 15
Consol. Electronics	—	.25	Apr. 1	Mar. 15
Famous Players Can.	Q	.37½	Mar. 11	Feb. 24
GE Canada	Q	2.00	Apr. 1	Mar. 15
Hazeltine	Q	.20	Mar. 15	Feb. 29
Meredith Publishing	Q	.45	Mar. 10	Feb. 26
Sprague Electric	Q	.30	Mar. 14	Feb. 29
Thomp.-Ramo-Woold.	Q	.35	Mar. 15	Feb. 29
Time Inc.	—	.75	Mar. 10	Feb. 26

Amphenol-Borg Electronics Corp. scored record sales in 1959 with a 21.6% gain over the 1958 volume. Net income rose 28.4%, making 1959 the company's 2nd-highest profit year, topped only by 1957's income. Chmn. Arthur J. Schmitt noted that 1959 earnings of the components producer would have been higher but for consolidation expenses involving its Broadview, Ill. office-plant & Danbury, Conn. plant. The 1959 plant & equipment spending topped $4.6 million. Schmitt forecast a 15%-20% sales gain in 1960, said earnings will reflect the increased volume, elimination of non-recurring expenses, and the advantages of the concern's new facilities. The 1959 preliminary report consolidates for the first time the earnings of wholly-owned subsidiary Amphenol (Great Britain) Ltd. and the company's equity in the undistributed earnings of a 50% owned affiliate. (The 1958 report is adjusted to reflect the consolidation, for comparative purposes.)

Preliminary report for the year ended Dec. 31:

	1959	1958
Net sales	$56,451,533	$46,430,851
Net income	2,926,605	2,279,434
Per common share	2.50	1.96
Common shares	1,172,044	1,163,210

Arvin Industries reports substantially better sales & earnings for 1959 despite a poorer 4th quarter due to the steel strike. Per-share results for 1958 in the table below have been adjusted to reflect a 25% stock dividend paid last April. Arvin's results for 1959 (fiscal year ended Jan. 3, 1960) vs. 1958 (ended Dec. 28): 1959 1958

Net sales	$66,174,567	$54,015,225
Net income	2,031,058	1,487,878
Per common share	1.80	1.32
Common shares	1,129,709	899,225
For 3 months ended Jan. 3:		
Net sales	$15,571,237	$18,140,207
Net income	344,606	918,341
Per common share	31¢	81¢

Tung-Sol Electric reports record sales in 1959, with earnings slightly higher than 1958. The company explained that earnings didn't match the sales rise because the prices of products did not keep pace with costs, because starting-up expenses on several new products were heavy, and inventories increased due to maintaining production during the steel strike. The preliminary report for the year ended Dec. 31: 1959 1958

Total sales	$72,345,248	$59,809,166
Net income	2,712,552	2,643,842
Per common share	2.70	2.67
Common shares	924,321	896,067

Federal Pacific Electric Co., Newark, N.J. electrical equipment concern which is talking merger with Cornell-Dubilier (Vol. 16:7 p24), posted strong sales & earnings gains in the 6 months ended Dec. 31. (Common shares listed do not include 581,040 shares of Class B common in 1959 & 590,540 shares in 1958 which are not eligible for dividends): 1959 1958

Net sales	$36,931,369	$27,788,192
Net income	2,052,390	1,347,150
Per com. share (after pfd.)	1.39	1.07
Common shares	1,441,534	1,202,379

Gabriel Co. sales increased last year over 1958, while earnings dropped slightly: 1959 1958

Net sales	$28,836,253	$22,825,684
Net income	536,906	545,066
Per com. share (after pfd.)	77¢	80¢
Common shares	675,838	661,038

Skiatron Case Neads End: SEC attorneys put Skiatron Electronics & TV Pres. Arthur Levey & gen. counsel Kurt Widder on the stand last week for prolonged questioning about stock deals, then prepared to wind up hearings on their charges that the company submitted misleading information in an SEC registration statement (Vol. 16:4 p20).

The 3rd week of the proceedings, which could bring an SEC stop order suspending the stock-offering statement, was spent by the SEC lawyers retracing complicated Skiatron Electronics market maneuvers involving Levey and Matthew (Matty) Fox's Skiatron of America—and Widder's part in preparing the allegedly faulty statement.

At the week's end, SEC counsel planned to draft stipulations with Skiatron lawyers which would obviate the necessity for further hearings—or for calling Fox himself as a witness in the complex case. The proceedings will be convened again in Washington Feb. 24 to open the record for any agreements.

In his testimony, Levey told how he loaned 206,000 shares of Skiatron Electronics stock to Fox, sold 130,000 unregistered shares to relatives & friends when Skiatron's pay-TV system was a hot item in industry news 3 years ago—and made another sale of unregistered shares to 2 men identified only as Charles Grande & Jose Miranda. He said he didn't know these 2 buyers.

SEC lawyer Frederick Moss said Fox posted the stock as collateral for loans to promote pay TV, then defaulted on the loans, and that Skiatron Electronics' statement should have disclosed that Skiatron of America had a deficit of nearly $3.3 million.

Moss also said that Levey's stock-buying friends & relatives had resold their shares despite SEC regulations against public distribution of unregistered stock which is sold privately. Levey said he had been given "investment letters" by the buyers indicating intent to keep them, and that he had been unaware they had been sold again.

Before the hearings were recessed Feb. 18, Levey conceded under questioning that Skiatron Electronics lacks funds now to put its pay-TV system in operation. And even if it had enough money on hand, he said, his company would be hard put to overcome what he said was lack of sympathy for the pay-TV idea among members of FCC & Congress. Levey insisted he still had faith in pay TV.

Barnes Engineering Co. more than doubled net income on soaring sales in the 6 months ended Dec. 31 (1958's income excludes non-recurring charges & credits):

	1959	1958
Net sales	$1,928,417	$1,002,992
Net income	151,390	65,245
Per common share	46¢	22¢
Common shares	327,170	299,570

Litton Industries posted strong sales & profit gains in fiscal-1960's first half. The income in the 1959 period includes a special credit of $400,000 (11¢ a share) resulting from beneficial purchase of assets. For 6 months ended Jan. 31: 1960 1959

Sales	$77,400,000	$56,900,000
Net income	3,248,000	2,724,000
Per com. share (after pfd.)	85¢	74¢
Common shares	3,752,848	3,556,142

Western Union's holdings in TelePrompTer Corp. have been increased to 91,026 shares, or more than 20% of the outstanding stock, as a result of the acquisition of 41,026 additional shares by conversion of a $400,000 note.

Metropolitan Bcstg. Corp. reports record sales & profits last year. Included in the report are the operations of WNEW-TV & WNEW N.Y., WTTG Washington and radio WHK Cleveland. Not included are recently-acquired TV outlets WTVH Peoria, KOVR Stockton, Cal., and radio WIP Philadelphia. Still awaiting FCC approval is Metropolitan's purchase of WTVP Decatur, Ill. The report for 12 months to Dec. 31:

	1959	1958
Sales	$16,543,422	$14,427,752
Net income	1,416,108	302,035
Per common share	91¢	20¢
Common shares	1,549,012	1,549,012

Republic Pictures Corp. reports a sharp decline in revenues & income in its 1959 fiscal year (Vol. 16:7 p23). The film concern took a $1,123,216 write-off against profits in 1959, representing all unrecovered advances to other producers, guaranteed bank loans made to producers and unused stories. For the fiscal year ended Oct. 31:

	1959	1958
Gross revenues	$28,250,273	$33,468,482
Net income	884,882	1,482,337
Per com. share (after pfd.)	24¢	54¢
Common shares	2,004,190	2,004,190

Unlisted trading of General Telephone & Electronics, Lear and General Dynamics common stock on the Detroit Stock Exchange has been approved by SEC.

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Ex-MBS head Alexander L. Guterma was sentenced to 4 years & 11 months in prison and $160,000 in fines Feb. 17 by Judge Lloyd F. MacMahon in Federal District Court, N.Y. Guterma was found guilty Jan. 27 of conspiring to defraud the government by willfully failing to file necessary reports with SEC & the N.Y. Stock Exchange (Vol. 16:5 p22). Also sentenced were Robert J. Eveleigh, and Guterma's 2 personal holding companies, Comficor Inc. & Chatham Corp. Eveleigh was sentenced to 2 years & 11 months in prison and fined $10,000. Fines for Chatham & Comficor totalled $130,000. F. L. Jacobs Co., which Guterma controlled when the violations were committed, will be sentenced in 2 weeks. Guterma still faces criminal trial in Washington on a Justice Dept. indictment for failing to register as a foreign agent of the Dominican Republic. In Washington, meanwhile, MBS lawyers negotiated a $12,500 settlement of claims by that country against the radio network in a suit to recover $750,000 paid in Feb. 1959 to Guterma for broadcasts favorable to the Trujillo govt. (Vol. 15:43 p10). In addition to MBS & Guterma, ex-MBS Chmn. Hal Roach Jr. had been named in the Dominican action in Washington's U.S. District Court, but Judge Richmond B. Keech dismissed claims against Roach.

Auxiliary Services

TV Traffic Cop: TV's traffic-monitoring capabilities will be charted in an ambitious $400,000 two-year highway test slated to get underway by early summer on Detroit's heavily congested Lodge Expressway. The test, described as the most extensive attempted anywhere, will use a 14-camera hookup to scan 3½ miles of the midtown expressway and feed the pictures to a control center. The monitor observers, guided by the TV projections of traffic conditions, will push buttons to close entrance ramps, to cut lane speed, to summon emergency aid, and guide traffic past congested areas.

"This will be a full-scale test of TV for both surveillance & traffic control," Detroit streets & traffic dir. Alger F. Malo told us. "In addition, it should provide invaluable data on functional design of highways and driving patterns on expressways."

Import of the Detroit test is its immediacy. Or, as Malo put it, "TV traffic control is a subject on which there has been much conversation & little action. To our knowledge, TV is not now being used for traffic regulation."

Actually, the Detroit project has been a long time developing, too. Tests conducted back in 1955 on the Lodge Expressway "established the feasibility of TV," Malo said, but the $400,000 financing for the proposed research was not forthcoming until last summer. The financing comes from 4 sources: Federal Bureau of Roads, Michigan State Highway Dept., Wayne County (Mich.) Road Commission, the City of Detroit. The project comes under the jurisdiction of the Michigan State Highway Dept., will be administered by a policy committee chaired by dept. traffic engineer Harold Bauerle. The 2-year study will be made on the most congested stretch of the Lodge Expressway, which carries 140,000 cars daily—between 5,000 & 6,000 per hour one way at peak.

Indicative of broad sideline interest in the Detroit project is the action of safety dir. Robert N. Hoffman of the Automobile Club of Philadelphia, who called upon city officials to employ TV to solve local traffic congestion. "If this experiment in Detroit is successful," he emphasized, "it may well be a revolutionary method of avoiding tieups which plague the Schuylkill [and other] expressways."

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Networks

NBC's KTVU BUY, KRON-TV's COMPLAINT. $7.5-million sale provokes bitter protest from KRON-TV, due to lose NBC affiliation. Station intends to "air serious public interest issues" (p. 1).

NBC-TV's SUMMER BONANZA: Minimum of 10 new shows planned to take TV out of summer doldrums (p. 8).

Congress

CELLER BILL TOO TIGHT. FCC says in testimony by gen. counsel FitzGerald at House Subcommittee hearing on govt. conflict-of-interest laws (p. 5).

FCC, FTC ON CARPET AGAIN this week as House Oversighters resume payola probe. They also subpoena records of 6 more Miami disc jockey convention hotels (p. 4).

Film & Tape

NO BREAK IN FILM STRIKE. Encouraged by U-I deal on post-1948s, WGA stiffens opposition; some producers begin to feel script shortage (pp. 4 & 11).

Advertising

COMPACT CAR DERBY: U.S.-made small cars will be backed by $20-million TV ad budget this year. Renault is sole foreign entry spending heavily in TV (pp. 3 & 10).

ABC's SPRING SALES PITCH drops underdog role, flexes sales & programming muscles with big batch of eye-catching statistics (p. 9).

ETV

FEDERAL AID TO ETV REVIVED by House Commerce Subcommittee which permits $52 million bill to go to full Committee for vote. Its fate is uncertain (p. 14).

Manufacturing & Distribution

"SMALL" TV MAKERS—BIG BUSINESS: Our survey finds 1959 sales gains ranging to more than 100%, highly optimistic outlook for 1960 (pp. 15 & 17).

NEW 18-IN. TUBE for battery TV, developed by Kimble, dies a-borning. Most set makers hesitant about heavy expenditures on transistor TV design (p. 16).

Finance

RCA & ADMIRAL REPORT banner years. Admiral doubles profit with a jump to $3-million-plus, hikes sales 17%, readies 19-in. TVs. RCA confirms record sales & $40 million profit (p. 18).

TV-ELECTRONICS FUND net assets climbed to $314 million in fiscal quarter ended Jan. 31; net asset value per share rose 11.5% (p. 19).

Stations

DOERFER RAPS OVERSIGHTERS for legislative proposals on TV-radio program controls, tells NAB state leaders' conference they threaten "grave danger" (p. 7).

REACTION OF FCC-PRODDED UHFs: Turn in unbuilt CPs. FCC clearing uhf band of "deadwood" in anticipation of general allocations moves (p. 3).

Foreign

CASTRO TIGHTENS SCREWS on TV ads, banning foreign-produced commercials. Govt. seizure of Telemundo TV network leaves only 9 of 26 Cuban stations without Castro "intervention" (pp. 2 & 6).

Auxiliary Services

WIRED TOLL TV BEGINS in Toronto suburb, Telemeter claiming 1,000 charter subscribers, 1,500 on waiting list. First week's programs: six 2nd-run movies, one live hockey game (p. 6).

NBC'S KTVU BUY, KRON-TV'S COMPLAINT: NBC bought San Francisco's independent KTVU (Ch. 2) for approximately $7.5 million last week, after considerable on-&-off talk (Vol. 16:1 et seq.), and provoked a bitter blast from KRON-TV (Ch. 4) which will lose NBC-TV affiliation.

KRON-TV Pres. Charles Thieriot served immediate notice of plans to object to the sale, though he didn't specify forums he planned to use. "We are not going to stand still," he said, "and let NBC arbitrarily grab for itself a TV audience that we have built up for them over a period of years. This attempt to do so, in our minds, raises questions of whether any TV station can survive against the economic power in the hands of the networks. These are serious issues, directly affecting the public interest. We believe these issues should be aired, and we intend to take steps to air them." Asked to elaborate, Thieriot stated: "Many things are under study. We will do anything proper to protect our interests. These will be divulged as we progress."

P. A. Sugg, NBC vp for o&o stations & spot sales, responded: "I don't see what he means. If he has built up an audience, I'd assume that he has no problems. I don't know what he's going to air."

Speculation arose immediately as to whether KRON-TV would complain to Justice Dept. on basis of recent consent decree against RCA-NBC (Vol. 15:38 p3). Decree prohibits NBC from acquiring any station by threatening it with loss of NBC affiliation. NBC executives wouldn't comment officially on that point but

they asserted, first, that NBC didn't threaten KRON-TV, and, second, NBC didn't buy KRON-TV. It's thought that KRON-TV may protest sale to FCC on an "economic injury" plea.

In 4-station San Francisco, sale would leave KRON-TV independent, KTVU with NBC, KGO-TV with ABC, KPIX with CBS. KRON-TV's chances of getting network affiliation may be slim—what with KTVU & KGO-TV being network o&o's and KPIX owned by powerful Westinghouse.

KTVU exec. vp-gen. mgr. William D. Pabst assured staff that jobs aren't in jeopardy, that operating conditions will remain same during the 12-18 months expected before final transfer.

Sale was approved by KTVU stockholders Feb. 22. Base price is $6.9 million. Then there are certain variables—about $750,000 for equipment, profits of station before takeover, value of film library, etc. Estimated final total price is around $7.5 million. Unusual angle is that RCA-NBC will make payment in RCA stock at $62.25 per share, regardless of how it fluctuates until sale is consummated.

CASTRO TIGHTENS SCREWS ON TV ADS: New decree by Cuban govt. will have profound effects on American advertisers, agencies & commercial producers doing TV business in Castro's Cuba—a flat ban on all foreign-made TV & motion picture commercials.

In a separate move last week, the Castro govt. took over the 8-station Telemundo network and its affiliated El Mundo newspaper (notwithstanding early news reports to the contrary) as well as the General Motors distributorship and other enterprises in the $40-million business empire controlled by Amadeo Barletta Sr. An Italian citizen, Barletta had taken refuge in the Italian Embassy in Havana at week's end.

Cuban govt. has now seized all or part of 18 of Cuba's 26 TV stations through its Ministry for the Recovery of Stolen Property. The only TV stations now without some govt. "intervention" (ownership) are the Mestre Bros.' 8 outlets in the CMQ-TV network. (For story on seizure of TV station properties in Cuba, see p. 6.)

The new TV-commercial decree, adopted by the Cabinet Feb. 20 but not officially released at press time, means that all filmed commercials must be re-made in Cuba. At least that's the interpretation we're given by TV & ad people with Cuban connections. About 50% of the Cuban TV commercials for U.S.-made items are currently being made outside Cuba.

Cost of re-shooting the commercials is only half of the problem. More serious may be the unavailability of raw film in Cuba. In its strict control over imports and dollar purchases, the Cuban govt. so far has refused to permit import of film rawstock, and supplies are low. Cuba makes no film stock. To import it, a supply of dollars and an import permit are required. Both must be obtained from the National Bank of Cuba. Isn't it logical that the permits & dollars will be granted? We asked that question of a Cuban TV source. The reply: "The govt. isn't always too logical. The situation can become very serious."

There are ample & excellent facilities for making commercials in Havana—biggest being CMQ-TV's complete studio & lab set-up, said to be equal to that of any independent producer in N.Y. There are also 2 major independent commercial producers in Havana.

Castro's TV-commercial import ban isn't unprecedented. Venezuela has similar restrictions, requires that all commercials be shot within the country, using local technicians, announcers & scenery. Mexico permits use of foreign film commercials, but the voices must be those of Mexicans. Cuba's Radio CMQ long has had rule against using foreign-recorded radio ads, and has sought to discourage foreign-made TV commercials. Cuban TV-radio unions have favored a ban to help build up & protect domestic TV-radio-ad industry.

Probably 50% or more of Cuba's TV advertisers are U.S. business firms—and there's plenty of advertising on Cuban TV. Stations there make their money selling spots rather than on program sponsorship. There are 2 to 2½ minutes of spots between programs—usually at least six 20-sec. announcements or three 40-sec. spots. Minute spots are rarely used.

In a related restriction, which will also hit TV, the new Cuban Central Planning Board—empowered to control all private enterprise—has banned the sale of all pharmaceutical products not made or packaged in Cuba. Most U.S. pharmaceutical firms have Cuban subsidiaries and some of them re-package there. Drugs are widely advertised on TV—and spokesmen from drug houses point out it will be difficult to obtain packaging material because of import restrictions.

More restrictions on trade are expected soon from the the Planning Board. Also due momentarily is the new TV-radio law, long under preparation.

$20 MILLION TV STAKES IN COMPACT-CAR DERBY: An estimated $20-million TV budget will backstop Detroit's hottest automotive trend this year: U.S.-made small cars. Huge sum, due to be scattered among all networks plus spot TV, represents about one-third of all U.S. auto money in TV. Anticipated 1960 sales of American compacts: 2 million units, or nearly one out of 3 cars sold.

Leader in 1960 compact sales to date is American Motors' Rambler (TV-sold on NBC-TV's Today, Jack Paar Show and Journey to Understanding), with 35,000 units sold in Jan. Close second is Ford's Falcon (NBC's Startime & Tennesse Ernie Ford) 32,000 units. Chevrolet's Corvair (NBC's Chevy Show, ABC-TV's Pat Boone Show) is third with 19,000. Studebaker's Lark and Chrysler's Dart & Valiant sold less than 10,000 each. Still more compacts are slated for TV-backed 1960 introduction—including Ford's new Comet, Buick's Invader, Dodge's Warrior and an unnamed Oldsmobile entry.

Effect on foreign import models is already being felt, just as we predicted last year (Vol. 15:31 p13). Demand for foreign compacts has leveled off from last year's 600,000 to annual rate of about 500,000 units. More recent figures indicate sales may drop to 480,000, representing 20% decline from 1959.

Nevertheless most foreign compacts continue to ignore TV as major sales weapon. Last year's sales leader Volkswagen, now lagging behind French-made Renault, still steers clear of network TV, but recommends spot as dealer-level medium. Others seldom, if ever, use TV.

Renault is single pro-TV exception among foreign-made compacts—and, significantly, it has overtaken Volkswagen to become top-selling import in U.S. Heavy network & spot TV push has been in action since Kudner Agency took over Renault's broadcast advertising last spring (Vol. 15:35 p12). Details on p. 10.

LEE'S CHANCES LOOK GOOD: FCC Comr. Robert E. Lee's prospects for Senate confirmation seem strong at this time. Senate Commerce Committee hasn't been delaying consideration of other Republican agency members—CAB, FTC, etc.—and there's no indication that Lee is in trouble. Some time ago, there was speculation that the Democratic-controlled Congress might choose to pigeonhole Republican nominees pending Presidential election, in hopes that a Democrat would be elected and substitute member of his own party. But Commerce Committee isn't acting that way.

Committee has been quite impressed with Lee's performance, notably his work on Conelrad and his pro-uhf campaign. Lee is undoubtedly most traveled and best-known personally among all Commissioners—for his Conelrad work has taken him out of Washington more than 225 days in last 2 years, during which he traveled over 50,000 miles. If he has any strong opposition in Senate, it hasn't shown its hand.

Lee's current term expires June 30, and the nomination is for a full 7-year term. He joined FCC Oct. 6, 1953 in a recess appointment (Congress not in session), was confirmed the following January.

REACTION OF THE FCC-PRODDED UHFS: Majority of those uhf grantees jogged by FCC to build or drop their CPs (Vol. 16:8 p2) are likely to simply shrug and turn in their permits. A spot check of grantees & their attorneys last week produced a strong indication that few see any point to spending any money on oral arguments or evidentiary hearings in an attempt to keep the grants—when they can't possibly assert that they'll build in the foreseeable future. A very few may choose to debate a bit with FCC, perhaps arguing the legal point that they're entitled to evidentiary hearing, not merely oral argument.

Reason behind FCC's sudden action, which surprised even its staff, is that it wants to clear decks for whatever general allocations action it may take. The move isn't a forecast of Commission decision, doesn't mean that an all-uhf move has been decided or that plans are afoot to give part of uhf to the military. What Commission wants is to minimize legal & procedural problems in event anything new is done with uhf.

Commission hit only part of the non-operating uhfs last week, hasn't decided what to do with others. It's inclined to be tough with those who never built—the 54 cited—but there's certainly a disposition to take it somewhat easier on those who built, operated, suffered, succumbed. ETV uhf CP-holders are also expected to get gentler treatment.

You may recall that vhfs were given similar FCC treatment dozen years ago, when all telecasting was a losing business and no one could predict when industry would turn a profit. It forced grantees to make up their minds, undoubtedly moved TV ahead by several years, bringing first service to many major markets.

NO BREAK IN FILM STRIKE: No progress whatever was made in Alliance of TV Film Producers-Writers Guild of America negotiations last week, as WGA strike entered its 7th week. WGA, which had been in a conciliatory mood the preceding week, was encouraged by its success in another field—its deal with Universal-International on post-1948 movies. As a result a longer strike was predicted.

U-I deal gives writers 2% of the gross on post-1948s, but allows for 40% distribution costs, which brings writer figure down to 1.2%. Screen Actors Guild, meanwhile, offered a 60-day extension of its contract expiring March 31 to producers outside the Alliance fold. The Alliance had previously accepted the bid.

Some producers are beginning to feel script shortage, but in most instances companies have sufficient stories to finish season. (For details, see p. 11.)

Congress

FCC, FTC ON CARPET AGAIN: The erratic, catch-as-catch-can headline course of House TV-radio industry probers who spent 2 weeks trailing payola into Boston & Cleveland stations (Vol. 16:8 p3), turns back again this week to familiar territory—FCC & FTC.

Chmn. Harris (D-Ark.) of the Commerce Legislative Oversight Subcommitte summoned FCC Chmn. Doerfer to appear March 3 and FTC Chmn. Kintner March 4 to undergo questioning about "their actions & activities up to date" on payola practices.

The Oversighters' agenda after that is uncertain, but the always-tentative schedule of the Subcommittee takes in: (1) More exposes of payola, including goings-on at a Miami Beach disc jockey get-together last May. (2) Any number of related payola-plugola subjects in a 20-point probe outline, covering 27 cities, which Subcommittee counsel Robert W. Lishman drafted last Dec. (Vol. 15:51 p5). (3) Legislative reform proposals, including a year-old omnibus bill (HR-4800) by Harris himself (Vol. 15:8 p3) and Subcommittee recommendations early this month for laws against TV quiz fakery and other misdeeds within the industry (Vol. 16:6 p6).

Surest clue to the priority of proceedings following FCC & FTC sessions probably was provided last week when Subcommitte sources confirmed reports that staffers had been going the Miami resort rounds, passing out subpoenas for records of hotels where jockeys were quartered during the 1959 3-B ("Babes, Booze & Bribes") convention.

Account books of Miami Beach's Americana, convention hq where record firms spent more than $100,000 to keep the jockeys entertained, already were in the Oversighters' record (Vol. 16:7 p6). Added to the subpoena list last week were Miami Beach's Bal Harbour, Shamrock Isle, Singapore, Balmoral and Beau Rivage hotels and Miami's Sir John.

May Call Jack Paar on Plugola

Harris wouldn't indicate what the Subcommittee's timetable might be after this week, however. Nor would he say whether he has definite plans to call ABC-TV's American Bandstand headliner Dick Clark, who is under subpoena and whose name has been cropping up since the start of payola hearings—although not in connection with Miami Beach. Another possibility in the Subcommittee's future book of witnesses: NBC-TV's Jack Paar, who has been an unabashed plugger of unsponsored products on his late-night show. A Subcommittee source confirmed reports that NBC's standards & practices vp James A. Stabile was asked Feb. 17 for a kine of one segment of the Paar show for "a strictly preliminary check."

In other Congressional developments: Rep. Moss (D-Cal.) of the Oversight Subcommittee introduced a bill (HR-10605) requiring TV & radio stations to identify participants in "interview or discussion programs," announce whether the programs have been rehearsed, keep tapes of what they say for at least 90 days so that anybody mentioned on the air can have access to transcripts. Penalty for non-compliance by stations: One-week suspensions of licenses by FCC. Moss said the intent of his measure is to protect "individuals, corporations, companies and other organizations against defamatory or otherwise injurious statements."

Around-the-clock Senate debate on civil rights, scheduled by majority leader Johnson (D-Tex.) to start Feb. 29, made it uncertain that an already-postponed TV industry summit conference with the Senate Commerce Committee would be held March 1, as planned (Vol. 16:8 p4). As of last week's end, Commerce Chmn. Magnuson (D-Wash.) still had the session on his schedule, but all Senate committee meetings probably will have to be called off if Johnson holds the Senate in continuous floor session.

Would Bar Manufacturers From Broadcasting

Rep. Sheppard (D-Cal.) suggested on the House floor (but introduced no bill) that the Communcations Act should be amended to prohibit licensing of any TV or radio station to "any company which directly or indirectly owns, operates or controls, or has 25% or greater interest in, a company manufacturing radio, broadcasting, transmitting or receiving equipment." Sheppard said such an amendment would prevent a manufacturer from putting pressure on a station to buy its equipment under "threat that [the station's] network contract can be canceled."

Reps. Rogers (D-Tex.) & Macdonald (D-Mass.) also had some legislative suggestions. Oversighter Rogers said a new federal anti-bribery law ought to be enacted to prevent payola "deception, deceit and cheating" by record companies & jockeys. Commerce Committee member Macdonald said a 1958 law should be changed to limit low-cost 4th-class postal rates for mailing of educational records to records which really are educational. The cut rates apply now to all phono records, he pointed out.

Sen. Allott (R-Colo.) had some words of caution. Referring to the House payola disclosures, he told the Senate that the public has been "bombarded with a variety of testimony reported in a variety of ways," that in the "wake of this tumult have come suggestions, demands, orders and threats that someone must be made to pay." Allott argued, however, that FCC "is adequately prepared to handle gross misuse of our airwaves" and that the "networks have demonstrated a willingness & ability to properly control their programming." He added: "It is time now for us to pause & see what is being done, not plunge ahead recklessly with legislation."

Celler Bill Too Tight, Says FCC: Conflict-of-interest bills proposed to prevent ex-govt. employes from exploiting their experience for private gain (Vol. 16:8 p4) go too far, FCC gen. counsel John L. FitzGerald testified last week.

Appearing before the House Judiciary Anti-trust Subcommittee at a hearing on a half-dozen clean-govt. measures, FitzGerald singled out provisions in one bill (HR-2156) by Chmn. Celler (D-N.Y.) for particular criticism.

The FCC spokesman said that under Celler's proposals: "Former Comrs., officers and employes of the Commission would be permanently disqualified from ever participating, or aiding or assisting anyone in prosecuting a claim, contract, controversy or other matter in which the U.S. is a party or in which it is directly or indirectly interested concerning which matter they had any responsibility during their federal employment."

FitzGerald also was critical of a section of the Celler measure prohibiting ex-federal employes from doing business with the govt. for 2 years after they leave their govt. jobs. He pointed out the Communications Act now prevents ex-Comrs. from practicing before FCC for one year, but exempts those who have served their full terms of office. This is "as far as any legislative pronouncement of the Congress in this area should go," he said, arguing:

"It must be remembered that the Comrs. & employes of the Commission may have devoted most of the years of their professional experience to this specialized govt. regulatory agency. To prohibit them, after long years of service in the public interest in a highly specialized field, from using that competence for a period of 2 years after leaving such employment, appears to us to be inequitable."

"Why No FCC Code of Ethics?"

FitzGerald was questioned sharply by Rep. Rogers (D-Colo.) & Subcommittee counsel Herbert Maletz about FCC's failure to adopt a code of ethics of its own, as recommended in the Celler unit's 1957 report on the TV industry (Vol. 13:23 p3). FitzGerald said FCC felt that Congress itself should impose any such rules on agencies, that he himself never had read all of the 1957 report.

Meanwhile still another clean-govt. bill (HR-10657) was added to the Celler Subcommittee's portfolio by Rep. Fascell (D-Fla.). A refined version of American Bar Assn. proposals which have been languishing in the Senate Judiciary Administrative Practice & Procedure Subcommittee (Vol. 16:7 p9), Fascell's measure provides criminal penalties for all *ex-parte* approaches to FCC & other regulatory agencies.

Also referred to the House Subcommittee last week was a bill (HR-10575) by Rep. Lindsay (R-N.Y.) carrying out conflict-of-interest recommendations by the Assn. of the Bar of the City of N.Y. following a 2-year study. A companion Senate bill (S-3080) was introduced by Sens. Javits (R-N.Y.), Keating (R-N.Y.) and Proxmire (D-Wis.).

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NARBA & Mexican AM Agreements were finally ratified by the Senate last week, by 76-to-8 vote, after pending 9 & 3 years, respectively. In the floor discussion, Sen. Morse (D-Ore.) said he had requested from the FCC an assurance that it doesn't have "a lack of sympathy with the plight" of daytime stations which are now foreclosed from extending their operating hours. Sen. Magnuson (D-Wash.), chmn. of the Senate Commerce Committee, voted against the treaties because he believes that within 5 years, the life of the treaties, the daytimers' hours could be extended through engineering innovations.

Anti-TV-ratings crusade by Sen. Monroney (D-Okla.), who has been calling for a full-dress Commerce Committee probe of the systems ever since he conducted brief one-man hearings on them in 1958 (Vol. 14:26 p2 et seq.), may be called off. "We may not be able to get to further study of TV ratings for some time," Monroney told the Senate, pointing to the Communications Subcommittee's preoccupation with other problems, such as allocations (Vol. 16:6 p2). And "we may be seeing a break in the clouds of rating-dominated TV" anyway, he added. As industry developments contributing to a "slight ray of light which could mean a new dawn," Monroney cited: (1) "Independence of ratings suggested by recent announcements of varied TV public service programs scheduled in prime time by the networks." (2) Abandonment by Trendex of "top 10" program listings "to introduce sanity to the business of evaluating the TV audience" through its "Dimensionized TV Audience Report." Monroney commented: "It has been my contention for some time that the ratings we have known in the past didn't make sense. We shall see if the new ones have a sane contribution to make."

The FCC

No improper influence was brought to bear on FCC members in the St. Louis-Springfield deintermixture case, KTVI (Ch. 2) St. Louis asserted last week in its brief on the case (Vol. 16:8 p4). KTVI, which was given authority to operate on Ch. 2 after the channel was shifted from St. Louis, told the Commission: "During the pendency of the proceeding, [KTVI, through Pres.] Harry Tenenbaum, made *ex-parte* approaches & presentations to the members of the Commission for the purpose of influencing them to amend the notice of proposed rule-making by including the shift of Ch. 36 from St. Louis to Springfield as a subject to be considered in the proceeding. Following such *ex-parte* approaches, the Commission on Oct. 12, 1956, issued an amended notice of rule-making inviting comments on a proposal to assign Ch. 36 to Springfield by deleting it from St. Louis. The *ex-parte* approaches & presentations made by [KTVI] to enlarge the rule-making proceedings were not improper & did not deprive interested parties of the opportunity to file comments in support of or in opposition to the proposal." The brief of Sangamon Valley TV Corp., one-time applicant for Ch. 2 in Springfield, argued that KTVI should be disqualified for its approaches to Commissioners and that the FCC should void the rule-making decision which shifted Ch. 2 from Springfield to St. Louis. AB-PT and uhf WICS Springfield asserted that the status quo should be maintained because nothing in the record "taints, vitiates or voids" the FCC's original decision.

Sale of KEYC-TV Mankato, Minn. to KEYC-Lee TV Inc. has been approved by the FCC. Two-States TV Co. Inc., 60% owned by KNUJ Inc., transferred the CP to KNUJ Inc. for cancellation of $40,000 indebtedness. KNUJ in turn assigned the CP to KEYC-Lee TV Inc., 70% owned by Lee Radio Inc. (KGLO-TV & KGLO Mason City, Ia.), for 10% of the stock in the new company. KEYC-Lee also got option to buy the transmitter site for $6,600.

Fight over 770 kc produced an unusual tactic last week when radio KOB Albuquerque filed an application in N.Y., asking that it be considered competitively with the renewal of ABC's WABC. Both stations operate on 770 kc. KOB's N.Y. application proposed nighttime directional operation to protect KOB. WABC hasn't proposed a DA; its license expires June 1.

Foreign

More about

CUBAN TV SEIZURE: Castro's internment of the Amadeo Barletta TV-radio-newspaper-commercial properties (see p. 2) is one of the most serious moves made against businessmen by the Cuban revolutionary govt. Italian citizen Barletta heads an empire which includes the General Motors distributorship, an automobile assembly plant and a pharmaceutical importing business, in addition to his TV-radio & newspaper properties.

All of Barletta's businesses, including his key station CMAB-TV (Ch. 2) Havana with its Telemundo network of 6 satellites and his 2nd Havana station CMTV (Ch. 10) are now being operated by a govt. "interventor" pending a closed-door hearing. Despite fact that Barletta's newspaper *El Mundo* was not regarded as pro-Batista, the official charge against him is "illegal enrichment at the expense of the national patrimony and in connivance with high figures of tyranny." The govt. said Barletta's properties were taken over to determine if they were acquired with official protection at govt. expense during the Batista regime.

Barletta is a one-time Italian consul general in Havana, and the Italian govt. has stated that it will fight the confiscation action. The homes owned by Barletta and his daughter were also seized by the Cuban govt. Amadeo Barletta Jr., a U.S. citizen, co-owner of the Barletta properties (which also include Ambar Motors, GM importer, an auto & truck assembly plant and a pharmaceutical importer), is reported "safe" and presumably is in the U.S., although his interests in the properties have also been taken over.

Telemundo spokesmen told us that they believe govt. will assume all obligations of the stations and will fulfill all contracts. Sources close to Barletta called the charges "trumped up" and expressed doubt that his properties will be returned.

25% Stock in CMBF Network Seized

The govt. has taken over 25% ownership of another Cuban network—CMBF-TV Cadena Nacional, with 7 satellites and 2 Havana outlets, CMBF-TV (Ch. 4) & CMBA-TV (Ch. 7). However, it is said to be exercising no control, after seizing the stock owned by Alberto Vadia, who has left the country. The govt. has indicated no suspicion of the other owners of the CMBF-TV network—RCA distributors Julian Lastra & Miguel Humara (50%) and the Mestre interests (25%), which also own the CMQ-TV network.

First TV station to be impounded by the govt. was Gaspar Pumarejo's CMBJ-TV (Ch. 12), founded as an all-color station, and said to have been financed by Batista henchmen. Pumarejo currently is in Puerto Rico, where he is serving as an independent program producer with WAPA-TV San Juan.

CMQ-TV network, headed by Goar Mestre, is the only TV station entity which remains completely privately owned. Its key station, CMQ-TV (Ch. 6) Havana, feeds a network of 7 interconnected stations. CMQ-TV seems to be Castro's favorite station; he often uses its facilities—instead of those of the govt.-owned station—for his telecasts, and its weekly *Meet the Press* is must viewing for all up-to-date revolutionaries. Castro himself often appears on the show.

Auxiliary Services

WIRED TOLL-TV BEGINS: With appropriate hoopla, the first regular (non-experimental) wired pay-as-you-see TV system went into operation Feb. 26 in suburban Toronto,offering about 1,000 subscribers 6 movies (but no first runs) and one live hockey game as the first week's toll programming.

Trans-Canada Telemeter, div. of Famous Players, the Canadian wing of Paramount Pictures, began its closed-circuitcasts to homes in Etobicoke, Ont. Telemeter claims that 1,500 homes are on the waiting list for installation, in addition to the initial 1,000 homes with Telemeter coin-box attachments already installed on their TV sets. About 300 new installations are being made each week. A Telemeter spokesman declined to estimate the break-even point in number of installations, but suggested that it may be somewhere between 3,500 & 5,000 homes.

Each Telemeter subscriber can tune 3 wired channels (Ch. A, B & C) in addition to the local on-air TV channels. Programming announced to date consists mainly of movies now running at Famous Players' neighborhood houses—at the same price as a single admission ($1)—but no first-runs. First week's movies (their distributors in parentheses): "Journey to the Center of the Earth" (20th-Fox), "Nun's Story" (Warners), "7th Voyage of Sinbad" (Columbia), "Career" (Paramount), "FBI Story" (Warners), "Big Circus" (Allied Artists). Only non-film attraction scheduled this week is live telecast of Toronto-N.Y. hockey game from New York's Madison Square Garden (at $1.50).

Pictures announced as future attractions are "Cash McCall" (Warners), "Gigi" (MGM), "Room at the Top" (Continental Distributors), "Wreck of the Mary Deare" (MGM), "5 Pennies" (Paramount), "From Here to Eternity" (Columbia), "North by Northwest" (MGM), "Rio Bravo" (Warners), "They Came to Cordura" (Columbia), "Have Rocket—Will Travel" (Columbia), "Shaggy Dog" (Disney-Buena Vista).

Installation of the Telemeter coinbox costs $5, and there is no minimum viewing requirement—although a company spokesman did say the box would be removed if a family did no pay-TV viewing at all.

Paramount Pres. Barney Balaban, in Toronto for the Telemeter opening, told newsmen that the company's 2nd wired toll-TV installation will be in "the greater N.Y. area later this year."

Paramount's International Telemeter announced this week that it had achieved "a significant breakthrough in the economics of closed-circuit TV" in the Canadian system. New distribution equipment uses specially developed high-level voltage amplifiers which reduce the number of amplifier positions required by a ratio of about 14-to-1—meaning a saving of about 50% in maintenance costs. The production model amplifiers were developed & designed by Jerrold Electronics from Telemeter's specifications.

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Microwave serving CATV operated by Helena TV Inc., Helena, Mont., remains suspended following a decision announced by the Court of Appeals. The FCC had ordered the microwave, operated by James G. Edmiston, to quit feeding signals of Spokane stations pending a hearing on the protest made by KXLJ-TV Helena. The Court said that the Commission's action was within its "statutory authority & discretion."

Stations

DOERFER RAPS OVERSIGHTERS: FCC Chmn. Doerfer, who has a date—probably strenuous—with the House Commerce Legislative Oversight Committee this week (see p. 4), accused it last week of posing "definite threats to the American concept of freedom of expression."

In a slashing attack on some of the Subcommittee's legislative recommendations to reform broadcasting practices exposed by TV quiz scandals (Vol. 16:6 p1), Doerfer told NAB's 5th conference of presidents of state bcstg. assns. in Washington that "grave danger" to TV & radio lurks in proposals that FCC:

(1) Devise "various conceptions of program balance."

(2) Determine "character of individual or a series of programs (other than those which violate specific laws)."

(3) Conduct "public hearings in the community in which a station is located before the issuance of any broadcast license or renewal thereof."

(4) Monitor "programs to the extent necessary to determine whether the program balance is in the public interest."

(5) Arrange hearings "in the case of a sale, transfer, or assignment of broadcast facilities which are proposed within the period of 3 years after issuance of a license."

Doerfer said these and other plans advanced by critics of the industry to give govt. more control over broadcasting lead toward a "paralyzing evil—and that is govt. paternalism, then bureaucracy and ultimately the autocracy of a benevolent despot or irascible dictator."

Approves Penalties for Quiz Rigging, Payola

The FCC chairman endorsed parts of the Oversight Subcommittee's quiz-investigation report, however. He said he approved recommendations for legislation to make quiz-rigging & payola criminal offenses. He also favored a Communications Act amendment permitting FCC to invoke less-than-revocation sanctions on offending stations.

But he wound up his speech to the state broadcasting leaders this way:

"I respectfully submit that some of the recent proposals of the Subcommittee on Legislative Oversight, with respect to extensive program monitoring to determine balance in the public interest, are definite threats to the American concept of freedom of expression for mass media of communication.

"You should assume the duty to study the full implications of having a govt. agency monitor broadcast stations to determine program balance—a vague & indefinable concept at best.

"Congress & the people should be alerted to the dangers of creating a modern Pied Piper. He may lead broadcasting—one of the most powerful media of mass communication—down a road from which there is no return."

Similar warnings were sounded earlier at the 2-day conference—attended by representatives of 46 of 48 active regional broadcasting groups—by NAB Pres. Harold E. Fellows.

In a keynote speech, Fellows said that demands for strict govt. supervision of programming raise the specter of a "Joseph Goebbels standing before a microphone in Nazi Germany and warping the minds & emotions of millions of people."

At the same time, Fellows said, broadcasters must push on with "sincere desire" to rid the industry of abuses by more rigid self-regulation.

He urged a united front "in opposition to the temptation to control programs, to conduct a continuing & aggressive educational campaign to inform the members of Congress about broadcasting—and, most important of all, to so conduct our own affairs that we can speak always with pride & never with shame in defense of our own actions."

In NAB staff reports to the state presidents:

Vincent T. Wasilewski, govt. relations mgr., said that "in many areas of govt. there is a distinct feeling that the industry is not going to regulate itself and laws will have to be passed to do it."

Thad H. Brown Jr., TV vp, said "we are in very turbulent seas," urged participants in the conference to go back to their home localities and spread the alarm.

Douglas A. Anello, chief counsel, said the industry is in sympathy with all efforts to wipe out payola practices, although he criticized as too vague FCC's proposals to make payola a federal crime (Vol. 16:7 p7).

Oppose Program Control, Support Self-Regulation

The state presidents responded by voting unanimously for a resolution which: (1) Opposed "any action which would result in supervision or control by govt. of radio or TV programming." (2) Pledged "full support & assistance to the self-regulatory efforts of the broadcasting industry." (3) Urged "all broadcasters to support these efforts through the Radio Standards of Good Practice and the TV Code of the NAB."

The tight conference schedule included the Voice of Democracy awards luncheon (see p. 8), activities reports by a half-dozen state leaders, a briefing on the national defense emergency broadcast system by OCDM & other govt. officials, a wind-up roundtable caucus moderated by Pres. Fellows.

The final shop-talk discussion ranged over such subjects as promotional use of special license plates on station-owned automobiles, how to arrange effective lobbying dinners for members of state legislatures, intricacies of ASCAP contracts—and NAB's Codes.

Liveliest exchange at the roundtable session came when secy.-treas. Dale Moore of the Mont. Bcstrs. Assn. remarked that his radio KCAP Helena didn't subscribe to NAB's Code because its restrictions on frequency of commercials didn't suit his station's needs. Fellows chided him, then launched into an attack on Code hold-outs generally. He got a burst of applause.

Just before they went home from this hair-down session, the conference delegates passed a resolution recommending that all state assn. station members "require" advertisers & agencies to stipulate in air-time contracts that their commercials comply with NAB's TV and/or Radio Code standards.

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New industry-image campaign has been suggested to TV & radio stations by RTES Pres. Frank Pellegrin. In brief, the plan urges stations to: (1) Use their own station breaks, 10-20 a day, for brief messages on what the station has done during the past year in public service area. (2) Have each station staff member write a series of 5-sec. messages plugging the station's public-affairs accomplishments. (3) Exchange messages with other stations. First to apply a similar policy is WJXT Jacksonville, Fla., CBS affiliate, which has published a 12-page booklet describing its 444 hours of public-affairs programming during 1958.

"Operation Alert," the annual civil defense exercise, kicks off with a Conelrad drill May 3, 2-2:30 p.m.

Santa Fe Ch. 11 applicant, Santa Fe Telecasting Co., aroused FCC's suspicions about the amount of work it has done in preparing its application, so the Commission is asking it "to furnish further information with respect to operating cost estimates & determination of local programming needs because proposed programming schedule & policy are virtually identical with those of other pending applications mentioning the same supplier of equipment." The transmitter maker is Electron Corp., Dallas, itself an applicant in several markets. All the applications have the same program policies & weekly schedules, word-for-word. The Santa Fe applicant proposed to operate 70 hours weekly, 43% live, with a staff of 12—at $65,000 a year. FCC is eager to learn how this can be done. Among other applications also to be questioned are those in Grand Island, Neb.; Alamosa, Colo.; Reno, Nev.; Missoula, Mont.; Douglas, Ariz.

Voice of Democracy Contest, sponsored by EIA, NAB & VFW, was climaxed Feb. 24 with the big annual luncheon in Washington and announcement of the top winner—Richard J. (Rick) Smith, 16, the son of an Albuquerque FBI agent. The contest was one of the most successful of the 13 to date, according to the sponsors. It attracted more than 250,000 contestants, and more than 100 Congressmen attended the luncheon. EIA & NAB put up $10,000 each for the contest—plus many man-months of staff work—while members of the VFW and state broadcasting associations contributed time at the local level. The 3 finalists, in addition to winner Smith, were: Mike Phillips, Burlington, Ia.; John W. Forssen, Munsonville, N.H.; Philip J. Smith, Cordova, Alaska.

TvB's guide to research services—who they are, what they do, & how they do it—has been prepared as a 62-page booklet for members. Covering ARB, Nielsen, Pulse, Trendex, Videodex, the study also summarizes the monthly scheduling of local market reports in important TV areas, provides a glossary of terms like "audience flow" and "quota sample," and gives a thumbnail summary of firms specializing in qualitative TV research. The study, incidentally, was largely inspired by our "Background" chart on rating services (Vol. 15:22 p12), said a TvB official.

Seal of Approval for TV weathercasting, recently awarded to WSFA-TV Montgomery, Ala. by the American Meteorological Society, is one of 15 which have been granted to stations by the Society's TV-radio weathercasting board. Primary requirement is that the station weathercaster be an AMS professional member. The Society's criteria for seal awards: technical excellence of the meteorological data, ability of the TV weathercaster to maintain viewer interest, educational value of the TV program, maintenance of a professional attitude by the TV weathercaster.

AP Radio & TV Assn.'s study of the AP national broadcast wire, due for completion in Sept., will be headed by F. O. Carver Jr., news dir. of WSJS-TV Winston-Salem, N.C. Subcommittee heads are Bill Garry, WBBM-TV Chicago, general news; John Wilson, KNON-TV San Antonio, sports; Jack Wagner, radio KNBC San Francisco, features.

RCA TV tape recorder shipments: Single monochrome units went last week to WFIL-TV Philadelphia, KFSD-TV San Diego, KRGV-TV Weslaco, and WCHS-TV Charleston, W.Va. Two went to Cadete-TV, Buenos Aires, 3 to Reeves Sound Studios, N.Y., and one color unit to NBC-TV, Burbank, Cal.

Networks

NBC-TV'S SUMMER BONANZA: In an attempt to take TV out of the rut of summer film re-runs, NBC-TV will have at least 10 new series on the air this summer. The disclosure of the network's plans was made by David Levy, one of a group of panelists discussing "how are we to improve the quality of TV" at a Hollywood meeting of the Academy of Television Arts & Sciences last week.

Levy mentioned it only briefly, and when we asked him for details he replied that all of the summer projects haven't been finalized but 2 of the shows will be 30-min. film series which will be summer replacements for the *Perry Como Show*; Robert Stevens will produce a live dramatic series; Robert Alan Aurthur may produce a 60-min. dramatic series. Of the 10 new series, half will be live, half film. The Brewery Foundation will also sponsor a special this summer on NBC-TV.

The panelists—Levy, ex-JWT vp Cornwell Jackson, UCLA professor Dr. Abraham Kaplan, producer Fletcher Markle and writer David Swift—often digressed from the subject and discussed such varied matters as ratings, sponsor pressure and the agency role in TV.

Swift said many in TV are imitative and complacent, and that quality can't be found with a 3-day shooting schedule. Added Swift: "TV is not the medium of creative people. It's the advertisers' medium and they allow us on TV. Once we realize that we'll be better off."

Jackson defended the agency men, saying they are creative and they make a real contribution by intelligently funneling client restrictions—passing valid ones on to the producer, fighting against those they feel are unwarranted.

Levy blasted TV critics, saying they fail to look at the whole day's programming, but judge TV only by what is seen regularly on prime time hours. "Many of the most eloquent critics of TV are not watching TV—they are too busy writing about it," he said caustically.

Levy said complete artistic freedom has been given by NBC-TV to series such as *Project 20* and *Sunday Showcase* and to such creators as Stevens, Aurthur, Budd Schulberg, Reginald Rose. He said there is a growing trend to resist sponsor pressure.

In an attempt to improve the quality of TV, NBC-TV initiated *Sunday Showcase* and "virtually gave it away," when it could have sold that prime Sun.-night time for 2 half-hour Westerns, Levy declared. "Each show literally costs a fortune," he remarked.

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NBC's Cleanup Report: Post-quiz-scandal steps designed "to meet the challenge to the integrity of broadcasting" were outlined last week in a letter sent by NBC Chmn. Robert W. Sarnoff and Pres. Robert E. Kintner to ad agencies and network clients. "Industry self-regulation can work and is working," stated the letter.

For those who have followed NBC's cleanup progress closely (Vol. 16:7 p6), there was little in the way of news. The joint letter reviewed: (1) NBC's policy of keeping advertisers advised of statements to the Harris subcommittee. (2) The network's moves to block "opportunities for quiz-show deception." (3) The creation & function of NBC's dept. of standards & practices. (4) Tightened regulations on such commercial areas as "warranties on the authenticity of demonstrations." (5) Program restrictions on "unethical practices." (6) Anti-payola measures on record shows. (7) Support by NBC of NAB's TV Code. (8) Cooperation with outside agencies.

Prof. Treyz' Chemistry Class: Coffee, Danish pastry and well-buttered statistics were served to N.Y. admen Feb. 24 by ABC-TV. The occasion: The network's latest springtime sales pitch to major ad agencies, currently billed as "The Chemistry of Successful Selling."

The presentation, lavishly staged with a 5-screen Cellomatic presentation narrated by sales development dir. Bert Briller & TV sales dept. mgr. Henry W. Levinson, was notably different from past ABC-TV presentations. No longer was ABC-TV playing the homey part of the keep-your-eye-on-us underdog; this time, ABC was playing the slightly smug role of a network that's been giving the others a hard time in everything from ratings to sales, and is defying anyone to knock it off its perch.

Statistics as given by ABC-TV: In the 61 markets where there are 87% of U.S. TV homes and equal 3-network competition, ABC-TV has a Nielsen-estimated Dec. 1959 audience share of 34.9% vs. CBS's 33.4 and NBC's 31.7; ABC-TV's nighttime national cost-per-1,000 in peak hours is $2.88 as against $3.13 for CBS and $4.15 for NBC; ABC-TV's daytime programming has increased its audience share 87% in just 15 months.

Several new shows slotted in ABC's fall lineup were given quick previews (although only such minor-league show talent as Johnny Carson and Pat Buttram actually made personal appearances at the N.Y. presentation). Most of them—*Naked City, The Islanders, The Flagstones, Stagecoach West, Bugs Bunny, For Men Only, Guestward Ho!, Harrigan & Son*—have already been presented to N.Y. agencies on a more informal preview level (Vol. 16:7 pp. 14 & 15) as potential fall buys.

AB-PT Pres. Leonard H. Goldenson and ABC-TV Pres. Oliver Treyz hosted.

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1959 Ad Volume Up 9%: Reflecting strong gains by all major media but network radio & outdoor, the 1959 national ad volume rose 9% above the 1958 level, according to final *Printers' Ink* tabulations released last week. (For preliminary estimates, see Vol. 16:5 p.10.) Total magazines paced the gains, up 12%. Network TV notched the 2nd-best performance with an 11% increase. Following were business papers (7%), newspapers (6%). Best 1959 performance among all media categories: general monthly magazines, ahead 18%. Poorest performance: network radio, down 14%. For the month of December, national ad volume also gained 9%. Top gains were recorded by newspapers (14%), magazines (12%), network TV (9%). Network radio tumbled 11% in Dec. from Dec. 1958.

Medium	Index Dec. 1959	Index Dec. 1958	% Change from 1 month ago	% Change from 1 year ago	% Cumulative change
General Index	230	211	+ 3	+ 9	+ 9
Total Magazines	180	161	− 2	+12	+12
Weekly	193	182	− 2	+ 6	+11
Women's	141	114	− 1	+24	+11
General Monthly	235	198	0	+19	+18
Farm	91	95	−25	− 4	+ 4
Newspapers	206	181	+23	+14	+ 6
Network Television	487	447	− 1	+ 9	+11
Network Radio	25	28	+19	−11	−14
Business Papers	235	218	− 4	+ 8	+ 7
Outdoor	121	145	−23	−16	− 3

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-49 execpt for the TV base which covers the years 1950-52. "Cumulative change" in the last column refers to the change from the same period last year of the index average from Jan. through Dec. 1959.

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Russia has refused entry to CBS's Larry LeSueur, who was slated to re-open the network's Moscow news bureau. CBS was booted out of Russia in 1958, after its telecast of *Playhouse 90*'s "The Plot to Kill Stalin."

Sales Gold Medal for CBS: What started out as a public-service gesture by CBS-TV may yet wind up with a modest profit, thanks to a sudden burst of both sponsor & audience interest in CBS coverage of the Winter Olympics.

Out-of-pocket costs to CBS News for the 10-day event are estimated at $500,000. Renault (see p. 10) is the only CBS-TV network customer, with a one-fourth sponsorship at $440,000 (due to be reduced considerably because of favorable discounts), but the Olympics package has also been carved up into a number of important regional buys. A few: Schlitz Brewing bought part of the Sunday shows for a sizable (over 100) station list; Union Oil bought a 25% slice of the total events for 22 West Coast stations; Liggett & Myers bought several stations on a market-by-market basis. The sales total "should pass the break-even."

Audiences have also been attracted in growing amounts. Multi-city Arbitron figures credit CBS with a 32.7 share for the Feb. 18 opening day, shares of 47.5 and 40.7 for Feb. 20, and an eye-opening 52.3 on Feb. 21.

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TV-radio rights for the World Series & All-Star games have been extended for 5 years in a $20-million deal signed last week by Baseball Comr. Ford Frick and NBC & sponsor Gillette. The new pact runs through 1966, increases baseball's yearly take by $500,000. The current pact runs out in 1961. "My primary reason for making the extension agreement at this time," Frick explained, "is to assure the availability of sufficient funds for the future financing of the major league baseball players' benefit plan." The new deal increases the annual fee to $3,750,000 from $3,250,000, provides an additional $250,000 for a 2nd All-Star game, gives baseball the right to cancel or renegotiate should a 3rd major league become eligible to participate in the World Series during life of contract. The players' pension fund receives 60% of the revenue.

One of TV film's richest deals was the one which wooed *Alfred Hitchcock Presents* from CBS-TV. The 2-year contract calls for a production outlay of approximately $5 million for 78 episodes Hitchcock will make for NBC-TV.

NETWORK SALES ACTIVITY

ABC-TV

Daytime programming, eighteen 15-min. segs. over 13 wks. starting March 8.
Knomark Mfg. (Mogul, Williams & Saylor)

CBS-TV

The Texan, Mon., 8-8:30 p.m., alt. wk. sponsorship eff. April 4.
Allstate Insurance Co. (Leo Burnett)

As the World Turns, Mon.-Fri., 1:30-2 p.m., & **Edge of Night,** Mon.-Fri., 4:30-5 p.m., alt. wk. 15-min. segs.
Helene Curtis Industries (Edward H. Weiss)

Douglas Edwards with the News, Mon.-Fri., 7:15-7:30 p.m., alt. wk. 15-min. segs. eff. April 13.
Philip Morris (Benton & Bowles)

Captain Kangaroo, Mon.-Fri., 8:15-9 a.m., alt. wk. 15-min. segs. eff. May 11.
North Woods Coffee Co. (Clinton E. Frank)

NBC-TV

Play Your Hunch, Mon.-Fri., 10:30-11 a.m., 5 wkly. 15-min. segs. over 52 wks.
Colgate-Palmolive (various)

Advertising

More about

RENAULT HOLDS ITS OWN: "If we're going to sell in the American market, we must advertise in the American manner." That's the Renault philosophy as summed up to us by its U.S. ad. mgr., Ethel Norling. Renault's U.S.-oriented marketing policy has been translated into a $5-million advertising budget, of which 50% goes into TV (see p. 3).

Renault's tactics bring results. Anticipated sales for the nimble, compact Renault are 130,000 Dauphines this year plus 30,000 of the newly-launched sporty Caravelles, an increase of 65% over last year's sales level.

Renault's network TV budgets are also up—$1 million over last year's figure—and Renault's ad budget is "5 times larger than non-TV user Volkswagen," we're told by Renault's agency, Kudner. Volkswagen unofficially estimates sales of 130,000 units in 1960, or less than 10% increase over 1959. Last year Volkswagen sold 120,442 units to Renault's 91,073 in the U.S., virtually a reverse ratio.

Despite such generally discouraging trends as heavy trade-ins of imports for American compacts (26% of trade-ins for new Ford Falcons last month were foreign cars), TV-minded Renault nearly doubled its Dec. sales last year, jumping to 8,132 units from 4,757 in 1958. The partially-Renault-sponsored Winter Olympics on CBS-TV should produce an even greater increased rate of sales this month and next, Renault executives believe.

Renault's network TV buying is as diversified as the audience it is trying to reach. Since last Sept., programming has ranged from *Playhouse 90* to "Ed Sullivan's Invitation to Moscow," to "Moon & Sixpence," The Orange Bowl Game, *Tales of the Plainsman*, *Markham* and the Olympics.

To get the most audience mileage from TV dollars, Renault keeps on the alert for good buys in popular-appeal network shows. Renault left *Plainsman* in favor of *Markham*, for example, because the latter presented a "more favorable time period and station clearance." NBC was able to clear only 80 stations, whereas CBS-TV promised 180 stations, or the lineup of *Markham*'s predecessor *Playhouse 90*, Kudner Renault account exec. James J. Cochran told us.

To reach "2-car families or higher-income car buyers attracted to the snob appeal of an imported auto," Renault has gone after network specials, generally with an international flavor. Immediate TV plans for specials are extensive; Renault hopes to have about one a month while continuing with a weekly series. Next on tap is ABC-TV's "Invitation to Paris," in April.

Renault-sponsored network shows are promoted heavily in dealer showrooms, and dealers and distributors are encouraged to use TV as a spot medium. Currently, Renault's Southwestern distributor enterprisingly backstopped Renault's Olympics sponsorship with a regional cut-in participation in the 10-day sports classic. Purpose: "To tell viewers just where they can buy the car they saw on the Olympics."

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"1960 Newspaper Circulation Analysis" of the market penetration & coverage of all dailies in 50 states is being published by Standard Rate & Data Service, 5201 Old Orchard Road, Skokie, Ill. Price of the 350-pp. national edition: $60. Individual state sections are $10 each.

Straight Talk From Rod: TV-radio executives last week heard some un-Madison Avenue views on their industry—from an adman. Ex-Y&R executive Rodney Erickson, who is currently wearing a number of hats—including those of an NBC-TV political-coverage salesman and an independent consultant for Warner Bros.—saw magazine-concept TV as inevitable and took a few cracks at unreconstructed movie majors & public-service image improvement at Feb. 24 RTES luncheon. Erickson-at-a-glance:

On Magazine-concept TV: "The magazine-concept buy is coming, whether advertisers like it or not. Daytime is almost completely magazine-concept. Hanging onto program identification is the last stand of the stubborn advertiser who wants to please the fellows down at the University Club. There's really no excuse for a program that just serves up Grandma Firestone's music."

On Public-Affairs Programming: "None of us is working for the U.S. govt. to improve the cultural standards of TV. Just watch ABC-TV riding along with a string of Westerns and passing the public-minded boys at CBS & NBC. You must remember that no smart advertiser will buy low-circulation shows, although most of them like to talk about them."

On Syndication: "The syndicated film market is becoming more & more sharply limited by more network time. There's little economy any more in producing first-run syndication properties. The market is flooded with re-runs."

On old-line movie majors: "There's a new management coming to movie companies. It's got to. Too many of the big studios have been operated on a Ma-&-Pa-candy-store basis. When the big brass make movies, it's like a great crap shoot; they shake the dice and if it's a success, the dollars roll in. When I was with Y&R, we went to see people like Darryl F. Zanuck to urge them to get into TV. We got turned down. I don't know where Zanuck is today. Probably he's still making pictures that don't make money."

On TV-minded movie majors: "Motion picture companies can save an advertiser money that independents can't. Majors have working capital, and don't get involved with Swiss banks and factors getting completion guarantees at 15% annually. They have casting facilities no independent can afford. They have a backlog of properties, sets, back lots, technical facilities. In the future, I see more TV activity by movie majors."

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Ad People: David Mathews, network programming dir., Fuller & Smith & Ross Hollywood, named a vp . . . Robert P. Mountain, ex-Y&R, named McCann-Erickson senior vp; E. McCord Mulock Jr., ex-Grant Advertising, named McCann-Erickson vp . . . Bruce Doll named BBDO Los Angeles media dir. . . . G. Newton Odell, ex-Joseph Katz Co., named Compton vp . . . John V. Doyle, Harold J. Hubert & John W. Clason elected Campbell-Ewald vps . . . R. Richard Carens, Kenneth W. Price, Thaine A. Youst named vps of Doherty, Clifford, Steers & Shenfield . . . Cyrus C. Young appointed dir. of development, ARF.

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Network TV participations for major advertisers exceed 300 per week, according to Broadcast Advertisers Reports' new *Network Spotlog*. For the week ending Feb. 4, 1960, BAR tabulated 83 companies using 323 in-program participations for 145 brands on the 3 networks. ABC-TV accounted for 243, NBC-TV, 63 and CBS-TV, 17. BAR plans to issue the *Network Spotlog* weekly so that admen, stations and reps can follow developments in the trend toward more network-level, magazine-type TV "insertions."

Film & Tape

More about

NO BREAK IN TV STRIKE: While movies and TV film are separate media, a movie deal last week had a strong effect on the current negotiations between WGA and the Alliance of Television Film Producers. Before Universal-International Pres. Milton R. Rackmil made his deal with WGA to cut writers in for a slice of post-1948 movies when they are sold to TV, an air of conciliation had marked the TV negotiations. The key TV issue is the WGA demand for 4% gross on films sold overseas, a demand the Alliance has consistently refused.

However, when WGA broke the news of its U-I deal at its membership meeting last week, it created a happy and militant mood among writers and stiffened their opposition to TV as well as movie companies (see p. 4).

WGA told members series affected by the prolonged strike were *Wagon Train, The Real McCoys,* Robert Taylor's *The Detectives, Wanted—Dead or Alive, 77 Sunset Strip, Laramie, Bourbon Street Beat, The Donna Reed Show, Hawaiian Eye, The Alaskans, Johnny Ringo* and *Adventures in Paradise.*

Some of WGA's claims were disputed by producers of those series. Four Star Television vp Tom McDermott told us the WGA claims regarding *Detectives, Wanted* and *Ringo* were "absolutely not so," that he had sufficient scripts, and that *Wanted* has finished its production for this season. A Revue spokesman said there was no script shortage on *Laramie* and *Wagon Train.*

Screen Gems' William Dozier, vp in charge of Coast operations, said the *Reed* series has not been affected, but that *Father Knows Best* will end production sooner than planned—short 5 scripts. As for *Dennis the Menace,* production has been suspended for 2 weeks during which shelved scripts will be rewritten, and the series will probably wind up short 4 scripts, he said. Paradise exec. producer Dominick Dunne said he can film the series through April, that it may be short 4 scripts at the most. A Warner Bros. source told us the WB series mentioned by the Guild—*Sunset Strip, Bourbon, Hawaiian Eye, Lawman* and *Alaskans*—each will be short 4 or 5 scripts. *Real McCoys* will be short 9 scripts.

Extent of Pilot Disruption is Disputed

WGA also told its members the strike has badly hit pilot film production, and that as a result many series which would normally be axed will be renewed. Our own check of production in Hollywood showed that while a few pilots may have been affected, the majority of those planned have been or are being filmed as scheduled.

During the meeting, a strike against the networks in TV film production was asked, but this was voted down. WGA's strategy is to delay such a strike pending outcome of its current negotiations with networks in live TV and radio. Talks with the nets on TV film have collapsed following webs' turndown of overseas residuals, other demands.

Meanwhile, Screen Actors Guild met with the major movie studios in their first negotiation session since Feb. 2, but the issues were not discussed. Instead the Assn. of Motion Picture Producers asked SAG for details on its negotiations with U-I and the independent film producers. SAG complied, and the majors said a further negotiation meeting will be held this week.

Rackmil's concession on the post-1948s is not expected to crack the AMPP wall. Warner Bros., Twentieth Century-Fox, Metro-Goldwyn-Mayer, Paramount and Columbia have repeatedly said they will not give in to the guilds and unions on the issue of post-1948s, and the Rackmil move did not change their stand.

Columbia Pictures vp B. B. Kahane, one of the major studio negotiators, informed us: "We will not change our position. Rackmil months ago informed us he was withdrawing from AMPP, and we haven't considered U-I a part of our setup. I don't consider it a major company any more. It sold its studio [to Revue-MCA].

SAG negotiations with U-I center around actors receiving about 9% from TV sales after U-I deducts 40% for distribution charges. However, no deal has been made, and when it is the SAG board must approve it. Agreement is near, however, and may be voted on this week.

Majors Making Strike Preparations

With SAG having set a strike date of March 7 against the major movie studios, it appeared the SAG-majors meeting tentatively planned for Tues. might be the showdown session. SAG sources told us if the majors show any indication they may change their position, the strike date may be extended. However, the majors were making strike preparations, and there were substantial layoffs of production personnel.

Other strike news:

Directors Guild of America signed a contract covering film TV with CBS-TV and CBS Films.

The AFM pledged support to SAG in event of a strike and said it would observe picket lines. (However, AFM members don't work at the majors who have an agreement with Musicians Guild of America).

* * *

Just where the U-I features, which may number as many as 300, will land for TV distribution isn't clear. U-I's pre-1948 backlog of some 600 features has been handled by Screen Gems, which launched 52 horror oldies in Sept. 1957 and has fed other U-I features into TV sales channels several times since then, but SG told us last week that no distribution deal for U-I post-1948s has been set, and none is likely to be. Other candidates for distribution honors are said to be ITC and NTA, with the latter reportedly being closest to a working arrangement for the U-I features.

On another post-1948 front, we were told last week that Jayark's "Blockbuster" package of 52 post-1948 films has been sold in 11 markets during the past 2 weeks, bringing the total to 91. As in most postwar film packages, there are several low-budget quickies (sample: "Wetbacks," with Lloyd Bridges) in the Jayark package. But there are also some hefty properties, such as the Warner Bros.-distributed "Marjorie Morningstar." Deals with the Hollywood guilds have already been made by Jayark covering the films.

The Jayark group is being aimed primarily at independent stations like purchaser WPIX N.Y. A principal Jayark sales pitch is that the trend toward 2-set TV homes (Nielsen now estimates the national figure at 17%) is likely to carve up the TV audience in several directions, reduce budget money available for network TV shows, and increase chances for TV movie viewing.

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Reports that MCA is negotiating purchase of the stock in Overland Productions, which films *Wells Fargo,* were denied by Dale Robertson, star of the series, who said MCA hasn't even made an offer.

More Revue Expansion: MCA's Revue Studios, which acquired the Universal-International lot in Universal City, is embarking on its second expansion in less than a year of occupancy at its new home.

When it bought the studios, Revue moved from its Republic headquarters to the new lot, and immediately 4 new stages, dressing-rooms, a prop room, offices, etc. were built.

Now Revue plans to construct 5 more stages—one a process stage, the other 4 for regular production. This will give the 372-acre studio a total of 28 stages, second only to MGM which has 30. In addition to Revue's expanding TV film output, Universal-International leases space and stages from Revue for its movie production.

As for evidence of Revue's prosperity, last week the company received an order for 21 more first-runs for its *Markham* series, starring Ray Milland. The series will show first-runs during the summer season, and the new batch will take it to next Oct. Revue's *The Deputy* series, starring Henry Fonda, has also been renewed.

Commenting on the expansion program, one top executive told us: "I could use 15 more stages."

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Few New Series Sold: With most sponsors and agencies apparently waiting to see all of Hollywood's pilots, few new telefilm series have been sold thus far.

New entries for next fall include *The Tom Ewell Show*, filmed by Four Star and bought by CBS-TV; *Thriller*, 60-min. anthology series filmed by Hubbell Robinson Productions at Revue, bought by NBC-TV; the tentatively titled *Andy Griffith Show*, filmed by Marterto Productions in association with Grifflink Corp., bought by General Foods, and *The Lawyer*, 60-min. series starring Lin McCarthy, filmed by Hubbell Robinson's company for ABC-TV.

There have been a few renewals, such as *The Danny Thomas Show*, *The Deputy* and *77 Sunset Strip*, and there is a virtually automatic renewal of series such as *Gunsmoke*, *Have Gun—Will Travel* and *The Untouchables*.

While many pilots were filmed in Jan., there is also much pilot production in Feb., and the attitude on the part of the buyer seems to be caution—with a let's-take-a-look-at-all-of-them attitude.

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Four Star TV is thinking about floating a public stock issue and using the funds for expansion, production, and acquisition of a studio. Pres. Dick Powell told us he has been approached by several brokers who want to handle such an issue, but said he and his partners—David Niven and Charles Boyer—haven't reached a decision. It's also understood Four Star has made preliminary feelers to Republic Pres. Victor M. Carter regarding purchase of the studio where Four Star now rents space.

CBS Inc. is reportedly investing $450,000 in a new Lerner-Loewe musical, "Camelot," possibly hoping to repeat its resounding success as the principal backer of the team's earlier "My Fair Lady." The first year of "MFL" produced nearly $900,000 as a return for CBS in Broadway & road-company profits and from sales of the Columbia Records original-cast recordings.

First privately produced ETV tape show for National Educational TV & Radio Center network (NET) is now being produced by Elliot, Unger & Elliot, commercial-production div. of Screen Gems. Titled *Hats in the Ring*, the 30-min. show will begin on the NET 44-station network April 3, later will be offered to commercial stations for unsponsored airing.

NOW IT'S 60-MIN. STRIPS: The 60-min.-film-show concept will be back bigger than ever next season, but this time the hot trend will be the use of hour-long film properties in a nighttime network version of strip programming.

Quietly being discussed at ABC-TV, we learned in N.Y. last week, is the idea of building an 11:15 p.m.-12:15 a.m. strip to be filled with re-runs of 60-min. network shows (of which, for example, Warner Bros. has nearly 500). The strip would operate on a Mon.-Fri. basis, primarily to buck NBC-TV's *Jack Paar Show*, and would be sold on a participation basis that approaches the magazine concept of TV advertising. Offering price by the network to producers: $25,000 per re-run negative. There are no takers as yet, but the idea is being considered seriously by Warner executives, 20th-Fox, and other film firms.

NBC-TV also plans what amounts to an evening 60-min. film strip—an hour-long film show kicking off each evening's lineup at 7:30 p.m. Most shows in the strip are already on the air, but new ones will fill Fri. & Sat. slots. Here's how NBC-TV will look this fall on an across-the-board 7:30-8:30 p.m. basis: Mon., *Riverboat*; Tues., *Laramie*; Wed., *Wagon Train*; Thurs., *Bonanza*; Fri., probably Four Star's *Michael Shayne* or Gordon Kay's *The Blue & the Gray*; Sat., *Outlaws*. An exception to the 7:30 timing will be Sun., which will have *Overland Trail* at 7-8 p.m. but will also have the 60-min. *The Barbarians* starring Jack Palance (now shooting in Rome) in the 8-9 p.m. period now filled by the due-to-be-axed *Sunday Showcase*.

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Block-booking anti-trust suit against 6 major TV-film distributors is scheduled for trial March 7 in N.Y. before Judge Archie O. Dawson. Defendants include Loew's Inc. (defended by Phillips, Nizer, Benjamin, Krim & Ballon); C & C Super Corp. (Mervin C. Pollack); Screen Gems (Schwartz & Frohlich); Associated Artists Productions, now UAA (Simpson, Thacher & Bartlett); NTA (Gollenbach, Goldenstein & Berell); United Artists (Gerald F. Phillips). The suit has been pending since 1957. Subpoenaed to appear as witnesses, thus far, are William Grant, KOA-TV Denver; Heyward Siddons, KOA-TV; George Storer, Storer Bcstg.; John Wilson, former Screen Gems salesman; Joseph Hartenbower, KCMO-TV Kansas City; George Eby, United TV; Robert C. Franson, WTCN-TV Minneapolis; J. Edward Owens, Dallas, Tex.; & Otto Brandt, KING-TV Seattle.

Talent Associates & Paramount TV are close to a deal for TV co-productions, we're told in N.Y. by TA's press representative, Arthur Cantor. "The discussions are vague at this point, and nothing is firm," Cantor said, adding that "it won't include a buy-out of TA by Paramount." Whether the deal would involve taped or filmed shows (Paramount currently produces both) is not known.

NTA's tape-syndicated *Play of the Week* has been averaging sales in 5 markets per week since it went on sale 3 weeks ago. Latest stations to pick up the 120-min. dramatic series are WGN-TV Chicago; WAFB-TV Baton Rouge; KFSD-TV San Diego and WTOP-TV Washington, D.C. Latter station will enjoy the sponsorship of *Play's* WNTA-TV underwriter, Standard Oil of N.J. The series is now scheduled for 15 markets.

Closed-circuit business meeting linking 15,000 Pontiac dealers in 30 cities was produced and networked by Theatre Network TV Feb. 24. The telecast, 3rd TNT-handled meeting for Pontiac in the last 16 months and 9th for GM, originated in Detroit.

NEW YORK ROUNDUP

Competitive bidding—the long-established practice of submitting film-commercial job bids to agencies on the basis of TV story-board estimates—will be dropped by MGM-TV, says Loew's Inc. vp Robert H. O'Brien. MGM-TV's attitude: We've established ourselves in 2 years of commercial production; if you want us, hire us.

CBS-TV's taped Winter Olympics coverage successfully settled a dispute over whether a faulty rink or carelessness caused Polish speed-skating finalist Elwira Seroczynska to fall in the last seconds of the Squaw Valley meet. A playback of CBS's tape of the race for judges showed the rink wasn't at fault, the Polish skater was.

MCA-TV's *Shotgun Slade* has now reached the 173-market total in syndicated sales. Biggest regional deals are with Blue Plate Foods (44 markets) and P. Ballantine & Sons (30 markets) . . . ABC Films' *Meet McGraw* off-network re-run series is now sold to stations in 51 markets, with 5 sales scored last week . . . Cal. National Productions' *Medic* re-runs are now syndication-sold in over 100 markets through CNP's budget-priced Victory Programs Div.

William M. Wolfson and **Milton P. Kayle** have been named vps of ITC. Wolfson will head administrative functions; Kayle will be in charge of legal & business affairs . . . **Robert D. Graff**, ex-NBC-TV producer, will head newly-formed Sextant Inc., TV & motion picture production company.

MCA Inc. and Gardner Adv. have terminated their 7-year association. Sudler & Hennessey succeed Gardner.

Burt Schultz & Associates has been named PR counsel for Rodney Erickson Enterprises . . . **Fran Harris** is the new head of TV dramatic dept., People & Productions . . . MCA TV Ltd.'s international hq will be situated at the offices of MCA Canada Ltd., 180 University Ave., Toronto.

Official Films' *Almanac*, 5-min. documentaries for strip programming, has been sold in 30 markets to date . . . MCA TV's *Johnny Midnight*, was bought recently by Warner-Lambert Pharmaceutical Co. for alt. wks. in Boston & Philadelphia; by Armour & Co. & Liggett & Myers for alt. wks. in Greensboro, N.C.

ABC Films' *People's Choice*, and *Meet McGraw*, were each sold in 13 markets recently. Total markets to date are 45 for "McGraw" & 98 for "Choice."

Noah Jacobs has been named NTA N.Y. sales mgr. in charge of syndication.

Rod Serling's controversial drama about the Warsaw ghetto, "In the Presence of Mine Enemies," is scheduled at last as a *Playhouse 90* presentation in May. Pre-emption time & date will be selected.

Brigitte Bardot has consented, at last, to do an American TV special—but male U.S. viewers who expect her to parade across 23-in. screens in a 23-in. bath towel are due for disappointment. General Artists Corp., her agent, will deliver a highly circumspect filmed interview show portraying the cinematic "sex kitten" as more of a tabby cat, *i.e.* "at home" with husband & new baby, and probably with Revlon sponsorship. Previous Bardot-TV: a brief Paris-taped appearance on NBC-TV's *Today*, a CBS-TV *Person-to-Person*, and some heavily censored old movies.

HOLLYWOOD ROUNDUP

Walt Disney Productions is preparing a movie version of its Elfego Baca TV property . . . Video-tape editing course sponsored by Motion Picture Film Editors and Society of Motion Picture & Television Engineers at the U. of Southern Cal. has more than doubled in capacity, with 350 students enrolled.

Revue's *Johnny Staccato* series, originally signed for a 39-week deal, will leave NBC-TV March 24, after its 27th show. A settlement of the contract was reached by Revue and sponsors Salem and Bristol-Myers, which canceled the private-eye show.

Jack Wrather has put Sherman Harris, a Wrather vp, in charge of his hotel chain . . . Production on the pilot, *No Place Like Home*, planned for NBC-TV, begins March 2 at Desilu. Gordon & Sheila MacRae star.

Desilu's *The Untouchables* has been named the best sound-edited telefilm series for 1959 by the Motion Picture Sound Editors . . . Ziv TV is planning a new series called *Flight of the Robin*, with Rick Jason starring.

Producer Jay Sommers has signed Tom Poston for the lead in the pilot of *Double Take*, a comedy-adventure series, and Jan Sterling for another pilot, *Madame Senator*. *Double Take* will be a co-production with Filmways . . . **Frank Sinatra**, whose ABC-TV contract expires this season, tells us he hasn't yet decided on his TV activities for next season.

Seeleg Lester has been named producer of the *Perry Mason* series. He replaces Herbert Hirschmann . . . NBC-TV's *Tennessee Ernie Ford Show* has been renewed for next season.

Hampshire Associates will produce the pilot of an adventure series, *The Code of Jonathan West*, for CBS-TV. Fess Parker will star in the series which will be produced by Harry Tatelman . . . **Producers Aubrey Schenck** and **Howard Koch** will film a Western pilot starring Richard Coogan for CBS-TV.

Four Star Television has finished the season's production of its *Wanted—Dead or Alive* series.

Don Taylor Productions has been formed by the actor-director, and he plans to pilot a comedy, *Octavius and Me*, which he will produce . . . **Format Films** Pres. Herbert Klynn has incorporated his animated films company in Nevada.

Twentieth Century-Fox TV, unable to get scripts because of the Writers Guild strike, will not put Ron Ely into his role as alternating star of *Adventures in Paradise* this season. The studio plans to use Ely as alternating star with Gardner McKay next season . . . CBS-TV has finished production of its *Have Gun—Will Travel* series for this season.

Four Star TV will have 8 telefilm episodes in production the first week of March. Included are 2 pilots, the *Peter Lind Hayes-Mary Healy Show* and *Willy Dante*, starring Howard Duff.

West Coast dept. of Elliot, Unger and Elliot, the commercial production div. of Screen Gems, grossed more than $1,850,000 in its first year of operation. Joe Swavely and Dick Kerns head the dept., opened Feb. 1959.

Television Digest

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Personals: Robert H. Van Roo named promotion & ad dir., WCBS-TV N.Y. . . . Joseph J. Jacobs has been named general attorney, Metropolitan Bcstg. Corp. . . . Julius Barnathan, ABC vp for affiliated stations & dir. of research, has been appointed to the Advertising Research Foundation technical committee . . . Tom Paro, ex-NBC-TV spot sales, N.Y., appointed WRC-TV Washington dir. of sales succeeding William E. Coyle, resigned.

William J. Faath, ex-CBS-TV, named business mgr., WCAU-TV Philadelphia . . . Stan Cohen promoted to program planning & promotion dir., WDSU-TV New Orleans . . . A. Richard Robertson appointed to new post of promotion & merchandising mgr., KRON-TV San Francisco . . . Martin Codel flies to Copenhagen and Geneva March 1 on business, after which he will visit 16 countries of Africa and the Near East to conduct a 3-month study of TV-radio; the associate publisher of TELEVISION DIGEST is accompanied by his wife.

Eugene S. Hallman named CBC programming vp, also continuing temporarily as English-language network programming dir. . . . J. E. (Ted) Campeau, pres.-gen. mgr. of CKLW-TV & CKLW Windsor-Detroit, named Mich. Brotherhood Week chmn. for radio & TV . . . Dr. Cornelius Traeger named medical editor, NBC-RCA medical radio system, the FM radio network aimed at physicians . . . Tom Calhoun named PR dir., KOOL-TV & KOOL Phoenix, Ariz. . . . George K. Ashenden becomes asst. chief, FCC office of opinions & review; Clarence F. Heister, ex-technical & allocations branch, succeeds him as engineering asst. to Comr. Craven.

■

A successor to NBC-TV West Coast program vp Alan Livingston is due to be selected in about a week, we're told by NBC-TV Western div. vp John K. West. Livingston resigned last week after 4 years at NBC-TV, due to a conflict with Eastern executives of NBC-TV over program policies, Livingston said. His contract had 2 more years to run, but the network agreed to his request for a release. He'll remain at his job until a successor is named, possibly Felix Jackson, ex-*Studio One* producer.

NBC-TV has rejected a proposal from the Academy of TV Arts & Sciences that a nominations show be telecast prior to the final Emmy Awards scheduled for late May or early June. Academy Pres. Harry Ackerman said he still favors a 90-min. nominations show—but now it's up to NBC to reactivate the idea, if not now, for future years.

Meetings this week: CBS affiliates & network officials special conference (Feb. 29-March 1). Speakers: Sen. Warren G. Magnuson (D-Wash.), Senate Interstate & Foreign Commerce Committee chmn.; Rep. Oren Harris (D-Ark.), chmn., House Interstate & Foreign Commerce Committee and House Legislative Oversight Subcommittee; FCC Chmn. John C. Doerfer; FTC Chmn. Earl Kintner. Shoreham Hotel, Washington . . . N.Y. State Assn. of Radio-TV Bcstrs. 3rd annual legislative dinner (March 1). Speakers: Louis Hausman, TIO dir.; Gov. Nelson Rockefeller. Sheraton Hotel, Albany . . . RTES timebuying-selling seminar (March 1). John F. Hurlbut, WFBM-TV (Indianapolis) promotion-PR dir., and Harold A. Smith, Needham, Louis & Brorby program promotion-merchandising mgr., speak on "It Takes 2 to Tango in Agency-Station Cooperation." Hotel Lexington, N.Y. . . . Assn. of Maximum Service Telecasters directors meeting (March 2). Shoreham Hotel, Washington, D.C.

Meetings next week: Southwestern Assn. of Program Directors for TV annual meeting (March 7-8). Shamrock Hilton Hotel, Houston . . . RTES timebuying-selling seminar (8). John F. Howell, CBS Films' vp-gen. sales mgr., and Herminio Traviesas, BBDO vp & TV-radio dept. mgr., speak on "Syndication as a Media Buy." Hotel Lexington, N.Y. . . . Audio Engineering Society West Coast convention (8-11), Alexandria Hotel, Los Angeles.

Educational Television

Federal Aid to ETV Revived: The House Commerce Communications & Power Subcommittee, which has been sitting on the federal-aid-to-ETV idea since hearings last year (Vol. 16:4 p12), finally moved on it last week.

The Subcommittee headed by Commerce Chmn. Harris (D-Ark.) referred a modified ETV measure by Rep. Roberts (D-Ala.) to the full Committee, where it faces an uncertain fate without specific subcommittee endorsement.

The Roberts measure (HR-10609), a revision of a bill (HR-2926) he introduced last year (Vol. 15:23 p2), was on the agenda of an executive session of the full committee Feb. 25. But it wasn't reached and any vote on it was put off at least until March 3.

Unlike a Senate-passed bill by Sen. Magnuson (D-Wash.) which would authorize outright govt. grants totaling $51 million to states & D.C. for purchase of ETV equipment, the Roberts measure would permit $1 million grants to each state, D.C. and Puerto Rico—for a total of $52 million—only if they put up matching grants.

Additional grants of $10,000 for ETV station surveys would be permitted under the new House measure, however. And states claiming govt. money for station equipment would be given credit for expenditures already made for existing ETV facilities in computing how much matching money they'd have to put up.

In reporting out the Roberts bill without recommending that it be adopted, the Subcommittee in effect pigeonholed the Magnuson measure and buried a half-dozen similar House proposals at least a year old.

■

ETV grant of $109,980 has been given the U. of Cal. by the National Science Foundation for the production of a special TV series on viruses for the National ETV & Radio Center. Eight 30-min. programs will be prepared.

Correction: Channels scheduled to be used by ETV Stratovision experiment, air to ground (Vol. 16:8 p2), are Ch. 72, 75, 76 & 78.

Trade Report . . .

FEBRUARY 29, 1960

'SMALL' TV MAKERS DO BIG BUSINESS: There's nothing minor league about smaller TV-radio-phono manufacturers when it comes to battling majors for share of market. They're gaining ground.

Business is booming at lower echelons. Six manufacturers we contacted claimed an average 60% gain in 1959-over-1958 sales—compared with industry's over-all increase of some 10% in total TV retail unit sales, from 5.1 to 5.7 million sets. Two producers—Andrea Radio & Setchell-Carlson—reported runaway gains of more than 100%.

All view 1960 with bubbling optimism, forecasting sales increases ranging up to 60%. Only dour note came from Tech-Master Corp., which fell off 1958's sales pace by some 5% last year. However, Pres. Louis A. Lazoff told us the private label & custom installation firm is correcting conditions which caused decline, anticipates big 30-35% jump in sales this year.

Market within a market has been created by tenacious, sagacious smaller-than-giant firms. While the "majors" of industry battle noisily with ad-promotion-publicity hoopla for mass market, smaller producers quietly exploit & enlarge specialty sales areas largely ignored by majors. Pres. Joe Friedman of Trav-Ler Radio Corp., one of first manufacturers to enter TV field, sums it up: "We have a niche." However, "niche" doesn't mean nibbling at leavings. Many small producers rate themselves as "custom builders"—and more than one bristles at "small" label.

"TV industry has been whittled down to less than 20 producers, all strong & healthy," one executive told us. "Of these full-line producers, only a handful concentrate solely on home entertainment equipment. Yet the output & sales of some of these so-called 'small' producers compare very favorably with the performance of TV-radio divisions of some diversified electronic giants. If we were to appraise on a TV-only basis, some of the 'giants' would be lost among the 'midgets.'"

Patterns for survival & success in an industry dominated by giants are varied: Quality, customized product; private-label production; extra-profit margins for dealers; direct selling; specialty styling & installation; putting ad budgets into product & pricing improvements.

Typical is the attitude of old-timer Andrea Radio Corp., which is now expanding its distribution setup, seeks "profit-conscious dealers who are sick of cat-&-dog competition." Sales mgr. John M. Dierkes told us Andrea operates with a well-policed minimum retail price. "This policy may mean fewer dealers," he said, "but it also means better ones." Until 6 months ago, Andrea sold direct to dealers and only in N.Y., N.J., Boston. It has now added 6 distributors, anticipates 12 more by year's end, is spreading coverage from New England to Florida.

Technical advances also play role. Pres. W. J. Moreland of Conrac Inc., important maker of TV studio monitors which also produces Fleetwood TV, told us: "We make every effort to keep abreast and, if possible, ahead of the 'giants.' We marketed a 'twin panel' or 'laminated safety plate' tube months ahead of any of the majors. We used the Pittsburgh Plate Glass approach, etched the outside face of the safety glass, and actually pioneered this type of product in the home receiver market."

Setchell-Carlson notes as one of its prime success factors that it is "probably the most complete TV manufacturer under one roof." Asst. sales mgr. W. C. McKnight points out: "Cabinets, speakers, IF coils, flyback transformers and other components, as well as metal work & chassis, are all manufactured in the same plant. This, of course, makes for extreme ease of availability of all products."

Optimism for 1960 does not include color TV, even in this segment of industry where producers often tend to be more specialized & unconventional in design & styling. Indications are that 1960 will be exclusively b&w among small manufacturers. Typical comments: "We'll stay out of color at least another year," says Andrea's Dierkes, "we don't think it's quite ready." Trav-Ler's Friedman: "We tried color several years ago and made no headway with it. So far as we're concerned, a good gauge of the market is the absence of de-

mand for color from our private-label customers." Mattison Electronics Corp. Pres. Richard Mattison notes that color-TV's "bulk" is against it in this specialty field. "Today's trend in furniture styling is to slim, streamlined lines," he told us. "Color's size & bulk put it in opposition to the furniture trend." Tech-Master's Lazoff: "We were ready for color 3 years ago, but there was no profit in it then, there's no profit in it now."

For the success formulas of 7 smaller TV producers, and details on their outlook for 1960, see p. 17.

BIRTH & DEATH OF 18-IN. BATTERY TV: Illustrative of the mad on-&-off race for battery portable big-screen transistor TV is short & unhappy tale of a brand new 18-in. tube designed for cordless TV.

One of best-kept secrets of industry engineering, tube was designed by Philco and Kimble Glass for a proposed direct-view battery TV set. Tube had 122-degree deflection, but cut down on power required to drive it by constricting the neck to bring yoke components nearer to electron gun. Despite its big screen area (159 sq. in.), tube could be made as short as 10½ in. in front-to-back measurement.

Philco is understood to have dropped that particular design after bulb had been developed, presumably because of cost & engineering problems. So early last week, Kimble announced it was offering samples of the bulb to the industry. But by weeks' end, according to industry sources, the design was dead and presumably Kimble had dropped plans to manufacture it. Philco declined comment.

Big problem in battery portables is power drain of large-screen tube—and while every major manufacturer has a "true portable" in the lab stage, we know of no specially designed low-drain picture tubes now being made for battery sets. So it appears that any true portables introduced in near future will use conventional small-screen tubes—while set makers' market researchers try to determine whether there's enough potential demand for battery portables to justify spending a fortune on tooling up for an entirely new concept in TV design—one of major expense factors being the development of low-power large-screen picture tubes.

TV-RADIO PRODUCTION: EIA statistics for week ended Feb. 19 (7th week of 1960):

	Feb. 12-19	Preceding week	1959 week	'60 cumulative	'59 cumulative
TV	121,577	129,510	115,909	911,427	800,296
Total radio	378,670	358,817	273,854	2,469,323	1,967,825
auto radio	153,661	141,871	106,066	1,101,211	740,704

Trade Personals: **John D. Houlding**, ex vp-gen. mgr., elected pres., RCA Victor Co. Ltd. (Canada); RCA consumer products exec. vp **P. J. Casella**, former pres., continues as exec. committee chmn . . . **Z. W. Pique**, ex-Hughes Aircraft, appointed Hoffman Corporate mktg. vp; **Donald C. Bright**, ex-RCA, named gen. mgr. of new industrial electronics div. . . . **Frank A. McCall**, ex-RCA, named consumer products dir., **James E. Stewart**, communication products dir., Motorola International S.A. . . . **Clyde K. Huxtable**, ex-Montgomery Ward TV-radio-musical instrument dept. mgr., named TV product line development mgr., RCA Sales Corp. . . . **Robert J. Haldeman** named Packard Bell controller.

Robert G. Urban named a mktg. dept. vp & asst. to the mktg. vp, Philco consumer products div. . . . **Bernard Amos**, ex-Magnavox, named Sylvania Home Electronics radio & stereo hi-fi design mgr.; **George P. Lyon** promoted from product planning supervisor to administrative engineer . . . **Clarence F. Van Epps** promoted from mfg. dir., Stromberg-Carlson electronics div., to new post of purchase analysis dir. . . . **Harry A. Gilbert** appointed to new post of vp for coordinating departments and aiding expansion, Blonder-Tongue Labs.

Kenneth C. Moritz, ex-Raytheon semiconductor div. sales mgr., appointed to new post of General Instrument semi-conductor div. mktg. vp, succeeded at Raytheon by **Henry F. Schunk**, formerly Raytheon training center & plant mgr., Lewiston, Me. . . . **Jack R. Alschuler** named to new post of national equipment sales mgr., Sampson Co. (Hitachi distributor) . . . **George A. Peck**, ex-Stromberg-Carlson, named pres. of Dresser Industries subsidiary Southwestern Electronics . . . **George Griswold Jr.** named publications dir., Bell Labs . . . **Donald T. Fowler** named to new post of mgr., Litton Industries components group . . . **Emmet G. Cameron** named Varian tube operations group vp, **Howard R. Patterson** instruments & equipment group vp, **Ralph W. Kane** foreign operations vp, in Varian realignment . . . **C. L. Caldwell**, ex-Radiation Inc., joins Airtronics Inc. as mktg. Dir.

Spencer H. Bellue, Osborne Electric Co. vp, elected pres., Western Electronic Manufacturers Assn. (WEMA); **A. N. Curtiss**, RCA, treas.; **E. T. Clare**, Convair Astronautics, vp; **M. R. Dilling**, Tally Register Corp., vp; **Samuel A. Ferguson**, Sylvania Electronic Systems, vp; **Gould Hunter**, Eitel-McCullough, secy.

Obituary

George Thomas Fielding, 76, retired GE executive, died Feb. 21 at his home in Stamford, Conn. A veteran of 20 years of service with GE, he served as dir. of market research and 2nd in command of the mktg. div. He was granted 35 patents on appliances, displays and merchandise items. He is survived by his widow, a son, a daughter and a grandson.

George W. Borg, 71, Amphenol-Borg chmn. and founder of Borg-Warner, died Feb. 21 at his home in Delavan, Wis. He is survived by his wife, a son, a daughter and 2 sisters.

More about

'SMALL' BRANDS ARE BIG: Although they vary widely in size, merchandising methods and specialty, the so-called lesser TV brands have 2 things in common—satisfaction that they've found their place in the competitive set market and optimism for the future (see p. 15). Here are summaries of comments by 7 manufacturers in that category:

American TV & Radio (ATR brand): "Our 1959 business was approximately 50% higher than 1958," gen. mgr. Albert Goffstein told us, "and the outlook in 1960 is exceedingly bright." ATR does no private label business, "concentrates all operations in the high-quality set field, has a unique method of merchandising directly from factory to franchised TV technicians." ATR does no consumer advertising.

Andrea Radio Corp. (Andrea brand): Racked up a 105% sales gain in 1959 over 1958, is "budgeted for a 60% increase" this year. Sales mgr. John M. Dierkes said Jan. & Feb. sales are some 60% ahead of the year-ago volume. Andrea stresses quality, custom-made receivers, sells with a one-year warranty which covers entire set, including cabinet. Current emphasis is on 23-in. models which, Dierkes believes, will put finis to 21-in. by year's end. Andrea will introduce a 19-in. (bonded-tube) portable in July or August.

Conrac Inc. (Fleetwood): Sales in 1959 were up 35%. However, Pres. W. J. Moreland told us: "Had it not been for a disastrous fire which completely destroyed our production facilities in early August, our 1959 sales would undoubtedly have been at least 70% ahead of 1958 . . . In 1960, I confidently believe that Conrac's sales will increase another 50% over 1959." Conrac sells its Fleetwood TV line direct to dealers, does no private-label production of home TV sets, goes in for consumer as well as trade advertising. The 1960 ad budget is double that of 1958's. Although Moreland believes that "the smaller TV producers will tend more toward private-label production [in 1960], I do not anticipate that Conrac will follow this trend." Conrac is a leading producer of broadcast TV equipment & industrial closed-circuit gear, does some 20% of its industrial production for private labels.

Mattison Electronics Corp. (Mattison): Its 1959 sales gained 10-15% over 1958, prospects for 1960 are "excellent." Mattison produces a high-price TV-radio-stereo line ($1,200-$2,000 range), does no private-label production, sells direct, and moves some 90% of output in N.Y.C. alone. Mattison TVs use 24-in. & 27-in. tubes, but 23-in. models will be introduced shortly. Pres. Richard Mattison said his ad campaigns are limited to dealers. The concern also produces a low-end stereo-radio line ($100 range) which is sold nationally via distributors and directly to "time-payment" houses. Some 25% of Mattison's stereo-radio production is for other labels. Success formula: "good markups for dealers, a lot of product for the price for the customer."

Tech-Master (Videola): Pres. Louis A. Lazoff told us sales dropped some 5% last year because Tech-Master lacked remote tuners and other TV features that "are costly to get into, but that customers want." This year, Tech-Master customers will get what they want, because "either you get in step with the parade or get out." Some 10% of the firm's business is direct-to-consumer TV, the balance divided between private-label & custom production. He forecasts a 30-35% sales gain this year.

Trav-Ler Radio Corp. (Trav-Ler & Sonora brands): Pres. Joe Friedman expects a 40% jump in sales for the 1960 fiscal year ending April 30. TV production divides roughly 50-50 between house brands & private labels. House brands are sold both direct & via distributors. Success formula: "We offer a quality product at a price which enables our dealers to compete but still make a proper profit. Our cost of selling is lower than that of the majors. Trav-Ler does no consumer advertising. We stand to gain little by trying to compete with the majors in advertising. We put ad expenses into the product & price structure."

Setchell-Carlson (Setchell-Carlson): "Our 1959 business is over 100% higher than that of 1958 and we are looking forward to an extremely good year in 1960," asst. sales mgr. W. C. McKnight told us. Success formula: Setchell-Carlson caters to "public's increasing appreciation & demand for highest quality, appearance and performance." Setchell-Carlson does no private-label production, sells through distributors, advertises direct to consumer. McKnight says several "impartial magazines show that features of Setchell-Carlson are well ahead of most other brands and no one other brand equals the total features in Setchell-Carlson products."

Although he anticipates a good year for his firm, McKnight states: "Our opinion of the outlook for the entire TV industry is not as bright. We note that the production figures of the various manufacturers are very high and feel that there will be a supply of this merchandise which will result in dumps. We anticipate in 1960 the small-to-middle-sized TV producers will be squeezed in various dumps from large manufacturers and the survival of these smaller manufacturers will depend upon the quality of their products and their ability to financially weather these dumps."

———■———

RCA accused Philco of using "threat" of an anti-trust suit as a "weapon" to negotiate a licensing deal under which RCA paid Philco $3.5 million over a period of 10 years. RCA made the charge through counsel Bernard G. Segal as the trial in Philco's 3-year-old patent anti-trust suit against RCA, GE & AT&T (Vol. 13:3 p2) got under way last week in Philadelphia federal court. RCA attorneys charged that the Philco complaint originally was drawn up in 1946, although the suit was not filed until 1957, and asked dismissal of all claims preceding Jan. 14, 1953 on the basis of the statute of limitations. Philco, which is asking $150 million in treble damage claims on the allegation of illegal patent practices, denied the RCA charges and stated that the 1957 suit was based on facts disclosed in the Zenith anti-trust suit against the same defendants and could not have been prepared in 1946. Judge Thomas J. Clary reserved decision on RCA's motion to dismiss the pre-1953 claims.

Investigation of Japanese transistor imports was urged by IUE (AFL-CIO) in a statement filed with OCDM in connection with the EIA-requested inquiry into the question of potential damage to the electronics industry's defense-readiness. In our story Feb. 15 (Vol. 16:7 p19), the statement was erroneously attributed to parent AFL-CIO. A spokeman for IUE, whose members work in many of America's electronics plants, stressed that the union's statement did not support EIA's contention that imports are damaging to national security, but only went so far as to support the plea for an investigation.

Hoffman Electronics' distributors convention and showing of 1961 lines will be held June 12-15 at Las Vegas. Consumer products sales vp Paul E. Bryant said 50% more dealers than last year are expected to attend this summer's meeting.

Minimum wage rates for the electronic component parts industry under the Walsh-Healey Act covering govt. contracts will be set for the first time by Labor Secy. James P. Mitchell following public hearings opening March 29. EIA & NEMA spokesmen are expected to head a list of industry witnesses when the long-delayed proceedings get under way in Room 200 of the Railway Labor Bldg., 1st & D Sts. NW, Washington. Labor's case will be argued by IUE & IBEW representatives. Determination of the rates will be based on a wage survey conducted last year by the Labor Dept.'s Bureau of Labor Statistics (Vol. 15:35 p15), which showed more than 65,000 production workers were employed by the industry in 457 establishments whose govt. contracts totaled $60 million annually. The components case was initiated at a labor-management conference at the Labor Dept. in Oct. 1958, but got snarled in a wage-hour div. proposal—since dropped—to include electronic equipment for missiles in the aircraft industry category of govt. contracts. Minimum wages for workers on electronics end products for missiles will be determined in not-yet-scheduled separate proceedings.

Foreign trade conferences with representatives of 40 U.S. industries, including electronics products, have been initiated by Commerce Secy. Frederick H. Mueller to get recommendations on govt. actions "that will be most meaningful in opening world markets." Motion picture executives meet March 1 with officials of Commerce's Bureau of Foreign Commerce and Business & Defense Services Administration in the first conference of the series, which will run through 1960. "There is much that can be done further to increase markets for American goods as a result of lowering restrictions by our trading partners [in the General Agreement on Tariffs & Trade (GATT)]," said Mueller.

Magnavox's annual clearance sale of TVs, radios and phonos will be conducted from March 14 to April 2. TV specials of the sale include the 17-in. Westchester table model, priced at $169.90 from $199.90; 21-in. Magnavision consolette, down to $199.90 from $215; 21-in. Americana consolette, $229.90 from $269.90; 21-in. Cavalcade console, $249.90 from $299.90, and Stereo Theatre TV-stereo combo, $339.90 from $389.90.

Packard Bell is negotiating with a Japanese radio manufacturer, but has signed no contract such as the one mentioned in these pages last week (Vol. 16:8 p20), a company official told us last week. The announcement of an agreement, which originated in Tokyo, was "premature," Packard Bell said. "We're exploring possibilities just like everyone else," said a spokesman, "and we may have an announcement by April."

Canadian radio makers sold 770,285 sets last year to rack up the highest annual volume since 1950. Record-player sales, however, dipped for the 2nd consecutive year, to 202,114 units from 220,558 in 1958, 243,153 in 1957. TV sales declined for the 4th successive year (Vol. 16:8 p20), down to 405,006 units—just a little more than half of 1955's record 806,253.

Olson Radio Warehouse Inc., Akron, has denied FTC charges in a complaint filed last Dec. that it made deceptive pricing & savings claims, failed to disclose clearly the foreign origin of products and misrepresented guarantees on them. The firm and its officers Irving & Sidney Olson and Albert Schultz asked dismissal of the complaint.

Radio receiver sales for 1959 in the Southern Cal. area were 88,139. This figure tops all years since the Electric League of Los Angeles began compiling in 1955.

Finance

RCA's Banner Year: RCA last week added detail to the bright picture of 1959 performance painted earlier by Chmn. David Sarnoff (Vol. 16:8 p21). To some 163,000 stockholders went the annual report. It confirmed that sales rose 19% to a record $1.395 billion, topping the previous high of $1,176,277,000 set in 1957. Profits soared 30% to $40 million—but still well under 1955's record $47.5 million.

Commercial business (manufacturing & service) accounted for 41% of RCA's total 1959 income. Defense contracts chipped in 34%, NBC 23%, radio-telegraph business 2%. Chmn. Sarnoff & Pres. John Burns told stockholders that virtually all major operating units improved earnings, that NBC led all networks in dollars gained in gross billings, that NBC's o&o's set sales & profit records, that RCA defense business jumped 54% to $470 million; backlog was $325 million. For the year ended Dec. 31:

	1959	1958
Sales	$1,395,620,000	$1,176,094,000
Net profit	40,142,000	30,942,000
Per common share	2.65	2.01
Common shares	14,126,621	14,031,114

Admiral Doubles Profit: Pres. Ross D. Siragusa had a cheerful report for the Admiral Corp. board last week. Preliminary figures indicate that 1959 earnings topped $3 million—more than double 1958's profit. Sales were up some 17%. Further, forward-looking Admiral was ready to break the market with the industry's first 19-in. portable TV set, confirming our recent report (Vol. 16:8 p18).

"Plans have been finalized for the mass production of a complete line of 19-in. TV sets beginning next month," he said. "This new screen size should enable Admiral to widen its lead in the portable TV field in the months ahead." [The new sets are due to be shown at distributor meetings this week.] The new 19-in. tube, he said, "fits in the same size cabinet as the 17-in. tube, yet provides a 10% larger picture." Commenting on the 23-in. tube, Siragusa said its acceptance has been so pronounced that industry leaders believe 23-in. TV sets will account for the major share of large-screen sales this year.

Preliminary report for the year ended Dec. 31:

	1959	1958
Consolidated sales	$199,000,000	$170,777,126
Net income	3,000,000	1,375,017
Per common share	1.70	58¢
Common shares	2,405,471	2,372,476

Loew's Inc. was re-named Metro-Goldwyn-Mayer Inc. last week and began trading on the NYSE under a new ticker symbol: MGM. Pres. Joseph R. Vogel told stockholders that earning prospects for fiscal 1960 (ending Aug. 31) are "very bright," but are contingent on averting a studio walkout by members of SAG. He noted that since the company initiated licensing of films for TV showing, some $56 million in contracts have been signed, of which $31 million is still to be earned. During the 1959 fiscal year, Loew's granted 42 additional licenses, mostly to smaller TV stations on 7-year contracts. These new contracts will produce more than $5 million.

Sprague Electric Co. (not Chmn. Robert C. Sprague, as might be inferred from our Vol. 16:7 p23 item) has sold 32,000 previously authorized but unissued shares of common stock to 2 unidentified institutional investors. Mr. Sprague's personal holdings were not involved.

TV-Electronics Fund Gains: Record gains were racked up by Television-Electronics Fund, Chicago-based mutual fund with 91.7% of its assets in electronics, nucleonics and allied fields, during fiscal 1960's first quarter ended Jan. 31. Pres. Chester D. Tripp reported total net assets of $314,067,611—up from $244,105,822 in the year-ago quarter and a record for any fiscal quarter in the fund's history. The net asset value per share rose 11.5% to $7.14 (vs. $7.04 a year earlier), after adjusting for a 2-for-1 split which became effective Jan. 29 and for the adding back of a capital gains distribution of 62.5¢ made in Nov. 1959. Stock outstanding rose to a record 41,678,926 shares, up 20.2% over the year-ago total. The number of shareholders increased to a new high of 108,443, a 27.7% gain over the 84,930 shareholders recorded Jan. 31, 1959.

Portfolio changes in common stock since the close of the 1959 fiscal year Oct. 31 (Vol. 15:49 p22): Added were 25,000 shares of Pitney-Bowes, market value $850,000; 17,000 Texaco Inc., $1,277,125. Holdings were increased in Allis-Chalmers, Carborundum Co., Curtiss-Wright, Ford, GE, GM, Hoffman Electronics, United Utilities. Holdings were reduced in Consolidated Edison of N.Y.C., GT&E, Southern Cal. Edison, Walt Disney Productions. Holdings were eliminated in General Precision Equipment Corp.

Boston Herald-Traveler Corp. reports a drop in earnings despite a rise in revenues in the year ended Dec. 31. Treas. Roger P. Talmadge said newspaper profits declined sharply and more than offset a "comfortable" increase in profit netted by its TV outlet, WHDH-TV Boston. Radio WHDH duplicated its 1958 performance. Talmadge said that revenues from broadcast operations increased to $7,045,303 from $5,269,145 in 1958. Subsidiary WHDH Inc. was able to pass along part of its earnings to the parent company in the form of a $200,000 dividend paid late in 1959. Consolidated report for the year ended Dec. 31:

	1959	1958
Net revenues	$31,083,273	$28,977,012
Net income	895,319	1,173,755
Per common share	2.18	2.99
Common shares	411,472	391,878

Crowell-Collier Publishing Co. (radios KFWB Los Angeles, KDWB Minneapolis-St. Paul, KEWB San Francisco-Oakland) posted marked gains in sales & earnings in the year ended Dec. 31 (per-share earnings are based on number of shares outstanding at end of 1959):

	1959	1958
Net sales	$35,491,211	$29,099,414
Net income	5,209,670	4,320,729
Per common share	2.03	1.69
Common shares	2,558,294	2,198,432

Thompson Ramo Wooldridge hit a sales peak in 1959, anticipates an even higher volume this year. "Increased emphasis on non-military business saw approximately a 100% growth in the level of semiconductor & non-military electronics business," the company reported. Sales in the electronics, missile and space categories alone rose to $167 million from $89 million in 1958. Sales to the automobile industry were up 30%. For the year ended Dec. 31:

	1959	1958
Net sales	$417,748,953	$340,621,767
Net income	9,743,918	8,979,232
Per com. share (after pfd.)	3.02	2.86
Common shares	3,119,503	3,024,983

Dominion Electrohome Industries tallied record sales in 1959 but wound up with a 31% drop in profits (Vol. 15:52 p20), Pres. C. A. Pollock reported to stockholders last week. The Kitchener, Ont. TV-radio-phono producer attributed the profit decline to various factors: consumer confusion over stereo, "selloff" of monaural products, "some non-recurring problems & expenses due to field failures of purchased components, delays in deliveries which increased costs & significantly reduced our manufacturing & sales volume," long-term research & reorganization activities, others. Pollock noted that "sales for January & orders on hand as of Feb. 1 are well ahead of 1959," but foresaw "a competitive year ahead with many problems to be solved." Preliminary report for 1959 (shares outstanding reflect 3-for-1 split early in 1959):

	1959	1958
Sales	$15,423,000	$15,421,000
Net profit	379,000	552,000
Shares outstanding	417,800	108,170

General Telephone & Electronics has filed an SEC registration statement for public sale of 775,000 shares of common stock to raise an estimated $58.12 million for expansion programs. The statement didn't list an offering price but said it will be supplied in an amendment.

* * *

GT&E sales rose 20% in 1959 to top the billion-dollar level for the first time, confirming Chmn. Donald C. Power's January forecast (Vol. 16:5 p24). Sylvania's parent organization also established new records for net income, per-share earnings, assets. Power said Sylvania's earnings were some 74% ahead of 1958 and accounted for 41% of GT&E's 1959 net of $72.3 million. For the year ended Dec. 31:

	1959	1958
Total revenues	$1,081,056,000	$859,156,000
Net income	72,300,000	59,500,000
Per com. share (after pfd.)	3.40	3.07
Average com. shares	30,996,000	19,134,000

Telecomputing Corp. posted sharp sales gains and an increase in income (including a special tax credit of $217,719 or 9¢ a share) in the quarter ended Jan. 31:

	1960	1959
Sales	$11,741,991	$8,564,676
Net income	469,656	456,883
Per common share	16¢	17¢
Common shares	2,912,086	2,554,111

NAFI Corp., automotive-accessory, boating (acquiring Chris-Craft Corp.) and broadcast (KCOP Los Angeles, KPTV Portland, radio KXYZ Houston) concern rebounded sharply from 1958's losses to rack up a 1959 profit topping $1 million. Preliminary report for the year ended Dec. 31:

	1959	1958
Sales & other income	$23,354,720	$22,035,326
Net income (loss in 1958)	1,048,619	(382,951)
Per common share	1.06	—
Common shares	987,655	987,655

International Resistance Co., Philadelphia components maker, tripled earnings on a 44% gain in sales in 1959:

	1959	1958
Sales	$19,800,000	$13,743,865
Net profit	1,783,859	504,268
Per common share	1.29	37¢
Common shares	1,379,398	1,354,898

Desilu Productions' net income multiplied nearly 5-fold on a strong sales increase in the 39 weeks ended Jan. 30 (compared with the 40-week period ended Feb. 7, 1959):

	1960	1959
Gross income	$17,553,899	$14,943,740
Net income	708,121	141,730
Earned per share	61¢	12¢
Common & B shares	1,155,940	1,150,000

Oak Mfg. Co., Chicago components producer, scored a 59% gain in earnings on a 19% sales increase in 1959. Sales in the final quarter totaled $4,984,649 and were the highest for any 1959 period. The backlog of orders was 20% higher than at the end of the preceding year.

For the year ended Dec. 31:	1959	1958
Sales	$18,442,747	$15,537,850
Profits	991,685	624,426
Per common share	1.51	95¢
Common shares	655,894	655,894

Transitron Electronic Corp. stock is now listed on the N.Y. Stock Exchange. Ticker symbol: TRN.

Textron Electronics Inc. has been admitted to trading on the American Stock Exchange. Symbol: TEI.

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NT&T will reopen its exchange offer to remaining NTA stockholders and warrant-holders, according to NT&T Pres.-Board Chmn. B. Gerald Cantor. NT&T acquired a majority interest in NTA through an exchange offer Feb. 16, 1959 and now owns 1,114,636 shares representing 87.27% of a total of 1,277,197 shares of the common stock of NTA. It also owns warrants to buy 346,590 shares of the common stock of NTA, representing 79% of the total of 440,955 shares for which warrants are outstanding. Cantor said the new exchange offer will be substantially the same as that made last year. The initial exchange basis was $11 of NT&T's 5½% subordinated debentures due March 1, 1974 and a warrant for the purchase of one-quarter share of NT&T common stock for each NTA share.

Skiatron Electronics hearings by SEC on charges that the pay-TV company filed an inaccurate & inadequate stock registration statement (Vol. 16:8 p23) resume March 7 for a run of at least another week. SEC attorneys told us they expect to call more brokers to the stand to testify about a maze of financial dealings between Skiatron Electronics & its licensee Skiatron of America, headed by Matthew (Matty) Fox, who also may be a witness. Stipulations between SEC & Skiatron Electronics on admitted facts in the case were entered into the record at a brief session in the proceedings Feb. 17. Meanwhile, SEC ordered a further suspension of trading in Skiatron Electronics common stock through March 6.

Jerrold Electronics board will be enlarged with the addition of Thomas L. Kempner, partner in the investment house of Carl M. Loeb, Rhoades & Co., and Cal. oilman-showman Jack Wrather. Wrather and John L. Loeb, senior partner in Loeb, Rhoades, recently acquired more than 33% of Jerrold (Vol. 16:6 p5). The additions to the board were to have been finalized at a stockholders meeting Feb. 27.

Electronics Capital Corp., the small-business investment company specializing in electronics, has purchased $300,000 in 5-year convertible debentures issued by Ultronix Corp., San Mateo, Cal., convertible into 33⅓% of total Ultronix capital stock. Headed by Ronald D. Meredith, 3-year-old Ultronix specializes in precision electronic components.

Aerovox Corp. more than tripled profits in the year ended Dec. 31. Net income totaled $668,394 (77¢ a share) compared with $216,690 (25¢) in 1958.

Reports & comments available: Westinghouse, study, Reynolds & Co., 120 Broadway, N.Y. 5 . . . P. R. Mallory, memo, Herzig, Farber & McKenna, 39 Broadway, N.Y. 6 . . . Industro Transistor Corp., analysis, William Norton Co., 9 Maiden Lane, N.Y. . . . Federal Pacific Electric Co., prospectus, Georgeson & Co., 52 Wall St., N.Y. 5 . . . Douglas Microwave Co. Inc., report, Simmons, Rubin & Co., 56 Beaver St., N.Y. 4.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
American Bosch Arma.	Q	$0.30	Apr. 15	Mar. 21
Amphenol-Borg	Q	.35	Mar. 30	Mar. 16
Arvin Industries	Q	.25	Mar. 31	Mar. 7
Bell Tel. Canada	Q	.55	Apr. 16	Mar. 15
Bendix Aviation	Q	.60	Mar. 31	Mar. 10
Bulova Watch	Q	.15	Apr. 1	Mar. 11
EMI Ltd.	Int.	5% cash	.....	.....
Globe-Union	Q	.25	Mar. 10	Mar. 1
Hoffman	Q	.15	Mar. 31	Mar. 15
MGM Inc.	Q	.30	Apr. 15	Mar. 18

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WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

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DOERFER ON HARRIS HOT SPOT when House Oversight Subcommittee grills him about Fla. vacation stay as yacht-&-plane guest of George Storer (p. 1).

FCC UHF RESEARCH QUESTIONED by House group, which is dubious about $2.25-million project. Commission will return with lower figure, seek help of National Academy of Sciences (p. 10).

Networks

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JERROLD-WRATHER "MARRIAGE" is producing several long-range plans, including pay-TV, new consumer products, expansion in the CATV field (p. 3). Sales & profits up (p. 20).

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"INVENTORY READJUSTMENT" by retailers responsible for slump in factory & distributor sales of TV sets; retail sales at 6.5-million rate. First 19-in. portables introduced by Admiral. Industry studies new Supreme Court price-fix ruling (p. 15).

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FTC WINS PAYOLA PLEDGES from record manufacturers & distributors who line up to sign consent agreements. New complaints filed in FTC drive (p. 9).

Finance

PHILCO PROFIT SOARS to more than $7 million in 1959, up from less than $3 million in 1958. Annual report shows all divisions contributed to a 13% sales gain to nearly $398 million (p. 19).

ELECTRONICS INVESTMENT CORP. net assets rose 32.4% to $30,015,605 in fiscal-1960's first quarter (p. 20).

Other Departments

ADVERTISING (p. 11). **FILM & TAPE** (p. 12). **PERSONALS** (p. 14). **PROGRAMMING** (p. 14).

DOERFER ON HARRIS HOT SPOT: Flushed & unhappy, but standing defiantly on ground that he had violated no "judicial code of ethics," FCC Chmn. Doerfer was denounced & berated last week by House investigators for spending part of his Feb. vacation in Fla. as yacht-&-plane guest of Storer Bcstg. Co. Pres. George B. Storer.

Double-feature hearing on what FCC & FTC are doing to combat payola had been billed by Commerce Legislative Oversight Subcommittee as its big business for week. But hearing wound up with that subject dropped while Oversighters took turns taking Doerfer to task for accepting "gratuities" from Storer.

"I was very frankly amazed," Rep. Moss (D-Cal.) sternly told Doerfer, reminding him that just 2 years ago, Subcommittee had reprimanded Doerfer for cruising with Storer on another trip south. Moss pointed to a batch of clippings on the story of the most recent jaunt, which was broken March 3 under big headlines by N.Y. Herald Tribune.

"I simply can't avoid all social contacts because somebody at some time may be before the Commission," Doerfer protested. He said he had "ascertained that Mr. Storer has no matters pending before the

Commission of an adjudicatory nature," and that there was nothing in any judicial code which prevented him from picking his own friends. But Moss pointed out that Storer stations have had trouble with payola-taking disc jockeys.

"Grown people shouldn't have to have guidelines as to what is right & wrong," Rep. Mack (D-Ill.) told Doerfer. "I think this [Doerfer's conduct] follows the same pattern as some of the disc jockeys." Shortly after that, Doerfer was excused after spending nearly 4 hours on stand. Asked by reporters if he planned to resign, he angrily brushed question aside.

In his defense of the Fla. trip, Doerfer reminded Subcommittee that there has been "high mortality rate" among ex-FCC chiefs and argued that he needed to take advantage of opportunities for rest. As for his 16-day vacation this time, he said, he went to Fort Lauderdale as guest of Wis. friends, spent "parts" of 6 days & nights with Storer on yacht Lazy Girl. Under questioning, Doerfer also acknowledged that after buying Northeast Airlines tickets he flew from Miami to Washington & back again on Storer's private plane. But he said he'd had the tickets refunded March 2, planned to send the money to Storer for "charity."

Doerfer fared little better at hands of Subcommittee in presenting 7-page report & documents on course of FCC's moves in fields of payola (see pp. 5 & 6), TV-quiz rigging, hearings on FCC powers, etc. From Chmn. Harris (D-Ark.) to last-ranking Oversighter, Subcommittee sounded a too-little, too-late, too-cautious critical theme. If Doerfer had a friend on Subcommittee, it was Rep. Springer (R-Ill.). He pointed out that Commission at least had made some definite moves against wrongdoing in broadcasting since TV quiz scandals broke last year.

In contrast, clear sailing through hearing was enjoyed by FTC Chmn. Kintner. Oversighters complimented him for FTC's anti-payola work (see p. 9), expressed warm approval when Kintner promised that from payola, FTC planned to move into plugola practices. He named no companies as being under investigation for buying hidden plugs for products on broadcast programs, but said 8 of them had been docketed for inquiries. Kintner said TV writers, prop men, producers, entertainers, directors, cameramen were involved with putting across secret commercials sold for $200-270 per plug.

Kintner also was agile in skirting touchy issue which was raised briefly with Doerfer, too—Doerfer's speech to CBS affiliates last week (see p. 7). Moss wanted to know if Kintner agreed with Doerfer that Subcommittee overstated extent of corruption in TV-radio "Sir," said Kintner, "I'd rather not get into that."

Flareup over ABC-TV headliner Dick Clark also marked hearing. Rep. Bennett (R-Mich.) read list of 17 record & music publishing firms in which he said Clark had had interests, asked if Subcommittee was going to do anything about Clark instead of putting "peanut disc jockey" on spot in that phase of House investigation. Harris angrily said Bennett was reading from affidavit supplied by ABC itself when it required Clark & others to divest themselves of such business connections. Harris said staff investigators were running preliminary checks on Clark's activities.

CBS AFFILIATES' STRONG DOSE OF WASHINGTON: The dramatic Harris-Doerfer debate Feb. 29, which may become historic, left CBS convinced of the wisdom of holding TV affiliates conferences in Washington and exposing the telecasters to key govt. figures. As one CBS executive put it:

"I think the affiliates now believe we didn't act hastily, that our cleanup measures were not too extreme. Previously, some had accused us of pushing the panic button."

The affiliates certainly got a full taste of govt. thinking—from FCC Chmn. Doerfer, Senate Commerce Committee Chmn. Magnuson (D-Wash.), FTC Chmn. Kintner & House Commerce Committee Chmn. Harris (D-Ark.), in that order, followed by the angry Doerfer rebuttal to Harris.

Harris-Doerfer exchange warrants tracing in detail, which we do on p. 7, for it looks like a classic case of misunderstanding of Doerfer's position on part of Harris.

Aftermath of the exchange was buzzing of speculation among affiliates, then later among rest of industry, as to whether Doerfer's spirited ad lib presentation would do anyone any good. Affiliates' immediate reaction was a rising ovation with cheers, but some wondered later whether Harris would attempt reprisals against FCC & industry.

Other side of the Doerfer coin—his prime-time public-service plan for networks (Vol. 16:4 p2)—produced mutterings & misgivings among affiliates. It's understood that during March 1 closed meeting, CBS executives were asked why they accepted Doerfer plan, whether it meant "too much govt. dictation of pro-

gramming." Response: It was a "personal" suggestion by Doerfer, nothing official. Affiliates later passed resolution commending CBS for accepting plan and pledging support for it—although some complained privately that it was "railroaded through."

Sen. Magnuson's off-the-cuff talk had something for everyone—compliments & criticisms. Kintner again offered his carefully-worded thesis that industry can discipline itself, shouldn't invite govt. intervention. (For digest of their comments, see p. 8).

In the closed sessions, CBS topkicks reviewed "cleanup" campaign, govt. relations, business status, and fall program plans. CBS Pres. Frank Stanton sat in audience throughout, except for closing remarks thanking affiliates for help on revising political broadcast law, etc. CBS-TV Pres. James T. Aubrey was MC. Closed-session presentations were made by Thomas K. Fisher, vp-gen. attorney; Joseph H. Ream, vp-program practices; Herbert A. Carlborg, dir. of program practices; William B. Lodge, vp-affiliate relations & engineering; Carl S. Ward, vp-dir. of affiliate relations; Sig Mickelson, pres. of CBS News; Oscar Katz, vp-network programs; William H. Hylan, vp-sales administration.

Attendance at the Shoreham Hotel sessions was best yet for an affiliate conference—with some 300 people representing a remarkable 189 of CBS-TV's 200 affiliates.

NO U-I POST-1948s FOR TV YET: When Universal-International Pres. Milton R. Rackmil made his post-1948 deals with WGA and SAG (Vol. 16:9), it was believed he planned to unload them immediately on TV. But industry sources now think U-I made the deals because, badly in need of product, it wanted to avoid a strike. In substantiation, no leading distributor has as yet acknowledged having discussions toward acquisition of the U-I backlog. And last week Rackmil told a press conference that he had no intention of selling his post-1948s in the near future. It had been originally supposed that NTA was in such negotiation, but Pres. B. Gerald Cantor of parent NT&T told us there was nothing to the report. We also learn that U-I, in good financial condition now, has no desperate need for post-1948 revenue.

TV can't look for more backlogs of post-1948s in the near future, Hollywood therefore believes, unless there is liquidation of a studio or two (see page 12).

FILM STRIKE STILL DEADLOCKED: The impasse continues in Writers Guild of America strike vs. Alliance of Television Film Producers and TV operations at major studios. Producers hold firmly against WGA's principal demand, for foreign residuals, and WGA shows no signs of giving it up (p. 12).

Meanwhile, Screen Actors Guild is scheduled to strike major movie studios this week (March 7), following majors' refusal to grant the Guild a cut of post-1948 movies sold to TV. SAG's signing of Universal-International to a post-1948 deal has not dented majors' position.

LATEST TV STATION LOG: Handy quick-reference list of TV stations in operation (or due on air by spring) is included with this issue as a Special Supplement. It includes all stations in U.S., arranged by state & city, and in U.S. possessions & Canada, together with their channel numbers.

Extra copies of this log are available to subscribers in limited quantities upon request, without charge. The same log will be incorporated in our Map of TV Stations & Network Routes, included as an insert in the forthcoming Spring-Summer edition of our Television Factbook.

Auxiliary Services

JERROLD-WRATHER 'MARRIAGE': Pay-TV, Muzak for the home via CATV systems, new consumer products in the TV field, further expansion & diversification in the CATV & electronics fields—all these are now on Jerrold Electronics Corp.'s horizon, thanks to the current alliance between Jerrold, the Wall St. investment house of Carl M. Loeb, Rhoades & Co., and the Jack Wrather Organization.

Details of Jerrold's plans were explored at a press conference in N.Y. March 1 by Jerrold Pres. Milton J. Shapp and Jerrold board member Jack Wrather.

On the pay-TV front, more was hinted at than actually revealed. "We have for a number of years had an interest in pay-TV," said Wrather. "We've kept an eye on the various processes. I feel pay TV will definitely come about, and that Jerrold is the perfect 'vessel' if we enter pay-TV." Shapp pointed out that Jerrold has been active in pay-as-you-look TV for some time, having supplied the beyond-studio equipment in the Bartlesville (Okla.) experiment and for the Toronto Telemeter test now going on (see p. 4).

Now operating 9 CATV systems with 32,000 subscribers and planning more, as well as supplying electronic equipment to many others, Jerrold has some other plans in this area. One is to include Muzak as part of the CATV program service in small towns—Muzak being one of the several companies in the Jack Wrather set-up. (For details of Jerrold finances & product plans, see p. 20.)

HOW VIEWERS SEE TELEMETER: Canada's pay-TV experiment appears to be pleasing the customers—but businesswise . . . ?

"Its heaven without commercials . . . The whole family can see a decent movie for a buck," are typical reactions expressed to us by pioneer subscribers.

But there are a few dissenters. "I miss the break the commercials give. Now I can't get a fresh bottle without missing some of the show," commented one.

Overhead is big at $90 per coinbox selector, cable at 55 cents a foot, toll fee to the telephone company and the rake-off to the movie maker. It costs Telemeter $100 to hook up an Etobicoke home, we learned from Telemeter executives in N.Y. March 3, although the one-time installation charge to subscribes is only $5. Compared to theater costs, though, this expense is low, Telemeter added, pointing out that theaters today cost $400-$500 per seat.

Trans Canada Telemeter—div. of Famous Players Theatres, which in turn is a subsidiary of Paramount Pictures—considers it is having real success thus far with the new entertainment medium. The world premiere of coinbox TV took place in Toronto's suburban Etobicoke Feb. 26 with 1,000 subscribers (Vol. 16:9 p6). An additional 2,000 homes have paid for the service, and are merely waiting installation. There are 13,000 homes in the TV-wired area and, as a result of the initial interest, the full scope of Etobicoke township—an additional 27,000 homes, totaling 40,000 altogether in a 2-mile radius—will now be included in the Telemeter circuit.

Installation Rate Stepped Up

Rate of installation is 300 a week and waiting periods are anything from 2 days to a month depending on the area and availability to cables. On the day after the debut there were 64 new applications. Telemeter says it is doubling the number of installation personnel, will have 60 men & 30 trucks at work next week.

The subscriber pays no rental, and may pay anything between 85¢ and $2 to see a movie or sporting event. Of the subscribers we talked to, most said they watch every night.

Mrs. R. G. Thomson, Glen Allen Drive, took on pay TV because it is new and "sounded interesting." Reception is good and in many cases better than free TV. "We don't have to stay up late to see a movie," she said.

Mrs. G. W. Mullen of Edwalter Drive, like many other subscribers, said she still watches free TV. "We don't watch pay TV every night—only if we have not already seen the movie . . . We like the sports without commercials . . . It's heaven to see an uninterrupted program."

Mrs. William Stewart of Strath Ave., became a subscriber because "I got so darned sick of commercials." Said she: "This is better than free TV and I have just about given up watching anything but pay TV."

Biggest beef against pay TV is the nightly hunt for coins. All interviewed subscribers were satisfied with the look of the coin box perched on top of the set. Its beige color does not detract from its surroundings, they felt.

All programs are fed through Ch. 5 on the normal TV dial. The box also has a switch with its channels labeled A, B and C. The last is the "barker," bringing taped music and news of the film titles or sporting events available. A subscriber can tune to Channel A, turn to free TV, and then come back to A at no extra charge. But channel B would cost whatever the price was for that program.

The few dissenters against pay TV were the few who do miss commercials. One woman said she missed commercials because "some of them are very clever—especially the beer ads—and I get a great kick out of those . . . Anyway I can pick those up on free TV when I want."

* * *

Zenith hopes to file "within a few weeks," to request FCC approval of an on-air pay-TV test, Pres. Joseph S. Wright told us last week. "We're working hard on it," he said, "and we hope to go ahead as soon as FCC approves it. We can't disclose the market [we'll use] yet. We hope to do it on a large scale. We've been discussing program material with various sources but can't comment now.

"I should think that this would be of vital concern to the broadcasting industry. The NAB or some other spokesman has said that wired pay TV is OK but that on-air systems aren't. I think this was said with tongue in cheek because they thought that a wired system couldn't be done. But it's about time they woke up. A wired system can offer, in addition to subscription TV, several free channels with advertising—direct multi-channel competition but without the responsibilities that on-air telecasters have. No requirement for public service programs, and the like. And don't think that the telephone company isn't rubbing its hands, for it will be right in there with the wired systems." The cost of the experiment can't be pinpointed now, Wright said, but "it's much more economical than wire."

Zenith is the only pay-TV proponent besides Telemeter known to have funds to carry out a substantial experiment. Skiatron, the only other firm that was once believed to have a potential, is in bad financial shape—in addition to being in trouble with SEC. Furthermore, Skiatron Pres. Arthur Levey has testified that, even if he had funds, he would be dubious about pay-TV's prospects because of the attitude of Congress & FCC (Vol. 16:8 p23).

The conditions of an on-air test, as specified by FCC & endorsed by the anti-pay House Commerce Committee (Vol. 15:13 p3), are:

(1) Applications for tests limited to one market per system and one system per market. (2) No pay-TV program be broadcast simultaneously over more than one station. (3) Viewers of test programs must not be required to buy any special equipment. (4) Trial operations will be permitted for 3 years only. (5) Tests will be permitted only in markets with 4 or more commercial stations.

Technology

RCA's 4½-in. Camera Tube: A domestically-made 4½-in. image orthicon tube, interchangeable with the tube in the new British Marconi camera now being sold in this country by Ampex, was announced last week by RCA. This led to the conjecture that domestic manufacturers soon may offer 4½-in. cameras. In addition to the Ampex-Marconi tie-up (Vol. 15:40 p3), 4½-in. cameras made by EMI are being offered here by Telechrome (Vol. 15:51 p7) and similar Pye cameras are due on the U.S. market.

Principal advantage of 4½-in. cameras over the standard 3-in. units now in use here—greater sharpness, better contrast and tonal effects, lower noise-level—probably would not be outstandingly noticeable to the home viewer of live programs. Where the new-size camera is considered especially valuable is in the making of video tapes which must be duplicated. Because of the greater detail possible with the bigger tube, more "generations" of high-quality duplicate tapes may be made from an original TV tape made with a 4½-in. camera.

The new RCA camera tube is designated 7389-A; the English Electric tube in the Marconi camera is type 7389.

The FCC

PAYOLA IMPERILS LICENSES: Four Boston area AM stations which figured in payola testimony at House Commerce Legislative Oversight Subcommittee hearings last month (Vol. 16:7-8) were challenged by FCC last week to show why their licenses should be renewed.

The Commission on Feb. 29 mailed similar letters to WMEX, WILD and WORL Boston and WHIL Medford whose licenses run out April 1, telling them in effect to put up good cases or prepare to defend themselves in tough hearings. Other letters are expected. The identity of only one other station suspected by FCC was disclosed by the Commission, however. In a letter to Asst. Attorney Gen. Malcolm R. Wilkey, reporting on the payola moves, FCC Chmn. Doerfer said an investigator had been sent to New Orleans to look into practices at WJBW, whose renewal won't be up until May 1961.

Each station was called on to file formal answers to the payola allegations within 30 days—and placed on notice that hearings would be held on the applications if their replies aren't adequate.

All of the letters cited House testimony, replies by the stations to the FCC questionnaires—"and other information relating thereto," meaning payola files sent to FCC by FTC (see p. 9)—as grounds for Commission suspicions about payola practices. In addition, all but WORL also were asked to explain other alleged infractions of Commission rules & programming defaults.

"It appears from the above that payments or other consideration have been received by employes [of your station] and by the station itself" for broadcasts for which no "appropriate announcements" were made, each station was told. FCC cited Sec. 317 of the Communications Act and Sec. 3.119 & 3.111 of Commission rules, said the reported conduct of the stations raised questions as to whether they were in compliance.

Commission Asks 3 Questions

The questions: (1) "Whether the above-mentioned activities constituted an abdication by the licensee of its responsibility to select the station's programming material." (2) "Whether the licensee has engaged in activities bearing adversely upon its character qualifications." (3) "Whether the licensee has misrepresented to the Commission the facts with respect to the above operations, or has failed to disclose pertinent information with respect thereto or was lacking in candor in responding to the Commission's Dec. 2, 1959 inquiry." Other bills of particulars, as listed by FCC:

WMEX (Richmond Bros. Inc.): Its renewal application showed that "no time was devoted to agricultural, educational or talk programs and that .5% of time was devoted to religious programs during the composite week." Its claimed "public service" programs are mostly spot announcements for organizations. Its Dec. 1, 1959 balance sheet showed $64,500 in stockholders equity-capital stock, whereas its ownership report showed 20 shares of no-par stock outstanding "at a stated value of $6,168 per share." Its transmitter log disclosed unauthorized changes in operating specifications.

WILD (Noble Bcstg. Corp.): Its balance sheet as of Oct. 31, 1959, showed its current liabilities of $78,745 exceeded current assets by $60,950 and didn't indicate any plan for liquidating the liabilities. Its renewal application showed no agricultural or educational programming during the composite week, "entertainment" taking up 92.89% of the broadcast time. It claimed "public interest" programming, but submitted no samples.

WHIL (Conant Bcstg. Co. Inc.): A petition filed Jan. 4 by Simon Geller, who seeks a CP for a new AM station in Gloucester, alleged—"among other things"—that the station carries regular "horse racing programs direct from the tracks" and broadcasts other racing information. Yet "no mention of these matters," said FCC, "is contained in your opposition to said petition."

With slight variations in language, FCC's letters concluded: "In light of the above, the Commission is unable, at this time, to find that a grant of the above application for renewal of license would serve the public interest. It appears, therefore, that said application must be designated for a hearing."

■

Shorter License Periods: Closer check on questionable operators, through license periods less than the normal 3 years, was proposed by the FCC last week in a notice of rule-making. Industry comments are due April 1.

Current practice is to give stations "temporary" indefinite licenses when the Commission has doubts about something—issuing 3-year licenses when the problems are cleared up. The FCC has long thought that this procedure was uncertain & sloppy. The law doesn't permit licenses more than 3 years long—but it allows rule-making for shorter periods at FCC's discretion. In last week's announcement, FCC didn't indicate what periods it's thinking about—but many at the Commission believe that a one-year license is a reasonable "probation" period. It's worth noting that FCC, not many years ago, was sympathetically inclined toward industry suggestions that licenses be extended to 5 years.

Said the Commission, explaining its reasoning: "The Commission proposed rule changes which would enable it to make occasional use of shorter-term licenses in the case of any broadcast station which it does not feel is entitled to a regular 3-year renewal and which merits closer observation during a shorter period of operation. It believes that this would not only have a bettering effect on the performance of the station involved but would also have a beneficial influence on broadcast station generally."

The new rule would read as follows: "Licenses for [broadcast stations] ordinarily will be issued for a period of 3 years and, when regularly renewed, at 3 year intervals thereafter: *Provided, however,* That, if the Commission finds that the public interest, convenience, and necessity will be served thereby, it may issue either an initial license or a renewal thereof for a lesser term . . ."

* * *

"Licensee responsibility" was the theme of a short address by FCC Comr. Hyde March 3 at a luncheon of the Federal Communications Bar Assn. He harked back to one of the first acts of the Federal Radio Commission—sending a questionnaire to stations, asking each to describe its past & proposed public service performance. "It's time," he said, "for licensees to show awareness of their responsibilities as trustees of public facilities. And it's time for the Commission to make them aware of it, if they can't do it voluntarily." He suggested that highly qualified applicants, in comparative hearings, might well wrest facilities away from shoddy "formula" operators. He said that FCC has been charged, from time to time, with both "arrogance" & "passiveness" and that he'd rather be charged with the former. As for the Congressional investigations: "To be frank, they were urgently needed in some respects." FCBA presented certificates to FCC employes with 25 or more years of Commission service.

QUIZ & PAYOLA COMMENTS: FCC's proposed rules to deal with the twin sins of quiz rigging & payola (Vol. 16:7 p7) drew more-or-less hearty "amens" in a half-dozen comments filed last week.

Only CBS, NBC, & ABC had been heard from by the March 1 deadline for making observations about Commission cures for evils of program deceptions. The March 1 deadline for payola-rule comments was extended by FCC at NAB's request to March 22 (replies March 31), but CBS, Triangle Publications, Inc., and WOWL Florence, Ala. filed early returns on that issue.

On the quiz rule:

CBS: Agrees with FCC's proposal, but seeks some clarification. Suggests that FCC's language should be directed at programs "in which there purports to be a *bona fide* game, etc.," instead of at programs in which there is "the appearance of a *bona fide* game, etc." Wants to make sure that hints given to panelists on some programs with the deliberate intention of confusing them don't fall within FCC's definition of deception. In such shows as *GE College Bowl* and *What's My Line?*, CBS now enforces "procedures aimed at preventing any improper prearrangement or advance assistance designed to influence the outcome of the contest."

NBC: Favors adoption of FCC's plan, which "accords with NBC's previously stated position."

ABC: Urges adoption of Commission rule. "ABC has taken steps to ensure that no rigging will occur on any quizzes or contests it may broadcast and stands ready to give its affiliates the assurance which the new rule would require in this regard."

On the payola rule:

CBS: Supports purposes of FCC's proposal, although there's no sure cure. "CBS has sought over many years to devise adequate procedures to prevent 'payola.' Our experience has demonstrated that no procedure can provide a remedy that is both complete & certain." Suggests language in FCC proposal should be revised to include "any officer or employe" of independent contractors—as well as contractors themselves—in general coverage of payola prohibition. Also thinks FCC raises some confusion by its failure to define "valuable consideration" as payola, and suggests rule-making to "explore various situations" in which—for example—stores & other suppliers furnish free props for TV shows.

Triangle Publications, Inc.: Supports proposed amendment. "Triangle has adopted internal controls & procedures to prevent the broadcasting of any matter for which any consideration is received unless such is announced as required." Points out that FCC "in avoiding any detailed itemization of the procedures which must be adopted by a station licensee to fit its particular format & personnel, has fittingly recognized that the industry can through self-imposed procedures make govt. regulation more effective." Triangle is prepared "to support any industry action designed to assure the confidence of the public in broadcasting & its advertising function."

WOWL-TV Florence, Ala.: Suggests finalization of rule-making should be held up for one year. Before FCC imposes further sanctions, the industry should be allowed a reasonable time "in order to effect self-regulation before such rules as proposed be adopted."

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An FCC "enforcement bureau," proposed by gen. counsel John FitzGerald to make field checks of station compliance with Commission rules, has been rejected by the Commission. One Commissioner called it "the Gestapo."

New political-time policy, based on the amended Sec. 315 of the Communications Act, is in the works at FCC as the result of a Texas equal-time claim. Jack Woods, weatherman of KWTX-TV & KWTX Waco, is also a candidate for the state legislature. His opponent, William H. Bingham, asserted that he is entitled to free time on the stations because of Wood's broadcast appearances. The FCC majority believes that weathercasts are "*bona fide* news" and that this exempts the stations from any need to give Bingham equal time. This would reverse the policy established in 1958, when the Commission decided that time must be given to opponents of J. B. Garner, an announcer for radio KFPW Ft. Smith, Ark., who was also a candidate. Major stockholder of KWTX-TV is the wife of Senate Majority Leader Lyndon B. Johnson (D-Tex.). The FCC vote was 5-1-1, with Craven dissenting, Lee abstaining. The action ran counter to Commission attorneys' interpretation of Sec. 315. Private practitioners express fear that the new policy would invite abuse.

Political-time complaint to FCC by Salt Lake City Mayor J. Bracken Lee, alleging that radio KALL had unfairly given his opponent, Bruce Jenkins, free time during the last campaign, was rejected by FCC last week. KALL mgr. Homer K. Peterson told the Commission that the station had received $649.80 for Lee's broadcasts, $549.46 for Jenkins's. He asserted that no candidate was given free time or credit. FCC Chmn. Doerfer wrote Lee: "On the basis of the information in possession of the Commission, action on your complaint does not appear to be warranted at this time."

Democrats' complaint to FCC about CBS's policy against multi-network "saturation purchases" of political time (Vol. 16:8 p11) is very likely to be turned down. Democratic National Chmn. Paul M. Butler had asserted that CBS's exceptions would permit the White House to use the networks for messages with "direct or indirect political overtones." However, the Commission is expected to rule that the matter has nothing to do with Sec. 315 of the Communications Act and that any FCC intervention would amount to telling networks how to program.

Legislative history of Sec. 317 of the Communications Act proved fascinating to one attorney as he prepared comments on FCC's anti-payola rule-making. He reports that the section was lifted from a 1912 law covering 2nd class mailing privileges, and it requires the identification of anyone supplying "valuable consideration" to a station for material broadcast. In the original draft of the 1912 bill, the word was merely "consideration." Debate brought out that "love & friendship" were "consideration"—and Congress decided that it would be wise to amend the bill. The attorney wonders what the anti-payola investigations might have produced had the old language stood.

Field engineering & monitoring bureau of FCC may get a name change. Frequently, when the Commission goes before Congressional committees, new Congressmen perk up their ears at the word "monitoring," demanding to know whether it's a program-checking facility. There's a move to drop the word, which applies to engineering matters.

Hartford's Ch. 3, now used by WTIC-TV, should be shifted to Providence, and WTIC-TV should be given a uhf channel, according to petitions filed with the FCC by WWLP (Ch. 22) Springfield.

How to apply for a CP is described, step by step, in a new FCC release, "Broadcast Application Procedure." Copies of the guide (INF Bulletin No. 1-B) are available from the Commission.

Networks

More about

AFFILIATES' TASTE OF GOVT.: The Harris-Doerfer tangle (see p. 2) was a striking climax to the first day of the CBS-TV affiliates Feb. 29-March 1 conference in Washington—which also included addresses by Senate Commerce Committee Chmn. Magnuson (D-Wash.) and FTC Chmn. Kintner (see below). Here's how the big debate developed:

On Feb. 25, FCC Chmn. Doerfer addressed the presidents of state broadcasting associations and analyzed the recommendations of the Harris' Legislative Oversight Subcommittee (Vol. 16:9 p7). He said FCC agrees wholeheartedly that there should be anti-deception & anti-payola laws, and that there should be punishment for stations less severe than total license revocation. He added that deceptive practices in the industry are no more prevalent than in other industries but that "whatever there is must be uprooted"—and he quoted FCC's proposed rules & laws for the purpose. He labeled as "canards" the charges that such practices are widespread.

Most of his speech, however, was devoted to the Harris group recommendation that FCC "monitor programs broadcast by licensees to the extent necessary to determine whether the program balance is in the public interest."

"Dangers of Creating a Modern Pied Piper"

Such proposals, Doerfer said, "are definite threats to the American concept of freedom of expression for mass media of communication. You should assume the duty to study the full implications of having a govt. agency monitor broadcast stations to determine program balance—a vague & indefinable concept at best. Congress & the people should be alerted to the dangers of creating a modern Pied Piper. He may lead broadcasting—one of the most powerful media of mass communication—down a road from which there is no return."

Then, before the CBS affiliates Feb. 29, Doerfer elaborated on that theme, asserting there are both dangers & impracticalities in attempt to judge "program balance."

Harris came to the rostrum, following Magnuson & Kintner, and listed the 7 "legislative recommendations" his subcommittee made. He did not mention the group's "recommendation for administrative action" that FCC monitor programs for balance. Then he said:

"Those are the legislative recommendations. I challenge anyone to show me where there is any censorship. I challenge anyone to show me where in these recommendations closing up some loopholes, strengthening the law & strengthening your own business, in my humble judgment, where there is any threat to creative talent, programming or otherwise."

Harris proceeded to challenge Doerfer's statement that deceptive practices were not widespread by saying sarcastically: "Of course, it just covered every NBC & CBS affiliate station in these United States." Then came his stinger:

"Well, my good friend is entitled to his views, and I respect them. We always seek the advice & the views of the Commission on legislative & other problems. But this seems to me a concept of recognition of certain practices that cannot be condoned, but leave them alone and they will come home—in other words, status quo.

"Now, this concept of the American way was recently expressed by another person. Listen to what he says: 'I would like to enter on the record that I know of many, many businesses—as a matter of fact, this seems to be the American way of life, which is a wonderful way of life. It is primarily built on romance. I will do for you; what will you do for me?'

"Remember we are talking about responsibilities now in this country, and this great American way of life. Who expressed these views? The same—parallel them, if you will—by a disc jockey who admitted to our committee that he received substantial sums as favors outside of his own employment in connection with the playing of records on his own broadcasting programs."

When Harris finished, CBS officials asked Doerfer if he wanted to respond. Flushed & grim, he strode to the platform and thanked CBS for "giving me the opportunity to correct what I think has been a misinterpretation of the context in which my remarks were made."

He quoted extensively from his Feb. 25 speech, giving the texts of the FCC's proposals to combat payola & deception and asking: "What is there in this which indicates any callousness toward the idea that the American public should be protected from both deceptions?" When he spoke of "threats to the American concept," he said, "it is obvious that I refer to the requirements of attempting a balanced program and to conduct a monitoring system to check, to determine whether or not they comply with somebody's concept of what is balanced."

In a finale interrupted by applause, Doerfer asserted: "I challenge anybody to show me more than a handful of licensees who had even been charged with corruption. The fact that some employe can get his hand in your till shouldn't necessarily smear an entire industry.

"What evidence is there that there has been any [misbehavior] on the part of the licensee, even in the TV quiz show? I know there is suspicion. Some people said it is incredible that the owners, operators, licensees, didn't know anything about it. But I, not only as a lawyer, but as a Commissioner, sworn to uphold the law, must be guided by rules of evidence. I will never take a man's license away on pure rumor or conjecture. A thing of that kind must be proved to me beyond a reasonable doubt."

Doerfer walked to the rear of the room, sat beside Harris and they discussed the hassle. Said Harris: "John, I read the speech, then I re-read and re-read it again. Maybe I misconstrued it, but—."

Quarton Reports on Broadcasters' Problems

The conference began with remarks by William B. Quarton, WMT-TV Cedar Rapids, chmn. of the affiliates, who stated in part: "There is still much work to be done in TV . . . For instance, we need to clear away the brush of regulatory small print that obscures the field of fire of our editorial guns. When we get this job done we will become first class citizens along with those who use the second class mailing privileges to disseminate their editorial material . . .

"In flagrant cases where the broadcaster does not deliver what he has promised, the FCC certainly should have the right to take away the license of that station when the license comes up for renewal. Here the point is not programming, but character. Certainly this view is not inconsistent with our desire to keep any form of programming censorship out of the field of broadcasting."

Doerfer followed with his initial presentation, devoted largely to the dangers of govt. interference. He quoted recent news reports of Russian orders to its TV-radio officials to improve their propaganda effectiveness and to Fidel Castro's "govt. by TV" in Cuba. He attacked the Harris

Subcommittee's recommendation that FCC conduct hearings in the field, stating that the Commission hearing-load would increase from 200-250 to 2,200-2,500 annually and that "program balance" evaluation would mean the weighing of some 60,000 hours of broadcasting daily—"absolutely an impossible task."

Doerfer suggested "that you people undertake to tell people some of the problems of TV . . . that they have a wholesome fear of any further govt. intervention." He concluded: "I would suggest to the printed media that if a chill is put upon the freedom of expression in the broadcast media, how far behind can a bleak winter be for the printed media?"

Magnuson left everyone puzzled with a speech that labeled TV-radio a "quasi-common carrier" but gave assurance that self-regulation would take care of things.

As for Harris's recommendations, Magnuson said that his committee will give it "ample hearings, that all sides will be heard." He touched on his own group's activities:

Allocations—A report will be issued within 30 days because "there is a lot to be done yet . . . to spread free TV to the widest possible use."

Ratings—"I don't know whether we would have any authority to legislate a private concern that does a personal service for the broadcasting industry, but I do know inasmuch as ratings seem to be a very important criteria in what the public gets, that we have a further responsibility, to at least tell the public how they are arrived at, and why, and that will be done."

Public service—Networks & stations "all feel that if & where they can, there should be more public service. Both the Senate & House committees are going to have to deal with the problem of public service as it relates to the coming campaign, and that is a knotty problem."

Gives "Priority" to Ad Problems

Questionable advertising bothers Magnuson more than programming, he said. "I never have suggested there isn't room for improvement and I never had suggested that anyone—or discussed at least my viewpoint—that there are some things in programming I don't like, but like the Chairman of the FCC, I don't want to assume any role of a public censor. I think that would be somewhat impracticable but I do think that those of you who have direct responsibility as licensees or as networks using the licensees, ought to take a long, hard look at advertising on TV . . . and I think that has priority."

Generally speaking, he concluded: "There has been a great consciousness in the whole industry and I am the last to subscribe to a lot of regulation about things that can be done by the intelligence, responsibility and integrity of you people."

Kintner's address was an up-&-down thing, too. He praised CBS Pres. Frank Stanton as "a real statesman, a leader of integrity, a leader of imagination" and said that Mrs. Kintner is "delighted with recent noticeable improvements in TV programming—just as delighted as I have been with some obvious improvements in TV advertising."

On the other hand, he said: "Sure, your station must make a profit. You are entitled to that in our capitalistic, competitive free-enterprise system. Sure, you must seek & accept enough advertising to support your operation. But can you use these considerations to justify over-loading your station hours with advertising, to justify leaving your station on network all of the day & evening without regard to the needs of your community, or to justify accepting advertising of questionable legality or taste?"

Kintner also said that printed media should derive no comfort from his criticism of TV. "They, too, have sinned," he said. "And their responsibility to the public also is a heavy one—even heavier in terms of preserving our previous freedoms." He concluded: "Repairs are needed, and you can make them."

Harris, in his one-hour speech, took credit for pushing through the McFarland amendments to the Communications Act, fostering the TV Code, blocking pay TV, easing the law on political equal time.

He urged stations to strengthen public morality by emphasizing educational & informational programs. "It seems to me," he said, "that you have a tremendous responsibility in providing those people, American citizens, with the right kind of material for the right kind of thinking . . . Anyone who is not concerned with morality in my judgment has no business with a license to operate a facility or have anything to do with its utilization or, for that matter, in the administration of the rules governing its operation."

He also urged telecasters to use their own facilities to tell their own story. "One of your affiliates," he said, "came to me not long ago for an interview. While he was setting up & getting ready, he told me of an experience with his own facility. He told me how the competitors were treating him, and how they were taking business away from him.

"I said to him then, as I say to you today: 'You have a chance at an opportunity in operating your facility as is intended in the public interest to reach more homes, in my opinion, than any of your competitors, regardless of who they may be. And there is nothing wrong with your letting the people of the country know what the facts are.'"

Encouraged by Doerfer & Harris, the affiliates passed a resolution stating that "CBS-TV is urged to undertake the preparation of periodic programs in the *CBS Reports* series covering the biography of the TV industry with particular emphasis in the area of philosophy & regulations."

NETWORK SALES ACTIVITY

ABC-TV

Daytime Programming, participations starting March 10 for 13 wks.
American Redball Transit Co. (Ruben Adv.)

American Bandstand, Mon.-Fri., 4-5:30 p.m., participations starting July 6, 14 wks.
Polk Miller Productions (N. W. Ayer)

CBS-TV

Olympic Medal winners, Mar. 4, 4:30-5:30 p.m., taped highlights of winter Olympics.
Carter Products (Ted Bates) & *Kent Cigaret* (Lennen & Newell)

Sunday Sports Spectacular, 3-4:30 p.m., half sponsorship effective March 27.
Brunswick-Balke-Collender (McCann-Erickson)

Hotel de Paree, Fri., 8:30-9 p.m., alt. wk. sponsorship.
Carter Products (Sullivan, Stauffer, Colwell & Bayles)

Rawhide, Fri., 7:30-8:30 p.m., one-third sponsorship eff. immediately.
Wm. Wrigley Co. (Erwin Wasey, Ruthrauff & Ryan)

Stations

FTC WINS PAYOLA PLEDGES: Record manufacturers & distributors accused by FTC of illegal TV & radio payola practices in a rat-a-tat-tat enforcement drive which started 3 months ago (Vol. 15:49 p12 et seq.) began flocking to the mourner's bench last week.

One after another, respondents named in payola complaints lined up to sign FTC consent agreements which said in effect: "We haven't sinned, but we'll sin no more." The consent orders, forbidding the firms to give anybody concealed payments for broadcasting their records, followed a pattern set by RCA, first company to capitulate under FTC charges (Vol. 15:51 p6).

At the same time, FTC filed more payola complaints in its campaign, which mounted to the 60-case mark. And FTC sources told us that filing of charges against still more record makers & dealers was imminent.

FTC Chmn. Earl W. Kintner told the House Commerce Legislative Oversight Subcommittee at a check-up hearing (see p. 1) that so far the payola cases have involved payments to 255 disc jockeys & other bcstg. personnel in 56 cities—and that 95 additional investigations had been started by his agency. Kintner was asked by Subcommittee Chmn. Harris (D-Ark.) to deliver to him personally a single copy of the FTC list of the 255 names —an arrangement presumably designed by Harris to prevent leaks of the names by other Subcommittee members to newspapers—a practice Harris tries to discourage.

Signing FTC pledges last week in settlement of cases were these firms which promised not to engage in payola—but didn't admit they had violated the Federal Trade Commission Act:

London Records Inc., 521 39th St., N.Y. Sparks Music Distributors Inc., 1618 N. Broad St., Philadelphia, and Pres. Leonard Rakliff. Class Records Sales, 3617 W. Pico Blvd., Los Angeles, and Pres. Leon Rene. A & I Record Distributing Co. Inc., 100 Broadway, Cincinnati, and Pres. Isadore Klayman. Chips Distributing Co. Inc., 1415 N. Broad St., Philadelphia, and Pres.-Treas. Harry Chipetz. Main Line Cleveland Inc., 1260 E. 38th St., Cleveland, and Pres. William M. Shipley & vp James J. Shipley. Laurie Records Inc. & Abel Productions Inc., 1755 Broadway, N.Y., and Pres. Allan Sussel., vp Gene Schwartz, Treas. Robert Schwartz and secy. Eliot Greenberg.

New payola charges were filed by FTC against these firms & officers:

Fargo Records (Lou Fargo), 50 W. 57th St., N.Y. Record Merchandisers Inc. (Charles D. Gorman, pres.; Alfred L. Chotin, vp-treas.; Ben G. Landau, secy.), 1933 Washington Ave., St. Louis, King Records Inc. (Sidney Nathan, pres.-treas.; John S. Kelley Jr., vp-secy.) 1540 Browster Ave., Cincinnati. Volkwein Bros. Inc. (Carl R. Volkwein, pres.; Walter E. Volkwein, vp-treas.), 632 Liberty Ave., Pittsburgh. Midwest Distributing Co. (Paul Levy, pres.-secy.), 2642 Olive St., St. Louis. Commercial Music Co. (Charles Lampe, Edward A. Ochel and John Pohl, partners), 2338 Olive St., St. Louis. Eric Distributing Co. (Irving Pinensky, pres.), 1251 Folsom St., San Francisco. Bigtop Records Inc. & Bigtop Record Distributors Inc. (Julian J. Aberbach, pres.; Joachim Jean Aberbach, vp; Freddy Bienstock, vp), 1619 Broadway, N.Y.

Still another batch of FTC payola complaints went into the mail at last week's end, listing these respondents:

Astor Records Inc., 1711 5th Ave., Pittsburgh. United Artists Records Inc., 729 7th Ave., N.Y. Roberts Record Distributing Co. Inc. (Robert L. Hausfater, pres.; Sam Rosenblatt, vp), 1906 Washington Ave., St. Louis. Rick Records Inc., Rick Record Co. and Ron Record Co. (Joseph S. Ruffino), 630½ Baronne St., New Orleans. State Record Distributors Inc. and Whirling Disc Record Distributors Inc. (Melvin & Carl G. Herman of State Record and Herbert Harlowe of Whirling Disc), 140 W. 5th St., Cincinnati, and Indiana State Record Distributors Inc. (Melvin & Carl G. Herman), 1311 N. Capitol Ave., Indianapolis. All-State N.J. Inc. (Melvin Koenig, pres.; Sidney Koenig, treas.; Sherman Koenig, secy.; Irwin R. Fink, vp), 87 Stecher St., Newark. Mutual Distributors Inc. (George D. Hartstone, pres.; Leon C. Hartstone, treas.; Robert S. Hartstone, clerk), 1241 Columbus Ave., Boston. Interstate Supply Co. (Dale B. Neislander, pres.; James A. Hertzler, secy.; Clarence W. Mangels, treas.), 4445 Gustine Ave., St. Louis.

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Capital Cities Bcstg. Corp. (formerly Capital Cities TV Corp.) has moved its N.Y. offices to 24 E. 51st St. Capital Cities operates WTEN & radio WROW Albany with satellite WCDC Adams, Mass.; WTVD Durham, N.C.; WPRO-TV & WPRO Providence, R.I.

Toronto will be the toughest assignment for Canada's Board of Broadcast Governors when, next Monday—March 14—it must decide which of 9 applicants will get the single license for a private TV station in Toronto on Ch. 9. Applicants are: (1) Consolidated Frybrook Industries Ltd., Jack Kent Cooke, owner & pres., radio CKEY; (2) Spencer W. Caldwell, on behalf of a company to be incorporated; (3) Henry Borden, industrialist, on behalf of a company to be incorporated and including Southam Publishing Co. which publishes daily newspapers in Ottawa, Hamilton, Winnipeg, Calgary, Edmonton, Medicine Hat and Vancouver; (4) Upper Canada Bcstg. Ltd., including the international comedy team of Wayne & Shuster, and Sir Ernest MacMillan, director, Toronto Symphony Orchestra; (5) Rogers Radio Bcstg. Co. Ltd., owners of 50-kw radio CFRB; (6) Beland H. Honderich, vp, *Toronto Daily Star*, on behalf of a company to be organized; (7) Baton Aldred Rogers Bcstg. Ltd. (publisher John Bassett of the *Toronto Telegram*, chmn.; radio-TV personality Joel Aldred, pres. and including Foster Hewitt, owner radio CKFH); (8) Maclean-Hunter Publishing Co. Ltd. and including Associated Television Ltd.; (9) J. S. D. Tory, Q.C., director of *Toronto Globe & Mail*, on behalf of a company to be incorporated and including publisher Howard G. Webster, owner of *Globe & Mail* and Odeon Theaters.

"Clipp Plan" for TV code previewing of programs & commercials (Vol. 15:47 *et seq.*) will be explored in a special meeting March 11 at the Drake Hotel, Chicago, by some 40 telecasters who have shown the greatest interest in the concept proposed by Triangle Stations' Roger W. Clipp. Six operators joined Clipp in extending the invitations: Hayden Evans, WBAY-TV Green Bay, Wis.; Harold See, KRON-TV San Francisco; George Storer Jr., Storer Bcstg. Co.; Joe Drilling, KJEO Fresno; James Leake, Griffin Stations; Ward Quaal, WGN-TV Chicago. The idea has been endorsed publicly by FCC Chmn. Doerfer, informally by FTC Chmn. Kintner. Clipp considered offering the proposal as a resolution during the CBS-TV affiliates conference in Washington last week, withdrew it after some members protested that the conference was the wrong forum. Among the objectors was TV Code Review Board Chmn. Donald McGannon, who said that affiliate action might "embarrass" the Code Board at this time.

TV will get equal treatment with the press in N.Y.—when it comes to libel laws, at least—if a bill passed unanimously by the state Assembly clears the Senate. The bill writes into law several state court decisions extending the law of criminal libel to defamatory statements made on TV & radio. Designed to end the distinction between slander & libel laws, it provides that a person is subject to criminal libel when he deliberately defames another person on TV or radio with intent to convey the statement to the public. Defamatory statements on the air thus would be made subject to the same criminal libel laws that now apply to newspapers & magazines.

Strike-bound KDKA-TV & KDKA Pittsburgh were still deadlocked with AFTRA on key issues late last Friday, but a station spokesman indicated that settlement was in the wind and return of the strikers was imminent. Negotiations continued daily last week with little perceptible headway. At week's end, the Westinghouse Bcstg. Co. outlets were petitioning AFTRA to have only KDKA-TV & KDKA personnel (46 persons, or only 19% of the local AFTRA membership involved, according to the station) vote on the broadcaster's counter-proposal.

Congress

FCC UHF RESEARCH QUESTIONED: The $2.25-million uhf research project proposed by FCC (Vol. 15:48 *et seq.*) ran into trouble last week before the House Appropriations Subcommittee. Chances of getting the funds are now estimated at no better than 50-50. The decision should be known within a few weeks.

It's understood that in the closed session, before the group headed by Rep. Thomas (D-Tex.), the Commission was given almost no opportunity to present its facts before the questions began to fly. Apparently, the Congressmen don't object to the project particularly; they just don't want to spend the money.

So the Commission is going back with an amended budget, hoping to cut about $250,000. A Subcommittee member suggested that FCC might get help from the National Academy of Sciences. Preliminary inquiries have been made, and it's thought that NAS may offer some aid.

Most of the day was taken up by Congressmen raking FCC over the coals for not exerting greater control over station programming & business practices. FCC Chmn. Doerfer & Comr. Hyde did most of the talking for the Commission, each stressing his customary position—the former expressing fears of "censorship" and the latter agreeing that FCC should demand greater licensee "responsibility."

The Congressmen present were: Thomas (D-Tex.), Yates (D-Ill.), Evins (D-Tenn.), Boland (D-Mass.), Jonas (R-N.C.), Rhodes (R-Ariz.), Ostertag (R-N.Y.).

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Indefinite reprieve from Senate Commerce Committee going-over has been won by NAB, TV networks, national advertising organizations, FCC & FTC. Just 24 hours before a previously postponed conference on wrongdoings within the industry was due March 1, Chmn. Magnuson (D-Wash.) announced it had been called off because of the 24-hour daily debate on civil rights on the Senate floor (Vol. 16:9 p4). He said no new date for the top-level meeting would be set until the floor filibuster is over. In its last regular meeting before most off-the-floor Senate business was suspended for the debate's duration, the Commerce Committee decided meanwhile to merge its new (& inactive) Freedom of Communications Subcommittee with its standing Communications Subcommittee. Set up last year under Sen. Yarborough (D-Tex.) as a watchdog on TV & radio implementation of Communications Act equal-time amendments (Vol. 15:42 p10), the free-speech unit had had little business since. Yarborough was put on the Communications Subcommittee headed by Sen. Pastore (D-R.I.), increasing the Democratic lineup on it to 6 vs. 3 Republicans.

Broadcasters & legislators alike are faced with serving the interests of special groups in the community without losing the confidence & attention of the majority, TIO dir. Louis Hausman said March 2. Addressing the annual legislative dinner of the N.Y. State Assn. of Bcstrs. in Albany, Hausman called upon legislators & broadcasters to "help each other fulfill their common responsibility to serve the public interest." In paralleling the 2 groups, Hausman said: "Unless we are willing to settle for a totalitarian approach, we cannot force people to watch or listen to what they don't want or to obey laws for which there is no broad public acceptance." He urged that both legislators & broadcasters avoid activities which "diminish the public's respect for the work of the other."

CBS Inc.'s Frank Stanton gave industry's arguments against govt. program controls "clearly, succinctly and persuasively" in his *Printers' Ink* Advertising Gold Medal Award acceptance speech last month (Vol. 16:8 p11), Rep. Rhodes (R-Ariz.) told the House. Inserting Stanton's speech in the *Congressional Record*, Rhodes said it "placed in perspective the basic questions involved in govt. regulation of broadcasting." The text of the speech also was carried in full-page newspaper ads by Capital Cities Bcstg. Co. (WTEN & WROW Albany, WPRO-TV & WPRO Providence, WTVD Raleigh-Durham), which hailed Stanton's "clear statement of principles." A dissenting opinion was filed by *N.Y. Herald Tribune* syndicate columnist Walter Lippmann, however. He wrote that Stanton advanced "a thoroughly false argument" in the speech by equating broadcasting with the press. Lippmann said Stanton seemed to forget that TV & radio stations—unlike newspapers—are licensed by the govt., that the broadcasting industry has no "unrestricted right to set its own standards of conduct." If 3 printing presses monopolized press communications as the 3 networks monopolize broadcast communications, the presses would have to be regulated, too, Lippmann added. But meanwhile: "There is an essential & radical difference between TV & printing, and Mr. Stanton should not pretend that they can or should be treated alike." Sen. McGee (D-Wyo.), a Commerce Committee member, told the Senate he found Lippmann's criticism of Stanton "extremely penetrating." At the same time, Lippmann got a rebuttal from his *Herald Tribune* Syndicate stablemate David Lawrence. In his column, Lawrence said the govt. has no business interfering with programming—or dictating equal-time on the air for politicians, either.

Conflict-of-interest legislation proposed for govt. employes by N.Y. lawyers (Vol. 16:9 p5) won't do the job of preventing abuses, House Judiciary Committee Chmn. Celler (D-N.Y.) said last week. He argued that the bills (S-3080 & HR-10575) would place "primary reliance" on federal agencies to see to it that officials & employes don't use govt. connections for their own gain. "You cannot expect the agencies to enforce conflict-of-interest statutes," Celler said. "They just won't do it." But Chmn. Roswell B. Perkins of a special committee of the Assn. of the Bar of the City of N.Y., which drafted the bill, told Celler's Anti-trust Subcommittee that the proposed measures could bring "vast improvement" in enforcement of the laws. He said present laws rely too much on harsh penalties.

All-channel TV sets could be required of interstate manufacturers by FCC under FCC-proposed bills (S-3115 & HR-10817) introduced at the Commission's request by Senate Commerce Communications Subcommittee Chmn. Pastore (D-R.I.) and House Commerce Committee Chmn. Harris (D-Ark.). The legislation was recommended in FCC allocations testimony last month before Pastore's subcommittee (Vol. 16:6 p2). The nominal Congressional sponsors of the measures aren't expected to push for action on them, however, as both Pastore & Harris have expressed doubts about the need—& constitutionality—of such legislation.

Lee group newspapers, which under separate corporate setups have extensive TV & radio interests in the Midwest (see TELEVISION FACTBOOK No. 29, pp. 298 & 302), demonstrate "qualities of character, intellect and leadership," according to Rep. Schwengel (R-Ia.). In a *Congressional Record* statement, he said the family newspaper-broadcasting enterprise founded by Alfred W. Lee "emphasizes the American dream and what can be accomplished by dedicated men working toward a goal."

Advertising

Biggest TV Agencies Reported: The top 10 ad agencies billed $708.9 million in TV during 1959, based on figures supplied by *Advertising Age*'s annual agency billings report. J. Walter Thompson, with the highest overall billings ($328 million, including foreign) was also the top TV agency with $110.5 million in 1959. McCann-Erickson recorded the highest all-media domestic billings of $231 million, of which $90 million went to TV. The top 10 agencies billed $1.496 billion in all media domestically, the trade paper reported.

Following JWT & M-E, the remaining top 8 (with their estimated TV billings) include: Young & Rubicam ($89 million), BBDO ($73 million), Ted Bates ($90 million), Leo Burnett ($55.7 million), Benton & Bowles ($73.7 million), N.W. Ayer ($35.8 million), Kenyon & Eckhardt ($39.9 million), Dancer-Fitzgerald-Sample ($51.3 million).

Billings & account breakdowns of 629 ad agencies, ranging from over $300 million to less than $100,000 a year were reported in the special 218-page issue (Feb. 29). There were 39 agencies billing $25 million or more, including 7 who were not in this category in 1958: Doherty, Clifford, Steers & Shenfield; Gardner; Doyle Dane Bernbach; Geyer, Morey, Madden & Ballard; Ogilvy, Benson & Mather; Fletcher, Richards, Calkins & Holden; and Tatham-Laird.

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Camera trickery was used, Libby-Owens-Ford conceded last week, in its TV commercials for safety plate glass installed in General Motors cars. FTC had started Toledo & Detroit hearings on a deceptive-advertising complaint against the companies. In a formal reply to the charges last month, L-O-F denied using "any false, misleading or deceptive representations or statements whatever" (Vol. 16:7 p12). Both companies again entered denials when FTC examiner Harry R. Hinkes opened the hearings. But subsequently L-O-F issued a statement which said it had "learned for the first time that certain plate glass scenes in its commercials had indeed been filmed through an open or rolled-down automobile window"—as FTC had claimed. The L-O-F statement blamed an unnamed commercial producer for disregarding instructions to film scenes through plate glass car windows to demonstrate lack of optical distortion in contrast to vision through sheet glass.

FTC "honors program"—to recruit law school graduates in the top 10% of their classes—has been started by Chmn. Earl W. Kintner "to maintain the highest level of competence" on the ad-policing agency's staff. Candidates selected for FTC jobs will get higher-than-usual starting salaries: $4,980 for law clerk-trainees, $5,985 for attorneys who have been admitted to the bar.

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Ad People: Mort Green resigns as director of TV & radio, Revlon Inc. . . . **James Shelby** named dir. of radio & TV dept., Joseph Katz Co. . . . **Robert J. Greiner** appointed radio & TV dir., Earle Palmer Brown & Associates, Washington . . . **Ken Torgerson** has been named senior associate media dir., Dancer-Fitzgerald-Sample.

Harold A. Smith elected a vp of Needham, Louis & Brorby, Chicago, continuing as head of program promotion & merchandising for the TV-radio programming dept. and as head of press relations . . . **Ralph C. Robertson**, ex-ad dir. of B. T. Babbitt Inc., appointed senior vp and director, Geyer, Morey, Madden & Ballard . . . **James K. Graham** named associate dir, TV-radio dept., Reach, McClinton & Co.

It's TV's Fault, Says Kenyon: "Rigged TV quiz shows & payola alone are responsible for the recent hubbub over truth & taste in advertising," charged Magazine Publishers Assn. Pres. Robert E. Kenyon Jr. in Detroit last week. The N.Y.-Washington quiz disclosures, said Kenyon, "were the keys that unlocked a Pandora's box of investigations & exhortations, pointing of fingers, beating of breasts and wailing at the walls throughout the ad & media world."

In a put-the-record-straight speech before Detroit's Adcraft Club, Kenyon stated that before the quiz probes, the FTC was receiving only "a couple of hundred letters of complaint a month" and that following the investigations "complaint letters jumped 5 times." Chmn. Kintner (of the FTC) "wrote me," said Kenyon, "that complaints on magazine ads numbered about 50 a month before Nov. 4, 1959, and about 60 a month out of about 1,000 received monthly since then."

Prime responsibility for truth & taste in magazine advertising lies with "the advertiser & his agency," Kenyon further stated. Any attempt by FTC, or other govt. agency, to hold magazines as well as advertisers & agencies legally responsible for the truth in magazine advertising would be fought by MAB, Kenyon indicated. "We would question whether this might not be an approach to that censorship which we must resist at all times," he said.

For the future in print media, Kenyon offered a broad platform for "further improvement" of ad practices. He urged "stricter enforcement of laws against the few violators," periodic checkups of voluntary codes & standards, a "fresh look" by corporate management at advertising responsibility of companies, agencies & media and "stricter self-discipline" by admen.

* * *

Main viewer criticism of commercials is that "there are simply too many," Schwerin Research Corp. has found in a recent attitude survey of 1,720 viewers. When asked "What is your major criticism of TV today?" 46% criticized commercials, 44% programs. In the commercials category only 3% specified they were "false & misleading," while 60% said there were "too many," 26% that they were "too lengthy, loud or annoying" and 8% that they were "interruptive."

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Print circulation isn't readership, a Daniel Starch & Staff research study circulated last week by one of the major TV networks pointedly reminded admen. Based on a checkup of 41 issues of 8 newspapers in 5 markets, the Starch study shows that a typical 1,000-line newspaper ad "is noted by only one out of every 5 issue readers," that even full-page newspaper ads can expect to attract only one reader in every 3, and that only 4% to 12% of an issue's readers can be expected to "read most" of the average newspaper ad. On a related research front, Sindlinger & Co. reported, however, that people spent 17.3% more time reading newspapers in late 1959 than they did in the last part of 1958, and spent 20.8% less time watching TV and 7.9% less time listening to radio.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
KABC-TV Los Angeles	$2600 to $3500	$800 to $900[1]	March 1
WDSU-TV New Orleans	1100 to 1200	250 to 300	March 1
KOMO-TV Seattle	1200 (no change)	350 to 380[2]	March 1
WFAA-TV Dallas	1200 (no change)	250 to 275[3]	Not reported
WCHS-TV Charlestown, W.Va.	800 to 850	175 to 200	March 1
KHQA-TV Hannibal, Mo.	400 (no change)	80 to 90	March 1

[1] New Class AAA Min. rate (7:59-10 p.m. daily), Class AA Min. (7:29-7:59 p.m. daily) remaining $800.
[2] New Class AAA Min. (7:29-10 p.m. daily).
[3] 20 Sec. only.

Film & Tape

FILM STRIKE STILL DEADLOCKED: It looked last week like a long strike which well may affect next season's product that normally goes into production between April & July. For neither side was predicting an early settlement in the WGA strike against Alliance producers and TV operations at the major movie studios. The disputants didn't even bother to hold a negotiation session. WGA was disturbed by the refusal of the Alliance to so much as discuss the issue of foreign residuals (WGA seeks 4% of the gross on telefilms shown abroad).

But production executives representing the networks, the majors and independents met last week to discuss the situation. With 90% of TV-film producing companies represented, they firmly reiterated their solidarity against WGA's demands.

WGA strategy, meanwhile, appeared to be to sign independents outside the Alliance fold, in hopes that this would break producer-resistance to the overseas residuals demand. The contract for such independents expires March 12. However, there appeared to be little chance of any major break in that area. (For example, Warren Lewis, who is involved in the production of *Man With a Camera*, *Peter Gunn* and *Mr. Lucky*, plus several pilots, is one of the leading producers outside the Alliance, and he's firmly against grainting overseas residuals to WGA. Lewis told us that the smaller independent's only means of recouping some of his investment in the near future is the overseas market, and granting such residuals to the various guilds "would destroy that source." A contract with a sponsor normally prevents a producer from putting his series into reruns for 3-5 years, and that's why the overseas market is important, Lewis explained.)

Old Properties Being Re-Made

What were the telefilm companies doing for stories? Some were digging into their vast backlogs & remaking old stories. Minor changes were being made in such scripts by non-Guild production executives.

Some Guild members were reported writing, but under pseudonyms to avoid fine & expulsion from WGA.

Some companies said they were using non-Guild writers. WGA, aware of this, said they could represent only a miniscule number since virtually every professional is a WGA member.

One thing was clearly evident—overall production has not yet been hurt badly by the WGA strike. While executives were admitting they have begun to feel the story shortage, their cameras were nevertheless busily filming series at every studio.

SAG's March 7 strike against the major movie studios, seemingly inevitable, will have little effect on TV film production at those studios. Our check on this point brought out the following:

MGM: "We will continue with our regular production of pilots and with our TV rentals. A SAG strike will mean we will have 10 more stages available for rentals." (CBS-TV, which already has *Twilight Zone*, *Rawhide* and *Mr. Lucky* filming at MGM, is negotiating to move 3 more of its series to the Culver City lot.)

Paramount: "We plan to continue operations as long as possible."

Warner Bros.: "Closing has never entered our minds."

Columbia: "A SAG strike will in no way affect production of our series & pilots."

Twentieth Century-Fox "We wouldn't keep all our departments open for a single series (*Adventures in Paradise*). In event of a SAG strike, we probably will film the *Paradise* exteriors here and the interiors at Fox Western. We will keep only that production personnel necessary for filming of the series, plus personnel working on movies already filmed, also studio police, etc."

SAG and the majors held an unproductive negotiation meeting last week at which the majors discussed a pension plan, minimums, and everything but the explosive question of payments on post-1948 movies sold to TV. Studio negotiators said they had orders not to discuss it, so little was done, since that issue is SAG's principal target.

The majors were unimpressed when SAG, like WGA the previous week, reached a post-1948 deal with Universal-International. The SAG-U-I deal provides that U-I will pay 6% of the gross from distribution of U-I movies sold to TV after deduction of 40% for distribution costs. The deduction is reduced to 10% if the U-I backlog involved is an outright sale. On movies made after Jan. 31, 1960 the producer will pay 7% with similar deductions. U-I will pay 5% of actors' earnings into a pension & welfare fund. U-I can release post-1948 movies to pay-TV without additional payment to actors, but for any movies made after Jan. 31, 1960 SAG may reopen pay-TV negotiations.

SAG signed Carlyle-Alpina S.A., the Otto Preminger Company which is producing "Exodus"; and independent producers Frank Sinatra, Tony Curtis and George Sidney to deals similar to that made with U-I.

SAG and major independent producers were reported near agreement in their negotiations.

TV will undoubtedly be affected if there is to be a prolonged SAG strike. It's the considered opinion of most informed industry executives that at least 2 major studios may be liquidated by stockholders in the event of such a strike. Certain stockholders have been seeking an excuse for such liquidation and a SAG strike would provide it.

Some sources say, too, that at least some of the majors would welcome a strike because it would permit a housecleaning of personnel at the studios. If SAG strikes, a number of majors may exercise *force majeur* clauses in their contracts with high-paid executives and production talent, thus economizing and perhaps, in some instances, paving the way for liquidation.

The first evidence of a dissident group within SAG came last week when about 40 actors opposing the strike action met to criticize their Guild. Principal speaker was Glenn Ford, who said, "Actors are not morally justified in striking & causing backlot workers to be laid off. Personally, I could retire tomorrow on the post-1948 residuals but it would be morally wrong. No amount of money can compensate for the resentment & tragedy we will cause." A second meeting of anti-strike SAG members was held later in the week, with over 200 attending.

* * *

Disclosure that the striking Writers Guild of America maintains "spies" at the telefilm companies it has been striking since Jan. 16 came out at a membership meeting. When writer-producer Carey Wilber criticized this scabhunt as a "junior model Heinrich Himmler & Gestapo," and characterized the Guild's leadership as "inept," he was booed & hissed. Wilber (and others) left the meeting, claiming he was threatened. The producer-director (who has just finished the pilot of *Innocent Jones* at Paramount) said, "I am opposed to the strike. I felt WGA chose a bad time for it . . . The Guild has achieved a lot for writers—but you can't push a good thing too far."

NEW YORK ROUNDUP

Another round of overseas-taped shows is in the works. Early in April, Pat Boone and key members of his 30-min. Chevrolet-sponsored ABC-TV show will start a month of European taping, with the facilities of Ampex-equipped Intercontinental TV S.A. (ITSA). Four shows are planned —2 in Paris, and one each in Venice & Munich. Dave Garroway, first U.S. TV star to utilize tape on overseas locations, will fly to Rome next month to tape a week's worth of NBC-TV shows with ITSA facilities. In N.Y., ITSA executives told us they anticipated no problems in finding engineers familiar with U.S. equipment to handle the European assignments. "We've had a small flood of letters & resumes lately from network engineers who tell us they'll just happen to be on vacation at the time we plan our tape shows in Europe. Everybody wants to go on the junket."

Block-booking anti-trust action in N.Y. Federal Court against major film firms starts March 7. None of those we contacted among the defendants (MGM, Screen Gems, United Artists, *et al.*) expressed worry that the distribution of features for TV would be radically changed or that the estimated $450-million worth of contracts already written in the TV field would be torn up & rewritten. Said an official of one of the defendant firms: "We've long since dropped the selling of features in big blocks. Now, we sell small packages and even a few choice films out of the packages." Said a UA source: "First the govt. made the industry sell films to TV. Now, the govt. doesn't like the way it's been done. Where do we go from here?"

New color tape equipment has been ordered by Mobile Videotape Productions, N.Y.-based independent firm specializing in location-produced tape commercials & programs. A spokesman for MVT Pres. Ted LeVan told us the firm has already received its second Ampex recorder, a colorized 1000-B model, and expects to receive a set of GE color cameras shortly. No major color-commercial orders have been placed with MVT, however. MVT's original equipment, housed in mobile units, was entirely black-&-white.

Screen Gems & ABC-TV are discussing a deal for network reruns of one of the most sought-after film packages on the market: the 200-odd 30-min. episodes of *Father Knows Best*. Co-producers Eugene Rodney and Robert Young, who stars in the situation comedy series, may get as much as $6 million from a daytime rerun network sale. Currently, the show is in first-run on CBS-TV for Scott Paper Co. and Lever Bros., and the sponsors are willing to renew for another season. But Rodney & Young reportedly want to drop the series after 6 successful seasons, believing they've exhausted the idea. Screen Gems is due in any event to be a major supplier of programming on ABC-TV this fall, with program deals lined up for *Naked City, The Flagstones, Winston Churchill's Memoirs* and the *Donna Reed Show*.

WPIX N.Y. has launched syndicated sales of its latest station-produced 60-min. documentary film, "The Secret Life of Adolf Hitler." Aired in prime time (8:30 p.m., Feb. 25), the show scored a surprise smash hit with a 49.7 local ARB and a 60% share of audience—highest in the independent station's history—against competition from the other 6 N.Y. channels. Another WPIX 60-min. film, dealing with the Berlin crisis, is being held by the station pending President Eisenhower's visit to Moscow.

HOLLYWOOD ROUNDUP

William Morris Agency last week sold its third series out of 3 pilot pitches. It was Four Star Television's *The Law and Mr. Jones*, starring James Whitmore. The previous Morris sales were *The Tom Ewell Show*, also from Four Star (sold to CBS-TV), and *The Andy Griffith Show*, a Marterto Productions-Griff Link Corp. series, sold to General Foods. P&G bought the Whitmore series, which is produced by Cy Gomberg. Ironic feature of this deal is that a pilot was originally made last year by Bing Crosby Productions for ABC-TV under the title, "Lincoln Jones." After ABC-TV decided not to buy it, Four Star acquired the rights and reshot the pilot. P&G has not decided on time or network.

Lucille Ball's divorce action against Desi Arnaz will in no way affect Desilu Productions, owned by the pair, it's emphasized by studio sources. We're told that Arnaz, pres. & exec. producer of Desilu, is planning a series of 60-min. filmed specials for next season, with Lucy to star in 5 of them. They will be filmed this summer before she moves to N.Y. While property settlement hasn't been disclosed, the couple's 49% ownership of Desilu is not affected.

Movie industry can't survive without foreign markets, yet "some countries devote their highest ingenuity" to barring film imports from the U.S., Motion Picture Assn. of America Pres. Eric Johnston said last week. As spokesman for the first industry to be heard in a series of Commerce Dept. conferences on foreign trade problems (Vol. 16:9 p18), he said the govt. should obtain assurances from other nations against "new & unreasonable" trade barriers. Johnston argued that U.S. movies have particularly important international roles as goodwill ambassadors & salesmen for other American products.

NBC-TV's planned pre-taped drama, "The Ira Hayes Story," based on the life of the late Pima Indian who participated in the historical flag raising on Iwo Jima, will be telecast as scheduled March 8, despite protests by the Pima tribe. The tribal council objected strongly to the show on the grounds that "NBC seemingly intends to misrepresent Ira Hayes and the Pima Indians to the American public by showing Hayes as a drunken Indian." No action has been taken against the network.

Revue Studios has signed Joel Murcott as associate producer to develop new properties . . . Producer Hubbell Robinson will pilot a 30-min. comedy, *That Man Adam*, starring Paul Ford. Mac Benoff is producer-writer . . . Robinson's *The Lawyer* series for ABC-TV goes into production March 7, with Jules Bricken as producer, and his thriller series for NBC-TV begins filming this week . . . A new comedy pilot, *Ichabod*, soon goes into production at Revue, with Bob Mosher and Joe Connelly as producers. It hasn't been cast yet.

"Father Knows Best" producer Eugene Rodney, Groucho Marx, Bob Cummings and Steve Allen will be the panelists when the Academy of Television Arts & Sciences meets to discuss TV comedy March 31. George Fenneman will be moderator . . . Rodney, incidentally, told us he hasn't yet decided on continuing his series for another season.

Allied Television Film Corp. has acquired from C. V. Whitney Pictures Project X, which photographs & develops movies over a 360-degree viewing angle.

Television Digest

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Personals: John K. West, ex-NBC Pacific div. vp, named NBC West Coast vp, representing network management in areas of public relations, talent relations, advertiser relations & community relations. Thomas W. Sarnoff, ex-production & business affairs vp, becomes West Coast administration vp and head of new West Coast coordinating committee formed "to strengthen the links between NBC's N.Y. hq and network activities on the West Coast."

Benedict Gimbel Jr., pres. & gen. mgr. of radio WIP Philadelphia until its purchase by Metropolitan Bcstg. Corp., elected vp & a dir. of Metropolitan; H. D. (Bud) Neuwirth, ex-John Blair & Co., joins Metropolitan as asst. to Pres.-Chmn. John W. Kluge.

Richard Maguire, ex-KUAM-TV & KUAM Guam, named gen. mgr., KVUE-TV (Ch. 40) Sacramento . . . Edward P. Dittlof promoted to new post of community affairs dir. of Storer's WITI-TV Milwaukee . . . James A. Bacharach, ex-O. E. McIntyre Co., named to new post of dir. of mktg. services, Trendex . . . Richard N. McHugh, ex-mgr. of financial evaluation, appointed NBC-TV mgr. of special program sales . . . Blaney Harris named program sales mgr., WPIX N.Y.

Lt. Col. Rene P. Landry, asst. to CBC Pres. Alphonse Ouimet, appointed a vp; C. E. Stiles named CBC dir. of purchasing & stores . . . Don W. Lyon, dir. of TV-radio for U. of Rochester and conductor of oldest continually sponsored educational TV program (7 years on WROC-TV), appointed to new position of dir. of public affairs for the university.

Obituary

Melvin Purvis, 56, owner of radio WOLS Florence, S.C. and ex-FBI agent who led the teams that killed criminals John Dillinger and "Pretty Boy" Floyd, shot himself to death Feb. 29 at his home in Florence. His physician said Purvis had been depressed and in poor health recently. Since leaving the FBI in 1935, he had practiced law in Florence, and in 1941 served as counsel for a subcommittee studying civil service. He is survived by his wife and 3 sons.

Joseph M. (Joe) Boland, 55, nationally known sports announcer and sports & special events dir. for WSBT-TV & WSBT South Bend, died Feb. 26 in South Bend. He was widely known for his formation in 1947 of the Irish Network, which grew to 190 radio stations, to broadcast Notre Dame football. Survivors are his wife, daughter and son.

Programming

SPECIALS NOT SO SPECIAL: Program plans of at least 2 of the 3 networks call for fewer & bigger TV specials this fall, and a definite trend away from the concept of regularly-scheduled "specials" which often aren't so special after all.

NBC-TV, leading proponent of specials this season, will have televised nearly 200 before mid-summer, but will chop this number to between 75 and 100 next season, we're told. CBS-TV will reduce its nearly 100 specials of the 1959-60 season to no more than 30 or 40 next season. ABC-TV, which has had only about a dozen specials in the current TV season, may step up the number a bit but will still be far behind the present NBC-CBS volume.

A major reason for network reticence on specials can be seen in a new study of such shows prepared by A. C. Nielsen Co. We had an exclusive look at it last week and found it to contain sour news for program executives who hold specials to be the answer to TV's problems.

Network specials are generally dwindling in popularity & in their ability to draw audiences, the Nielsen report indicates. All commercial network evening specials aired in the Sept.-Nov. period of 1958 averaged a 22.2 AA rating and an audience-share of 38%. In the comparable 3-month period in the 1959-60 season, specials drew an AA rating average of 20.2 and an audience-share of 35%.

The only specials that have been doing significantly better this season are those classified as "general variety," i.e., star-studded vaudeville lineups that get by on the sheer weight of high-priced star names. In the fall of 1958, such shows scored an AA average of 18.3; last fall, they pushed the average up to 24.7.

Specials classified as "musical-variety" made a slight gain (up from 17.0 to 17.1), but drama specials dropped from 23.1 to 18.5 and comedy specials fell off from 25.4 to 24.1. The general *potpourri* of remaining specials classified as "miscellaneous" (fashions, sports, semi-news, etc.) also dropped, from 27.2 in the fall of 1958 to 17.7 last fall.

Nielsen wouldn't tell us what cost-per-1,000 figures are involved in network specials this season vs. last. However, a spokesman admitted that cpm figures for specials "are often of the order of $6-$7 or more." Most agencies generally consider a cpm of $3.50 to represent a good buy in network TV.

■

Chicago TV-radio stations have won a major victory in their long fight to obtain newsreel & radio coverage of City Council meetings. The Council last week passed a special resolution permitting film coverage—for the first time—of the meeting at which Mayor Richard Daley introduced an ordinance reorganizing the police dept. TV newsreel crews of WNBQ, WBBM-TV and WGN-TV covered

CBS-TV did "wonderful job" in covering the Winter Olympics (Vol. 16:9 p9), Sen. Monroney (D-Okla.) told the Senate. In a brief speech, the frequent critic of TV practices (Vol. 16:9 p5) said that the network's Squaw Valley performance was a "spectacular job of detailed coverage," that it was a "perfect example of what TV can do to bring into American homes new & exciting experiences."

A 70-station non-network special sponsored by Gamble-Skogmo Co. (chain stores) will be carried by nearly 70 stations in central U.S. at 7:30 p.m. local time March 10. The 60-min. show will be microwaved from Minneapolis, Denver & Detroit for the different time zones.

Trade Report . . . .

MARCH 7, 1960

'INVENTORY READJUSTMENT'—BUT GOOD TV SALES: We've heard a little moaning in the TV trade that 1960 business hasn't been as good as it might be—so we checked with market research directors and other officials of several important TV producers, and here's the consensus:

Retail sales of TV sets so far this year have been good—at an annual level of approximately 6.5 million units. This is actually higher than the industry's own predictions for 1960, as reported in our survey last December (Vol. 15:51 p14). Much of the retail selling in Jan. & early Feb. was done from inventory, and retailers' purchases from distributors were relatively low.

This inventory readjustment, traditional at this time of year—but perhaps carried a little further than usual in 1960—is considered healthy by marketing analysts. As a result of the selling from inventory at the dealer level, distributor inventories were up somewhat at end of Jan., but had declined by the end of Feb. to about the same level as the beginning of the year. Factory inventories increased slightly at the end of Feb., but production is being trimmed now to meet this situation.

There's not much danger of mass dumping, market researchers agree, since manufacturers are carefully keeping production abreast of sales, not permitting the inventory cushion to get too padded. Preliminary figures indicate that Jan. 1960 production totaled about 525,000 TV sets, 20% above the 437,000 of Jan. 1959. In Feb., output was lowered to 499,600, less than 9% ahead of Feb. 1959's production of 459,500. Each of last 4 weeks for which industry TV figures ave available (to Feb. 26) shows a decrease from the preceding week (see table on page 16).

"The current volume in TV sales at retail is exceeding the general gains in the economy," we were told by one TV marketing expert. He reminded us that retailers went into 1960 with too-heavy inventories. For the 4 weeks ended Feb. 19, he added, distributor sales to dealers averaged about 136,000 sets per week. "With no further readjustment of retail inventories," he said, "this would indicate retail sales are running at an average rate of about 6.6 million, although the present level projects to annual distributor sales of about 5,750,000"—the difference being due to the inventory readjustment at retail.

Spot check of manufacturers confirmed trend. Generally they said production had been trimmed to sales pace—and their reports from retailers showed Jan. & Feb. slightly better than last year. One exception was Sylvania, Pres. Robert Shaw of Sylvania Home Electronics telling us that TV set sales to distributors exceeded the record sales of the same period last year, and that despite increased production, the company's inventories are at an all-time low for this usually slow period.

Summing up: TV retail business to date in 1960 is beter than last year—but not sensational. Some set makers are counting on their spring drop-ins of the new 19-in. sets & other new models to provide the sensation.

First of the 19-in.: As we predicted last month, Admiral was the first to introduce a 19-in. set. It did so at distributor meetings—showing a whole 7-set line of them, with price tags varying from $169.95 to $259.95, in same range as 17-in. sets. Admiral's sets use the non-bonded tubes with conventional safety glass.

Admiral's new 19-in. line uses same size cabinet as 17-in. sets, consists of 5 portables and 2 consolettes. Two of the portables have cabinets only 12¼-in. deep and 2 use Admiral's newly-announced 7-transistor remote-control amplifier chassis (Vol. 16:8 p21).

Sylvania will introduce line of 19-in. sets next month, and they'll have the bonded-on implosion plates —probably the first bonded-shield 19-in. sets to be shown. It's expected Sylvania will concentrate initially on table models & consolettes in the 19-in. size, rather than portables.

Within the next 2 months, many other manufacturers will be showing new drop-in models (or in some cases previewing nearly complete 1961 lines)—and you can bet 19-in. sets will be featured prominently by many of them.

Price-Fixing Restricted: U.S. Supreme Court's Feb. 29 decision which further tightens manufacturer's right to enforce retail prices was getting close study from TV & appliance makers at week's end —but there was a paucity of interpretations as to what it actually will mean to the trade.

Ruling in a pharmaceutical case, high court said Parke, Davis & Co. violated Sherman Act when it took active moves, in cooperation with its distributors, to stop price-cutting on its products by D.C. & Va. drugstores. Enforcement of retail prices on TV sets, both in & out of fair-trade states, is extremely spotty, varying widely from company to company.

The Court's decision indicated that "the simple refusal to deal" with a price-cutting retailer was still a legitimate action, but there were considerable doubts within the trade as to how Justice Dept. will interpret the decision. For example, Magnavox, which deals directly with retailers and strictly maintains list prices, still had decision under study in its legal dept. at week's end, and would venture no opinion as to whether new ruling would affect its operations.

TV-RADIO PRODUCTION: EIA statistics for week ended Feb. 26 (8th week of 1960):

	Feb. 19-26	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	113,066	121,577	96,248	1,026,085	896,518
Total radio	321,852	378,670	282,163	2,794,203	2,250,122
auto radio	126,939	153,661	112,336	1,228,293	852,603

GE's Reorganization: The revamping of GE's consumer-electronics organization is now nearly complete—and here is the picture of the new set-up, as announced piecemeal over the last few months:

Coming under GE's consumer-products group is the radio & TV div., with hq in DeWitt, N.Y., near Syracuse. Gen. mgr. of the div. is Hershner Cross, from GE's marketing service organization, whose special study team recommended & devised the reorganization. Functioning at the division level will also be John Seaver, as mgr. of mkt. development operations.

Under the radio & TV div. are the TV-receiver & radio-receiver depts. and broadcasting-stations operation.

TV-receiver dept. in Syracuse is headed by gen. mgr. Herbert Riegelman, who is also acting mktg. mgr., pending appointment of a permanent mktg. mgr. Radio-receiver dept. moves its hq about May 15 from Bridgeport, Conn. to Utica, N.Y. It's headed by gen. mgr. Robert C. Wilson, with S. Martin Fassler as mktg. mgr. Audio-products section of radio-receiver dept. will headquarter in Decatur, Ill. by May 15, moving its phono & packaged hi-fi operations from Utica, its audio-hi-fi component operations from Auburn, N.Y. The section is headed by gen. mgr. Charles J. Coward, with Marshall Bartlett as mktg. mgr.

The broadcasting-stations operation (WRGB & radios WGY & WGFM Schenectady) is headed by J. Milton Lang.

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Reports that Philips of Eindhoven, Netherlands, has developed a simplified color tube and is planning to export low-priced color receivers to the U.S. are "not based on reality," we were informed last week by a spokesman for Philips. "Philips is working in the field of color TV, but this activity is still limited to the laboratories," said Philips. Recent visitors to the Philips plant told us that the company appears to be concentrating heavily on the shadow-mask (RCA-type) tube approach.

Granco's FM auto radios (Vol. 15:47 p18) will be formally announced next month for distribution in the fall. Two sets will be introduced, listing at about $59 & $79.

Raytheon has been awarded $35,271,000 in Army contracts for work on the Hawk missile.

Sony Moves West: One of the largest—and youngest—of Japan's electronics manufacturers is following a growing trend and establishing a wholly-owned U.S. subsidiary to handle distribution of its products here. Sony Corp. (founded in 1945), which claims to have manufactured the first transistor, first transistor radio, first tape recorder and first recording tape in Japan, last week set up Sony Corp. of America, 514 Broadway, N.Y., to be headed by Akio Morito, exec. vp of the parent firm.

Among other Japanese manufacturers which recently have taken over all or part of their U.S. distribution through new American subsidiaries are giants Hitachi (Hitachi-N.Y. Inc.), Matsushita (Maco Electric) and Mitsubishi (Mitsubishi of America). Sony products have been distributed in the U.S. by Delmonico International, which promoted the anticipated import of the Sony 8-in. battery TV (Vol. 16:4 p15). Delmonico plans to replace Sony merchandise with another leading Japanese line.

Sony's new company-owned distributorship will offer—for the first time in the U.S.—the Sony line of semiconductors. While the company plans to show a sample of the 8-in. battery TV set at the IRE Radio Engineering Show March 21-24 in N.Y., its spokesmen say it does not yet know when the sets will be sold in this country.

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Sylvania sold 280,000 TV sets last year, Chmn. Donald C. Power of parent General Telephone & Electronics Corp. disclosed in an address to the Investment Analysts Society of Chicago. His disclosure of sales figures was almost unique in the industry, since nearly all manufacturers guard these as closely-held competitive secrets. [In the annual "guesstimates" of TV production made for us last Aug. by industry financial consultant Edgar N. Greenebaum Jr., Sylvania's 1959 TV output was estimated at 250,000.] Power also said that Sylvania's TV operation has been in the black the last 7 months and that his company's picture-tube business increased 20% over 1958 in '59.

Negotiations to acquire Du Mont Labs have been broken off by Republic Aviation Corp. Concluding a 2-month study of the electronics firm (Vol. 16:5 p20), Republic has decided to look elsewhere in its desire to acquire electronics companies which fit into its operations.

EIA'S SPRING MEETING: The proposed "stereo education" campaign, under consideration by EIA's consumer products div. (Vol. 15:48 *et seq.*), is a top topic for the annual spring meeting in Washington March 15-18 at the Statler-Hilton hotel. It's expected that a final decision will be made on whether to begin the nationwide institutional advertising campaign in the fall. The div., under Sylvania's Marion E. Pettegrew, has been trying to recruit funds to support the campaign. Among other major subjects:

(1) A progress report on EIA's efforts to blunt Japanese competition, to be presented by imports committee Chmn. Robert C. Sprague, Sprague Electric Co.

(2) A review, by EIA exec. vp James D. Secrest, of the "program to encourage consumers to purchase products made in America by American workers."

(3) Pending legislation, discussed by the legislative policy committee under Chmn. Max F. Balcom, Sylvania.

An innovation will be the first Defense Market Planning Seminar, featuring addresses by Rep. Ford (R-Mich.), ranking member of the House Armed Services Appropriations Subcommittee; John M. Sprague, deputy asst. defense secy.; Maj. Gen. R. T. Nelson, Chief Signal Officer. Some 150 Defense Dept. representatives have been invited to participate. E. R. Quesada, FAA administrator, will speak at the March 17 govt.-industry dinner.

The awards committee, headed by H. Leslie Hoffman, pres. of Hoffman Electronics, will nominate the EIA Medal of Honor recipient, who will receive his award at the annual convention in Chicago May 20.

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'Electronic Equipment' Defined: EIA submitted a new definition of the electronic equipment industry to the Labor Dept. last week, urging that it be used in the department's upcoming survey preliminary to a minimum wage determination for the industry covering govt. contracts under the Walsh-Healey Act. If approved, the new definition would replace a considerably more general definition proposed earlier by the Labor Dept.

The EIA proposal defines the industry in terms of classes of products it manufactures. It resulted from a survey of major electronics manufacturers. EIA pointed out to the Labor Dept. that the proposal would eliminate the possibility of including products of other industries already covered by Walsh-Healey wage determinations. The proposed definition:

The manufacture of electronic equipment for the purpose of this survey, is defined as that industry which manufactures any of the following classes of products: radio and TV transmitters; radio and TV receivers (including home-type, military and industrial); electronic search, detection, surveillance, and tracking devices; electronic navigational devices; electronic airborne computing and associated airborne information processing devices; electronic missile guidance and missile control devices; electronic weapons fire control devices; electronic sound distribution devices; (including public address and music distribution apparatus, except records); electronic countermeasure devices; complete audio IF and RF amplification devices; and electronic power supplies for use in any of the foregoing classes of products.

Specifically excluded from this definition are: electron tubes and parts; solid-state semi-conductor devices and parts, functional electronic component parts (including but not limited to resistors, capacitors, relays, and connectors); complex components, packaged components modules, and other similar component combinations or sub-assemblies manufactured as a single unit; structural electronic components (including but not limited to cabinets, blank panels, binding posts, wire and cable harnesses and assemblies, tube sockets, dial assemblies, and knobs and control handles); structural components and devices (including but not limited to antenna structures, pedestals, drives, launchers trailers, platforms, pallets, elevators, gimbals and handling equipment); computing and associated information processing devices (except airborne); scientific, industrial and laboratory instruments; x-ray tubes and apparatus; electro-therapeutic and electromedical instruments and apparatus; telephone and telegraph equipment (including but not limited to radio telephone and radio telegraph devices of the kind generally manufactured for the use of public utility communications systems); and electronic control devices other than electronic missile guidance and missile control devices (including but not limited to signals, alarms and automatic industrial controls).

STEREO BATTLE JOINED: Focusing its gunsights on manufacturers advertising "3-channel stereo" and "multi-channel stereo," Magnavox is unleashing a hard-hitting editorial-type ad campaign aimed at dealers and the public. First ad in the series is appearing in retail trade publications and addresses itself directly to dealers. This will be followed up with a consumer campaign.

"Facts You Should Know About Stereophonic High Fidelity to Help You Make More Sales" is the full-page caption of Magnavox's 2-page kickoff ad in March 2 *Home Furnishings Daily*. Second page is devoted to question-&-answer text. Some excerpts from the ad, which is signed by Pres. Frank Freimann:

"Some advertisers have been promoting a mythical '3-channel' stereo system on the assumption that *three* has more sales appeal than *two*. These claims are now recognized as such blatant misrepresentation that they evoked the protests of the National Better Business Bureau. To circumvent this reprimand, they are now being called 'multi-channel'—*implying* more than two . . .

"Magnavox has been building models using 4 amplifiers and 4 speakers since its introduction of the first stereo phonographs but has never laid claims to a '4-channel' stereo system because there are still only 2 channels to reproduce . . ."

The ad goes on to point out that in so-called "3-channel" systems, the bass notes are reproduced monaurally. What about high-fidelity music? Magnavox's answer: "It's been all but lost in the shuffle between ping-pong balls, railroad trains, non-existent stereo channels, mythical super-power claims and the baffling multiplicity of knobs . . . Pre-stereo, good high-fidelity phonographs sound better than many of the stereo sets now being offered . . .

"Let's take the confusion out of selling and make demonstrations based on the true merits of stereophonics," concludes the ad.

Motorola, the leading exponent of "3-channel" stereo, declined to make an official comment. A spokesman, however, stated that Motorola's stereo sales last year were 125% higher than 1958, and added: "The engineering of our stereo instruments with 3 amplifiers and 3 speaker systems produces demonstrably better music and the public has responded by buying Motorola stereo. We ask the consumer to listen to both approaches and take his choice."

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Tax incentive for basic research was urged by Westinghouse Pres. Mark W. Cresap Jr. to "help America meet the challenge of the Soviet Union." Addressing the Economic Club of Detroit, he pointed out that the govt. already pays for almost 50% of the total national basic research effort, and the remainder must come primarily from American industry or funds supplied by industry. He called attention to—but did not specifically endorse—the Curtis Bill (HR-4797), which would permit businesses or taxpayers to deduct from their tax bills 90% of their contributions to research, not exceeding 5% of the total tax bill. The same bill would permit a business to take tax credit for its own basic research—75% of the amount spent, and not exceeding 3% of its total tax bill. He called the tax-incentive method of research support "more desirable, more effective and less expensive than direct grants by govt."

Amateur licenses, now more than 200,000, are up 285% since the end of World War II, according to FCC.

Trade Personals: I. L. (Chuck) Griffin, ex-GE appliance & TV receiver div. mktg. mgr., named mgr. of GE's Hotpoint refrigerator dept. . . . Charles H. David joins Bogen-Presto as high fidelity products mgr. . . . David B. Nichinson, engineering vp, elected pres. of Kollsman Instrument Corp., Standard Coil Subsidiary . . . John R. O'Brien promoted to vp of Hoffman Electronics' govt. relations div., hqing in Washington . . . Rein Narma, ex-Fairchild Recording Equipment, named mgr. of engineering, audio products div., Ampex Professional Products Co.

F. J. O'Hara, gen. mgr. of the tube & semiconductor div., and J. G. Sutherland, gen. mgr. of technical products div., appointed vps, RCA Victor Co. Ltd. (Canada) . . . Dr. Frank S. Stein, ex-Westinghouse semiconductor dept., joins General Instrument as mgr., semiconductor research & development dept., in major expansion of that dept . . . James P. Carrigan, ex-Associated Merchandising Corp., named sales dir. of special accounts, Capehart Corp.

Milton E. Mohr named vp-operations, Ramo-Wooldridge div., Thompson Ramo Wooldridge . . . Sir Robert Watson-Watt, British inventor of radar, will be featured speaker at the 8th Weather Radar Conference, April 11-14, Sheraton-Palace Hotel, San Francisco . . . Arthur Antrasian, ex-American Shippers, named sales mgr., garage door openers, for Packard Bell Electronics.

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Dr. W. R. G. Baker, electronics pioneer and former GE vp who now is Syracuse U. research vp & pres. of Syracuse U. Research Corp., will be honored Nov. 30 on his 68th birthday with a birthday ball in Syracuse. Proceeds will go to the Dr. W. R. G. Baker Scholarship Fund at Syracuse U.

Page Communications Engineers has moved into its own building at 2001 Wisconsin Ave. NW, Washington (Federal 7-7600). The new 4-story structure more than doubles the space formerly occupied in the Communications Bldg., 710 14th St. NW and the Bond Bldg., 1404 New York Ave. NW. The research & development labs, formerly located in suburban Takoma Park, Md., are already installed on the ground floor with facilities capable of prototyping equipment as large as 100-kw transmitters.

Electronic Components Conference co-sponsored by EIA, IRE, American Institute of Electrical Engineers and Western Electronic Mfrs. Assn. will be held May 10-12 in the Washington Hotel, Washington. Robert L. Henry of ACF Electronics is general chmn. of the conference. Its theme will be "Electronic Components: Art & Science."

Ad agency changes: Audio products section of GE's radio-receiver dept. has named Young & Rubicam to handle phono advertising. (Y&R also handles GE TV-receiver dept. advertising.) . . . Raytheon has shifted about $1 million in billings to Fuller & Smith & Ross from 4 other agencies, consolidating its estimated $1,720,000 account in one agency . . . General Precision Inc. has named Compton to handle its corporate advertising.

Reports of low-priced color-TV exports from Japan were categorically denied as an "absurdity" by spokesmen for Tokyo Shibaura Electric Co. (Toshiba), *Home Furnishings Daily* stated March 1. The Tokyo-datelined article reported that 9 Japanese firms are now producing or preparing to produce small quantities of color sets and they plan to put color TV on the domestic market at about $1,670 soon after full-scale colorcasting begins.

New plants & expansions: GE, $1-million, 2-story, 75,000-sq.-ft. radio production plant to be erected at Utica, N.Y. starting in April . . . Hewlett-Packard, constructing $1 million electronics plant at Loveland, Colo. Facility will start production around June 1 and be in full operation by year's end . . . Dynamics Corp. of America leased a 31,000-sq.-ft. plant at Farmingdale, N.J. for production of TV & FM broadcast equipment by its Standard Electronics div. Additional facilities are now cleared at DCA's Long Island City plant for expanded production of communications systems . . . Western Electric, $25-million electronics plant embracing 2 one-story factories and an administration building with total 1.5 million sq. ft. of floor space, will be built at Lee's Summit, Mo. Construction is scheduled to start this spring and end in 1962 . . . RCA electron tube div. has established a mid-eastern distributor sales district, with hq at 1625 K St., N.W., Washington, D.C., to embrace Philadelphia, Harrisburg, Richmond and Washington sales territories. N.Y. & Newark territories now comprise the eastern district.

Admiral added to its portable radio line last week three 7-transistor & three 8-transistor models ranging in price from $29.95 to $99.95. All were "produced with American craftsmen in Chicago, use only high quality American components," Admiral announced. Two of the pocket models use 3x4-in. oval speakers—the "largest used in a pocket radio," according to radio div. sales mgr. Clarence B. Flinn. Topping the line is a 3-band, 8-transistor model.

Another tiny U.S.-made radio, designed as an answer to Japanese imports, is Zenith's new 6-transistor Zenette, to retail at $39.95. The new set measures 5x3x1½ in. with a 2¾-in. speaker. In trade ads for the Zenette, Zenith says: "No Japanese Components! Built in America by American Craftsmen!"

Admiral's spring TV ad campaign will embrace three 1,000-line dealer-listing newspaper ads in 82 markets, two 1,000-line individual-dealer ads in each distributor market, and inserts in *Life* (April 7, May 5, May 17) and *SatEvePost* (April 13, June 7). Admiral's new 19-in. Thinman portable TV set will be featured in the April 7 *Life*. The new transistor-radio line will be promoted with four 600-line dealer-listing newspaper ads and insertions in *Esquire, Holiday, National Geographic.*

Zenith has scheduled a record print-media ad campaign for national & local spring-summer promotion of TVs, radios and stereo phonos. Sales Corp. Pres. L. C. Truesdell said the campaign will embrace more than 230 newspapers in major markets from coast to coast, dealer co-op ads, a 20% increase in Zenith's half-year investment (1960 compared with 1959) in national magazine advertising.

Western Electric Pres. H. I. Romnes will be featured speaker at IRE's annual banquet March 23 at Waldorf-Astoria, N.Y. Topic: "Flood Tide in Electronics."

Obituary

Henry M. (Skeet) Rundle, 63, RCA TV div. commercial development mgr., died Feb. 26 at Fort Lauderdale, Fla. He joined RCA in 1930 as an ad artist, is credited with introducing illustrated album covers for phonograph records. In 1944, he became styling mgr. for RCA Victor home instruments, was honored 2 years later with the company's Award of Merit, highest employe honor for outstanding achievement. He lived in Haddonfield, N.J., is survived by his widow, daughter and son.

Finance

Philco Profit Soars: Philco closed out its 68th year on a sound & rising note, Pres. James M. Skinner Jr. notified stockholders last week in the 1959 annual report. The report substantiated earlier estimates (Vol. 16:5 p24). Sales were up 13% over 1958 to nearly $398 million, with all divisions contributing to the increase. Net income climbed hand over fist to more than $7 million from less than $3 million in the previous year.

Skinner noted that consumer products accounted for 66% of Philco's total volume, and that sales of TVs, radios and stereo systems were up. "Our transistor business more than doubled in 1959," he said, "and is expected to double again in 1960, thus further consolidating [Philco's]position as a leader in the industry." Philco's electronic volume increased last year "to 34% of sales," he added, "and, based on our current backlog, we anticipate a further increase to approximately 40% in 1960."

Philco's patent holdings were increased in 1959 with the addition of 120 U.S. patents, the majority in the electronics field. Included were 6 additional transistor patents. Philco now holds a total of 1,047 U.S. patents and 1,265 patents in 24 countries abroad. Consolidated Philco & subsidiaries report for the 53 weeks ended Jan. 3, 1960 (vs. 52 weeks ended Dec. 28, 1958):

	1959	1958
Net sales, etc.	$397,792,000	$351,093,000
Net income	7,176,000	2,874,000
Per com. share (after pfd.)	1.67	61¢
Common shares	4,074,866	4,069,629

Motorola's expansion "from its auto & home radio and TV business into the sophisticated—and profitable—gadgetry of the electronics age" is traced by Feb. 27 *Business Week*. Profiled is exec. vp Daniel E. Noble, who is responsible for Motorola's communications, military electronics and semiconductor divs. The article emphasizes Motorola's healthy TV-radio business ("sales in this category yielded about half of the company's 1959 sales of $280 million") but points out: "In the last few years Motorola has moved quietly & decisively into leadership in selected areas of commercial electronics—where profit margins are much fatter. These fields are Dan Noble's hunting grounds. The emphasis is on developing new products & technologies."

Admiral's 1959 profit will total approximately $4.1 million, not $3 million as we reported earlier (Vol. 16:9 p18). Admiral's preliminary report for year ended Dec. 31:

	1959	1958
Sales	$199,000,000	$170,777,126
Net income	4,100,000	1,375,017
Per common share	1.70	58¢
Common shares	2,405,471	2,372,476

Zenith common stock trading privileges on an unlisted basis have been approved by SEC for the Philadelphia-Baltimore Stock Exchange.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Clevite	Q	$0.30	Mar. 28	Mar. 14
Corning Glass	Q	.37½	Mar. 31	Mar. 14
Decca Records	Q	.25	Mar. 29	Mar. 10
Electronic Assistance.	Stk.	100%	Mar. 10	Mar. 10
GE	Q	.50	Apr. 27	Mar. 18
Radio Condenser	—	.07½	Mar. 21	Mar. 1
Siemens & Halske	—	14% cash (for 1958-59)		
Wells-Gardner	Q	.30	Mar. 15	Mar. 8

EMI Ltd. anticipates that profit & sales in the 1960 fiscal year (ending June 30) will approximate those of fiscal 1959, when the British maker of industrial & consumer electronic products netted pre-tax earnings of some $14 million. Chmn. Sir Joseph Lockwood noted EMI's increasing interest in the U.S. market: an agreement with Fairbanks, Whitney Corp., under which that concern is licensed to make & sell EMI computers and other products, and an arrangement with an unnamed concern to market EMI's line of high-priced hi-fi components (examples: a $600 speaker, $225 pre-amplifier). Telechrome Mfg. Corp. distributes EMI TV cameras & other TV studio equipment. Sir Joseph said EMI "would like to get into the closed-circuit TV equipment market [in the U.S.]." Fairbanks-Whitney Pres. David Karr noted that the first EMI closed-circuit systems to be imported under the new 2-way program are slated for immediate installation for Trans-Lux Movie Ticker Corp., which furnishes brokerage houses with visual reproductions of market quotations. Sir Joseph disclosed that earnings of Capitol Records (96% owned by EMI) are down, that EMI hopes to pay dividends of about 14% (of the common stock's $1.40 par value) for this fiscal year, "if profits are about the same as the last fiscal year's. This doesn't mean we might not pay more."

Transitron Electronic Corp.'s success story is profiled in Mar. 1 *Forbes*, which notes: "The brothers Bakalar (Chmn. Leo, Pres. David) have parlayed an equity investment of $125,000 into a realized cash profit of some $34 million. It has left them with a paper net worth—based on recent market valuation of their company stock—of nearly $300 million. They have done all this in less than 8 years." Commenting on Transitron's offering last Dec. of one million shares at $36 per ("and over 25,000 buyers scrambled for the issue"): "The Bakalars [who owned 98.6% of Transitron's 7.5 million shares outstanding] could hardly be said to be giving their company away. In effect, the public was paying $36 million for 13.3% of a company whose total assets at the time were $22.8 million, whose sales for its latest fiscal year (ended June 1959) were only $30.9 million. Transitron's total sales amounted to barely 10% of the theoretical market value of its shares . . . Yet by the time the stock was listed on the Big Board last month, the price had risen to $40, which put the paper value of $260 million on the Bakalars' . . . 85.3% of the stock."

General Precision Equipment Corp. expects 1960 to start rolling with an improved first quarter (ending Mar. 31) and to continue piling up substantial profit & sales gains in the balance of the year. "The picture for all 1960 is pretty clear," reports Chmn. J. W. Murray. "Earnings per common share should be considerably improved, and I don't just mean by 25¢. Sales should be up by about $20 million." In 1959, GPE earned $4,198,199 ($2.63 a share) on sales of $215,588,430. He attributed the improved business in part to the consolidation of 4 electronics divs. into a single, "very strong combination which did about 80% of our 1959 business." He forecast that sales "are going to accelerate in 1960's 2nd half" and that 3 of the 4 divs. would set individual records this year. Murray said that no merger talks with the Martin Co. have been held "for quite some time. They made a proposal once, but never an offer." Martin holds some 13% of GPE's voting classes of stock.

Magnasync Corp., North Hollywood electronic-equipment manufacturer of sound-reproducing & recording equipment, seeks SEC registration (File 2-16177) of 200,000 capital stock shares to be offered for public sale at $5 per share by Taylor & Co. Proceeds would be used to pay loans, expand lab facilities, etc.

Jerrold's Expansion Plans: Jerrold Electronics Corp., now controlled by the Jack Wrather-John L. Loeb combination (Vol. 16:6 p5), will be a "vessel" through which new electronics companies will be acquired & new products introduced—in addition to the expanding plans in CATV & related fields (see p. 3). So said Jerrold Pres. Milton J. Shapp & entertainment magnate Jack Wrather last week at a joint news conference in N.Y.

At the same time, Shapp estimated that the company's net sales for the fiscal year ended Feb. 29, 1960 totaled about $8.5 million, a new record and nearly 15% higher than the preceding year's $7,658,371.

The company hopes to acquire "carefully selected electronics manufacturing companies." Shapp explained that the acquisition program initially will be directed toward expanding the activities of the test instruments div. He said he's "looking for a company which would complement Jerrold's own manufacturing facilities, expand its line of test instruments and intensify national sales coverage." Jerrold also will be interested in acquiring firms "in the field of TV communications," he added.

Approved by the Jerrold board Feb. 27 was a 3-point expansion program providing for acquisitions, close cooperation between Jerrold and the Jack Wrather Organization, and intensive new-products development.

A new Jerrold consumer product, announced at the news conference, is the "Magic Carpet" antenna—printed on a 2½x6-in. flexible plastic sheet and designed to be stapled to the attic floor or placed under the carpet. The indoor antenna "has the same characteristics as an outdoor conical antenna," Shapp said, and is now being introduced to builders as part of Jerrold's built-in home antenna system which includes a TV-FM amplifier & plug-in antenna outlets. It will soon be offered to the general public at about $10.

For 1960, Jerrold anticipates "net sales of about $10 million," Shapp stated. For 9 months ended Nov. 30, he gave this picture:

	1959	1958
Sales & service revenues	$6,312,502	$5,262,166
Net income	727,685	210,572
Per common share	57¢	19¢

The 1959 net income figure includes non-recurring income of $284,240 (22¢ a share) representing profit on the sale of the Key West, Fla. CATV system.

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MPO Videotronics Inc., multi-affiliate producer of TV & industrial films, is making its first public offering of stock—150,000 shares of Class A (priced at $10 a share) through a group of underwriters headed by Francis I. duPont & Co. The corporation is selling 100,000 authorized but unissued shares, will receive no part of the proceeds of the remaining 50,000 shares which are being offered by selling stockholders. The corporation's proceeds will be added to working capital. In its 1959 fiscal year ended Oct. 31, MPO Videotronics obtained 85% of its revenue from production of TV commercials, 15% from industrial films. Its wholly-owned subsidiaries include M.P.O. Productions Inc. (industrial film producer); MPO Film Distribution Co. Inc.; Studio Rental Inc. & Boulevard Studios Inc. (which lease studios & film facilities), and recently-formed MPO TV of Cal., which produces TV commercials.

Capitol Records, 96% owned by EMI Ltd., reports a drop in sales & income in the 6 months to Dec. 31:

	1959	1958
Net sales	$26,177,243	$28,709,869
Net income	1,348,807	2,049,214
Per common share	2.83	4.30

Electronics Investment Corp. Gains: A healthy 32.4% increase in total net assets was tallied by Electronics Investment Corp. in fiscal-1960's first quarter, ended Jan. 29. Assets advanced to $30,015,605, compared with $22,671,390 recorded a year ago. The mutual investment fund also increased its net asset value per share to the equivalent of $7.82, up from $6.66 on Jan. 30, 1959. The per-share value was adjusted for a net capital gains distribution of 44½¢ per share paid May 29, 1959.

Portfolio changes in common stock since the close of the 1959 fiscal year Oct. 30 (Vol. 15:49 p22):

Purchased: 1,600 shares of Eitel-McCullough (making a total of 12,000); 2,978 Electronic Associates (total 10,609); 2,000 Storer Bcstg. Co. (total 17,000); 900 Taft Bcstg. Co. (total 15,000).

Sold: 5,651 shares of Collins Radio Co. (holds none); 2,200 Electronic Specialty Co. (holds none); 2,600 Epsco Inc. (holds 2,600); 900 Haloid Xerox (holds 3,500); 9,000 Hoffman Electronics (holds 5,000); 1,700 Midwestern Instruments (holds none); 6,100 TelePrompTer (holds none).

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Tele-Broadcasters Inc. (radios WPOP Hartford, KUDL Kansas City, KALI Pasadena-Los Angeles, KOFY San Mateo-San Francisco) reports that 1959 was "the best operating year" in its 4-year history. Pres. H. Scott Killgore told stockholders in the annual report: "The overall outlook for increased revenues on our stations in 1960 is excellent, and we anticipate another year of increased sales." The balance sheet lists total current assets at $206,108, property & equipment (less depreciation) at $284,088, total assets $979,594. Current liabilities on Dec. 31, 1959 were $298,040, long-term liabilities $394,649, earned surplus $110,031. The consolidated statement of operations for 12 months ended Dec. 31:

	1959	1958
Broadcasting revenue ...	$1,051,023	$881,592
Other revenues	111,843	20,432
Net profit (loss in '58) ..	139,730	(31,128)
Per common share	31¢	——
Average common shares .	450,185	not given

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Storer Bcstg. Co. net income more than tripled in 1959, including a net capital gain of $581,614 from the sale of radio WAGA Atlanta (Vol. 15:14 p10). The 1958 profit accrued after giving effect to a loss of $2,304,551 incurred on the closing of Storer's former Wilmington, Del. TV station. For the year ended Dec. 31:

	1959	1958
Net income	$5,336,682	$1,676,754
Per combined share	2.16	68¢
Common & B shares	2,474,750	2,474,750

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General Instrument Corp. has asked SEC to register 200,000 shares of common stock for public offering through a group of underwriters headed by Carl M. Leob, Rhoades & Co. The offering price & underwriting terms will be supplied later.

Reports & comments available: Philco, report, James Anthony & Co., 37 Wall St., N.Y. 5; analysis, A. C. Allyn & Co., 44 Wall St., N.Y. 5 . . . RCA, study, Arthur Wiesenberger & Co., 61 Broadway, N.Y. 6 . . . AT&T, memo, W. E. Hutton & Co., 14 Wall St., N.Y. 5 . . . Varian Associates, memo, Hill, Darlington & Co., 40 Wall St., N.Y. 5 . . . Loew's Theatres, discussion, Shearson, Hammill & Co., 14 Wall St., N.Y. 5 . . . National Co., review, H. Hentz & Co., 72 Wall St., N.Y. 5 . . . Electro Instruments, Inc., prospectus, Bear, Stearns & Co., One Wall St., N.Y. 5 . . . Siegler Corp., study, Porges, Singer & Co., 15 Broad St., N.Y. 5 . . . Electronics Capital Corp., semi-annual report, D. H. Blair & Co., 42 Broadway, N.Y. 4 . . . Information Systems Inc., report, Boenning & Co., 115 Broadway, N.Y. 6.

Television Digest Special Supplement No. 3

Television Stations in Operation

Or Due to Be Operating by Spring of 1960

(Channel Numbers in Parentheses)

* Indicates CP Status as of March 1, 1960, Station Having Reported Plans to Start This Year. † Indicates Non-Commercial Educational Station.

ALABAMA

Andalusia	†WAIO	(2)
Birmingham	WBRC-TV	(6)
	†WBIQ	(10)
	WAPI-TV	(13)
Decatur	WMSL-TV	(23)
Dothan	WTVY	(9)
Florence	WOWL-TV	(15)
Huntsville	WAFG-TV	(31)
Mobile	WKRG-TV	(15)
	WALA-TV	(10)
Montgomery	WSFA-TV	(12)
	WCOV-TV	(20)
Munford	†WCIO	(7)

ALASKA

Anchorage	KENI-TV	(2)
	KTVA	(11)
Fairbanks	KFAR-TV	(2)
	KTVF	(11)
Juneau	KINY-TV	(8)

ARIZONA

Phoenix	KTVK	(3)
	KPHO-TV	(5)
	KOOL-TV	(10)
	KVAR	(12)
Tucson	KVOA-TV	(4)
	†KUAT	(6)
	KGUN-TV	(9)
	KOLD-TV	(13)
Yuma	KIVA	(11)

ARKANSAS

El Dorado	KTVE	(10)
Ft. Smith	KFSA-TV	(5)
Little Rock	KARK-TV	(4)
	KATV	(7)
	KTHV	(11)

CALIFORNIA

Bakersfield	KERO-TV	(10)
	KLYD-TV	(17)
	KBAK-TV	(29)
Chico	KHSL-TV	(12)
El Centro-Mexicali	XEM-TV	(3)
Eureka	KIEM-TV	(3)
	KVIQ-TV	(6)
Fresno	KFRE-TV	(12)
	KMJ-TV	(24)
	KJEO	(47)
Los Angeles	KNXT	(2)
	KRCA	(4)
	KTLA	(5)
	KABC-TV	(7)
	KHJ-TV	(9)
	KTTV	(11)
	KCOP	(13)
Oakland-San Francisco	KTVU	(2)
Redding	KVIP-TV	(7)
Sacramento	KCRA-TV	(3)
	†KVIE	(6)
	KXTV	(10)
	KVUE	(40)
Salinas-Monterey	KSBW-TV	(8)
San Diego	KFMB-TV	(8)
	KFSD-TV	(10)
San Diego-Tijuana	XETV	(6)
San Francisco	KRON-TV	(4)
	KPIX	(5)
	KGO-TV	(7)
	†KQED	(9)
San Jose	KNTV	(11)
San Luis Obispo	KSBY-TV	(6)
Santa Barbara	KEYT	(3)
Stockton-Sacramento	KOVR	(13)

COLORADO

Colo. Springs	KKTV	(11)
	KRDO-TV	(13)
Denver	KTVR	(2)
	KOA-TV	(4)
	†KRMA-TV	(6)
	KLZ-TV	(7)
	KBTV	(9)
Grand Junction	KREX-TV	(5)
Montrose	KREY-TV	(10)
Pueblo	KCSJ-TV	(5)

CONNECTICUT

Bridgeport	WICC-TV	(43)
Hartford	WTIC-TV	(3)
	WHCT	(18)
New Britain-Hartford	WNBC	(30)
New Haven	WNHC-TV	(8)
Waterbury	WATR-TV	(53)

DISTRICT OF COLUMBIA

Washington	WRC-TV	(4)
	WTTG	(5)
	WMAL-TV	(7)
	WTOP-TV	(9)

FLORIDA

Daytona Beach	WESH-TV	(2)
Ft. Myers	WINK-TV	(11)
Gainesville	†WUFT	(5)
Jacksonville	WJXT	(4)
	†WJCT	(7)
	WFGA-TV	(12)
Miami	†WTHS-TV	(2)
	WTVJ	(4)
	WCKT	(7)
	WPST-TV	(10)
Orlando	WDBO-TV	(6)
	WLOF-TV	(9)
Palm Beach	WPTV	(5)
Panama City	WJDM	(7)
Pensacola	WEAR-TV	(3)
St. Petersburg	WSUN-TV	(38)
Tallahassee	WCTV	(6)
	* †WFSU-TV	(11)
Tampa	†WEDU	(3)
	WFLA-TV	(8)
	WTVT	(13)
W. Palm Beach	WEAT-TV	(12)

GEORGIA

Albany	WALB-TV	(10)
Athens	* †WGTV	(8)
Atlanta	WSB-TV	(2)
	WAGA-TV	(5)
	WLWA	(11)
	†WETV	(30)
Augusta	WJBF	(6)
	WRDW-TV	(12)
Columbus	WRBL-TV	(4)
	WTVM	(28)
Macon	WMAZ-TV	(13)
Savannah	WSAV-TV	(3)
	WTOC-TV	(11)

HAWAII

Hilo	KHBC-TV	(9)
Honolulu	KONA	(2)
	KHVH-TV	(4)
	KGMB-TV	(9)
Wailuku	KMAU-TV	(3)
	KALA	(7)
	KMVI-TV	(12)

IDAHO

Boise	KBOI-TV	(2)
	KTVB	(7)
Idaho Falls	KID-TV	(3)
Lewiston	KLEW-TV	(3)
Nampa	KCIX-TV	(6)
Pocatello	KTLE	(6)
Twin Falls	KLIK-TV	(11)

ILLINOIS

Champaign	WCIA	(3)
	†WILL-TV	(12)
	WCHU	(33)
Chicago	WBBM-TV	(2)
	WNBQ	(5)
	WBKB	(7)
	WGN-TV	(9)
	†WTTW	(11)
Danville	WDAN-TV	(24)
Decatur	WTVP	(17)
Harrisburg	WSIL-TV	(3)
La Salle	WEEQ-TV	(35)
Peoria	WTVH	(19)
	WMBD-TV	(31)
	WEEK-TV	(43)
Quincy	WGEM-TV	(10)
Rockford	WREK-TV	(13)
	WTVO	(39)
Rock Island	WHBF-TV	(4)
Springfield	WICS	(20)

INDIANA

Bloomington	WTTV	(4)
Evansville	WTVW	(7)
	WFIE-TV	(14)
	WEHT	(50)
Ft. Wayne	WANE-TV	(15)
	WPTA	(21)
	WKJG-TV	(33)
Indianapolis	WFBM-TV	(6)
	WISH-TV	(8)
	WLWI	(13)
Lafayette	*WFAM-TV	(18)
Muncie	WLBC-TV	(49)
South Bend	WNDU-TV	(16)
	WSBT-TV	(22)
South Bend-Elkhart	WSJV	(28)
Terre Haute	WTHI-TV	(10)

IOWA

Ames	WOI-TV	(5)
Cedar Rapids	KCRG-TV	(9)
Cedar Rapids-Waterloo	WMT-TV	(2)
Davenport	WOC-TV	(6)
Des Moines	KRNT-TV	(8)
	†KDPS-TV	(11)
	WHO-TV	(13)
Ft. Dodge	KQTV	(21)
Mason City	KGLO-TV	(3)
Sioux City	KTIV	(4)
	KVTV	(9)
Waterloo-Cedar Rapids	KWWL-TV	(7)

KANSAS

Ensign	KTVC	(6)
Garden City	KGLD	(11)
Goodland	KBLR-TV	(10)
Great Bend	KCKT	(2)
Hays	KAYS-TV	(7)
Hutchinson	KTVH	(12)
Pittsburg	KOAM-TV	(7)
Topeka	WIBW-TV	(13)
Wichita	KARD-TV	(3)
	KAKE-TV	(10)

KENTUCKY

Lexington	WLEK-TV	(18)
	WKYT	(27)
Louisville	WAVE-TV	(3)
	WHAS-TV	(11)
	†WFPK-TV	(15)
Paducah	WPSD-TV	(6)

LOUISIANA

Alexandria	KALB-TV	(5)
Baton Rouge	WBRZ	(2)
	WAFB-TV	(28)
Lafayette	KLFY-TV	(10)
Lake Charles	KPLC-TV	(7)
	KTAG-TV	(25)
Monroe	KNOE-TV	(8)
	†KLSE	(13)
New Orleans	WWL-TV	(4)
	WDSU-TV	(6)
	†WYES-TV	(8)
	WVUE	(13)
Shreveport	KTBS-TV	(3)
	KSLA-TV	(12)

MAINE

Bangor	WLBZ-TV	(2)
	WABI-TV	(5)
Poland Spring (Mt. Washington)	WMTW-TV	(8)
Portland	WCSH-TV	(6)
	WGAN-TV	(13)
Presque Isle	WAGM-TV	(8)

MARYLAND

Baltimore	WMAR-TV	(2)
	WBAL-TV	(11)
	WJZ-TV	(13)
Salisbury	WBOC-TV	(16)

MASSACHUSETTS

Adams	WCDC	(19)
Boston	†WGBH-TV	(2)
	WBZ-TV	(4)
	WHDH-TV	(5)
	WNAC-TV	(7)
Greenfield	WRLP	(32)
Springfield-Holyoke	WWLP	(22)
	WHYN-TV	(40)
Worcester	WWOR-TV	(14)

MICHIGAN

Bay City	WNEM-TV	(5)
Cadillac	WWTV	(13)
Cheboygan	WTOM-TV	(4)
Detroit	WJBK-TV	(2)
	WWJ-TV	(4)
	WXYZ-TV	(7)
	†WTVS	(56)
Detroit-Windsor	CKLW-TV	(9)
Flint	WJRT	(12)
Grand Rapids	WOOD-TV	(8)
Kalamazoo	WKZO-TV	(3)
Lansing	WJIM-TV	(6)
Lansing (Onondaga)	WILK-TV	(10)
East Lansing	†WMSB	(10)
Marquette	WLUC-TV	(6)
Saginaw	WKNX-TV	(57)
Traverse City	WPBN-TV	(7)

MINNESOTA

Alexandria	KCMT	(7)
Austin	KMMT	(6)
Duluth-Superior	KDAL-TV	(3)
	WDSM-TV	(6)
	*WHY2-TV	(10)
Minneapolis-St. Paul	WCCO-TV	(4)
	KMSP-TV	(9)
	WTCN-TV	(11)
Rochester	KROC-TV	(10)
St. Paul-Minneapolis	KSTP-TV	(5)
	†KTCA-TV	(2)

MISSISSIPPI

Columbus	WCBI-TV	(4)
Greenwood	WABG-TV	(6)
Hattiesburg	WDAM-TV	(7)
Jackson	WLBT	(3)
	WJTV	(12)
Meridian	WTOK-TV	(11)
Tupelo	WTWV	(9)

MISSOURI

Cape Girardeau	KFVS-TV	(12)
Columbia	KOMU-TV	(8)
Hannibal-Quincy	KHQA-TV	(7)
Jefferson City	KRCG	(13)
Joplin	KODE-TV	(12)
Kansas City	WDAF-TV	(4)
	KCMO-TV	(5)
	KMBC-TV	(9)
Kirksville	KTVO	(3)
St. Joseph	KFEQ-TV	(2)
St. Louis	KTVI	(2)
	KMOX-TV	(4)
	KSD-TV	(5)
	†KETC	(9)
	KPLR-TV	(11)
Sedalia	KMOS-TV	(6)
Springfield	KYTV	(3)
	KTTS-TV	(10)

MONTANA

Billings	KOOK-TV	(2)
	KGHL-TV	(8)
Butte	KXLF-TV	(4)
Glendive	KKGN-TV	(5)
Great Falls	KRTV	(3)
	KFBB-TV	(5)
Helena	KXLJ-TV	(12)
Missoula	KMSO-TV	(13)

NEBRASKA

Hastings	KHAS-TV	(5)
Hayes Center	KHPL-TV	(6)
Hay Springs	KDUH-TV	(4)
Kearney	KHOL-TV	(13)
Lincoln	KOLN-TV	(10)
	†KUON-TV	(12)
McCook	*KOMC	(8)
No. Platte	KNOP	(2)
Omaha	KMTV	(3)
	WOW-TV	(6)
	KETV	(7)
Scottsbluff	KSTF	(10)

NEVADA

Henderson	KLRJ-TV	(2)
Las Vegas	KLAS-TV	(8)
	KSHO-TV	(13)
Reno	KOLO-TV	(8)

NEW HAMPSHIRE

Durham	†WENH-TV	(11)
Manchester	WMUR-TV	(9)

NEW JERSEY

Newark-N.Y.	WNTA-TV	(13)

NEW MEXICO

Albuquerque	KOB-TV	(4)
	†KNME-TV	(5)
	KOAT-TV	(7)
	KGGM-TV	(13)
Carlsbad	KAVE-TV	(6)
Clovis	KVER-TV	(12)
Roswell	KSWS-TV	(8)

NEW YORK

Albany	WTEN	(10)
	WAST	(13)
Binghamton	WNBF-TV	(12)
	WINR-TV	(40)
Buffalo	WGR-TV	(2)
	WBEN-TV	(4)
	WKBW-TV	(7)
	†WNED-TV	(17)
Carthage-Watertown	WCNY-TV	(7)
Elmira	WSYE-TV	(18)
New York	WCBS-TV	(2)
	WRCA-TV	(4)
	WNEW-TV	(5)
	WABC-TV	(7)
	WOR-TV	(9)
	WPIX	(11)
	WNTA-TV	(13)
Plattsburgh	WPTZ	(5)
Rochester	WROC-TV	(5)
	WHEC-TV	(10)
	WVET-TV	(10)
Schenectady	WRGB	(6)
Syracuse	WSYR-TV	(3)
	WHEN-TV	(18)
Utica	WKTV	(2)

NORTH CAROLINA

Asheville	WISE-TV	(62)
Asheville-Greenville & Spartanburg, S.C.	WLOS-TV	(13)
Chapel Hill	†WUNC-TV	(4)
Charlotte	WBTV	(3)
	WSOC-TV	(9)
Durham-Raleigh	WTVD	(11)
Greensboro	WFMY-TV	(12)
Greenville	WNCT	(9)
Raleigh-Durham	WRAL-TV	(5)
Washington	WITN	(7)
Wilmington	WECT	(6)
Winston-Salem	WSJS-TV	(12)

NORTH DAKOTA

Bismarck	KFYR-TV	(5)
	KBMB-TV	(12)
Dickinson	KDIX-TV	(2)
Fargo	WDAY-TV	(6)
	KXGO-TV	(11)
Grand Forks	KNOX-TV	(10)
Minot	KMOT	(10)
	KXMC-TV	(13)
Pembina	*KCND	(12)
Valley City-Fargo	KXJB-TV	(4)
Williston	KUMV-TV	(8)

OHIO

Akron	WAKR-TV	(49)
Cincinnati	WLWT	(5)
	WCPO-TV	(9)
	WKRC-TV	(12)
	†WCET	(48)
Cleveland	KYW-TV	(3)
	WEWS	(5)
	WJW-TV	(8)
Columbus	WLWC	(4)
	WTVN-TV	(6)
	WBNS-TV	(10)
	†WOSU-TV	(34)
Dayton	WLWD	(2)
	WHIO-TV	(7)
Lima	WIMA-TV	(35)
Oxford	* †WMUB-TV	(14)
Steubenville	WSTV-TV	(9)
Toledo	WTOL-TV	(11)
	WSPD-TV	(13)
	* †WGTE-TV	(30)
Youngstown	WFMJ-TV	(21)
	WKBN-TV	(27)
	WKST-TV	(33)
Zanesville	WHIZ-TV	(18)

OKLAHOMA

Ada	KTEN	(10)
Ardmore	KXII	(12)
Enid-Oklahoma City	KOCO-TV	(5)
Lawton	KSWO-TV	(7)
Oklahoma City	WKY-TV	(4)
	KWTV	(9)
	†KETA	(13)
	†KOKH-TV	(25)
Tulsa	KVOO-TV	(2)
	KOTV	(6)
	KTUL-TV	(8)
	†KOED-TV	(11)

OREGON

Corvallis	†KOAC-TV	(7)
Eugene	KVAL-TV	(13)
Klamath Falls	KOTI	(2)
Medford	KBES-TV	(5)
Portland	KOIN-TV	(6)
	KGW-TV	(8)
	KPTV	(12)
Roseburg	KPIC	(4)

PENNSYLVANIA

Altoona	WFBG-TV	(10)
Erie	WICU-TV	(12)
	WSEE	(35)
Harrisburg	WTPA	(27)
	WHP-TV	(55)
Johnstown	WJAC-TV	(6)
	WARD-TV	(56)
Lancaster	WGAL-TV	(8)
Lebanon	WLYH-TV	(15)
Lock Haven	*WBPZ-TV	(32)
Philadelphia	WRCV-TV	(3)
	WFIL-TV	(6)
	WCAU-TV	(10)
	†WHYY-TV	(35)
	*WPCA-TV	(17)
Pittsburgh	KDKA-TV	(2)
	WTAE	(4)
	WIIC	(11)
	†WQED	(13)
	†WQEX	(16)
Scranton	WDAU-TV	(22)
Scranton-Wilkes-Barre	WNEP-TV	(16)
	WBRE-TV	(28)
York	WSBA-TV	(43)

RHODE ISLAND

Providence	WJAR-TV	(10)
	WPRO-TV	(12)

SOUTH CAROLINA

Anderson	WAIM-TV	(40)
Charleston	WUSN-TV	(2)
	*WTMA-TV	(4)
	WCSC-TV	(5)
Columbia	WIS-TV	(10)
	WNOK-TV	(67)
Florence	WBTW	(8)
Greenville	WFBC-TV	(4)
Spartanburg	WSPA-TV	(7)

SOUTH DAKOTA

Aberdeen	KXAB-TV	(9)
Deadwood	KDSJ-TV	(5)
Florence	KDLO-TV	(3)
Mitchell	*KORN-TV	(5)
Rapid City	KOTA-TV	(3)
	KRSD-TV	(7)
Reliance	KPLO-TV	(6)
Sioux Falls	KELO-TV	(11)

TENNESSEE

Chattanooga	WRGP-TV	(3)
	WTVC	(9)
	WDEF-TV	(12)
Jackson	WDXI-TV	(7)
Johnson City	WJHL-TV	(11)
Knoxville	WATE-TV	(6)
	WBIR-TV	(10)
	WTVK	(26)
Memphis	WREC-TV	(3)
	WMCT	(5)
	†WKNO-TV	(10)
	WHBQ-TV	(13)
Nashville	WSM-TV	(4)
	WLAC-TV	(5)
	WSIX-TV	(8)

TEXAS

Abilene	KRBC-TV	(9)
Amarillo	KGNC-TV	(4)
	KVII	(7)
	KFDA-TV	(10)
Austin	KTBC-TV	(7)
Beaumont	KFDM-TV	(6)
Big Spring	KEDY-TV	(4)
Bryan	KBTX-TV	(3)
Corpus Christi	KRIS-TV	(6)
	KZTV	(10)
Dallas	KRLD-TV	(4)
	WFAA-TV	(8)
	* †KERA-TV	(13)
El Paso	KROD-TV	(4)
	KISM-TV	(9)
	KELP-TV	(13)
El Paso-Juarez	KEJ-TV	(5)
Ft. Worth	WBAP-TV	(5)
	KFJZ-TV	(11)
Harlingen	KGBT-TV	(4)
Houston	KPRC-TV	(2)
	†KUHT	(8)
	KHOU-TV	(11)
	KTRK-TV	(13)
Laredo	KGNS-TV	(8)
Lubbock	KCBD-TV	(11)
	KDUB-TV	(13)
Lufkin	KTRE-TV	(9)
Midland	KMID-TV	(2)
Monahans	KVKM-TV	(9)
Nacogdoches	KTES	(19)
Odessa	KOSA-TV	(7)
Port Arthur	KPAC-TV	(4)
Richardson	* †KRET-TV	(23)
San Angelo	KCTV	(8)
San Antonio	WOAI-TV	(4)
	KENS-TV	(5)
	KONO-TV	(12)
	KCOR-TV	(41)
Sweetwater	KPAR-TV	(12)
Temple-Waco	KCEN-TV	(6)
Texarkana	KCMC-TV	(6)
Tyler	KLTV	(7)
Waco	KWTX-TV	(10)
Weslaco	KRGV-TV	(5)
Wichita Falls	KFDX-TV	(3)
	KSYD-TV	(6)

UTAH

Ogden	*KVOG-TV	(9)
Provo	KLOR-TV	(13)
Salt Lake City	KUTV	(2)
	KCPX-TV	(4)
	KSL-TV	(5)
	†KUED	(7)

VERMONT

Burlington	WCAX-TV	(3)

VIRGINIA

Bristol	WCYB-TV	(5)
Hampton-Norfolk	WVEC-TV	(13)
Harrisonburg	WSVA-TV	(3)
Lynchburg	WLVA-TV	(13)
Norfolk	WTAR-TV	(3)
Petersburg-Richmond	WKEK-TV	(8)
Portsmouth-Norfolk	WAVY-TV	(10)
Richmond	WTVR	(6)
	WRVA-TV	(12)
Roanoke	WDBJ-TV	(7)
	WSLS-TV	(10)

WASHINGTON

Bellingham	KVOS-TV	(12)
Ephrata	KBAS-TV	(16)
Pasco	KEPR-TV	(19)
Seattle	KOMO-TV	(4)
	KING-TV	(5)
	KIRO-TV	(7)
	†KCTS-TV	(9)
Spokane	KREM-TV	(2)
	KXLY-TV	(4)
	KHO-TV	(6)
	†KPEC-TV	(56)
Tacoma	KTNT-TV	(11)
	KTVW	(13)
	* †KPEC-TV	(56)
Walla Walla	KNBS	(22)
Yakima	KIMA-TV	(29)
	KNDO-TV	(23)

WEST VIRGINIA

Bluefield	WHIS-TV	(6)
Charleston	WCHS-TV	(8)
Clarksburg	WBOY-TV	(12)
Huntington-Charleston	WSAZ-TV	(3)
	WHTN-TV	(13)
Oak Hill	WOAY-TV	(4)
Parkersburg	WTAP-TV	(15)
Weston	*WJPB-TV	(5)
Wheeling	WTRF-TV	(7)

WISCONSIN

Eau Claire	WEAU-TV	(13)
Green Bay	WBAY-TV	(2)
	WFRV-TV	(5)
LaCrosse	WKBT	(8)
Madison	WISC-TV	(3)
	†WHA-TV	(21)
	WKOW-TV	(27)
	WMTV	(33)
Marinette	WLUK-TV	(11)
Milwaukee	WTMJ-TV	(4)
	WITI-TV	(6)
	†WMVS-TV	(10)
	WISN-TV	(12)
	WXIX	(18)
Wausau	WSAU-TV	(7)

WYOMING

Casper	KTWO-TV	(2)
Cheyenne	KFBC-TV	(5)
Riverton	KWRB-TV	(10)

U.S. POSSESSIONS

GUAM

Agana	KUAM-TV	(8)

PUERTO RICO

Caguas	*WKBM-TV	(11)
Mayaguez	WORA-TV	(5)
	* †WIPM-TV	(3)
Ponce	WRIK-TV	(7)
	WSUR-TV	(9)
San Juan	WKAQ-TV	(2)
	WAPA-TV	(4)
	†WIPR-TV	(6)

CANADA

Argentia, Nfld.	CJOK-TV	(10)
Barrie, Ont.	CKVR-TV	(3)
Brandon, Man.	CKX-TV	(5)
Calgary, Alta.	CHCT-TV	(2)
Charlottetown, P.E.I.	CFCY-TV	(13)
Corner Brook, Nf.	CBYT	(5)
Cornwall, Ont.	*CJSS-TV	(8)
Dawson Creek, B.C.	CJDC-TV	(5)
Edmonton, Alta.	CFRN-TV	(3)
Elk Lake, Ont.	CFCL-TV-2	(2)
Elliot Lake, Ont.	CKSO-TV-1	(3)
Grand Falls, Nfld.	CJCN-TV	(4)
Halifax, N.S.	CBHT	(3)
Hamilton, Ont.	CHCH-TV	(11)
Inverness, N.S.	CJCB-TV-T	(6)
Jonquiere, Que.	CKRS-TV	(12)
Kamloops, B.C.	CFCR-TV	(4)
Kapuspasing, Ont.	CFCL-TV-1	(3)
Kelowna, B.C.	CHBC-TV	(2)
Kenora, Ont.	CBLAT	(8)
Kingston, Ont.	CKWS-TV	(11)
Kitchener, Ont.	CKCO-TV	(13)
Lethbridge, Alta.	CJLH-TV	(7)
Liverpool, N.S.	CBHT-1	(12)
London, Ont.	CFPL-TV	(10)
Matane, Que.	CKBL-TV	(9)
Medicine Hat, Alta.	CHAT-TV	(6)
Moncton, N.B.	CKCW-TV	(2)
	CBAFT	(11)
Montreal, Que.	CBFT	(2)
	CBMT	(6)
Moose Jaw, Sask.	CHAB-TV	(4)
New Carlisle, Que.	CHAU-TV	(5)
New Glasgow, N.S.	CFCY-TV-1	(7)
North Bay, Ont.	CKGN-TV	(10)
Ottawa, Ont.	CBOT	(4)
	CBOFT	(9)
Penticton, B.C.	CHBC-TV-1	(13)
Peterborough, Ont.	CHEX-TV	(12)
Port Arthur, Ont.	CFCJ-TV	(2)
Prince Albert, Sask.	CKBI-TV	(5)
Quebec City, Que.	CFCM-TV	(4)
	CKMI-TV	(5)
Red Deer, Alta.	CHCA-TV	(6)
Regina, Sask.	CKCK-TV	(2)
Rimouski, Que.	CJBR-TV	(3)
Rouyn, Que.	CKRN-TV	(4)
St. John, N.B.	CHSJ-TV	(4)
St. John's, Nfld.	CJON-TV	(6)
Saskatoon, Sask.	CFQC-TV	(8)
Sault Ste. Marie, Ont.	CJIC-TV	(2)
Shelburne, N.S.	CBHT-2	(8)
Sherbrooke, Que.	CHLT-TV	(7)
Sudbury, Ont.	CKSO-TV	(5)
Swift Current, Sask.	CJFB-TV	(5)
Sydney, N.S.	CJCB-TV	(4)
Timmins, Ont.	CFCL-TV	(6)
Toronto, Ont.	CBLT	(6)
Trois-Rivieres, Que.	CKTM-TV	(13)
Vancouver, B.C.	CBUT	(2)
Vernon, B.C.	CHBC-TV-2	(7)
Victoria, B.C.	CHEK-TV	(6)
Windsor, Ont.	CKLW-TV	(9)
Wingham, Ont.	CKNX-TV	(8)
Winnipeg, Man.	CBWT	(13)
	*CBWFT	(6)
Yarmouth, N.S.	CBHT-3	(11)
Yorkton, Sask.	CKOS-TV	(13)

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WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

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LEGACIES OF HAROLD FELLOWS: Sudden death March 8 of NAB Pres. Harold E. Fellows on job in midst of broadcasting's most crucial year was—literally—stunning blow to industry which left it groping for somebody to carry on as leader.

Fellows died on eve of critical NAB Board sessions which he had called in Washington to preview grim problems which TV & radio will face at NAB's 38th annual convention in Chicago April 3-6. He suffered heart attack at desk after returning to office from lunch, complaining of difficulty in breathing, and died several hours later in George Washington U. Hospital. He had been warned by his doctors to take it easier —which he didn't do. He would have been 61 March 22.

"Ambassador of American Broadcasting" was title Fellows had won in his years as NAB leader (pres. since 1951, chmn. since 1954) and as active NAB committeeman long before he took on top task. No NAB predecessor had ever served so long. His own experience as broadcaster stretched back to 1929, when he went on radio in Boston as singer sponsored by paint company. He joined radio WEEI there in 1932 as asst. mgr., became gen. mgr. in 1936, worked there 15 more years. He also was CBS operating mgr. in New England (1944-51) before he succeeded Justin Miller as NAB pres.

Who will succeed Fellows? Impulse of many NAB joint TV-Radio Board members was to call off Statler Hilton sessions and not try to come up with any answer now, but wait for convention. But they went

ahead with agenda prepared by Fellows, expanding Code operations which he had made item No. 1 (see p. 6)—and beginning to grapple with their own unexpected item No. 1.

Stopgap caretaker plan was adopted under TV Board Chmn. G. Richard Shafto (WIS-TV Columbia, S.C.) and Radio Board Chmn. F. C. Sowell (WLAC Nashville). NAB secy.-treas. Everett B. Revercomb, who first joined staff in 1935 as auditor, was appointed acting administrator, in charge of coordinating activities, supervising services. Committee of 7-10 (not necessarily Board members) will be named to seek successor to Fellows. In interim, NAB policies will be carried on by committee of 3 picked from among 43 directors: Shafto, Clair R. McCollough (Steinman Stations), Merrill Lindsay (radio WSOY Decatur, Ill.). They were named by TV & Radio Board vice chairmen. (Payson Hall of Meredith Stations, Thomas C. Bostic of KIMA Yakima), who also were authorized to pick members of nominating committee.

Some names of possibilities for NAB leadership were discussed in Statler corridors & in mezzanine-floor rooms where closed Board sessions were conducted. But there was no reported agreement—even tentative—on likeliest choices for job, which paid Fellows $75,000 per year plus $12,000 expenses.

There was talk that 2-man leadership might be solution—pres. to be front-running broadcaster (perhaps from networks) to speak for industry, 2nd man as exec. vp (perhaps from outside industry) to run NAB's day-to-day affairs. As pres.-chmn., Fellows filled both positions—and no single top candidate for grueling dual job had emerged at last week's end.

Biggest achievement of Fellows in his 9-year NAB span, which paralleled big growth of TV, may turn out to be that he held organization together as all-broadcasting trade association. Astute politician, he not only combated threats in Congress to tear industry apart but succeeded in preventing splits of competing & dissident TV & radio segments within NAB itself. He had enemies & critics, but most agreed Fellows was masterful tactician when it came to keeping NAB on keel against industry cross-currents.

Chronic issues confronted Fellows. Way he handled them—with argument, cajolery and frequently slashing wit—left NAB at his death with its biggest membership yet. If trouble wasn't flaring on Capitol Hill or at FCC, there always were internal issues: Radio vs. TV as advertising medium; too much Code vs. too little; big stations vs. little; networks vs. field; radio daytimers vs. clear channels; vhf vs. uhf, etc.

Washington funeral services for Fellows were conducted March 11 in Westmoreland Congregational Church. Simultaneous memorial service was held in Old South Church, Boston. Burial was arranged for Gilmanton, N.H., site of his family's homestead. Survivors include his wife, 2 daughters, 7 grandchildren.

PROSPECTS OF THE FORD REGIME: The pendulum of govt. regulation has reversed. The move toward stronger FCC supervision of broadcasting began the moment President Eisenhower announced designation of Comr. Frederick W. Ford as Chairman, following resignation of Chmn. John C. Doerfer.

There's a "honeymoon period" in govt., as in business, during which new leaders are given strong support by just about everyone. It's expected Ford will take advantage of this and move fast.

His selection was hailed on the Hill. Rep. Harris (D-Ark.), whose Legislative Oversight Subcommittee has clobbered FCC without letup, called it "a very good appointment." Sen. Magnuson (D-Wash.), chmn. of Commerce Committee which has also been very critical of Commission, notably on allocations, said: "He's been an able member of the Commission so far. As far as I know, he'll do a good job as Chairman. He's had sufficient experience to handle the job."

But some of industry has fingers crossed, anxious lest Ford go too far in his concept of closer supervision. FCC staff, among whom he once served, is extremely enthusiastic about him by & large.

Ford's administration certainly will be firm but it won't be vindicative, punitive or wild-eyed. In most important area—program surveillance—Ford has always made it completely clear that he disagrees totally with philosophy of predecessors Doerfer & McConnaughey (which was that FCC has nothing to say about programming except in cases of obscenity, subversion and similar clear-cut infractions of specific laws).

Ford has none of the antipathy to industry that seemed to characterize moves of the old New Deal administrations, but he has long squirmed as the Commission reeled under incessant charges of "laxity."

He has never claimed there's a simple programming method for stations to telecast shows "in the public interest." Extremely prolific with ideas, however, he's originator of the "narrative-on-needs" concept (Vol. 16:7 p6). He believes stations should be required to tell Commission what they've done to determine communities' needs and how they plan to serve them. And he believes FCC has duty to ask operators how

well they carried out their plans, and, if not, why not. He doesn't go beyond that, doesn't say FCC should then move immediately to revoke licenses of those who seem to make poor showings. If nothing more, he believes that mere effort of seeking out civic needs will stimulate broadcasters' efforts to meet such needs.

Ford's philosophy was epitomized in this paragraph from his Feb. 11 Philadelphia speech (Vol. 15:7 p8): "No broadcaster should ever feel that he is in a straitjacket of any kind or that his programming flexibility is fettered or his imagination is circumscribed. He should take seriously the burden & trust that the Congress has placed in him that he will properly exercise his privilege to serve all the public in his service area. How he is to do this is his problem, but that he must do it the law demands. Our problem is to determine whether he has done it & plans to continue to do it."

Other examples of Ford's initiative: FCC's statement of TV allocations status, to Senate Commerce Committee last year (Vol. 15:17 p1), was largely his work—and it kept Committee somewhat satisfied for months; proposed rules & laws to eliminate payola & deception (Vol. 16:7 p7) originated primarily with him.

Contributing to his inventiveness is his familiarity with FCC's work. An attorney, he served as chief of Commission's hearing div. (1947-53), which became one of Commission's toughest jobs in 1952, cracking log-jam of TV applications when freeze ended.

Ford is much concerned about difficulty of getting anything done under FCC's legal setup. "Every move a Chairman makes," he says, "must be accompanied by 3 other Commissioners."

Much depends on Doerfer's replacement. Presumably, Ford will have some say in man's selection. Of course, Democrat-controlled Senate could sit on the nomination, awaiting outcome of Nov. elections. If that's done, Commission would have 3 Republicans (Ford, Hyde & Lee) and 3 Democrats (Bartley, Craven & Cross) —an uncomfortable split. However, Bartley thinks a lot like Ford, and Cross may join them from time to time —particularly on the programming concept. The 3-3 split, if it develops, could last until Congress recesses this summer; then, President could make a recess appointment of Republican, who would serve until Congress returns. Another uncertain factor is Republican Lee, who has been renominated but still awaits confirmation. However, his chances look very good.

There will be real changes in staff. Ford has never made any bones about his dissatisfaction with performance of several key men.

Ford didn't rush around lobbying for the job, is well aware of fierce toll it takes of a man. However, he has unusual capacity for taking matters in stride, genially—contrasting with quick-to-anger Doerfer. Asked how he views demands of job, Ford laughed: "I've got a built-in thermostat."

Ford is 50, in excellent physical condition, makes an exceptionally handsome appearance. He's native of Bluefield, W.Va. His late father had been state supt. of schools and was active in Republican politics. A 1934 W.Va. U. Law School graduate, he was associated with law firm of Stathers & Cantrell in Clarksburg, 1934-39. In govt., he served Federal Security Agency & OPA 1939-42. In Air Force 1942-46, he became major. After war, he returned to OPA for a few months before joining FCC in 1947. After his stint on FCC staff, he joined Justice Dept. as Asst. Deputy Attorney General. He became Commissioner Aug. 29, 1957.

Ford's first wife, Virginia, died of cancer Feb. 19, 1958. On Oct. 11, 1959, he married Mary Margaret ("Pris") Mahony. He has a daughter, Mary Carter Ford, 14, student at St. Agnes School, Alexandria, Va.

LESSONS OF THE DOERFER CASE: John Charles Doerfer paid a fearful price for his stubborness & his "blind spot" regarding govt.-industry relationships. With elections coming up, Republicans simply couldn't afford to keep him. If he hadn't offered to resign as Chairman of FCC—and he told us he initiated the move—President Eisenhower would have been compelled to ask for his resignation.

There are many afterthoughts & analyses. However, it seems quite likely that he could have succeeded in challenging Rep. Harris's legislative recommendations & philosophy of FCC regulation, as he did in an impromptu rebuttal before CBS affiliates (Vol. 16:10 p7)—had he not accepted Fla. plane-&-yacht hospitality of Storer Bcstg. Co. Pres. George B. Storer. Furthermore, he probably could have weathered criticism of the hospitality, too, if his accounts of the vacation hadn't varied throughout last week—because, he said, of misunderstandings between him and reporters.

Congressional & press demands for resignation mounted as situation degenerated—and President Eisenhower's advisors concluded that Doerfer had become an absolute political liability. Doerfer, though his

first impulses were to fight, to seek a TV forum such as Meet the Press or Face the Nation to confront his journalistic accusers, also became aware of political facts of life—and submitted his resignation, effective March 14. (Ford takes over as Chairman next day; see p. 2.)

Copious details of week's developments needn't be recounted at length, for you've seen & heard them. To summarize: Doerfer went to White House March 9, saw President, who obviously was kind & understanding but agreed that resignation would be "wise." Doerfer asked for 24 hours delay, after which he submitted resignation. Simultaneously with White House announcement 4 p.m. March 10, Doerfer was addressing a warm forewell to colleagues & top staff members. President's designation of Ford as Chairman came at same time. (For all the statements, see p. 5.)

Doerfer protested to the very end, and after, that FCC Commissioner's job demands contact with industry which must inevitably develop occasionally into warm friendships. Next day, March 11, he insisted to us there was nothing in nature of "luxury cruise" about his visits to Storer yacht, re-emphasizing that it was at dock all except 4-5 hours of time he was aboard—which was parts of 6 days & nights.

But Congressional, administrative & journalistic critics concluded that if Doerfer couldn't understand that these distinctions were irrelevant he had to go.

Some of Doerfer's friends feared, for a time, that he might try to put up a fierce, quixotic fight to remain, but they were glad he didn't. Said one: "He'd have lost that warm letter from the President, and that would have murdered him as he sought to make a living later."

Doerfer doesn't know what he'll do, he told us. "You've got to think things over for a while," he said. "I never knew I had so many friends, however. You should see the letters, calls & wires I've received. For years, several of them have been begging me to get out of this rat-race and join them at twice what I'm making. I just don't know. As far as practicing law is concerned, I certainly couldn't try criminal cases & things like that. I've been too far away from that. If I went into practice, I think I'd stay closer to what I've been doing for many years—utilities, govt. regulation, and so forth." He was chmn. of Wis. Public Utilities Commission before joining FCC in 1953. He became FCC Chairman in 1957. Before the PUC tenure, he served as West Allis, Wis. city attorney.

He sounded calm, looked well. In his statement before colleagues, he wasn't overwrought.

Doerfer is no man of wealth, needs steady income. He's 55, has 2 children, sons, both in college. FCC Chairman gets $20,500, other Commissioners $20,000.

Resignation was hailed by Rep. Harris who said: "I am not surprised. I think it was a wise decision." Among others who agreed were Harris's Subcommittee colleagues Rep. Mack (D-Ill.) & Rep. Moss (D-Cal.), who had given Doerfer such a rough time about yacht incident.

Democrats generally sought to make political hay of resignation, listing other Eisenhower appointees who resigned under fire. Some tried to compare Doerfer with ex-Comr. Mack, who resigned, then was indicted for "conspiracy" to give Miami Ch. 10 to National Airlines. But no question of illegality has been raised about Doerfer's actions.

President must now find Republican to fill vacancy, and Sen. Magnuson (D-Wash), chmn. of Commerce Committee, made it very clear to us that nominee will receive a most thorough examination.

New Chmn. Ford hasn't got a mark on him, despite 2½ years on FCC during its harrowing experiences, and he intends to keep it that way. For present, at least, he'll undoubtedly decline even slightest proffers of hospitality from licensees. (For prospects of Ford's administration, see p. 2.)

STERN ORDERS NEW LOOK AT ST. LOUIS CH. 9: Acting just 2 weeks after his deadline for receiving briefs in the St. Louis Ch. 9 "influence" case (Vol. 16:8 p4), Special FCC examiner Judge Horace Stern last week told Commission to take another look at deintermixture proceedings which led to the grant of the channel to KTVI.

FCC's deintermixture decision is "voidable" because of ex-parte approaches to Commission members while it was pending, Stern said. He ruled that "the matter must be reconsidered in further proceedings to be determined by the Commission." This procedure could involve new filings in the Springfield, Ill.-St. Louis switch and another vote by FCC.

Nobody involved in the case will be barred from participating in the new proceedings, and no FCC member need disqualify himself, Stern added. He said KTVI Pres. Harry Tenenbaum in particular wrote letters

& made "private visits" to FCC members to persuade them to go his way on deintermixture. This sort of ex-parte activity raised "danger of deception," Stern said, although he acknowledged that at that time many believed "there was nothing illegal or improper in so doing."

Opening up participation by everybody in the fresh proceedings, Stern said "the conduct of any party [has not] been such as to reflect adversely upon it from a comparative standpoint in any licensing proceeding which may be held upon applications for such TV channel."

ZIV BUY MAKES UA NEW TV COLOSSUS: Newest telefilm giant is United Artists, which added one of biggest syndication producer-distributors, Ziv TV Programs, to its corporate family last week in a complex $20-million deal. UA is now in TV film business at every level from first-run network properties to rerun local syndication (see p. 9).

Few firms now rival UA-TV in size & scope as result of new UA-Ziv combine. MCA-Revue operation (which produces network & syndication shows, handles telefilm reruns & sales of Paramount backlog, and operates studio property) and Columbia Pictures-owned Screen Gems (with somewhat similar set-up) are virtually matched or exceeded by enlarged UA status.

UA upsurge has been fast & furious. Formed in 1919 by Douglas Fairbanks, Mary Pickford, D. W. Griffith & Charles Chaplin, UA hit the red ink in 1946, was pulled out of slump in 1951 by new management team (Arthur B. Krim, Robert S. Benjamin, William J. Heineman, Max Youngstein, et al.) that pushed film grosses up from $20 million to 1959 peak of $90 million. UA became active in TV only as recently as 1957, but 1960 grosses may hit $35-$40 million.

The FCC

More about

THE OFFICIAL STATEMENTS: Herewith are the full texts of statements made by the principals involved in FCC Chmn. Doerfer's resignation and the designation of Comr. Ford as Chairman (see pp. 2 & 3):

Doerfer's letter of resignation, to the President: "My Dear Mr. President: I am resigning as a Commissioner of the Federal Communications Commission and its Chairman, effective at the close of business on March 14, 1960.

"The mandate from Congress which requires a Commissioner 'to study new uses for radio and generally encourage the larger and more effective use thereof' requires day-to-day contact with many industry people. A number of these contacts eventually ripen into social acquaintances and sometimes friendships, which, despite appearances, do not imperil the integrity of either the government official or the member of industry.

"I have not, nor will I waver from my views that the best solution to modern day government regulation of complex industry problems demands a thorough knowledge of that industry and actual contact with the members thereof. Nonetheless, to avoid possible embarrassment to you and your administration, I submit this resignation as of the date above indicated.

"It was indeed a privilege to serve under you these past seven years. Respectfully, John C. Doerfer."

President Eisenhower's acceptance of Doerfer's resignation: "Dear Mr. Doerfer: I have your letter submitting your resignation as member and Chairman of the Federal Communications Commission. I regret the circumstances which have led you to your conclusion, but they do, in my opinion, indicate your decision to be a wise one. Your resignation is, accordingly, accepted effective, as you suggest, at the close of business on Monday, March 14.

"In the discharge of your duties, first as a member, and then as Chairman of the Federal Communications Commission, you have served tirelessly, loyally, effectively —and with dedication. For your public service over many years at local, state and federal levels you have earned the appreciation of your fellow citizens and of the administration. I wish you every success in your future undertakings. Sincerely, Dwight D. Eisenhower."

Doerfer's statement at a special meeting of Commissioners & top staff members: "I wish to take this occasion to tell all of you how much I appreciate your help throughout the years. You have had & will continue to have a most difficult task; *viz.*, to account for imposed responsibilities without commensurate controls.

"If I have been impatient with any of you in the past it was born of the moment and not any lack of sustained respect for your abilities. I have the highest regard for them. In fact, some of it was because I frequently asked you to do the impossible.

"I also wish to take this occasion to declare before all the members of the FCC family my high regard for my colleagues. You who are experienced in the give & take of discussion will understand the surcharge of emotion in one's position is only superficial.

"I am satisfied that through all of your efforts throughout the years this country enjoys one of the finest communication systems in the world. You can take a deep and genuine pride in this—in between barrages. Good luck to you all!"

Ford's statement after being designated Chairman: "I appreciate the expression of confidence which the President has shown in designating me as Chairman. It is with a great degree of seriousness that I undertake this assignment. There are more problems facing the Commission today than at any time in history. The problems, at times, seem almost insoluble. The Commission, however, is composed of dedicated men, better qualified than any group I know, who will continue to apply their long years of experience, knowledge and ability to the solution of these problems. I'm sure that solutions can be found and we are determined to find them."

Stations

NAB CODE EXPANSION: NAB's TV & Radio Boards took decisive steps last week to preserve & nurture 2 legacies of NAB Pres. Harold E. Fellows (see p. 1)—the industry's self-administered Codes of good advertising & programming practices.

Following Fellows-approved courses charted by the TV Code Review Board, the TV Board: (1) Expanded the Review Board from 5 to 7 members. (2) Approved establishment of a TV Code office in N.Y. (3) Ordered increases in personnel & activities at the Code's Washington & Hollywood offices. (4) Seconded the nomination of vp-gen. mgr. E. K. Hartenbower of KCMO-TV Kansas City to succeed Westinghouse Bcstg. Co.'s Donald H. McGannon as Review Board chmn.

In concurrent actions to strengthen the Radio Code, the Radio Board: (1) Voted to permit non-NAB members to subscribe. (2) Approved "in principle" recommendations by the radio good-standards committee to put teeth in enforcement of Code rules. (3) Charged the committee & NAB staff with responsibility for working out enforcement procedures. (4) Set the annual Code subscription fee at 10 times a station's highest published one-time rate for a 60-sec. spot announcement; maximum of $360; NAB radio members to get a 40% discount.

New Code Board Members

New members of the TV Code Review Board, taking the newly-created places and the vacancy left by McGannon, who wasn't eligible for reappointment, are vp-gen. mgr. George Whitney of KFMB-TV San Diego, exec. vp-gen. mgr. Robert W. Ferguson of WTRF-TV Wheeling, Pres.-gen. mgr. J. M. Gaines, WOAI-TV San Antonio.

Along with new Chmn. Hartenbower, already a Review Board member, they will take office officially at the end of NAB's April 3-6 Chicago convention. Holdover Review Board members: gen. mgr. Gaines Kelley, WFMY-TV Greensboro, N.C.; Mrs. A. Scott Bullitt, pres., KING-TV Seattle; gen. mgr. Joseph Herold, KBTV Denver.

In its Code expansion moves, the TV Board under G. Richard Shafto of WIS-TV Columbia, S.C. ordered opening of the N.Y. office "as soon as possible," in charge of an asst. dir. of NAB Code affairs under dir. Edward H. Bronson, who will retain Washington as hq.

The Washington Code staff will be increased by addition of an exec. asst. to handle detail work for dir. Bronson & asst. dir. Harry H. Ward. The West Coast office, assigned to TV film-production problems, will get another staffer to help asst. dir. Frank Morris.

The TV Board at its Washington sessions also heard reports from Bronson that Code subscribers now total 381 stations—another new high. In a related report from dir. Louis Hausman of the TV Information Office in N.Y. and Chmn. Clair R. McCollough (Steinman stations) of NAB's TV Information Committee, the TV Board was told that 150 TV stations are TIO subscribers—and 25 more are expected to sign up by the end of April.

NAB's radio membership was reported as 1,657 AM stations 473 FM stations.

In other board actions:

Chicago's Conrad Hilton Hotel was picked for NAB's 1964 convention, which also will be held there in 1962 & 1963. (Next year's convention will be in Washington.)

NAB's special task force to set strategy in regulatory & legislative issues was continued.

NEW & UPCOMING STATIONS: Educational KRET-TV (Ch. 23) Richardson, Tex. began programming Feb. 29 with a schedule basically aimed at primary school classrooms. Its debut raises the U.S. operating total to 562 (86 uhf), of which 45 are non-commercial educational outlets (11 uhf). The other recent starters are CJCN-TV (Ch. 4) Grand Falls, Newfoundland, which began March 1 as a CBC supplementary outlet and satellite CFCY-TV-1 (Ch. 7) New Glasgow, N.S. which began Jan. 23 repeating parent CFCY-TV (Ch. 13) Charlottetown, P.E.I. They increase the Canadian on-air total to 68 stations.

KRET-TV was built by Electron Corp., Dallas, for owner Richardson Independent School District. It has a 1-kw RCA transmitter, Ling Electron studio equipment, and an Alford antenna on 100-ft. Rohn tower. Raymond Bynum is program director, Bill O'Fallon, chief engineer, both reporting to school supt. J. J. Pearce.

CJCN-TV has a 2-kw RCA transmitter and a 300-ft. Micro Tower with a 5-bay antenna at Norris Arm, Nfld., near Gander International Airport. Studios are on High St., Grand Falls. Owner is Newfoundland Bcstg. Co. Ltd., which also operates CJON-TV (Ch. 6) St. John's and satellite CJOX-TV (Ch. 10) Argentia. CJCN-TV will carry some CJON-TV programs, but will operate independently, not as a satellite. Don Jamieson, v.p.- gen. mgr. of CJON-TV, is in charge of operations. Base hourly network rate is $75. Reps are Weed and Stovin-Byles.

CFCY-TV-1 has RCA equipment for low-power 175-watt visual ERP operation as automatic repeater. It's sold as bonus to CFCY-TV, which has $190 hourly rate. Reps are Weed and All-Canada Television.

* * *

In our continuing survey of upcoming stations, these are the latest reports from principals:

WJPB-TV (Ch. 5) Weston, W. Va., plans to start by the end of March with ABC-TV & CBS-TV. It has 5-kw GE transmitter and 25-kw amplifier on hand, reports Pres. J. Patrick Beacom. It will use 5-bay antenna on 510-ft. Blaw-Knox tower on Fisher Summit, Jane Lew, W. Va. and will connect by microwave to studios in downtown Fairmont, W. Va. Owners are Beacom, with 50%; Pittsburgh Pirates vp Thomas P. Johnson, 47.5%; and George W. Eby of Pittsburgh's Harris Enterprises, 2.5%. Base hour will be $225. Rep will be Gill-Perna.

WOLE-TV (Ch. 12) Aguadilla, P. R. hopes to begin about April 1, writes John G. Johnson, exec. v.p., who also owns stock in WAPA-TV (Ch. 4) San Juan. It has an RCA transmitter installed & wired and an Alford antenna has been installed on a 60-ft. Utility tower. Mariano Angelet is operations mgr. Rep will be Caribbean Networks Inc.

KORN-TV (Ch. 5) Mitchell, S.D. has a 5-kw Gates transmitter scheduled for March delivery and plans to begin programming in April, according to R. V. Eppel, pres.-gen. mgr. of grantee Mitchell Bcstg., which also operates radio KORN. RCA antenna has been installed on a 500-ft. Utility tower. M. A. Johnson & J. Doherty, both from radio KORN, will be TV commercial mgr. & chief engineer, respectively. Network affiliation hasn't been signed, nor has base hourly rate been set. Rep not chosen.

KIFI-TV (Ch. 8) Idaho Falls, Ida. plans to begin programming Aug. 9, according to J. M. Brady, pres.-gen. mgr. of grantee Eastern Idaho Bcstg. & TV, which also operates radio KIFI. Transmitter hasn't been ordered as yet, but construction of a studio-transmitter was scheduled to begin

this month. It will use a 300-ft. Swager tower. Network affiliation hasn't been signed as yet. Rates not set and rep not chosen.

KTPS (Ch. 62) Tacoma, Wash., planned as non-commercial outlet by grantee Tacoma School Dist. No. 10, has a Sept. 1961 target, writes John McClamrock, chief engineer. It hasn't ordered its 1-kw transmitter as yet, but a 369-ft. tower is ready for a 12-gain antenna, also not ordered. Grantee also operates FM radio KTOY.

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Triangle Stations have opened a West Coast sales office to increase their services for advertisers & agencies, Roger W. Clipp, radio-TV div. vp, Triangle Publications, Inc., announced last week. Charles S. Cady, formerly asst. mgr. & national sales mgr. of WCSC-TV Charleston, has been appointed manager of the new facility, located at 3440 Wilshire Boulevard, Los Angeles, Cal. He will represent Triangle Stations WFIL-TV & WFIL Philadelphia, WNBF-TV & WNBF Binghamton, WLYH-TV Lebanon-Lancaster, Pa., WFBG-TV & WFBG Altoona-Johnstown, Pa., WNHC-TV & WNHC Hartford-New Haven, and KFRE-TV & KFRE Fresno, Cal.

Facility changes: KSWO-TV (Ch. 7) boosted power to 316 kw Feb. 28 after moving its transmitter to a new site 24 mi. from Wichita Falls, Tex. & 32 mi. from Lawton. KRBC-TV (Ch. 9) Abilene, Tex. received program test authorization Feb. 26 for a boost to 145 kw ERP. WCTV (Ch. 6) Tallahassee, Fla. plans to begin using its new 1,000-ft. tower March 15. KPHO-TV (Ch. 5) Phoenix, Ariz. began construction March 1 of $400,000 transmitter facilities to boost power to 100 kw.

KDKA-TV & KDKA Pittsburgh and AFTRA patched up their differences March 5 with a strike-settling 2-year contract. Among key issues resolved: Minimum weekly base pay & fee guarantee for announcers & performers was raised to $185 from $150; AFTRA had sought $225, KDKA said, and $185 was its counter-offer prior to the Feb. 21 walkout. The stations retained the right to contract directly & independently with outside performers.

Jansky & Bailey Inc., consulting engineers, moves its research & development div. from 1339 Wisconsin Ave. NW, Washington, to larger quarters at 901 Columbus St., Alexandria, Va. (Phone: King 9-7500). The executive offices, broadcast & TV div. & systems & operations research dept. are moving to the Wisconsin Ave. quarters from offices at 1735 DeSales St. NW.

Whitney North Seymour, NAB's special counsel on constitutional issues at FCC's programming-&-power hearings in Jan. (Vol. 16:5 p2), will address an April 6 luncheon session of the 38th NAB convention April 3-6 in the Conrad Hilton Hotel, Chicago. Among other luncheon speakers will be Secy. of State Christian Herter.

Coaxial transmission-line designs of Communication Products Co. have been purchased by the Mectron Co., 166 Ridge Ave., North Plainfield, N.J., which will furnish replacement or substitute parts previously made by CPC.

RCA broadcast equipment seminar has been scheduled for April 7-8 in the Hubbard Room of the Blackstone Hotel, Chicago, following NAB's convention April 3-6 in the Conrad Hilton Hotel there.

CPs granted: Ch. 32, Clearwater, Fla., to West Coast TeleCasting Corp.; Ch. 18, educational, Ogden, Utah, to Weber County school district.

Translator CP granted: Ch. 73, the Dalles, Ore. & Goldendale, Wash., to Mid-Columbia Community TV Corp.

Montreal's Applicants: Competition for an English-language (Ch. 12) and a French-language (Ch. 10) TV station in Montreal has narrowed down to 2 applicants for each (from a total of 7). The BBG moves to Toronto for critical hearings this week (March 14) and later will hand down its decisions on Montreal. Applicants for the English license are big electronics firm Canadian Marconi Co. and Mount Royal Independent Television Ltd.

Canadian Marconi has been controlled since 1926 by Canmar Investments Ltd., formed to keep Marconi's overseas communications in Canadian & British hands. Canmar holds 50.6% of the 4,554,000 issued shares of Canadian Marconi. The remaining 2,200,000 shares are held by 22,000 shareholders (59% Canadians).

Pres. Crosby Lewis, presenting data supporting the Mount Royal application, said Canadian program content would be 56% of total, 1% above requirement, and all Mount Royal directors would be actively concerned with station management. He made the lowest estimate of any applicant on anticipated revenue, saying station would operate on $1,000,000 revenue annually. Other groups estimated revenue between $3,000,000 & $5,000,000. Geoffrey Sterling, owner of radio CKGM Montreal, to be gen. mgr.

Seeking the French-language channel are Paul L'Anglais & Associates, and a joint application from radio CKVL and United Amusement Corp. Named in the Anglais application are J. A. Deseve, pres. & gen. mgr.; Andrew Ouimet, vp & asst. gen. mgr.; Jean-Paul Ladourceur, film maker & TV producer; Marcel Piche, lawyer & labor consultant; Maurice Godbout, lawyer; Lionel Leroux.

The CKVL-United Amusement group includes (from CKVL, and holding 83.33% voting stock) Jack Tietolman, pres.; Marcel Provost, program dir.; Martin R. Carabine, secy.; Maurice Rousseau, chief engineer. United Amusement lists William Lester as pres.; George Arnott; and Gerald Martineau, member Quebec Legislative Council (provincial Senate). Others in the joint application are Roger Baulu, TV-radio personality; radio performer Jacques Desbaillets, and industrialist Severe Godin.

BBG Chairman Andrew Stewart said licensees would share a single tower on Mount Royal in the heart of Montreal where CBC now has the antenna tower for its existing English & French-language stations. The tower will have to be rebuilt, which may prevent licensees from getting on the air until early 1961.

* * *

Five applications for one Edmonton TV channel and 2 for one channel in Calgary will be heard May 11 and 16 respectively in the two Alberta cities. Applicants for Calgary are CFCN TV Ltd., and Chinook Communications Ltd. The former is owned by radio CFCN, whose Pres. H. Gordon Love also heads the Canadian Chamber of Commerce. Chinook was formed by Calgary businessmen, with Herbert Stewart, ex-mgr. of Calgary's CHCT-TV, as pres. The 5 applicants for a 2nd TV in Edmonton include govt.-owned CBC which currently uses privately-owned CFRN-TV as the outlet for its network telecasts. Other applicants are Mayfair Bcstg. Co. Ltd., CHED Ltd., Edmonton Video Ltd., and Northgate Bcstg. Co. Ltd. Edmonton Video includes Gerry Gaetz, vp & gen. mgr. of radio CJCA, as pres.; Selkirk Holdings Ltd., a public company owned by 1,000 Canadian shareholders; and H. R. Milner, A. McLean, H. McMahon, G. K. Wynn, F. W. Forster, C. W. Carry and J. E. Sydie, all Edmonton businessmen. CHED Ltd. is owned by radio CHED. Mayfair and Northgate have outside affiliations, some British.

TOP 100 TV GROWTH MARKETS: To ascertain the nation's 100 fastest-growing TV markets, Feb. *Television* introduced in its special study "a new factor other than market size as one of the bases for advertising decisions." The factor: market "vitality." To gauge "vitality," the magazine undertook a 10-year comparison (1950-59) of growth in population & households. The resultant "vitality" analysis helps indicate those markets which "are expanding at a rate that justifies the establishment of new consumer franchises, despite the size of the market."

Way-out leader as the fastest growing TV market is Las Vegas, which in the past decade has exploded its population by 167.3% (vs. U.S. average of 16.1%); its households by 175.9% (vs. 19.6%). In 2nd place is Miami.

The 100 top TV markets embrace 82% of the nation's population—up from 76% in 1950. The first 50 markets are more than a third of total population & households.

A complete study of growth patterns in 254 TV markets has been compiled by *Television*. In addition to population data, the study embraces effective buying income, retail sales, household growth. Additional information about the study can be obtained from research dir. Marvin Melnikoff, *Television*, 422 Madison Ave., N.Y. 17. In the adjacent column is the magazine's list of the 100 fastest growing TV markets (in population).

Technology

FM STEREO TESTS DUE: EIA's now-inactive National Stereophonic Radio Committee will press its field-testing panel back into active duty—at request of FCC—to make comparative actual-use tests of the various systems proposed for transmitting & receiving 2 stereo channels on a single FM carrier.

FCC last week wrote to EIA urging it to carry out its original plans for field testing, and EIA indicated that the tests would be conducted. Actually, details had been ironed out earlier between EIA officials & FCC Comr. Bartley, who is eager to see FM stereo get off the ground.

The Commission's letter requested that the final field-test report be filed by July 29. NAB engineering dir. A. Prose Walker, head of NSRC's field-test panel, had previously arranged to use the facilities of Pittsburgh's KDKA-FM for the system tests.

Deadline for proposals in FCC's FM stereo proceeding is Tuesday, March 15. EIA is expected to file the NSRC intra-industry report (which lacks the participation of CBS & RCA) March 14. The Commission's letter said that "undoubtedly your report will be the nucleus [of FCC's notice of proposed rule-making] and will form the basis upon which technical comments will be requested."

Film competition for tape? Eastman Kodak is developing an experimental unit to process 16mm film to a pre-controlled density & contrast in 30 sec. dry-to-dry time. Eastman is also working on a new type of kinescope recording camera for 16mm film designed to provide a photographic image directly comparable to TV-monitor quality. News of these developments was told by D. E. Hyndman, mgr. of the firm's motion-picture film dept., at a TV Film Assn. meeting in Hollywood. The executive predicted that in the near future, with the new type camera and simplified processing unit, it will be possible to see a black & white kinescope in less than a minute after the recorded action has occurred.

FASTEST GROWING TV CITIES BY RANK

Television Market	Rank based upon % change	% Change 1959 vs. 1950	Population in thousands 1959
Las Vegas, Nev.	1	167.3	151.8
Miami, Fla.	2	108.6	1700.9
San Jose, Cal.	3	80.6	906.2
San Diego, Cal.	4	73.6	1076.0
West Palm Beach, Fla.	5	69.9	299.8
Orlando-Daytona Beach, Fla.	6	67.7	972.5
Ft. Myers, Fla.	7	61.9	86.6
Tucson, Ariz.	8	61.5	447.7
Los Angeles, Cal.	9	58.4	8973.9
Tampa-St. Petersburg, Fla.	10	58.3	1282.4
Phoenix-Mesa, Ariz.	11	57.8	864.6
Eureka, Cal.	12	54.3	191.6
Midland-Odessa, Tex.	13	53.7	420.3
El Paso, Tex.	14	48.9	469.2
Roswell, N.M.	15	48.3	284.0
Santa Barbara, Cal.	16	46.1	260.5
Lubbock, Tex.	17	39.4	497.0
Corpus Christi, Tex.	18	35.2	588.6
Yuma, Ariz.	19	34.6	122.5
Houston, Tex.	20	33.9	2015.7
Denver, Colo.	21	33.1	1362.4
Salinas-Monterey, Cal.	22	32.8	725.4
San Francisco, Cal.	23	32.6	4565.2
Sacramento-Stockton, Cal.	24	32.3	1438.8
New Haven, Conn.	25	30.9	3254.8
Detroit, Mich.	26	30.4	5893.6
Albuquerque, N.M.	27	30.3	686.1
Harlingen-Weslaco, Tex.	28	30.2	442.6
Washington, D.C.	29	28.4	3353.9
Akron, Ohio	30	27.3	522.0
Reno, Nev.	31	26.9	151.0
Carlsbad, N.M.	32	26.8	51.5
Laredo, Tex.	33	26.6	71.0
Colorado Springs-Pueblo, Colo.	34	26.5	416.1
Salt Lake City, Utah	35	26.2	1038.7
Flint, Mich.	36	25.1	1363.1
Lansing, Mich.	37	24.6	1550.7
Lake Charles, La.	38	24.5	440.0
Amarillo, Tex.	39	24.3	492.7
Dayton, Ohio	40	24.2	1744.5
Jacksonville, Fla.	41	23.6	1534.1
Bay City-Saginaw, Mich.	42	23.4	1159.7
Mobile, Ala.	43	22.8	1120.3
Yakima, Wash.	44	22.6	518.9
Baltimore, Md.	45	22.5	2570.5
Kalamazoo, Mich.	45	22.5	2111.5
South Bend-Elkhart, Ind.	47	22.0	686.8
Waterbury, Conn.	48	21.5	655.8
Beaumont-Port Arthur, Tex.	48	21.5	695.7
Pensacola, Fla.	50	21.3	963.3
Grand Rapids, Mich.	51	21.2	1629.5
Dallas-Ft. Worth, Tex.	52	21.0	2727.0
Norfolk, Va.	52	21.0	1527.8
Eugene, Ore.	54	20.9	430.7
Columbus, Ohio	55	20.8	1739.0
Chico, Cal.	56	20.5	380.3
Milwaukee, Wis.	57	20.4	2169.7
Rapid City, S.D.	58	20.2	225.9
Toledo, Ohio	59	20.1	1338.7
Panama City, Fla.	59	20.1	118.5
Cleveland, Ohio	61	19.9	4662.8
Rockford, Ill.	62	19.8	718.3
San Antonio, Tex.	63	19.3	1220.3
New Orleans, La.	64	19.0	1710.7
Spokane, Wash.	64	19.0	1022.0
Great Falls, Mont.	66	18.9	218.4
Wichita-Hutchinson, Kan.	67	18.4	956.3
Bellingham, Wash.	67	18.4	198.2
Chicago, Ill.	69	18.3	7650.9
Salisbury, Md.	70	18.2	211.0
Philadelphia, Pa.	71	17.5	7138.9
Cincinnati, Ohio	72	17.2	2396.1
Seattle-Tacoma, Wash.	73	17.1	1877.8
Big Spring, Tex.	74	16.6	109.1
Portland, Ore.	75	16.5	1671.1
Muncie, Ind.	76	16.3	148.3
Hartford, Conn.	76	16.3	2339.5
Parkersburg, W. Va.	78	16.2	143.8
Bakersfield, Cal.	78	16.2	654.0
Butte, Mont.	80	16.1	154.8
Grand Junction, Colo.	81	16.0	129.3
Ft. Wayne, Ind.	82	15.9	777.9
Lima, Ohio	83	15.7	197.9
Wilmington, N.C.	84	15.6	803.9
Florence, Ala.	84	15.6	108.4
Fresno, Cal.	86	15.5	829.7
Williston, N.D.	87	15.3	135.8
Buffalo, N.Y.	88	15.2	2400.1
New York, N.Y.	89	14.7	17533.7
Missoula, Mont.	90	14.6	212.0
Indianapolis, Ind.	90	14.6	2482.0
Redding, Cal.	92	14.4	234.2
Cheyenne, Wyo.	92	14.4	381.1
Rochester, N.Y.	94	14.3	1168.4
Bloomington, Ind.	95	14.2	2216.1
Casper, Wyo.	95	14.2	146.7
Madison, Wis.	97	13.9	883.7
Billings, Mont.	97	13.9	257.1
Richmond, Va.	99	13.8	1315.5
Medford, Ore.	100	13.2	178.8
Total United States		**16.1**	**174,914.2**

Film & Tape

More about

UA NOW TV GIANT: With the acquisition of Ziv TV Programs Inc., United Artists can now supply a wide range of film product at every level:

Networks: Ziv, now to be known as Ziv-UA TV Co. Inc., has at least 4 major network-level pilots on tape, including the 60-min. *Savage of the Deep*, currently scheduled for fall start on CBS-TV. At least 6 more are known to be on Ziv's drawing boards. UA's own roster of independent feature producers (Bryna, Edward Small, Mirisch Co., Melville, Titanus, etc.) has been moving in on the TV field, with a number of pilots being readied as network hopefuls. At the moment, Ziv is network-represented with *The Man & the Challenge* (NBC-TV, Sat. 8:30 p.m.) and *Men Into Space* (CBS-TV, Wed. 8:30 p.m.) UA has 2 network-level properties, *The Dennis O'Keefe Show* (CBS-TV, Tues. 8 p.m.) and *Troubleshooters* (NBC-TV, Fri. 8 p.m.), from Cypress Productions and Northstar Pictures.

Syndication: Although UA itself is a newcomer to syndication, having launched the Kirk Douglas-produced *Tales of the Vikings* only last season, Ziv is not. Since 1948, Ziv has been turning out a steady stream of first-run, 30-min. action-adventure properties (*Highway Patrol, Sea Hunt, Harbor Command*, etc.). Most have wound up on long station lists, both in this country and in almost every overseas telefilm market, thanks in no small measure to the smoothly-functioning, well-drilled Ziv field sales force, generally regarded as one of the best in the business. With a combined sales staff, UA can now draw on Ziv's syndication experience to move new Ziv entries, as well as further syndicated series from UA independents. Through Ziv-owned Economee TV, Ziv has long been successful in squeezing maximum film mileage from rerun film product; some Ziv oldies, like *Cisco Kid*, have been going around as many as 7 or 8 times in the same market.

Started in TV with Post-1948 Features

Features: UA's first move in the TV field, about 3 years ago, was to clear a group of post-1948 films ("African Queen," "Moulin Rouge," etc.) with the Hollywood guilds, under an escrow agreement. Other post-1948s have been fed into the market by UA with regularity ever since. Soon thereafter, UA moved to acquire control of Eliot Hyman's Associated Artists Production Corp. (after a wrangle with NTA, which also wanted AAP). That gained for UA the TV control of 800 sound & 200 silent pictures in the Warner Bros. pre-1948 library, as well as 2,000 short subjects (including durable *Popeye*). Now known as UAA, the feature distribution arm is one of the largest in its field. In Aug. 1958, UA also acquired control of Lopert films, a top importer of foreign movies. This season, Lopert has been moving into TV distribution as well, armed with a large group of post-1948 British & European pictures, mostly from the J. Arthur Rank backlog. Ziv has produced no feature pictures, but its large Hollywood lot—often used as a rental lot by low-budget producers—will now become a UA property.

Live Programming: Neither Ziv nor UA has produced live or tape TV series, and none have been discussed recently. Ziv, however, has been "interested" in TV tape for some time, and may expand into this production area, as have NTA and ITC.

So much for the outline of the new UA telefilm corporate giant. The financial deal itself, like many of UA's large-scale transactions, was fairly elaborate and somewhat indirect. It had been in the works for some time (Vol. 15:51 p10).

The purchase price included: (1) $1,750,000 in 3-yr., 5.6% installment notes of the purchasing subsidiary, UA TV investments Inc., maturing 1963-1965 and guaranteed by parent UA; (2) $3 million of 6% debentures of the UA subsidiary, not guaranteed by UA, maturing 1966 to 1970 with conversion privileges after 4 years into UA stock at 10% above average market price, under special conditions; (3) $2 million of subordinated notes of Ziv TV acquired by the purchasing subsidiary for $2 million of 3-yr., 5.6% installment notes of UA TV Inc., guaranteed by UA and maturing 1961-1963; (4) assumption by the purchasing company of bank debt in the amount of approximately $14 million. Total Deal: $20,750,000.

Control was not acquired directly from Ziv, but primarily from F. Eberstadt & Co. and Lazard Freres & Co. (who had acquired about 80% of the Ziv stock several months ago), as well as from the remaining Ziv stockholders, Ziv Chmn. Frederic W. Ziv and Pres. John L. Sinn. No UA stock was issued, and there is no equity financing by UA.

Ziv Billings Estimated at $25 Million

How big are Ziv TV's annual grosses has been a conjectural subject, for the telefilm firm's stock has hitherto been privately held. Industry sources, however, generally credit Ziv with annual billings (network & syndication combined, plus overseas film sales) of about $25 million, and current assets on the order of $20 million (film backlog, studio, etc.).

In the new UA-Ziv combine, Messrs. Ziv and Sinn will be dirs., as well as chmn. & pres. respectively. Other Ziv officials, such as sales vp M. J. Rifkin, continue in their present posts. So will the personnel of UAA and UA-TV, although UA-TV Pres. Herbert L. Golden is resigning to spend full time as a vp of the parent UA picture company, and exec. vp of UA-TV Bruce Eells will not hold a similar post in the Ziv-UA organization. UA, however, stated last week that "an announcement will be made shortly of the way in which Eells' activities will be co-ordinated with the new combined organization."

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Syndicators Face Futile Fall: With the networks planning 60-min. across-the-board film shows in early prime-time hours, and an extension of prime time to 11 p.m., regional & local advertisers will probably be able to buy the first 20 min. of these programs on a local co-op basis, giving them syndication's advantages on network shows. This warning to film syndicators was sounded March 8 by BBDO vp Herminio Traviesas, at an RTES timebuying seminar in N.Y. Other factors working against syndication, cited by Traviesas, were the various network "scatter plans" which allow an advertiser to buy one-third participations on alt.-wk. schedules, and video tape, which has made it possible for local stations to produce many of their own shows.

Syndicators must spend $1.7 million to get a 39-episode film series into public view and can hope only to gross $1.5 million the first time around, NTA vp for sales E. Jonny Graff told the group. Most of these, with the exception of off-network reruns, "lose loads of money," he said. He pointed out that the $1.5 million gross, which comes to about $40,000 a segment, is $6-7,000 less than the show usually costs to make. He noted that many market prices are "way out of line unless the shows can be placed in prime time or a good adjacency."

WGA MODIFIES TV DEMANDS: Writers Guild of America, striking the Alliance of Television Film Producers and TV operations at the major movie studios since Jan. 16 (Vol. 16:10 p12), modified its demands in proposals submitted to non-Alliance producers last week. But the producers we checked told us they still found WGA's demands too stiff. The strike seemed likely to continue for a long time. At the same time, we learned from WGA that it is willing to make concessions on the thorny overseas residuals issue. WGA, whose contract with the non-Alliance group would have expired March 12, granted those companies a further extension to March 26. Meanwhile, powerful IATSE displayed signs of unhappiness over SAG's closing of the movie sets, but prospects for an early end of SAG's strike against the majors appeared brighter following a lengthy negotiation session Friday afternoon. For the first time in months, both sides reported, in a joint statement: "Sufficient progress has been made in the negotiations so that a further meeting will be held Tuesday [15]."

TV operations at major movie studios: WGA hasn't held a negotiation session in months with this group and none appears imminent. Like the Alliance, the majors are adamant against Guild demands. A shortage of scripts has cropped up at Warner Bros., where the studio is remaking stories. MGM-TV is proceeding with no interruption in its pilot-making schedule. Screen Gems has minor script shortages. Twentieth Century-Fox considered moving its entire TV operation, including *Adventures In Paradise*, to its Fox Western lot, then decided it wouldn't be economical. *Paradise* exec. producer Dominick Dunne has just 4 scripts, which means the series will end after 31 episodes—5 short of its contractual commitment—barring the unexpected likelihood of a strike settlement. Because of the SAG strike on March 7, Fox dismissed a number of crew employes on *Paradise*, replacing them with workers who had seniority, some of them heads of movie-studio depts. Allied Artists, because of the WGA strike, has shelved pilot plans for *Flame Kimberley*, to have been made for ABC-TV.

Independents Cool to WGA Proposals

Independent TV film producers: While the Alliance-WGA impasse continued, with no negotiations being held, WGA did present its proposals to producers not aligned with the Alliance last week. The demands were not greeted favorably, although they were less than had been asked of the Alliance. WGA asked for a 20% increase in minimums (compared to the 50% demand made to the Alliance). It sought residual payments of 10% each on the 7th, 8th and 9th runs (now being made on 6 runs), which compared to the demand for residuals in perpetuity made of the Alliance. (Present residuals are 140% of the minimum. New demand is 170% based on writer fee.) In its negotiations with all independents, WGA seeks to base residuals on the writer's fee, not the minimum, as at present. In the important field of overseas telefilm residuals, WGA seeks $300 an episode for foreign showings, plus $1 a year for each country in which the episode is seen. The $1 is actually a wedge leaving the foreign payment issue open for renegotiation in the future. In addition, WGA's proposals to the non-Alliance independents called for establishment of a fact-finding committee composed of producers & writers who would explore each foreign market. WGA demands would be flexible, depending on conditions in each market, Guild officials told us. Said one non-Alliance producer of the WGA demands: "They're very tough. I don't know if I can live with them. The writers & actors are helping to destroy the entire industry. In fact, lately we've had requests to produce live shows." He asserted that WGA demands also call for the writer to view a rough cut and then tell the producer if he wants changes made in the film; also for a clause whereby a script not filmed within a year is returned to writer, although he's been paid.

The Alliance has offered WGA about 8% across-the-board increase in minimums on a 4-year contract, with payments to a health & welfare plan which would mean an overall increase of over 9%. The TV operations at the majors have offered a 7% hike and a 2-year contract. None is willing to concede on the foreign issue. Production has not been seriously affected at the independents.

WGA West Pres. Curtis Kenyon said it looked to him like a long strike. He said of the foreign residual issue, "We're willing to work out any kind of reasonable formula. We don't want to make a contract that puts people out of business. We seek to establish a principle, but the Alliance has refused to negotiate on this issue." It was the first time a top WGA executive had stated that the Guild would retreat from its demand to the Alliance for 4% of the foreign gross. Producers argued that if they make concessions on the key residual issues to WGA, they are committed to make similar concessions to SAG, the Directors Guild of America and other unions. Said an Alliance executive: "If the writers will give up the foreign residuals issue, they can have a very nice deal."

Networks Not Yet Struck by WGA

Networks: While WGA's contract with the networks on TV film has lapsed, the Guild has not yet struck. This depends on the outcome of current negotiations with the networks in live TV & radio. Producers of network-filmed series are stockpiling scripts against the strike possibility.

In other strike developments, the Motion Picture Research Council, financed by AMPP, announced it would close March 18 "as a result of economic pressure & the uncertain conditions now facing the industry." And a group of anti-strike SAG members called off a protest meeting when SAG called a membership meeting for Sun. (March 13). Other actors, such as Bing Crosby, Lauren Bacall, Bob Hope and John Wayne, pledged support for the strike.

Enter IATSE: SAG's strike aroused the ire of IATSE locals in Hollywood, because it brought mass firings of their members at every major. IATSE immediately moved into the picture, seeking its cut of post-1948 movies. SAG, unhappy at this development for fear it might scare off producers, protested to AFL-CIO Pres. George Meany. Meany contacted IATSE International Pres. Richard F. Walsh to learn if that union was trying to pressure SAG into settling with the majors. Walsh said he told Meany IATSE would not negotiate with any companies until SAG had finished. He added that IATSE was willing to pass up any claims to post-1948 revenue if it would bring about a reopening of the studios. Since this would mean other groups such as SAG, WGA and the Directors also abandoning this demand, there was little likelihood of such an occurrence. And while SAG and IATSE professed peace & amity, even to the point of a joint negotiation session with United Artists producers, there was discord in the IATSE rank & file over the unemployment caused by the strike. Walsh said IATSE, in new contracts with the majors, will require that movies not be released to free TV for 5 years, and if they are released to pay TV, IATSE may reopen negotiations within 10 days, and terminate its contract 30 days thereafter if no agreement is reached. IATSE wants twice the cut of all other unions on post-1948s.

HOLLYWOOD ROUNDUP

Window Productions owner-producer-star John Payne has negotiated a deal with NBC-TV whereby he will produce the pilot of a 60-min. series, *O'Connor's Ocean*, for the network. NBC-TV and Window would split profits 50-50, but Window would own the negatives. The pilot goes into production March 28 at the Goldwyn studios, with Payne as exec. producer & star (playing a West Coast attorney). NBC-TV has given Payne the green light to order additional scripts beyond the pilot stage. The contract calls for NBC-TV to make its decision within 5 days after delivery of the pilot. Payne, who starred in *Restless Gun* on NBC-TV several years ago, told us he thinks the Westerns will level off next season, and that viewers are surfeited.

Warner Bros. has dropped Jeff York from *The Alaskans* . . . **Screen Gems** has signed Skip Homeier to star in *Raven*, a 60-min. show being done for NBC-TV. William Sockheim is exec. producer of the pilot, which goes into production about March 25 . . . **Filmaster** has acquired the pilot film & all rights to *Swiss Family Robinson* from Trans-World Artists.

ABC Films will finance & distribute *Expedition*, a documentary series on KCOP Los Angeles . . . **Twentieth Century-Fox** has raised Gardner McKay's weekly salary from $1,200 to $1,400. He stars in *Adventures in Paradise.*

Four Star Television has been forced to postpone production of its new Tom Ewell series because he's appearing in "The Thurber Carnival" on Broadway, and can't get a release until Aug.

CBS-TV has shelved plans for a Keefe Brasselle pilot, reportedly because of difficulty in finding a property. It will, however, do pilots for 60-min. *New York 21*, produced by Albert McCleery; *Bringing Up Baby*, starring Enid Markey & Doro Merande, a situation comedy to be filmed in N.Y.; *Win, Lose or Draw*, with Ed Sullivan as host-narrator, an anthology series to be filmed in N.Y.; *Open All Year*, starring Phil Silvers; and *Those People Are Here*, a 60-min. comedy series produced by Nat Hiken.

Production has begun on *The Three Stooges Scrapbook* series at Amco Studios . . . Producer Blake Edwards (*Peter Gunn*) has sold Four Star Television the rights to his Willie Dante character for use in a series starring Howard Duff . . . **Revue Studios** has resumed production of its *Whispering Smith* series, starring Audie Murphy.

MGM-TV puts the pilot of the 60-min. *Asphalt Jungle* into production this week. Jack Warden stars, and Jaime del Valle is producer.

Bernard L. Schubert Productions has been purchased by National Outlook, a Wall St. investment firm. Ex-NBC sales mgr. John B. Cron has been elected pres. of Schubert Inc. Schubert plans to form a new TV production company.

Producer Herbert B. Leonard has signed James Brown, Johnny Seven and Kier Dullea as regulars for his *The Venturers*, which goes into production March 14 in Venice.

Mort Sahl Productions has been formed by the comedian for the production of movies & telefilms. He plans a series, *Mort Sahl Presents*, a weekly humorous commentary on current events.

NEW YORK ROUNDUP

Robert Precht will succeed Marlo Lewis as producer of CBS-TV's *Ed Sullivan Show* when Lewis leaves the helm in June after 12 years. Precht has been associate producer. Lewis plans to continue as a *Sullivan* consultant and may do several specials for the network next season, in addition to a 30-min. series.

NBC's "Little Theater" group, The Theatre Workshop, is staging William Inge's "Picnic" April 1 & 2 in the network's Studio 6A with a cast & production team of NBC employes. Male lead will be played by Lou Catching (guest relations). His co-star will be Sara Baker (participating programs). Dirs. for the performances are Stan Levine (CNP) and Harvey Fondiller (press dept.).

Lou H. Gerard has been named dir. of public relations, Trans-Lux entertainment div. . . . **C. P. (Pete) Jaeger** has been appointed vp for sales, Flamingo Films.

Paramount TV will have 7 pilots making the rounds of N.Y. ad agencies before the current buying season ends, we're told, representing a $750,000 production investment. Currently one of the few film majors without a network TV show, or at least a signed-up deal for fall, Paramount will include *Band of Gold*, *Henry D.* and an untitled 30-min. situation comedy starring Teddy Rooney in the 7-show group.

Ziv-United Artists TV's *Home Run Derby* is now in 49 markets. Regional advertisers include Consolidated Cigar Co., Schmidt Beer, Stagg Homes and Schlitz Beer . . . Ziv's *Sea Hunt*, in its 3rd syndication year, is currently in 157 markets, 93% of which are renewals.

CBS Films has signed an agreement whereby Carousel Films will distribute on 16mm film 12 CBS News programs: 9 episodes from CBS-TV's *Conquest* series, 2 from *CBS Reports* ("Biography of a Missile" & "Population Explosion") and one from *Twentieth Century* ("Reaching for the Moon").

Flamingo Telefilm Sales' newest foreign film package, *Flamingo Festival Films*, contains 4 features which haven't had U.S. theater first runs. Titles include "Gas & Oil" (retitled "Hijack Highway"), "Fugitive in Saigon," "A Bride for Frank," and "Photo Finish." Several additional feature titles are being released to TV directly from first-run theatrical showings.

NTA has placed into distribution 6 new-to-TV features under the title *Special Six.* Included are David O. Selznick's "Tom Sawyer," "Little Women" & "Prisoner of Zenda," plus "Gulliver's Travels" and "Hoppity Goes to Town" (both full-length cartoon films) and "Bambuti."

MCA TV's *Johnny Midnight* has scored prime-time syndicated sales in 120 markets to date . . . **Screen Gems'** *Manhunt* has been bought for 4 midwest markets by Jacob Schmidt div. of Pfeiffer Brewing.

Marvin Kalb, CBS News specialist in Russian affairs, has been assigned to reopen the CBS News Moscow bureau. Kalb's assignment follows the recent Soviet denial of a visa to CBS News correspondent Larry LeSueur . . . **Mel London, Transfilm-Caravel** exec. producer, is currently freelance directing NTA's *Play of the Week* production of "Rope Dancers."

BLOCK-BOOKING TRIAL BEGINS: A "counterfeit clause," so worded that no block-booking taint would fall on a major feature-film package sale, was inserted in several TV film distributor station contracts, U.S. Federal Court learned last week. The clause came to light as the 2-year-old govt. anti-trust suit against MGM-TV, United Artists, Associated Artists Productions, Screen Gems, NTA and C&C Super opened in N.Y. March 7.

Lead-off witnesses, attesting to the "counterfeit clause," were George Hartford, vp & gen. mgr., WTOP-TV Washington, and Thomas Jones, TV program dir., WJIM-TV Lansing, Mich., formerly with the Washington station. Jones and Hartford testified to the presence in MGM-TV and UA contracts with WTOP-TV of such a clause inserted "for the deliberate purpose of conveying the impression that the companies did not engage in block booking in the sale of old feature films to TV." Jones said "the clause in question did not reflect the facts as they were," but he signed because he thought "there was no choice as it was presented, in order to secure the pictures."

Prosecuting attorney Leonard Posner expects to call 100 witnesses (cracked Judge Archie O. Dawson: "We'll be in the trenches until Christmas at that rate").

Representing the film companies is a group of attorneys headed by Louis Nizer, who has been conducting the cross-examination. Should the govt. prevail, broadcasters stand to recoup millions of dollars from contracts which, the government charges, forced stations to take bad pictures with good ones. One of the govt.'s objectives is to force renegotiation of existing film contracts. Many stations still have in their feature libraries pictures which they did not want and have not used, testimony revealed.

The Justice Dept. declared that "requiring telecasters to take films they did not want is a violation of the Sherman Anti-Trust Act." Theatrical block booking was outlawed in the motion-picture industry in 1948. Several defendants in the current action have come into existence since the 1948 decree, however, and are not liable to the terms of that judgment, claims the defense.

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Residual payments to the Screen Actors Guild for distribution to actors in movies shown on TV aren't wages for federal employment tax purposes, but are subject to income tax, according to the Internal Revenue Service. Answering questions raised by the union, IRS decided (Rev. Rul. 60-89) that such residuals have nothing to do with salaries originally paid by the movies' producers to the actors, hence aren't liable for deductions for unemployment compensation, etc. On the other hand, IRS said, residuals aren't gifts and therefore come within "the broad sweep of the definition of gross income." The ruling applies "whether the amounts distributed by the Guild are received from the purchaser or licensee of TV rights in, or by the original producer of, the motion pictures involved."

NLRB elections for musicians in TV films gave the American Federation of Musicians jurisdiction at Revue Studios, while Musicians Guild of America won for Alliance of Television Film Producers and ABC-TV. CBS results weren't final, since some votes were challenged, but AFM was leading MGA 122-90. Revue, while a member of the Alliance, has long employed AFM musicians, and preferred a separate election. An election is scheduled at Ziv TV. At week's end, AFM charged in Washington that NLRB had violated its constitutional rights in the ABC-TV election. It asked a federal court to nullify the election.

Congress

CLAMOR FOR DICK CLARK: The House Caucus Room, stage of the payola-probing Commerce Legislative Oversight Subcommittee, was being set last week for the first public appearance on Capitol Hill of the most celebrated disc jockey of all—ABC-TV's Dick Clark.

No date for *American Bandstand* Clark's performance was set, but one Subcommittee source told us it could be counted on that "he'll be next" after the Oversighters run through legislative hearings which start this week. ABC-TV officials also are expected to be summoned then to tell what they know about payola.

Subcommittee Chmn. Harris (D-Ark.) has kept Clark under subpoena on his inactive list of prospective witnesses since payola hearings opened last month (Vol. 16:7 p6). But persistent demands by Rep. Bennett (R-Mich.), ranking minority Oversighter, that Clark be brought front & center made it likely that his turn on the stand would come late this month or early in April.

On March 4, Bennett tiffed publicly with Harris over the delay in calling Clark. At the day-long FTC-FCC hearing (Vol. 16:10 p1) which led to FCC Chmn. Doerfer's resignation last week (see p. 3), Bennett made a subheadline by reading from a Clark affidavit which showed the jockey had had affiliations with 17 record & music publishing firms before dropping them at ABC-TV's insistence. Harris shushed Bennett then, arguing that the Subcommittee wasn't ready for Clark yet, but Bennett continued.

"Clark's admission in the affidavit alone made a stronger case against him than any of the hinky-dink disc jockeys we've had as witnesses so far," Bennett said last week, adding these details from the affidavit and other Subcommittee files: (1) Clark "admitted playing songs that were owned or distributed or pressed by companies that he wholly or partly owned, and that he thereby made a financial profit." (2) Clark received a ring and his wife a necklace with a combined value of $3,400 as gifts from a record manufacturer. (3) ABC had an arrangement under which it received a 7¢ royalty on each "Dick Clark" record-carrier sold.

To Review Status of Reform Bills

Immediate scheduled business of the Subcommittee, however, is a rundown at hearings for FCC, FTC, regulatory agencies—"and other interested parties"—on long-pending administrative reform bills. They begin March 15, may run several weeks. Harris said he had sent invitations to more than 70 witnesses from the agencies, regulated industries, trade & bar associations and law schools.

First witness scheduled this week was to have been Doerfer, who could have anticipated another rough time at the hands of Harris. The Subcommittee had scheduled no substitute for Doerfer at last week's end, but other spokesmen for FCC will be on hand, followed by representatives of FTC and a half-dozen additional agencies.

Major bills up for the hearings are (1) an omnibus measure (HR-4800) introduced by Harris last year to ban *ex-parte* & other abuses in agency processes which were exposed in 1958 FCC hearings by the Oversighters. (2) a sweeping anti-*ex-parte* measure (HR-6774) introduced by Harris at the request of the American Bar Assn.

For good measure, Harris said he also will bring up a series of FCC housekeeping proposals which got some Senate action last year, but have been hung up on the House side. Sponsored either by Harris or Senate Commerce

Committee Chmn. Magnuson (D-Wash.), they include bills to repeal the Communications Act's "honorarium" provisions for FCC members (S-1735), reduce affidavit requirements for some FCC documents (S-1736 & HR-6127), give more scope to FCC's review staff (S-1738 & HR-6573), permit FCC members to serve after their terms expire until successors are confirmed (S-1965).

Also ahead for the Subcommittee on the legislative (as opposed to the exposé) front: as-yet-unwritten bills carrying out the Subcommittee's recommendations for ridding broadcasting of fraud & deceptions on the air. These controversial recommendations were included in the Subcommittee's Feb. report on its 1959 TV quiz disclosures.

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Ask 'Great Debate' On TV: A proposal by Adlai Stevenson that TV networks provide prime time for Lincoln-Douglas-type debates by Presidential candidates has been picked up by Sen. Monroney (D-Okla.)—and quickly given support by other members of the Commerce Committee.

Monroney said his bill (S-3171) carrying out Stevenson's plan, as outlined by the 1952-56 Democratic nominee in the March 6 Sunday supplement *This Week*, would require the 3 networks to give one hour weekly to each major candidate for 8 weeks immediately preceding Presidential Elections. Presidential candidates of minor parties would be prevented from claiming equal time by a requirement that their parties must have polled at least 4% of the popular vote at the preceding election.

The free time would be "free of hoopla—no orchestras, but a very serious debate," Monroney said. Under the Monroney plan, each Presidential candidate would get 30 min. of speaking time & 15 min. for rebuttal.

The Monroney Bill was co-sponsored by Commerce Chmn. Magnuson (D-Wash.). Committee members Pastore (D-R.I.) & Smathers (D-Fla.) also signed it, as did Sens. Kefauver (D-Tenn.) & Church (D-Ida.). And Monroney's office said others were lining up in support.

Another political broadcast proposal came meanwhile from Sen. Morse (D-Ore.). He said he was drafting a joint resolution "to require that before any politician appears on radio or TV to read a manuscript, he shall file a certificate that he wrote the manuscript." As things stand now, Morse said, ghost-written speeches by candidates on the air constitute "downright deception & deceit."

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Communications Act amendment requiring painting & lighting of unused broadcasting towers in conformity with standards for in-use towers, as recommended by FCC (Vol. 16:7 p9), has been approved by the Senate Commerce Committee. It voted endorsement of a bill (S-2812) by Chmn. Magnuson (D-Wash.) to implement the Commission proposal. A similar measure (HR-10259) is pending in the House Commerce Committee.

Still another TV-radio probe—"a major inquiry into the present status of the communications industry in the country"—has been proposed in Congress. Sen. McGee (D-Wyo.) called for "some soul-searching on all levels of the govt. and in our public life" to find answers to questions as to whether more govt. controls would harm freedom of expression: (1) "Whose freedom is at stake?" (2) "Is the industry in fact free now?" (3) "Has it not become prisoner of commercialism & program purchasers?"

Booster-CATV bills (HR-11040 & HR-11041) similar to FCC-regulation measures pending in the Senate (Vol. 16:7 p3) have been introduced in the House by Rep. King.

Advertising

HOW PLUGOLA WORKS: Details of plugola practices uncovered in the TV industry by FTC in the course of its anti-payola campaign were described last week by Chmn. Earl W. Kintner, who had told House investigators March 4 that at least 8 firms were under formal investigation for promoting concealed commercials (Vol. 16:10 p1).

In a speech to the Philadelphia Chapter of the Federal Bar Assn. on his agency's role in cleaning up advertising deceptions in broadcasting, Kintner said plugola practitioners seemed to have developed a regular business of soliciting "a cross-section of American industry to buy hidden plugs or commercials on regularly sponsored TV."

As an example of how the business operates—at $200,-$275 per plug, with money being passed to performers, directors, writers and other program personnel—Kintner related that one plugola firm promised prospective clients these returns from "surreptitious" payments:

(1) "Visual & audio identification." (2) "Fifteen to 20 words of descriptive copy delivered simultaneously with the visual identification." (3) "Copy prepared & written by the person paying for the plug." (4) "Advance notice of the dates on which all plugs appear." (5) "A recording of the broadcast plugs."

Kintner also scored another payola refinement—"the washout arrangement" by which he said disc jockeys pay required union scales to singers who appear on TV & radio shows, then are reimbursed by record manufacturers & distributors.

Kintner reported that in still another payola washout scheme, record makers assign musicians to record hops conducted by disc jockeys. "Usually the disc jockey retains all profits from such hops or shares the profits with a sponsoring organization," the FTC chief told the Philadelphia lawyers. "From the information in our investigational files, it is a rare occasion when the disc jockey will pay the appearance fees of the artist upon whom, in many instances, the financial success of the record hop will depend."

Asked after his speech if FTC planned any moves directly involving ABC-TV's *American Bandstand* headliner Dick Clark, Kintner replied: "We have Clark under consideration and we don't intend to lose interest in his case." Kintner said that FTC was awaiting "further information" on Clark from the House Commerce Legislative Oversight Subcommittee, which also has the top-billed jockey on its investigative ilst (see p. 12).

Meanwhile, payola complaints against record manufacturers & distributors continued to flow from FTC's Washington hq.

Ace Record Co. Inc. and Record Sales Inc., Millsaps Bldg., Jackson, Miss., were accused of making illegal payments to TV & radio jockeys "or other employes of broadcasting stations." Also named were John V. Imbragulio of both firms and Record Sales treas. Joseph Caronna.

Roulette Records Inc., 659 10th Ave., N.Y., named in a payola complaint last Dec. (Vol. 16:1 p7), conceded in a formal answer that it had "given valuable consideration to disc jockeys" but denied that the payments were illegal under the Federal Trade Commission Act.

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On-location TV tour is being used by an Indiana builder to introduce a new housing tract. Perine Development Co. of Indianapolis has scheduled 3 remote telecasts in 15-min. segments, via WFBM-TV Indianapolis.

NEW CBS COMMERCIAL RULES: A tight new set of "guide lines" covering questions of taste & time standards in TV commercials now faces advertisers at CBS-TV. It was distributed to agencies last week in the form of memos from program practices vp Joseph Ream & dir. Herbert Carlborg, following Ream's announcement of its new rules at the CBS affiliates meeting in Washington.

The memos call for a near-complete separation of the content & personalities of news & public-affairs programs from commercialization. Newscasters, for example, will now name "only the product or the sponsor without additional descriptive phrasing." Tighter standards will be followed in personal-product commercials, particularly in the realm of demonstrations, product claims, "schematic charts of circulatory, respiratory or digestive systems," "scare copy," and suchlike.

Commercial length & placement are also covered by the new CBS rulings, allowing for no more than 3 commercials (plus billboards) in 15-min. shows, a maximum of 3 commercials in 30-min. entertainment shows (although the main entertainment portion may not be interrupted more than twice), a maximum of 6 commercials in 60-min. shows, somewhat tighter regulations in news shows, and a detailed description of what's allowable in the way of billboards, lead-ins, alternating sponsorship commercials. All the new standards will be in effect at the unofficial start of the fall season, Sept. 15, 1960.

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Television's Decade: TV has scored the biggest gain among ad media since 1950, the National Industrial Conference Board reported last week. A decade ago, all-media spending was at the annual rate of $5.7 billion, with TV getting only 3 cents from every ad dollar. By 1959, all-media dollar volume had climbed to a whopping total of $11.1 billion, with TV getting more than 14¢ of every dollar.

Newspapers are still tops in the media list, having gotten a 36.4% share in 1950 vs. a 31.7% in 1959. (The percentage drop, it should be noted, is offset by a climb in total dollar volume, from $2.1 billion in 1950 to $3.5 billion in 1959.) Direct mail showed a slight percentage gain in over-all media standings (14.1 vs. 14.2) and business papers moved up somewhat (4.4% vs. 5.1%), but magazines fell off (9.0% vs. 7.8%), as did radio (10.6% vs. 5.8%). Throughout the decade, estimated NICB, a total of $86 billion was spent for advertising in the U.S.

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Legal guideposts for advertising are summarized by ANA in a new booklet for members, "Legal Rules of the Road to Honest Advertising," by the organization's general counsel, Gilbert H. Weil. The 19-page booklet details "the basic criteria which distinguish honest & lawful advertising from that which the courts & regulatory agencies would consider misleading or deceptive, and hence unlawful," said ANA Pres. Paul B. West, who added that the project was "stimulated" by FTC Chmn. Earl W. Kintner.

Newest TV talent showcase for N.Y. agencymen is—of all places—a film-studio dining room. On Mar. 9, Robert Lawrence Productions initiated a new policy at the company's West 54th St. cocktail bar and executive dining salon: Actors, actresses and models will receive invitations to join the dozen or so agencymen who take a lunch break while supervising the filming of commercials at RLP's studios. The meet-new-talent policy, said the film firm, is "also designed to raise performers' offstage status."

Networks

Full 1959 Category Report: Network TV's most nutritious source of ad dollars in 1959 was food, reports TvB. Advertisers of food & food products poured more than $113 million into network time last year—up from $109.2 million in 1958. Runner-up spenders: toiletries & toilet goods, $102.3 million ($99 million in 1958); smoking materials, $75 million ($62 million).

Major increases in network ad spending were made by agriculture & farming with $1.8 million (vs. $63,454 in 1958); gasoline & lubricants, $9.8 million ($3.1 million); household equipment ($30.1 million ($23.5 million). Major cutbacks: automotive (including accessories & equipment), $46.7 million (down from $52.5 million in 1958); horticulture, $249,608 (from $1 million); TV-radio-phono, music instruments, $5.3 million ($8.5 million). TvB's listing of estimated time-investments in network TV by product:

Category	Jan.-Dec. 1959	Jan.-Dec. 1958
Agriculture & Farming	$ 1,809,137	$ 63,454
Apparel, Footwear & Accessories	7,221,250	5,408,809
Autos, Accessories, Equipment	46,709,247	52,500,296
Beer, Wine	6,715,256	6,288,987
Building Materials & Equipment	3,380,407	2,395,117
Confectionery & Soft Drinks	12,982,938	9,324,276
Consumer Services	3,441,788	2,777,321
Drugs & Remedies	74,950,528	58,043,625
Entertainment & Amusement	383,278	249,989
Food & Food Products	113,099,511	109,205,706
Freight, Industrial & Agricultural Development	404,807	—
Gasoline, Lubricants & Other Fuels	9,830,669	3,132,351
Horticulture	249,608	1,007,774
Household Equipment & Supplies	30,112,185	23,544,658
Household Furnishings	4,025,729	3,465,904
Industrial Materials	20,980,307	17,879,698
Insurance	10,270,755	6,944,696
Jewelry, Optical Goods & Cameras	13,966,553	12,971,333
Office Equipment, Stationery	4,615,765	6,751,311
Political	—	274,290
Publishing & Media	26,593	848,841
Radios, TVs, Musical Inst.	5,373,926	8,515,340
Smoking Materials	75,009,215	62,092,208
Soaps, Cleansers & Polishes	67,140,302	61,475,688
Sporting Goods & Toys	2,999,564	1,762,906
Toiletries & Toilet Goods	102,311,526	98,921,152
Travel Hotels & Resorts	1,125,861	2,590,983
Miscellaneous	8,174,825	8,153,688
TOTAL	$627,311,530	$566,590,401

NETWORK SALES ACTIVITY

CBS-TV

Love of Life, Mon.-Fri., 12-12:30 p.m. & For Better or Worse, Mon.-Fri., 2-2:30 p.m. participations.
Toni Co. (Tatham-Laird)

As the World Turns, Mon.-Fri., 1:30-2 p.m., The Verdict Is Yours, Mon.-Fri., 3:30-4 p.m., Millionaire, Mon.-Fri., 3-3:30 p.m., Secret Storm, Mon.-Fri., 4:30-5 p.m. & Love of Life, participations.
Standard Brands (Ted Bates)

Dennis the Menace, Sun., 7:30-8 p.m., alt. wk. buy starting mid-April.
Best Foods (Guild, Bascom & Bonfigli)

NBC-TV

1959-60 Emmy Awards telecast, Mon., June 20, 10-11:30 p.m. 12th annual presentation by Academy of TV Arts & Sciences.
Procter & Gamble & Greyhound Corp. (both Grey Ad.)

ABC-TV

Johnny Staccato, Sun., 10:30-11 p.m., reruns of ex-NBC-TV action series. 26 wk. order.
Alberto-Culver (Geoffrey Wade)

Gen. Sarnoff's Proposal: A program of annual conferences "enlisting the best of American brains" to review & improve the course of U.S. TV—that's the proposal made by Brig. Gen. David Sarnoff, RCA chmn., in N.Y. March 10 before the 20th anniversary dinner of the RTES. Leaders in such fields as broadcasting, govt., education, labor, etc. should hold the annual meetings in "an appropriately cloistered atmosphere, away from kleig lights, microphones, printing presses," Gen. Sarnoff urged.

He also cautioned broadcasters against accepting proposals for greater outside-the-industry censorship of the TV medium. "Either you have censorship or you don't. Either it applies across the boards or not at all," he warned. Then, aiming a verbal blow at print media, Gen. Sarnoff further stated: "How can one with reason relate [censorship] to a non-subsidized communications medium which uses the public airways to reach the people free of charge, and ignore the other media that make a circulation charge and, in addition, use public subsidies to reach these same people?"

The future of TV, Sarnoff stated, was secure, and would grow in world-wide scope through such developments as TV satellites orbiting the earth, instantaneous TV language-translation systems, super-miniature portable TV sets and "the practical use of extremely high frequencies" to end channel shortages.

Gen. Sarnoff was awarded RTES's first gold medal for outstanding achievement in broadcasting.

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No CBS San Francisco-station deal (whereby the network would acquire KRON-TV as an o&o) is in the works, Louis Simon told us last week. The manager of Westinghouse's KPIX (CBS-TV affiliate in San Francisco) added: "Relations between KPIX & CBS were never stronger." NBC recently signed a deal to buy independent KTVU as an o&o, switching the affiliation from KRON-TV (Vol. 16:9 p1). Pres. Charles deYoung Thieriot of Chronicle Publishing Co., which owns KRON-TV, told us: "There is no truth whatsoever in this story." Merle Jones, pres., CBS-TV stations div., drove another nail into the report with: "It's new & interesting to us. It's strictly a speculative story."

Minn. Mining & Mfg. plans to purchase a substantial interest in Mutual Bcstg. System from top shareholder Albert G. McCarthy. Word of the deal leaked out last week when the conversation of a 3M official was overheard by a financial reporter in a Minneapolis cafe. Actual purchase of part of McCarthy's holdings has been discussed by MBS and 3M, although no price or arrangement has been reached. Mutual, recently reorganized under Chapt. XI of the Bankruptcy Act, "is now nearing the break-even point, and has just racked up $1.5 million in new & renewed business," a spokesman told us. One of 3M's prime reasons for an investment in MBS, we're told unofficially, is to seek "the kind of field-test opportunity for new 3M electronic products that RCA has with NBC."

Jack Paar's return to his show Mar. 7 found NBC-TV still wielding the censorial scissors, this time by mutual consent. Left on the tape-editing blocks was a 10-sec., 10-word gibe by Paar at columnist Walter Winchell's private life which network officials (and, prior to airtime, Paar) decided might well be libelous. Jack hit the rating jackpot, Arbitron crediting the show with a 7-city 24.5 rating and an audience share of 64.0. In N.Y., Arbitron measured a whopping 24.8 rating and 73.0 share.

Programming

MPAA Censures Censors: Always loaded for bear on matters of film censorship, Motion Picture Assn. of America has found "A Wolf in Sheep's Clothing" in the various film-classification bills which have been introduced in the N.Y. State Legislature. A fact sheet under that title has been distributed by MPAA to N.Y. Senators & Assemblymen to refute the arguments of proponents who contend that state classification or rating of films according to suitability for children & adolescents will effectively combat juvenile delinquency.

Not so, argues the fact sheet, pointing out that many foreign countries which have been classifying films for years still have high rates of juvenile delinquency. Other pro-classification theories hit by MPAA: Parents need outside assistance in reviewing films (Fact: some 20 national groups already rate films, and ratings are published in a number of national publications); state ratings will be objective & authoritative (Fact: "no such assumption can be guaranteed . . . There is no single set of standards or exact age delineation upon which a 'classification' law could be based and apply to all members of any given age group"); parents would be assured that state-approved films were good for their children (Fact: "these classifications would indicate 'suitability' only in the negative sense of innocuity").

"Let us continue to oppose measures for 'film classification' and other forms of censorship which, no matter how well-intentioned, can only result in a weakening of those freedoms of mind & communication which represent our greatest democratic strength," concludes MPAA.

* * *

TV's largest audience—100 million viewers—is forecast by MPAA for the April 4 Oscar show, which will be carried by 186 NBC & 40 CBC stations. The event is expected to top by far the record 57.8 Trendex scored by last year's Awards program.

———■———

Ford's Startime specials aren't likely to be back this fall in the NBC-TV lineup—or anywhere else. The current contract between Ford, NBC-TV and the Hubbell Robinson Jr.-MCA production set-up runs out on June 28, and nothing has been set beyond. In the latest NBC-TV blueprints for fall schedules, Startime is conspicuous by its Tues.-night absence. The lavish show series (average talent budget: about $300,000), like many other specials in the 1959-60 season, has been something of a rating flop, despite some strong critical successes such as Ingrid Bergman's "Turn of the Screw" (Vol. 16:10 p14).

Big change in CBS-TV's Thurs.-night lineup for next season is being studied in Hollywood conferences between network Pres. James T. Aubrey Jr., vp Oscar Katz and Guy della Cioppa, West Coast program vp. It's reported that *To Tell the Truth, Dick Powell's Zane Grey Theater, Revlon Revue* and the *Betty Hutton Show* may be off the Thurs. night schedule next season. The 60-min. *Savage of the Deep* has been tentatively slotted for 7:30 p.m. Thurs., and *Angel* for 9 p.m. *Markham* will most likely return.

"Biography of a Missile" (CBS Reports) has been cited by the U.S. Army, Dept. of Defense, "for its outstanding contribution to public understanding." Plaques honoring Edward R. Murrow & Fred W. Friendly, co-producers, and Palmer Williams, dir. of production, were presented by Secretary of the Army Wilbur Brucker at the CBS-TV affiliates annual conference.

Television Digest

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Personals: NBC-TV has announced the election of 4 vps in the program dept.: Harold F. Kemp, vp, nighttime programs, West Coast; Richard L. Linkroum, vp, special programs; David W. Tebet, vp, talent relations; Felix Jackson, vp in West Coast program dept. . . . Carleton Hence, ex-national sales dir. of WBRE-TV Wilkes-Barre, appointed sales development mgr., Transcontinent TV Corp. (WGR-TV & WGR Buffalo, WROC-TV & WROC-FM Rochester, WNEP-TV Scranton-Wilkes-Barre, KFMB-TV & KFMB San Diego, KERO-TV Bakersfield).

Willard Block named to new post of international sales mgr., CBS Films; Jack Ballard, ex-NBC-TV, joins CBS Films as mgr. of programs-Hollywood . . . Dean Woodring, ex-KIEM-TV Eureka, Cal., joins KGW-TV Portland, Ore. as sales service mgr. . . . John B. Sias, TV vp of Peters, Griffin, Woodward Inc., moves his hq to PGW's San Francisco office . . . Don Brice, ex-radio KIRO program mgr., appointed news dir. of Queen City Bcstg. Co. (KIRO-TV & KIRO Seattle) to launch combined TV-radio news operation . . . Richard C. Pistell, pres. of Pistell, Schroeder & Co., named finance committee chmn. & a dir. of Bartell Bcstg.

Ira G. Delumen, ex-Eastern sales mgr., named to new post of mgr., program & project sales for CBS-TV production sales, the network's video-tape production unit; Jack Reynolds, ex-National Educational TV & Radio Center, named asst. to Richard D. Heffner, dir. of special projects, CBS-TV information services . . . Gordon A. Hellmann, ex-dir. of adv. & sales promotion, Transcontinent TV Corp., forms Hellmann Marketing Services (654 Madison Ave., N.Y. Templeton 8-8834), providing consultation & creative marketing research for clients in broadcasting & related fields . . . Vern Behnke, ex-CBS-TV Films, named gen. sales mgr., UPA Pictures Inc. . . . Wayne M. Nelson Jr., ex-Lennen & Newell, joins N. C. Rorabaugh Co. as editor of *Spot TV Quarterly Report*.

J. M. Higgins, gen. mgr. of WTHI-TV & WTHI Terre Haute, also elected vp & dir. of parent Wabash Valley Bcstg. Corp. . . . William G. Mulvey appointed asst. gen. sales mgr., James E. Kovach program mgr., WNHC-TV New Haven . . . Don Shepherd, ex-Southeastern Newspapers Inc. (WRDW-TV & WRDW Augusta, Ga.), appointed promotion dir., WLOS-TV Asheville-Greenville-Spartanburg . . . Gene Fullen named community relations dir., WTVN-TV Columbus . . . James Symington, 32, son of Sen. Stuart Symington (D-Mo.), joins Washington law firm of Arnold, Fortas & Porter.

Honors & awards: Frank B. Palmer, gen. mgr. of WFBG-TV & WFBG Altoona, voted one of Pennsylvania's 3 "outstanding young men of 1959" by Pa. Jr. Chamber of Commerce . . . Arnold Peterson, farm service dir. of WOW-TV & WOW Omaha, presented special U.S. Treasury Dept. award as chmn. of radio & TV div. of Neb. advisory committee for Savings Bond program . . . Keith S. Glatzer, news & special events dir. of radio WFOR Hattiesburg, Miss., named winner of NBC News' 3rd annual Earl Godwin Memorial Award for his coverage of the Mack Charles Parker kidnaping & murder case in Poplarville.

RTES timebuying-selling seminar March 15 will hear CBS Inc. vp Richard S. Salant and speaker from ad agency of one of the major political parties, discuss "Fall Political Campaigns & Broadcasting" at Hotel Lexington, N.Y.

Storer ad in current issue of *The New Yorker* supplies an unintended bitter postscript to *l'affaire Doerfer*. Under a sketch of 2 men walking from an airplane, the caption reads: "Leo pegged it when he said 'quit guessing—you know where you're going with Storer.' "

Obituary

Harry M. Bitner Sr., 76, ex-chmn. of Consolidated TV & Radio Bcstrs. (WFBM-TV Indianapolis, WOOD-TV Grand Rapids-Kalamazoo, WTCN-TV Minneapolis-St. Paul), died in an auto collision March 7 at Delray Beach, Fla. Also killed in the crash was a friend, George E. Sexton, 58. They were passengers in a car driven by Mrs. Bitner, who, with Mrs. Sexton, suffered minor injuries. Bitner was former gen. mgr. of the Hearst newspaper chain and served as dir. of the printing & publishing div. of the War Production Board during World War II. He sold his broadcast properties in 1957 to *Time* magazine subsidiary TLF Bcstrs. Inc., for about $20 million. Bitner's survivors also include a son, daughter, and 2 brothers. A brother, Lynn, is gen mgr. of the Gannett Newspapers.

Auxiliary Services

Telemeter's infant pay-TV project could be running afoul of Canadian federal law. Rev. A. S. McGrath, claiming that Sunday pay TV is contrary to the Lord's Day Alliance Act, is considering action. He is leader of an unofficial group which set itself up to police the act. Rev. McGrath asserted that Sunday pay TV does not differ from Sunday movie-theater opening, which is banned by the act. He also classified Sunday free TV & radio as contrary to the act, but agreed that the act should be modified to allow these. The operators of Toronto's pay TV are not concerned with Rev. McGrath's threat at present. Said Trans-Canada Telemeter's James Nairn: "They have said nothing to us, and when they do we'll seek legal action."

Application for pay-TV test will be filed with FCC by mid-April by Teleglobe Pay-TV System Inc., 15 E. 48th St., N.Y., according to Pres. Solomon Sagall. He said he is now lining up financial backing. He declined to identify the market he'll use.

Videotape-equipped aircraft carrier is USS Ranger, Navy's largest. An Ampex recorder and a Marconi 4½-in. image orthicon camera make it possible for jet-pilot trainees to view their own takeoffs & landings immediately after completion of these flights.

Translator starts: W73AD & W80AC Rhinelander, Wis. began Feb. 2 repeating WBAY-TV & WLUK Green Bay.

Trade Report . . . .

MARCH 14, 1960

JAPANESE TV SETS HERE—FOR $69.95: The first quantity imports of Japanese TV sets have begun. Initial interest by dept. stores, distributors & dealers has been described as enthusiastic. The big selling point: importer's price is $47.50, suggested list $69.95. We're told that some 15,000 have already been ordered, mostly by dept. stores.

The small 7½-in. set uses 14 tubes. It operates from 110-volt line power—don't confuse it with those promised imports of 8-in. battery-operated transistor TV sets (to retail at about $200 or more). Orders have been placed by such big dept. store merchandisers as Macy's, AMC and Allied Stores.

Importer is Star Lite Merchandise Co., N.Y., which imports transistor radios and sells them under its own brand. Star Lite's co-owner Al Dayon declined to identify the manufacturer of either the TV sets or radios, but said he was leaving for Japan next week to see if production could be increased to accommodate the unexpectedly heavy flow of orders.

The importer says it plans to deliver 3,000 units monthly—and already is sold out until August. The set was shown for first time last week at the Variety Merchandise Fair in N.Y. Coliseum and initial batch of 1,000 was sold out on opening day of show. Dayon told us Star Lite will sell the set through dept. stores, TV-radio distributors, dealers and such specialized avenues as hardware & tobacco jobbers.

The Japanese set carries lowest list price ever for a TV set in this country, in our memory. It measures about 11 in. front to back, weighs 18 lb., has metal cabinet, built-in rabbit-ear antenna, side tuning controls under hinged panel, comes in assorted colors. Aimed at 2nd-set trade, it undoubtedly will show up at lower than the suggested $69.95—and you can bet that other competitive Japanese sets will now being to appear.

Whether public will really buy 7½-in. TV sets—even at $69.95 or less—is problematical. Even in TV's first days—1947-48—7-in. sets were considered too small, and sizes quickly moved up to 10-in. and then 12-in. As recently as 1956, RCA made a rather costly excursion into the tiny-screen field with its neat-looking 8½-in. 10-tube "personal portable" at $125 (Vol. 12:9 et seq.) and Emerson & others introduced sets the same size—none a notable success. Even 14-in. sets—once a popular portable size—are disappearing from the market. Only 115,000 sets with screens 14 in. & smaller were sold to public last year—less than 2% of total.

Against this background must be weighed novelty value & price. It's our guess that several Japanese set makers will be in the small-screen U.S. market by year's end. If imported "personal" sets can make any inroads on TV market this time around (which we consider unlikely at any price), U.S. manufacturers can also play this game—at competitive prices, if necessary, as shown by the new U.S.-made pocket radios.

ELECTRONICS PROFITS ROSE 23% IN 1959: The 1959 financial reports digested in our pages in the last few weeks prove that, individually & collectively, electronics-oriented firms had a banner profit & sales year in 1959. Our tabulation of 24 "weathervane" companies—well-established firms active in electronics—shows an aggregate profit increase of 23.3% on sales 12.4% higher than 1958.

The electronics profit increase corresponds very closely to the aggregate rise among all types of industrial corporations. A recent tally of 420 industrial firms by Wall St. Journal showed an earnings increase of 22.2% from 1958 to 1959. A year ago our own compilation showed that our index of electronics firms dipped 3.2% in profits while Wall St. Journal's industrial aggregate dropped 16% from 1957 to 1958 (Vol. 15:12 p.16).

Subdividing our 24 weathervane companies into specialized groups (fields in which they are best known), we find that the volatile components group showed largest increases in sales & earnings; consumer electronics placed 2nd, and the large diversified electronics firms—as might be expected because of their size & range—showed the smallest change. All figures covered the calendar year 1959 except as noted.

The 7-company consumer electronics group showed an aggregate 73.5% increase in after-tax earnings last year on 22.1% more sales. Firm showing biggest proportionate profit increase was Admiral (198%),

largest percentage increase in sales being shown by Motorola & Zenith (both over 33%). Companies making up consumer electronics group: Admiral, Andrea, Emerson (year ended Oct. 31), Hoffman, Motorola, Philco, Zenith. (Latest set-maker financial reports will be found on p. 21.)

The 7 firms in the diversified electronics group aggregated 17.7% rise in net profit, 10% increase in sales, Daystrom's 55.9% being biggest individual profit increase, Raytheon's 31.7% the biggest increment in sales. The diversified companies tallied: Daystrom (9 months to Dec. 31), GE, GT&E, RCA, Raytheon, Thompson Ramo Wooldridge, Westinghouse.

Components industry group of 10 companies increased profits by 81.7% last year over 1958, while sales rose 36.7%. Best performers here were International Resistance with a 254% rise in profit, Texas Instruments with 110.1% rise in sales. The components group: Erie Resistor, General Instrument (9 months to Dec. 31), Globe-Union, International Resistance, P. R. Mallory, Oak, Speer Carbon, Standard Coil, Texas Inments, Tung-Sol.

We realize many of the tallied firms go beyond electronics into electrical equipment, appliances, etc. —but, to give a fair indication of the financial climate, we have avoided using new & highly specialized firms in our compilation. It's interesting to note that all 24 firms reported sales increases from 1958 to 1959 and 23 of the 24 had increased profits—the one exception being a components firm plagued by costly strike in 1959.

This table summarizes 1959-vs.-1958 comparison of operating results of 24 TV-electronics weathervane firms in terms of aggregate increases:

	Net Profit	Sales
Consumer Electronics Group (7 companies)	+73.5%	+22.1%
Diversified Group (7 companies)	+17.7%	+10.0%
Components Group (10 companies)	+81.7%	+36.7%
AGGREGATE 24 COMPANIES	+23.3%	+12.4%

TV-RADIO PRODUCTION: EIA statistics for week ended March 4 (9th week of 1960):

	Feb. 26-March 4	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	107,794	113,066	95,794	1,133,879	994,388
Total radio	318,650	321,852	277,682	3,112,853	2,528,432
auto radio	122,507	126,939	99,847	1,350,800	952,409

Double-duty transistor portable radio that can be consumer-converted into an automobile set has been announced by RCA. The 6-transistor set is offered in a do-it-yourself conversion kit that carries a suggested retail of $59.95. The kit includes, in addition to the Model T-1 radio, a vertical antenna, dashboard bracket, generator condensor, ignition supressor, complete instructions for car installation. After installation of accessories, the portable radio can be used as a car set by snapping it into the dashboard bracket. The bracket swings under the dashboard when not in use. "This unique 2-in-1 radio kit is ideal for the auto owner who wants an inexpensive car radio and also a powerful portable which he can take with him wherever he goes," notes consumer products exec. vp P. J. Casella.

"Compensating diode" which extends battery life and improves the sound quality of transistor radios has been introduced by RCA's semiconductor & materials div. Marketing mgr. T. R. Hays described the diode as the first germanium device of its kind, and said it's now commercially available to electronics manufacturers. "When used in suitable circuits," he explained, "the compensating diode (RCA-1N2326) can bring about a substantial reduction in audio-frequency distortion caused by temperature variations. In addition, it prolongs useful battery life. Standard dry cells may be used to substantially lower endpoint voltages before AF distortion becomes apparent."

U.S. industry needs protection now from foreign imports produced at "slave labor wage rates," Rep. Van Zandt (R-Pa.) told the House. Urging action on his bill (HR-9841) and a companion measure (S-2882) by Sen. Keating (R-N.Y.) to curb "crippling competition" by low-wage goods from Japan, Germany, Italy and Great Britian, Keating said: "Now is the time for straight talk on a problem so serious that few political districts remain untouched." He cited damage—or threatened damage—to such U.S. industries as textiles, wood working, chemicals, glass and machinery which he blamed on foreign wage rates. The Van Zandt-Keating bills would authorize the Secy. of Labor to recommend tariff increases for imports produced "under

"Influence peddling," by retired military officers who get jobs with defense contractors, would be curbed under legislation drafted by the House Armed Services Committee. The bill, recommended by a subcommittee which investigated employment of retired generals & admirals by industry—and found a heavy concentration of them in electronics (Vol. 16:4 p18)—would: (1) Ban retired pay for officers who "sell anything" to the Pentagon within 2 years after they leave the services. (2) Cut off pay of any active officer (except 5-star brass on the active list for life) who is employed in any capacity by a defense contractor. (3) Require retired officers who take defense-connected jobs to register at the Pentagon.

JAN. TV-RADIO-PHONO SALES: Retail sales of TVs, radios & phonos in Jan. 1960 were well ahead of Jan. 1959, EIA figures confirmed last week. TV sales of 590,867 were at an annual rate of more than 6.6 million sets, as indicated in these pages last week (Vol. 16:10 p15). Phono sales figures, issued on a monthly basis for the first time, reveal that Jan. 1960's business was 33% better than Jan. 1959 in terms of units. Even this doesn't tell the whole story, since a far greater proportion of total sales was in stereo units this year—meaning higher dollar value per average unit.

Here are EIA's Jan. retail sales & production (factory sales for phonos) statistics, with Dec. 1959 & Jan. 1959 companison figures:

TV-RADIO-PHONO PRODUCTION & SALES

	Jan. 1960	Jan. 1959	Dec. 1959
TV production	526,494	437,026	593,170
TV retail sales	590,867	501,704	701,705
Total radio production	1,355,788	1,124,737	1,553,308
auto radio	632,461	420,052	581,378
Radio, retail (excl. auto)	803,388	700,490	1,755,027
Phono factory sales	459,729	361,483	562,318
stereo	341,329	177,336	407,744
monaural	118,400	184,147	154,574
Phono retail sales	519,652	390,642	822,761
stereo	368,964	159,214	592,772
monaural	150,688	231,429	229,989

* * *

Picture & receiving tube sales in Jan. 1960 were slightly higher than those in Jan. 1959, EIA reported last week, although they were seasonally lower than the Dec. 1959 sales. EIA's figures on factory tube sales:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January 1960	795,250	$15,834,785	31,367,000	$26,872,000
December 1959	816,787	15,941,040	37,248,000	32,401,000
January 1959	784,906	15,209,896	31,150,000	26,808,000

TV dealers' income from set-service contracts is taxable in the year it is received, and can't be pro-rated for the duration of the contracts, the Internal Revenue Service has ruled (Rev. Rul. 60-85). Rejecting a contrary May 28, 1959 decision by the U.S. Court of Appeals in N.Y., IRS held that "where a taxpayer receives pre-paid income under a claim of right & without restriction as to its disposition, it must report the entire amount received each year as income." The Court of Appeals had ruled that Bressner Radio Inc., N.Y. TV & radio set dealer, could allocate income from service contracts to months following the tax year, thereby deferring taxes.

So-called "compatible" stereo recording system, developed by Fairchild Recording Equipment Co. and Beltone Recording Studios (Vol. 16:3 p16), said to play equally well on stereo & monaural phonos, has met with less than widespread enthusiasm from record industry. Last week, the Record Industry Assn. of America made it official. Its engineering committee announced that "a compatible true stereo record . . . is no closer to attainment than was the case 2 years ago," following independent tests of the new system by all engineers on the committee. The Fairchild-Beltone system confines stereo to tones above 200 cycles.

Packard Bell has introduced stereo hi-fi equipment with "3 sound sources"—3 separate amplifier-speaker systems—including a "stage center" channel for bass frequencies. Shown to distributors at their annual midwinter meeting in Los Angeles, the new line includes a special model for custom installation. Prices of the new sets range from $199.95 to $495.

ZENITH'S WRIGHT PREDICTS: TV is "over the hump," and a steadily improving set sales picture can now be expected. So said Zenith Pres. Joseph S. Wright last week in a talk before the N.Y. Society of Security Analysts. He predicted a rise from last year's 6,012,979 sets sold to dealers by distributors to nearly 7 million this year, 7.5 million next year and "over 8 million in the middle '60s."

As to Zenith's own immediate TV future, he made this guarded comment: "At the first of the year I predicted that our industry would be up in TV receiver sales by about 10% and said that Zenith hoped to increase its business by some 20%. If I were asked to start with a fresh sheet, I don't know whether I would be quite as optimistic at this point, although certainly we are going to have another record first quarter. Currently we are running well ahead of last year, and expect this year to continue the same way."

Analyzing Zenith's successes in consumer electronics, he reiterated these points made in former talks, notably last July's address to San Francisco Security Analysts (Vol. 15:24 p21): (1) Reputation for quality product. (2) Efficient inventory control. (3) Emphasis on original research & engineering as a result of "resigning" from the RCA patent pool. He added another point—lack of diversification: "We are thankful that over the past 2 or 3 difficult years in our industry, many of our competitors were considerably preoccupied with the problems connected with breaking into computers, washing machines or the parts & components businesses, so that they were scarcely aware of Zenith's progress."

"There is no company which markets a full range of heavy appliances and radio & TV which is the leader in any one product type within the range," he said. This benefits Zenith and its distributors, "who are thus able to put together the very strongest independent lines of appliances."

As for pay TV, he re-stated what he told us 2 weeks ago (Vol. 16:10 p4)—that Zenith will apply to FCC for a Phonevision test operation within a few weeks. Before the end of the month, he added, announcement will be made of "another large & fine company which is interested in going forward with us in subscription TV on a broad basis."

In the question period following the talk, he made these additional comments: (1) Zenith has a 12-in. transistorized TV set "on the workbench," but it would have to be sold for about $400 to be profitable. He didn't know whether Zenith would offer a transistor set this year. (2) Both the 23- & 19-in. sets are going to be important, and "I don't know the answer" to the place of the 21- & 17-in. sizes in the future. (3) Color interest may perk up within the next 2 years, and "if it becomes a business we may be right in it."

New plants & expansions: P. R. Mallory was slated to start construction last week of a 43,000-sq.-ft. plant at Greencastle, Ind. for the production of tantalum capacitors. The plant is scheduled for Sept. completion, and will employ 200 when in full production . . . Sylvania has initiated a $500,000 facilities-expansion program at its Towanda, Pa. plant to step up the production & processing of germanium & silicon used in semiconductors. The new facilities are expected to be in operation within 3 months.

Previews of RCA's 1961 color TV line for dealers & distributors will be held May 17-20 in Las Vegas and May 25-28 in Miami Beach.

New Motorola Lines: Motorola indicated that it believes there's still plenty of life in 21-in. TV when it showed distributors 6 new low-end models in its 1961 line. Meeting in Chicago last week, the distributors also saw a new portable radio line whose price-leader is a $24.95 shirt-pocket set made entirely in Japan.

The new 21-in. sets in the leader line contain features adapted from Motorola's higher-price TV merchandise—including 20,000-volt power, 4-wafer cascode tuner, Tube Sentry, pre-set fine tuning and greater emphasis on furniture design. Table models range from $189.95 to $209.95, consoles $239.95 to $269.95, lowboys $279.95 to $299.95.

Consumer products div. exec. vp Edward R. Taylor told the distributors that sales of Motorola portable radios for Jan. & Feb. are running more than 50% ahead of the same 1959 months, clock radios 65% ahead, table radios nearly 60% up. Orders for the new FM car radio "are greater by far than we had expected," he added.

The tiny new 6-transistor shirt-pocket model will be made entirely in Japan, and most other portables in the line will use "some foreign parts," a company spokesman told us. One new set, at $39.95, is described as "the first really practical cordless radio." It is designed for use as a table or portable receiver, has a 4-in. speaker and uses 2 battery packs which will operate for 1,500 hours at an average use of 4 hours a day. Other sets sell for $34.95, $39.95 & $49.95.

Motorola's stereo sales so far this year are running 71% ahead of last year, the distributors were told by radio & phono sales mgr. W. E. Laswell. "These sales are especially gratifying," he said, "because the period a year ago represented the highest in the company's history."

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New receiving-tube design, especially for use in TV sets, auto radios and other electronic equipment using printed-circuit boards, was announced last week by Sylvania. Designated "9-T9," the design consists of a straight-sided T-9 (bantam) bulb with a 9-pin miniature circle of leads replacing the conventional 8-pin base. Advantages claimed are easier assembly of printed-circuit equipment & adaptability to higher power than is possible with conventional tube types.

Sony Corp. of America, new wholly-owned subsidiary of Sony Corp. (Tokyo) plans to step up national advertising for Sony radios & the upcoming portable transistorized TV set (Vol. 16:4 p15). A 2-page ad in March 7 *Home Furnishings Daily* advises dealers that "large" ads will be used in *Life, Esquire, Holiday, New Yorker* and *National Geographic*. Deliveries & service will be speeded up, according to the ad, all orders being shipped "no later than the day after they are received."

Philco has slashed prices on about a third of its transistor line. The cuts range up to 52% on one type, but most of the reductions are between 25% & 40%. Affected are 21 specific transistors, including Philco's complete line of silicon types.

Another former TV manufacturer may return to the fold: Philharmonic Radio & TV Corp., subsidiary of big Symphonic Electronic Corp., is understood to be planning to go into TV production this year. Philharmonic once was a private-label TV supplier.

More business aid to service dealers: Sylvania is making available to TV-radio technicians a 12-lesson correspondence course on business techniques & practices published by Radio-TV Training Assn.

Trade Personals: **L. Berkley Davis**, gen. mgr. of GE electronic component div., Owensboro, Ky., elected a vp . . . **Leonard S. Hermelin**, ex-Republic Aviation, appointed vp of engineering & mfg., Emerson Radio govt. electronics div., succeeding **Dr. Werner F. Auerbacher**, who becomes consultant on operations on staff of exec. vp **Dorman D. Israel** . . . **Bernard I. Belasco**, ex-ad & sales promotion mgr. of Raytheon semiconductor div., named to similar post in General Instrument semiconductor div. . . . **Dr. Morton B. Prince** named vp-gen. mgr. of Hoffman semiconductor div., succeeding **Maurice E. Paradise**, now serving in new post of corporate vp, product planning.

David Cole, ex-Crosley Distributing Corp. (N.Y.), resigns as Capehart gen. sales mgr. to become vp of Louis R. Goldman & Co., N.Y. manufacturer sales rep . . . **Robert T. Cavanagh** resigns as military electronics dir., Du Mont Labs . . . **A. A. Passarello** promoted to mgr., Zenith hearing aid div. . . . **Lt. Gen. Harold L. George** (USAF ret.) has retired as vp & exec. asst. to the pres., Thompson Ramo Wooldridge . . . **Julius Haber**, RCA community relations dir., moves his office from Camden, N.J., to N.Y., July 1.

Donald S. Burns, ex-commercial products group chief engineer, promoted to technical asst. to Stromberg-Carlson commercial products div. vp-gen. mgr. **Arthur J. Hatch** . . . **J. Reynolds Carey**, ex-Norge, named mgr. of consumer products for Ampex subsidiary Orr Industries Co. (magnetic tape) . . . **Ralph E. Van Hoorn**, ex-Cresap, McCormick & Paget, appointed ITT area director of mktg., charged with directing commercial marketing plans & programs of U.S. & Canadian ITT divs. & subsidiaries . . . **Ed Claffey** appointed consumer products merchandise mgr., Glaser-Steers Corp. (record changers) . . . **David E. Corbett** named ad coordinator for Electrohome products div., Dominion Electrohome Industries, Kichener, Ont. . . . **Arthur Glantz** promoted to controller, Blonder-Tongue Labs, succeeding **Harry Gilbert**, now vp (Vol. 16:9 p16).

Harold A. Wheeler, pres. of Wheeler Labs Inc., Hazeltine subsidiary, has received George Washington U.'s distinguished engineer alumnus award.

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Catalog of closed-circuit TV equipment has been published by RCA as an aid in planning industrial installations. The 112-page compilation, described as the first complete listing of its kind, is available on letterhead request to ITV-Dept. 759, RCA, Bldg. 15-1, Camden 2, N.J.

Semiconductor marketing forum will be conducted by EIA April 5-6 at Hotel Roosevelt, N.Y. April 5 banquet speaker will be RCA dir. of mktg. research & development Dr. Wendell R. Smith. Details of the meeting, open to all industry representatives, are available from C. R. Joyner, EIA, 1721 De Sales St. NW, Washington 6, D.C.

War chest to fight excise tax on hi-fi components is being raised by Institute of High Fidelity Manufacturers. IHFM is asking its members for voluntary contributions of $100 each to present the case against the proposed imposition of a 10% tax on hook-it-up-yourself hi-fi.

Allowances on returned TV picture tube bulbs have been increased by 50¢ to $1.25, effective March 1, by most tube makers, including Sylvania, GE & Tung-Sol.

Obituary

Jules M. Smith, 66, a former vp of Davega Stores Corp. and a veteran of 36 years with Davega and City Radio Stores, died March 6 in Mt. Vernon, N.Y., after a brief illness. He is survived by his wife, 2 daughters, 2 sisters and a brother.

Finance

NEW RECORDS FOR SET MAKERS: Highlighted by record 1959 figures for Motorola & Zenith, improved sales and/or earnings were reported last week by 6 U.S. TV-radio-phono manufacturers and one Canadian firm. These follow the previously noted 1959 reports of RCA's record sales and 30% profit increase (Vol. 16:9 p18), Admiral's threefold increase in earnings (Vol. 16:10 p19), Philco's doubled profits (Vol. 16:10 p19), GE's record sales & earnings (Vol. 16:8 p22), GT&E's all-time records (Vol. 16:9 p19), Westinghouse's increases (Vol. 16:5 p24)) as well as new records for Packard Bell and Siegler Corp. for 3-month & 6-month periods ended Dec. 31 (Vol. 16:5 p24).

These are the most recent financial reports of set manufacturers:

Motorola's 1959 earnings were 92% higher than those of 1958, while sales were 33% higher. Pres. Robert Galvin attributed the results to "enthusiastic acceptance by consumers" of Motorola's home electronics lines, the rise in sales of 2-way radio systems and improved volume of car radio sales as well as higher earnings in military electronics. Fourth-quarter sales also set a new high, and earnings for the quarter were the best since 1950. Galvin predicted a 10% gain in sales & earnings in 1960, if the economy maintains its present pace.

The annual report shows Motorola's net investment in plant & equipment increased 20% during the year as a result of an investment of nearly $6 million in 1959. Shareholders' equity in the company rose to more than $83 million from about $27 million in 10 years. The profit-sharing fund for employes reached nearly $45 million in 1959. Working capital at the end of the year was $57.1 million vs. $54.6 million at 1958's end. The report for 12 months ended Dec. 31:

	1959	1958
Net sales	$289,529,444	$216,590,325
Net earnings	14,171,237	7,356,213
Per common share	7.17	3.80
Common shares	1,975,131	1,935,131
For 3 months ended Dec. 31:		
Net sales	$83,516,711	$79,427,342
Net earnings	4,686,213	4,138,487
Per common share	2.27	2.14

* * *

Zenith chalked up a 37% increase in earnings and a 33% sales gain in 1959, celebrating its first year of selling more than a million sets. Chmn. Hugh Robertson gave these company sales-increase figures (vs. 1958) in a preliminary report to stockholders: TV set sales 40%, remote-control TVs 110%, table model TVs 36%, consoles 44%, transistor portable radios 53%, home-radio sales setting a new record for the company. "Our sales so far this year," he added, "are substantially ahead of any previous comparable year." (For comments by Zenith Pres. Joseph S. Wright, see p. 19.)

The Zenith business story for 12 months ended Dec. 31 (1958 shares & per-share earnings adjusted to reflect 3-for-1 stock split in May 1959):

	1959	1958
Consolidated sales	$260,033,866	$195,041,624
Net income	16,630,144	12,116,165
Per common share	5.63	4.10
Common shares	2,954,784	2,954,784

* * *

Hoffman reports record profits on a 17% sales increase in 1959. Pres. H. Leslie Hoffman said total sales were lower than anticipated because of production delays on a large govt. contract. The company's order backlog at the end of the year was the highest in history, military backlog totaling $65 million. For 12 months ended Dec. 31 (1958 shares & per-share earnings adjusted to reflect 1959 stock split):

	1959	1958
Sales	$46,359,832	$39,544,064
Net income	1,990,165	1,712,509
Per common share	1.31	1.15
Common shares	1,513,955	1,482,656

* *

Pacific Mercury Electronics, private-label TV-radio-phono supplier to Sears Roebuck, and manufacturer of Thomas electronic organs & military electronic equipment, reported record sales for 6 months ended Dec. 31, 1959, more than 17% higher than the comparable 1958 figure. For the 6-month period:

	1959	1958
Sales	$12,723,525	$10,847,496
Net income	258,345	232,110
Per common share	37¢	33¢
Common shares	700,000	700,000

* * *

Andrea Radio Corp., whose stock is now publicly traded, reports increases in sales & profit for 1959. For 12 months ended Dec. 31: (per-share earnings for both periods based on 250,700 shares):

	1959	1958
Net sales	$6,526,827	$5,798,571
Net income	279,675	263,919
Per common share	1.12	1.05

* * *

Emerson reports an increase in net profit for the 13 weeks ended Jan. 30, as compared with the similar 1959 period. The company does not release sales figures in interim statements. For 13 weeks to Jan. 30:

	1960	1959
Consolidated net profit	$675,512	$627,468
Per common share	32¢	30¢
Common shares (1960)	2,115,906	2,115,906

* * *

Fleetwood Corp. (formerly Electrical Products Mfg. Co.), Montreal manufacturer & distributor of Du Mont TVs, radios & phonos, and importer of Grundig products, reports record sales & earnings for 1959. Never before publicly held, the company now has 225,000 shares outstanding. Pres. Myer F. Pollock stated that 66% of 1959's sales dollar represented TV, 22% radios & radio-phonos, 12% other products. Private-label output accounted for about 24% of sales. For 12 months ended Dec. 31:

	1959	1958
Sales	$12,437,600	$11,742,713
Net profit	752,756	539,193
Per common share	1.16	83¢

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Raytheon expects 1960's sales & earnings to top 1959's record performances (Vol. 16:5 p23), Pres. Charles F. Adams noted in the Waltham, Mass. concern's annual report. "We have well-developed plans for further expansion both internally and by acquisition in those areas of military, commercial and industrial electronics which offer the most attractive opportunities for profitable business," he said. Adams noted that Raytheon also expects further growth in non-military business this year. For the year ended Dec. 31:

	1959	1958
Sales	$494,278,000	$375,156,000
Net income	13,481,000	9,403,000
Per common share	3.89	3.08
Common shares	3,423,567	3,050,459

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National Video Corp., Chicago picture-tube manufacturer, will be listed on American Stock Exchange.

Skiatron Swiss Deals Cited: A note of international mystery was injected last week by SEC attorneys into the stock-registration hearings for Skiatron Electronics. That organization is accused of filing inadequate & inaccurate data on its pay-TV system (Vol. 16:9 p20).

The featured witness on the stand as the on-&-off proceeding ran through another 2 days was John Rush, partner in the Swiss-American Corp., N.Y., and American correspondent for Credit Suisse of Zurich. He testified that, on instructions from Credit Suisse, he "picked up" 77,000 shares of Skiatron Electronics stock from Pres. Arthur Levey between June 1957 & Dec. 1959 and sold them on the U.S. market for an unidentified "special account" in the Swiss bank, where the proceeds were deposited. Under Swiss banking laws anonymity of customers can be maintained, the SEC lawyers pointed out.

The hearings were recessed by SEC trial examiner Robert N. Hislop until March 17 before the Swiss bank transactions were explored further. Other witnesses last week included N.Y. brokers who added details to earlier testimony about complicated deals in Skiatron Electronics stock—many of them involving Matthew (Matty) Fox's Skiatron of America, licensee of the pay-TV system. Fox himself was not called to the stand.

Prior to the resumption of the public proceedings this week, SEC counsel & Skiatron Electronics lawyers will try to work out stipulations about the company's business affairs. "We want to reach agreement on Skiatron's chances of success or lack of them—or what they are, anyway," one SEC source told us. If no agreement is reached, more witnesses probably will be summoned by SEC.

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Perkin-Elmer Corp., Norwalk, Conn. maker of electronic instruments, reports slight increases in sales & earnings in the 6 months to Jan. 31:

	1960	1959
Net sales	$8,656,174	$8,166,112
Net income	342,919	326,757
Per common share	30¢	30¢
Common shares	1,146,350	1,090,330
For the quarter to Jan. 31:		
Net sales	$5,409,453	$3,880,764
Net income	287,369	172,361
Per common share	25¢	16¢

Gabriel Co. reports a decline in profit despite sharply increased sales in 1959. The Cleveland producer of automotive parts, antennas, microwave equipment (Gabriel electronics div.) notes an "extraordinary charge" in 1959 of $40,901, representing a loss on the settlement of a govt.-contract claim of a now-merged subsidiary. For the year ended Dec. 31:

	1959	1958
Net sales	$28,836,253	$22,825,684
Net income	536,906	545,066
Per com. share (after pfd.)	77¢	80¢
Common shares	675,838	661,038

Minnesota Mining & Mfg. Co. scored record sales & earnings in 1959. Its first consolidated report for worldwide operations shows a net income of more than $63.5 million ($3.74 a share) on sales topping $500 million. Tape & allied products accounted for 21% of total 3-M sales. Domestic & Canadian operations for the year ended Dec. 31:

	1959	1958
Sales	$446,580,323	$376,293,016
Net income	60,262,440	43,879,033
Per common share	3.54	2.58

Speer Carbon Co. (components) reports record sales & net income in 1959. For 12 months to Dec. 31 (1958 per-share earnings adjusted to reflect 2-for-1 split in July 1959):

	1959	1958
Net sales	$23,525,268	$18,338,899
Net income	1,970,817	1,176,034
Per common share	2.20	1.30

Standard Coil Products Co., Melrose Park, Ill. producer of TV tuners, nearly tripled income on a healthy sales rise in the year ended Dec. 31:

	1959	1958
Net sales	$73,765,428	$69,489,636
Net income	1,523,379	558,887
Per common share	77¢	36¢
Common shares	1,983,553	1,568,182

Globe-Union, Milwaukee maker of batteries, automotive parts, electronic components (Centralab div.), netted strong sales & profit gains in 1959, according to the preliminary consolidated report for the year ended Dec. 31:

	1959	1958
Net sales	$65,170,127	$59,246,085
Net income	2,269,746	1,466,621
Per common share	2.72	1.78
Common shares	834,190	825,310

Erie Resistor Corp. reports a substantial 1959 decline in net income, stemming mainly from a 3-month strike in the 2nd quarter. For the year ended Dec. 31:

	1959	1958
Sales	$24,506,569	$21,202,186
Net income	359,340	510,441
Per common share	35¢	57¢

Textron Electronics scored net earnings of $384,000 (18¢ a share on 2,140,000 common shares) on $9,884,000 sales in the 7 months of 1959 following its formation. Textron Electronics, subsidiary of Textron, Inc., was organized in mid-1959 to take over the operations of Textron div. MB Electronics, subsequently acquired other businesses in the electronics & related fields: Globe Electronics (Council Bluffs, Ia.), G. C. Electronics (Rockford, Ill.), Schafer Custom Engineering (Burbank, Cal.). For the full 1959 year, the divisions now owned by Textron Electronics had a combined net profit of $892,000 (31¢ on 2,890,000 shares) on $22,609,000 sales. Textron Electronic sales currently are running at an annual rate of $27.5 million. The company "hopes" to acquire other companies, expand into a large electronics concern.

Sonar Radio Corp., Brooklyn-based maker of marine electronic & radio equipment, last week made a public offering of 180,000 shares of common, priced at $3 a share (Vol. 16:5 p22). The offering was by George, O'Neill & Co. Inc., and associates. After the sale, Sonar will have 410,940 shares of common outstanding. Proceeds will be used to establish new production, research and development facilities, increase working capital, etc. Sonar was formed in 1946. Sales climbed from $474,400 for the fiscal year ended June 30, 1957 to $806,500 in the 1959 fiscal year.

Telectro Industries expects that its 1959 net will finalize at about $175,000 (about 30¢ a share) on sales topping $5.1 million. Pres. Harry Sussman forecasts the 1960 volume at $7.5 million, and notes "we are in good shape to handle the growth that lies ahead." Expected to help Telectro's 1960 sales picture are a transistorized tape recorder & a slow-scan TV system known as Telectro-Vision.

Midland Mfg. Co. & subsidiary Wright Electronics, Kansas City makers of quartz crystals for the TV & electronics industries, have been acquired through an exchange of stock by Pacific Industries Inc., San Francisco concern with various products & activities, including processing of motion picture & TV film. Pacific Industries entered the electronics manufacturing field last year with the purchase of Computer Measurements Co. The San Francisco corporation anticipates fiscal-1960 sales of more than $20 million, up from $15.9 million in the 1959 fiscal ended Aug. 31. Midland & Wright forecast 1960 sales of more than $4 million.

Monogram Precision Industries has sold its Los Gatos, Cal.-based Lewis & Kaufman div., producer of electron power tubes, to a group headed by Robert A. Lehman, former Monogram senior vp & div. chief who resigned Dec., 1959. The Los Gatos facility has been organized as the Lewis & Kaufman Electronics Corp. Monogram Pres. Benjamin A. Smith said his concern received some $200,000 for the division's assets, principally equipment & inventory. The division operated in leased facilities.

Electronic Communications Inc., St. Petersburg, Fla. maker of electronic devices & communications equipment, proposes to acquire W. L. Maxson Corp., N.Y. producer of electronic components & devices. Terms of the planned merger—approved by the boards of the 2 concerns and now subject to the agreement of their stockholders—call for the exchange of one share of Electronic Communications common for 1¾ shares of Maxson stock. Electronic Communications has 593,684 shares outstanding; Maxson, 739,185 shares.

Indiana General Corp., formed by the merger last year (Vol. 15:40 p18) of Indiana Steel Products Co. (permanent magnets) and General Ceramics Corp. (magnetic materials), set record sales in 1959—one-third higher than the companies recorded in the preceding year, before merger. Pres. Robert F. Smith, in the annual report, said that consolidated net earnings reached $1,552,449 ($2.76 per share on 564,261 shares) on consolidated net sales of $19,865,218. Comparative 1958 performance (adjusted to reflect the "pooling of interests"): net earnings of $888,245 on $15,283,018 net sales.

Dynamics Corp. of America has acquired, for 9,800 shares of stock & an undisclosed cash sum, Winston Electronics Ltd., Shepperton, England. The latter makes military, commercial and medical electronic equipment. Winston is Dynamics' first overseas subsidiary, and "it will add immediately to Dynamics' earnings," Chmn.-Pres. Raymond F. Kelley said. The English subsidiary will continue under the management of Chmn. F. Winston Reynolds, and construction of facilities to increase production space is already under way.

Cornell-Dubilier Electric Corp. acquired U.S. Dynamics Corp. last Jan. (Vol. 16:7 p24) for $113,690 and 8,000 shares of common stock valued at $175,400 for purposes of the transaction. Details of the acquisition of the Boston maker of semiconductors & silicon rectifiers are contained in Cornell-Dubilier's application for listing on the NYSE of an additional 3,000 shares, to increase the authorized total to 515,389 shares.

Electronics companies are lining up to get in on the boom in electronics stocks. Reported to be preparing stock issues for public sale, are Applied Electronics, Arco Electronics, Ionics, American Electronics and Vitramon, says Mar. 5 *Business Week*.

Ling-Altec Electronics, Culver City, Cal. maker of electron tubes, components, TV & communications gear, had record sales & earnings in the year ended Dec. 31. Chmn. James J. Ling reported a net income of $1.8 million ($1.31 a share) on sales of $48 million. Direct comparison with 1958's performance would not be meaningful, he said, because of changes in accounting periods and the subsequent acquisitions of University Loudspeakers Inc. and Continental Electronics Mfg. Co., whose operating results are included from dates of acquisition.

Bendix Corp. is the new name approved by the stockholders of Bendix Aviation Corp., effective June 1. Pres. Malcolm P. Ferguson told the stockholders meeting that electronics accounts for more than 40% of the company's current output. Of the company's $683.8-million sales last year, he said military & aviation sales totaled $388.7 million (57%), missile & space equipment sales $103 million (15% of total, 22% of military sales), automotive industry sales $114.3 million.

Electronic Assistance Corp., Red Bank, N.J. maker of communications, radar, ultrasonic apparatus, has obtained stockholder approval to increase the authorized common stock to 1.5 million shares from 500,000. This will pave the way for a 2-for-1 stock split. The 255,632 shares outstanding will be increased to 511,264 and an additional share for each one held will be distributed this month to holders of record March 10.

Servonics Inc., Alexandria, Va. maker of electronic systems & components, has submitted an SEC registration (File 2-16171) for 76,600 common stock shares to be offered stockholders for subscription at the rate of one new share for each 5 held. The subscription price is to be supplied by an amendment to the statement. Part of the proceeds would be used to retire a $100,000 bank note.

United Telefilms Ltd. has been re-named Creative Telefilms & Artists Ltd., following its 1-for-4 consolidation of common stock (Vol. 16:6 p24). Canada's *Financial Post* reports that the Toronto-based concern "is placing $10 million (U.S.) convertible debentures, and an option on an additional $5 million, privately with Louis Chesler & other investors."

Times-Mirror Co. (KTTV Los Angeles, *Los Angeles Times*, *Los Angeles Mirror*) will split its common stock 3-for-1, subject to approval by stockholders at the April 5 annual meeting and to authorization by the state of California. Stockholders will be asked to increase authorized stock from 1,469,000 shares of $10 par to 4,470,000 of no-par value shares. If the split is effected, the Times-Mirror Co. will have 3,601,434 shares outstanding.

Reports & comments available: RCA, review, Hirsch & Co., 25 Broad St., N.Y. 4 . . . ITT, review, A. M. Kidder & Co., One Wall St., N.Y. 5 . . Siemens & Halske and Philips' Lamp Works, discussions, Ralph E. Samuel & Co., 115 Broadway, N.Y. 6 . . . Sonar Radio Corp., prospectus, George, O'Neill & Co. Inc., 30 Broad St., N.Y. 4.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
British Industries ...	Q	$0.12½	Mar. 31	Mar. 11
ITT	Q	.25	Apr. 15	Mar. 18
NT&T	Stk.	2%	Apr. 30	Apr. 1
RCA	Q	.25	Apr. 25	Mar. 14
Textron Inc.	Q	.31¼	Apr. 1	Mar. 18
Times-Mirror	—	.30	Jun. 1	May 10
Universal Pictures ...	Q	.25	Mar. 30	Mar. 21
Western Electric	Q	.90	Mar. 31	Mar. 21

Texas Instruments scored record sales & earnings in 1959 with gains of 110% in volume & 136% in net income over the previous highs set in 1958. In their annual report to stockholders, Chmn. J. E. Jonsson & Pres. P. E. Haggerty brought out these facts: The Dallas concern more than doubled assets, employment and production facilities during the year. Each of its 6 divisions set sales & earnings records, with the semiconductor-components div. making "particularly rapid progress." Sales growth for 1959 "far exceeded" the average 38% annual gain of the past 13 years. Order backlog rose to $101 million at year's end vs. $61.4 million at the end of 1958. And TI more than doubled its owned facilities to nearly 1.5-million-sq.-ft. Presently under construction is a 320,000-sq.-ft. addition to its 310,000-sq.-ft. semiconductor-components div. plant. For the year ended Dec. 31 (including full-year results of Metals & Controls Corp. acquired in April, 1959—Vol. 15:13 p23):

	1959	1958
Net sales	$193,212,809	$91,953,845
Net income	14,142,788	6,000,928
Per com. share (after pfd.)	3.59	1.84
Common shares	3,914,730	3,256,988

Clevite Corp. set sales & earnings records in 1959. Chmn. James L. Myers & Pres. William G. Laffer made that point to stockholders in the annual report last week. Profit more than doubled as sales rose to $84.6 million from $63.3 million. Each of the Cleveland-based concern's 9 divisions & subsidiaries contributed to the record performance, the officials said. "Our electronics divisions," the report noted, "showed sharp increases in sales & profits. Rapidly growing demand for Clevite transistors & diodes resulted in approval of plans for a new $4-million plant in Waltham, Mass., which is under construction." Increased sales in 1960 are forecast by all divisions. For the year ended Dec. 31:

	1959	1958
Net sales	$84,650,821	$63,354,991
Net income	6,493,961	3,109,246
Per com. share (after pfd.)	3.36	1.60
Common shares	1,872,429	1,807,152

Electronics Corp. of America, Cambridge, Mass. manufacturer of electronic devices, semiconductors, automation systems, reported a decline in 1959 sales & earnings. Pres. Arthur G.B. Metcalf attributed the reduced earnings to a non-recurring cost of $159,681 in connection with the initiation of its new Electronics Corp. Pan America subsidiary, in San Juan, P.R. Metcalf said the elimination of non-recurring expenses, coupled with an anticipated increase in industrial sales, should produce a sharp increase in 1960 earnings. For the year ended Dec. 31:

	1959	1958
Net sales	$6,391,343	$6,639,121
Net income	175,767	208,001
Per com. share (after pfd.)	21¢	25¢
Common shares	710,328	707,603

Western Electric's profit climbed to $102 million from $86 million on a 7% sales increase during 1959, Pres. H. I. Romnes reported last week. The manufacturing unit of AT&T (which owns 99.82% of WE stock) attributed some $1.5 billion of its total $2.3 billion sales to Bell System companies. For the year ended Dec. 31 (per-share earnings based on average number of common shares outstanding in each year):

	1959	1958
Total sales	$2,315,370,000	$2,154,703,000
Net income	102,188,000	85,936,000
Per common share	5.92	5.17

Metropolitan Bcstg. Corp., which reported record 1959 sales & profits before acquisitions of WTVH Peoria, KQVR Stockton and radio WIP Philadelphia (Vol. 16:8 p24), has filed an SEC registration plan (File 2-16227) for a $6-million debenture offering. The convertible subordinated debentures, due in 1975, would be put up for public sale by an underwriting group headed by Kuhn, Loeb & Co. and Carl M. Loeb, Rhoades & Co. The interest rate, offering price & underwriting terms are to be supplied to SEC by an amendment to the registration statement. Of the proceeds, $5 million would be used to repay a temporary bank loan for recent & pending acquisitions. The balance would be applied to general funds. Metropolitan's prospectus accompanying the SEC application showed that principal holders of 1.69 million common shares are Chmn.-Pres. John W. Kluge (186,193) and King & Co., N.Y. (308,000).

Universal Pictures racked up a net profit of $1,850,000 (about $2 per share) in 1960's first fiscal quarter (ended Jan. 30), compared with the operating loss of $862,000 suffered in the year-ago quarter. Universal also announced its first quarterly dividend on common stock since Dec. 1957—a 25¢ payment per share, payable Mar. 30 to stockholders of record Mar. 21. Pres. Milton R. Rackmil forecast for stockholders at the annual meeting that net profit in the 2nd fiscal quarter (ending April 30) will top $1.5 million (more than $1.60). "The 3rd & 4th quarters will be profitable," he added. "We won't do as well [compared with the first & 2nd quarters] but we'll do well." Replying to a stockholder's query, Rackmil said there are no plans "at the present moment" to sell or lease Universal's post-1948 movies to TV (Vol. 16:10 p3). As of Dec. 31, 777,985 shares of Universal's 893,390 outstanding shares were held by Decca Records. On the same date, Universal held 241,700 of Decca's 1,527,401 outstanding shares.

National Theatres & TV Inc. (NTA Inc., WNTA-TV & WNTA Newark, WDAF-TV & WDAF Kansas City) reports improved revenues & income for fiscal-1960's first quarter. The net income reported is after giving effect to capital gains (net) of $866,000 in 1959, $240,000 in 1958. For the quarter ended Dec. 29:

	1959	1958
Revenues	$17,475,631	$12,237,695
Net income	401,159	362,843
Per common share	15¢	13¢
Common shares	2,705,699	2,699,486

NT&T stockholders will vote on several amendments, including one increasing the number of authorized shares of stock from 3,750,000 to 5 million, when they meet in Los Angeles March 15. They will also vote on an amendment adopted by the directors last Nov. for the company's stock-option plan, extending the termination date to Feb. 15, 1965. Another amendment is the sinking fund provision of the company's 1958 debentures with the Chemical Bank-N.Y. Trust Co.

Foreign

Russia's TV-radio broadcasters have been ordered to update their policies & techniques to improve their propaganda & entertainment programming. The joint decree of the government & Communist party, which followed a study of programs & facilities they control, is detailed in the latest edition of the party's *Party Life* magazine. Radio got the hardest raps because it's older and has broader coverage—more than 50 million radios & plug-in speakers vs. 4 million TV sets. TV-radio fare was denounced as dull, ineffective as propaganda, limited in variety.

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WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Congress

FORD'S BAPTISM BY HARRIS takes new FCC chmn. into heavy House hearings on agency ethics. Question: When is unusual hospitality not unusual? (p. 1).

OVERSIGHTERS VS. DICK CLARK: Reps. Moss & Mack cry for "decency & fair play," denounce Rep. Bennett for demanding payola hearings now (p. 17).

FCC

FCC's PAYOLA CRACKDOWN brings stern warnings to stations —and networks—to eradicate the concealed practices uncovered by answers to questionnaires (pp. 2 & 3).

PROGRAMMING INQUIRY ADDENDA FILED with FCC by NBC, ASCAP, Dartmouth's Elmer Smead, others (p. 5).

Film & Tape

WGA STRIKES TV FILM AT NETWORKS: progress is made in talks with non-Alliance producers; SAG is nearer agreement with majors (pp. 3 & 14).

Technology

FM STEREO MARKET may be ready by year's end. FCC's tentative timetable envisions FM stereo standards this year. AM stereo system may take another year (pp. 6 & 19).

Stations

SPOT SALES BOOMING. Gross time spending by national & regional advertisers rose 13.3% in 1959's final quarter, TvB reports. Reps we surveyed foresee spot business swelling (pp. 2 & 7).

NAB LEADER SELECTION DEFERRED by special committee named to find successor to late Harold Fellows. No decision seen before convention—if then (p. 3).

NO BLOCK-BOOKING "GRAVY" for stations in terms of re-written feature contracts says judge in govt. anti-trust trial against 6 major film distributors (p. 9).

Manufacturing & Distribution

TV-STEREO PROMOTION drives stymied by disputes & lack of interest, EIA hears. Manufacturers take further moves for import labeling at EIA spring meeting (pp. 19 & 20).

RCA MAKING AUDIO TAPE: sets up production plant in Indianapolis; will manufacture 2 billion feet in first year; will move into production of TV tape at a later, unspecified date (p. 20).

JAPAN RADIO PRICES dip on export market as floor price for 6-transistor radios is cut from $14 to $11. Nippon Victor starts battery TV output (p. 21).

JAPANESE COLOR COMING: Delmonico readies import of 21-in. model; expects to announce delivery, price and technical data in about 10 days (p. 21).

Finance

CBS SALES & PROFITS AT PEAK: 1959 volume climbed 8% to more than $444 million; profit rose 3% to top $25 million for first time; TV network sales also gained 8%, while TV stations div. jumped 19% (p. 24).

Other Departments

NETWORKS (p. 10). **PROGRAMMING** (p. 12). **PERSONALS** (p. 18).

FORD'S BAPTISM BY HARRIS: Incoming FCC Chmn. Ford had no sooner taken over March 15 from outgoing Chmn. Doerfer (Vol. 16:11 p2) than he had to speed from his new office to face up to FCC's nemesis—House Commerce Committee Chmn. Harris (D-Ark). Subject of confrontation: Commission ethics.

Ford had no time to get adjusted to new hatrack before he was subjected to full glare of Capitol Hill hearings on bills—especially massive measure (HR-4800) by Harris himself—to purify federal regulatory processes of politics, favoritism, ex-parte manipulations, assorted other evils. And—as always—FCC was Harris target No. 1 for proceedings. As interlude to his Legislative Oversight Subcommittee forays into payola (Vol. 16:11 p12), full Committee legislative hearings had been scheduled to spread over other agencies, too. But instead Harris stuck mostly to FCC, which may be called back when hearings resume March 22.

"Where's the other one?" Harris smiled at outset of last week's 3-day session as Ford took his place on hot seat—flanked by gen. counsel John L. FitzGerald & litigation div. chief Max D. Paglin, while remaining 5 FCC members lined up along front row of spectators' seats. Harris reference, of course, was to Doerfer, who had been Oversighters' latest scalping trophy. Titter ran through packed hearing room 1334 of New House Office Bldg., where touring schoolchildren stood 3 deep along walls for field lessons in civics.

Tone of hostility to Ford & FCC was thus reset by Harris for hearings, during which most Commission office work was suspended. Yet Ford came out of it well. Best evidence of that was that spectators & reporters

who first crowded in to catch expected excitement quickly thinned away. Neither Harris nor other Commerce Committee members seemed able to think up more explosive questions to toss at Ford. Testimony dealing with proposals to shake up & reform administrative agencies may have been important to future of FCC & industry—but it was dull.

"Look before you legislate, please" was import of Ford's exhaustive testimony, which early in hearings ran 2 nearly-uninterrupted hours while he went through 76-page Harris bill almost line by line. FCC's own analysis of that omnibus measure, setting up $10,000 fines & one-year prison terms for infractions of elaborate & rigid rules of official conduct, ran 18½ closely-packed pages.

FCC members would be locked in "ivory tower," incapable of dealing adequately either with internal problems or industry issues, if all of Harris bill became law, Ford said. His testimony deviated little from what other FCC spokesmen had said last year at Senate proceedings (Vol. 15:24 p3) & Legislative Oversight panel hearings (Vol. 15:25 p2) on same subject.

Case of Doerfer & his yachting became case in point—although Committee interrogators delicately refrained from coming right out with it—when Ford was brought around to discussing Sec. 103 (a) (1) of Harris bill. It would outlaw "any money, gift, favor, unusual hospitality, loan, service, employment or thing of value" used by anybody to influence FCC.

"What is unusual hospitality?" Ford asked earnestly. Could it be lighting somebody's cigaret? He got no definitions from Harris or anybody else on Committee. Rep. Mack (D-Ill.), one of sharpest of sharpshooting Oversighters, and Rep. Younger (R-Cal.) finally agreed this provision should be deleted entirely.

Committee also seemed to be in retreat on ex-parte prohibitions proposed by Harris. As has every FCC spokesman before him in recent history, Ford said Commission endorses legislative moves which would effectively eliminate possibility of under-cover approaches to FCC in attempts to fix decisions. But Ford & Comr. Bartley, who came from his chair to join Ford, pointed out that this could go too far. They said that if all-embracing ex-parte rules were enforced literally, FCC members quickly would be reduced to impotence and to talking to themselves in rule-making as well as adjudicatory cases.

Week's hearings were enlivened briefly by Harris when he challenged Ford on AP story which quoted new FCC Chmn. as saying in interview that Commission already has enough authority from Congress to deal with "proper areas of programming." Harris demanded to know whether Ford meant no more legislation at all is needed. Ford said he didn't, and Harris appeared mollified.

Spirited note also was injected into hearings by Sen. Proxmire (D-Wis.). He denounced Doerfer as being guilty of misconduct in accepting industry hospitality, urged enactment of no-loophole ethics-in-govt. law. "Without a prohibition against this notorious misconduct, any ethical code might be regarded by the cynical as namby-pamby, fool-the-public-in-election-year waste of time," said Proxmire. But even that didn't make for big Harris headlines last week.

FCC MEANS BUSINESS ON PAYOLA: If FCC has been reeling from industry scandals uncovered by House investigators & FTC, it recovered last week, producing forceful, uncompromising answers to critics who say Commission seems incapable of hearing or seeing evil in broadcasting—or of doing anything about it.

Deceptively-titled FCC Public Notice 85460—"sponsorship identification of broadcasting material"—is sweeping indictment of payola & plugola practices in which Commission minces no words (see p. 3). It spells out what has been going on at many TV & radio stations—and at networks, too—and lays down law for industry to follow.

Congressional denouncers of FCC inaction won't be stilled by this manifesto, which was issued coincident with first week of new Chmn. Ford's regime. But it's convincing demonstration to stations that FCC means business in its own attacks on broadcasting evils. And it makes auspicious start for Ford, even if Public Notice 85460 was in FCC works long before he took over.

SPOT SALES STILL CLIMBING: Spot-TV spending rose 13.3% in 1959's final quarter, 18% for year, TvB reports, and outlook for 1960 is better than ever. To gauge current year's sales climate, we surveyed cross-section of top industry reps and came up with predicted increases ranging to 20%. Optimism for heavy spot business is high & general. Although some reps note some first-quarter softness, all forecast big finish, more than one anticipate record year. For complete TvB report & comments of reps, see p. 7.

NAB LEADER CHOICE DEFERRED: There'll be no quick action by NAB to name successor to Pres. Harold E. Fellows, who died March 8 (Vol. 16:11 p1). This became apparent last week following appointment of special selection committee which made no moves to meet prior to NAB's Chicago convention April 3-6—and the choice may not be made then.

"I'd like for us not to do any rushing on this thing," one member of the nominating group told us. "We are going to need lots of time to think about it & talk about it before we reach any decision." He said "a dozen men anybody could mention" have already been talked about—inside & outside the industry—as possibilities for NAB leadership, but that committee had not yet drawn up even tentative list of candidates.

The 8-man NAB selection committee, picked by the chairmen & vice chairmen of the TV Board & the Radio Board—G. Richard Shafto (WIS-TV Columbia, S.C.) & Payson Hall (Meredith Stations) and Daniel W. Kops (WAVZ New Haven) & Thomas C. Bostic (KIMA Yakima)—is headed by C. Howard Lane of KOIN-TV Portland, Ore. Hall was named vice chairman of the nominating committee, and Bostic also took a place on it. Other members are John E. Fetzer (WKZO-TV Kalamazoo), John S. Hayes (WTOP-TV & WTOP Washington), Dwight W. Martin (WAFB-TV Baton Rouge), William D. Pabst (KTVU Oakland-San Francisco), W. D. (Dub) Rogers (KDUB-TV Lubbock, Tex.).

Some of the committeemen met briefly in Washington March 11, the day of Fellows' funeral, but conducted no business. They decided then to delay their first formal session until some time during convention. Election of successor to Fellows ultimately will be done by joint NAB TV-Radio Boards.

Meanwhile NAB secy-treas. Everett B. Revercomb carried on at Washington hq as acting administrator. Supervising on policy questions was caretaker committee of broadcasters headed by Clair R. McCollough (Steinman stations). TV Board Chmn. Shafto and Merrill Lindsay (WSOY Decatur, Ill.) are serving with McCollough on the emergency committee.

WGA STRIKES FILM AT NETWORKS: Already striking the TV Alliance & TV at the major studios, WGA has now struck the film series produced by networks. Negotiations between writers & nets collapsed long ago, but Guild delayed strike, hoping threat of one would help it in its current negotiations with networks on live TV & radio.

Strike will have little impact in near future, since most network-produced series have finished season's production. But a prolonged strike would hurt next season's production (see p. 14).

The FCC

More about

CRACKDOWN ON CONCEALED PRACTICES: Stern guidelines for conduct by TV & radio stations to skirt clear of payola & plugola were drawn last week by FCC, which said "wilfulness, misrepresentation or serious neglect" had already been exhibited by many licensees. There'll be no excuse from now on for any station to plead misunderstanding of what payola means and what is proscribed, Commission said—and instances of infractions already on file will be handled "on a case-to-case basis and appropriate action will be taken in each case."

Reporting on abuses disclosed by broadcasters in answers to the questionnaires sent to all outlets preliminary to pending Commission rule-making on payola (Vol. 16:10 p6), FCC issued a public notice (No. 85460) calling on all stations to watch their step. Nor did networks escape FCC's lash. Copies of the report on "Sponsorship Identification of Broadcast Material" were being mailed by FCC to all of the more than 5,000 stations. The report also will be published in the *Federal Register*.

The 7-page single-spaced document detailed practices uncovered by the questionnaires, which, FCC said, showed "many station licensees have failed to comply with the requirements" of Communications Act & Commission rules covering unannounced sponsorship of broadcast material.

The same ground was covered—but sketchily—by ex-FCC Chmn. Doerfer in his last appearance before the House Commerce Legislative Oversight Subcommittee March 4 (Vol. 16:10 p1). At the session which led to his resignation (Vol. 16:11 p2), Doerfer was asked for more detail. Last week's public notice—first such issued in new Chmn. Ford's regime—supplied some of it.

The most common forms of concealed commercials uncovered by the questionnaires were these, FCC said:

(1) "Recorded material provided to licensees and/or their employes & independent contractors for actual air use or for some other use by these groups (prizes to listeners, door prizes at 'record hops,' etc.)."

(2) "Promotion of outside activities in which a licensee, employe or independent contractor participated and from which he received financial or other benefits."

(3) "Acceptance of travel expenses, accommodations or other valuable consideration by a licensee or its employes or independent contractors in exchange for 'plugging' a place, product, service or event."

(4) "Payments for 'plugs,' expressed or implied, without accompanying revelation that the particular broadcast material was, in fact, sponsored."

FCC then said it would be "pertinent" to discuss these practices and to lay out some admonitions to licensees—and networks:

Free records: "Information before the Commission indicates that virtually all broadcast stations receive some free musical recordings from manufacturers, distributors

or other parties interested in promoting the recording itself or the performer or musical selection displayed thereon . . .

"The Commission is of the view that the receipt of *any* records by a station which are intended by the supplier to be, or have the practical effect of being an inducement to play those particular records or any other records on the air, and the broadcast of such records, requires an appropriate announcement pursuant to Sec. 317 . . . an announcement merely stating the trade name on the record label, for example, without the added indication that consideration (in the form of the recording itself or otherwise) was supplied or furnished is insufficient."

Promotion of outside activities: "The most frequent activity falling into this category is the promotion of 'record hops.' . . . If the station or its employes do not have the beneficial interest in the enterprise, the station personality acting as 'record hop' master of ceremonies may receive a salary or portion of the profits . . .

"The Commission is of the view that appropriate announcements must accompany *all* broadcast material (announcements, playing of records, etc.) where a *profit* is to be derived from these 'record hops,' or where recorded or other broadcast exposure is being provided (whether based upon an express or implied agreement) in exchange for all or part of a performer's fee or in exchange for the donation of records, prizes, hall rental, etc."

Expense-Paid Remote Pickups

"Remote" expenses: "The Commission's attention has been directed to the fact that transportation & accommodation expenses, and equipment operation & origination expenses incurred in 'remote' pickups have been paid in part or in full by persons or organizations as an inducement to the broadcast of program material . . .

"When inducements of the type set forth above result in the broadcast of any type of program material, it is especially important that an appropriate announcement be made. In such instances, the public may reasonably believe that the licensee considered the place, event, etc., to be of sufficient news or entertainment value so as to justify extraordinary expenditures in order to provide broadcast coverage . . ."

"Sneaky commercials": "Instances have come to the Commission's attention in which 'trade out' announcements —announcements in exchange for which the station receives services or products—have failed to disclose the fact that the particular matter broadcast is commercial & is supported by some form of consideration. For example, the Commission considers such statements as 'travel arrangements made through Trans-State Airways' to be the substance of the 'plugs' themselves. Such announcements do not indicate that consideration (free transportation) was provided *in exchange* for the particular broadcast exposure or 'plug.' "

Syndicated plugs: "The Commission has also been advised that networks & other producers & suppliers of program material have made surcharges (in the form of products & 'promotional fees') for the publicity value to a manufacturer resulting from a showing & description of his product on TV programs . . . The Commission . . . considers this matter a serious one inasmuch as such practices, engaged in without the knowledge of the stations broadcasting such programs, have the effect of preventing individual licensees from complying with the Commission's sponsorship identification & logging requirements."

"Teaser" announcements: FCC last Sept. turned down an NAB petition for rule-making to permit "teasers" (Vol. 15:37 p4). "However, it has come to the attention of the Commission that practices similar to the broadcasting of 'teaser' announcements have been utilized subsequent to the date of this order. We wish to emphasize [that such practices are] proscribed."

Movie music: "We also believe . . . it should be obvious that such practices as periodically playing a song from a current motion picture, when such is inspired by an express or implied agreement with a local theater or distributor to do so (or as a 'bonus' for purchasing a number of spot announcements advertising the movie) and is not accompanied by an appropriate sponsorship announcement, violate Sec. 317 of the Act."

FCC said it recognized that "misinterpretation" of the law & rules had been responsible for some non-compliance by stations. Commission added that it wasn't "delineating precise situations or circumstances which will warrant the imposition of sanctions for past violations." But it warned that such "misinterpretation" wouldn't be "a sufficient excuse for non-compliance occurring in the future."

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Doerfer's successor: Scuttlebutt about President Eisenhower's choice of a man to fill out ex-FCC Chmn. Doerfer's unexpired term was heard all over Washington last week. But at our press-time no appointment had been announced. Sources at the White House, Republican National Committee and FCC told us they didn't know who the appointee may be, and new Chmn. Ford hadn't yet been consulted by the White House. One report had it that a top-ranking Justice Dept. lawyer would step into the FCC vacancy until the June 30, 1961 expiration of Doerfer's term. Other rumors had an FCC staffer taking the job.

Miami Ch. 7 "influence" case—pending at FCC more than a year (Vol. 15:9 p6 *et seq.*)—finally will get under way June 16. And it may start sooner if the second Miami Ch. 10 conspiracy trial of ex-FCC Comr. Richard A. Mack & Thurman Whiteside is concluded before then. The new date for rehearing the circumstances of the Commission's grant to Biscayne TV Corp.'s WCKT (Cox-Knight-Trammell interests) was set last week by special FCC examiner Horace Stern at a Philadelphia pre-hearing conference. All hands in the proceedings—including associate FCC gen. counsel Edgar W. Holtz, the Justice Dept. and counsel for Mack—agreed that the rehearing should be deferred until the Mack-Whiteside Ch. 10 retrial is concluded. Mack & Whiteside figured in *ex-parte* allegations in both Miami cases when they were first developed in 1958 by the House Commerce Legislative Oversight Subcommittee. Meanwhile it appeared likely that the second Miami Ch. 10 trial would proceed in Washington's U.S. District Court April 25, as scheduled (Vol. 16:7 p9). Released from Miami's Jackson Memorial Hospital following a month of psychiatric examination & treatment, Mack was reported ready & eager to face trial again. The retrial had been put off because of Mack's illness, but the hospital said no evidence had been found of "any major mental disease."

Weather isn't politics, FCC ruled in rejecting an equal-time plea by an opponent of weather newscaster Jack Woods of KWTX-TV & KWTX Waco, Tex., who is running for the state legislature. William H. Brigham had complained that he was unfairly handicapped in his campaign for the legislative job by the regular appearances on the air of Woods. But FCC agreed with KWTX-TV gen. mgr. M. N. (Buddy) Bostick that weather newscasting is "not political in nature."

PROGRAMMING INQUIRY ADDENDA: The massive record of FCC's 19-day, 90-witness hearings on broadcast programming & Commission powers (Vol. 15:50 *et seq.*), which had already filled 4,775 pages of transcript & exhibits, was further fattened last week by a half-dozen additional filings.

In terms of bulk, the major document submitted to FCC's chief hearing examiner James Cunningham for inclusion in the *Record* was a 27-page "supplementary memorandum of law" by NBC's counsel Cahill, Gordon, Reindel & Ohl. ASCAP also was heard from again; a Dartmouth professor buttressed his earlier defense of FCC policies; and other statement-makers got in some late licks.

In response to a request by Comr. Lee during NBC Pres. Robert W. Sarnoff's hearing testimony Jan. 28 (Vol. 16:5 p2), the network's attorneys offered a comparison of legal opinions on FCC's programming authority which had been given by NBC, NAB's special counsel Whitney North Seymour and Washington communications lawyer W. Theodore Pierson (Vol. 16:3 p5).

The NBC memorandum said there were differences "in emphasis & terminology" in the 3 opinions, but that they added up to this:

Dangers of FCC Programming Actions

"The memoranda & testimony received in this hearing abundantly demonstrate the dangers & difficulties of any entry by the Commission into the regulation of programming. The danger of any govt. encroachment on freedom of expression is multiplied by the dynamism of the medium & the magnitude & variety of its audience.

"In formulating the means of allocating frequencies necessary to prevent chaos in broadcasting, Congress wisely forbade all censorship, and depended on competition to insure a variety of programming commensurate with the varied tastes of the American public.

"The Commission may properly perform the function confided to it by encouraging broadcasters to exercise their individual responsibility reasonably & thoughtfully in determining what they will broadcast in response to audience needs & interests. It may properly prevent licenses from falling into the hands of persons who are deceitful or irresponsible.

"It is submitted that the First Amendment, the Communications Act, and the demands of sound policy join in restraining the Commission from any regulation of programming beyond that necessary to perform this narrow function."

ASCAP plunked down a 20-page joint statement by Pres. Stanley Adams & gen. attorney Herman Finkelstein as a sort of sur-rebuttal in its acrid, running argument with its competitor BMI. Adams had been challenged by FCC at a Jan. hearing session to come up with some facts when he accused BMI of practicing payola (Vol. 16:3 p5) —a charge vehemently denied by BMI.

ASCAP produced no evidence to support its payola case against broadcaster-supported BMI, but repeated that there ought to be a law banning broadcasters from the music business. The ASCAP brief also called for FCC rules or legislation by Congress making payola a crime. And it cited FTC & press reports in estimating that "at least 53% of the records which achieved top popularity in 1959 were released by companies involved in payola."

Dartmouth govt. prof. Elmer E. Smead, who came to FCC's defense in a letter to the *N.Y. Times* (Vol. 16:8 p4) after testifying in the hearings (Vol. 15:51 p4), filed a 15-page "2nd statement." He analyzed many pro-&-con programming-control points made by other hearing witnesses, added this "personal note":

"I would like to conclude by saying that the FCC in its hearings has given a public demonstration of democracy at its best. In addition, the Commission has been trying to solve the problems involved in program regulation in a constructive & statesmanlike fashion."

An inter-faith committee of N.Y. religious leaders, organized by Mayor Robert F. Wagner's Youth Board, filed a pleading for FCC supervision—"in some manner"—over TV industry self-regulation. The committee said only 4 of 7 N.Y. stations subscribe to NAB's code, that in any event the code is "too often a pious veil behind which a station feels free to program as it pleases."

FCC should "give serious attention to the question of program balance & program content," the religious committee said. "In a true sense, the moral foundation of the future generation of American citizens is more in [FCC's] power to mold than it is in ours."

Herbert Cheyette, N.Y. attorney for the Sam Fox group & other music publishers, urged FCC to improve TV & radio programming by requiring each station to file "periodic notice of each & every use of music by it."

Barney Young, representing the "smallest music-performing rights organizations in the country," called on FCC to "order an immediate divestiture of BMI stock by the broadcasters." He said he spoke for Life Music Inc., Colored Performing Rights Society of America Ltd. and National Juke Box Music Inc.

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Equal-time rules aren't involved in CBS's refusal to accept political broadcasts at the same time they're heard on another network, FCC decided recently, rejecting Democratic National Chmn. Paul M. Butler's protest against the network's policy (Vol. 16:10 p6). Moreover, it would be "arbitrary for the Commission to direct CBS to change its announced general policy and to broadcast a particular program at a specified time," FCC said in a letter to Butler. The Democratic spokesman had argued that CBS could discriminate against his party by refusing time for multi-network replies to any all-network statements from the White House. But FCC said Butler had raised no issue covered by the Communications Act's Sec. 315 requirements for equal time for qualified candidates for office.

Joint payola-quiz rigging comments filed recently by a score of TV & radio stations on FCC's rule-making proposals to prevent deception (Vol. 16:10 p6) supported Commission's "general objectives" but objected to some details. Submitted by attorney Ernest W. Jennes, the 18-page document argued that: (1) Proposed payola rules should be modified so that stations are required only to adopt procedures "reasonably calculated" to block the practice. (2) Both payola & quiz rules should be "licensed policies rather than in the form of prohibitions punishable by criminal sanctions."

New Conelrad rules proposed by FCC would require installation by stations of automatic push-button devices to transmit attention signals & alert messages, take stations off the air, then switch to emergency transmission. Deadline for comments on the rule-making, obligating TV, AM & FM stations to invest $150 or more in equipment, has been extended by FCC at NAB's request to April 11, with reply comments due April 25.

Technology

FM STEREO SYSTEMS: NSRC's FM stereo report, filed last week with FCC (see p. 19), gives the technical specifications of 5 basic systems, but makes no specific recommendations. It contains summaries of the work of 5 panels—only the field-testing panel report being missing. (Field tests will be conducted between now & the end of July.) RCA, not a member of NSRC, submitted its own separate evaluation of various FM stereo approaches, but didn't come up with its own proprietary system. Non-member CBS didn't file comments.

"These reports come to no conclusions," wrote EIA Pres. David Hull in his letter to the FCC, accompanying the NSRC panel reports, "nor do they offer any recommendations, as the technical studies of the various proposed stereophonic radio systems could not be completed." Nevertheless, FCC sources agreed that the NSRC data—particularly the comparative system specifications—will be extremely valuable and will considerably lighten the Commission's burden. Highlights of the panel reports:

System Specifications Panel

Acting Chmn. William T. Wintringham (Bell Labs) wrote that the panel feels that until field tests are complete and certain questions answered "there is not sufficient technical information available for the choice of a system." The panel noted that "the optimum system might well contain elements of more than one of the systems already proposed."

Four different stereo system proposals were narrowed down to 5 basic types, the panel rejecting those systems which it felt were "not serious contenders for consideration" (but appending their specifications to its report). Several systems were withdrawn by their proponents—Philco (whose system was similar to Zenith's), E. W. Lippincott, C. C. Neeley, L. Schweitzer and I. G. Volpe.

Except for one system (the EMI-Cossar proposal), all 5 NSRC-classified systems use the "sum-&-diference" technique—the main FM carrier containing the sum of left & right stereo channels, the subcarrier containing the "difference" signal, or left minus right. All systems are "compatible"—that is, they are designed to provide a full monophonic signal to standard non-stereo FM receivers. Basic descriptions of the 5 chosen systems:

System 1 (Crosby-Teletronics system). This uses a frequency-modulated subcarrier, permits full 15-kc bandwidth (frequency response) in both left & right sound channels. A station using this system for stereo cannot simultaneously transmit additional multiplex services (such as functional music). With regard to signal-to-noise ratio in the stereo output, this system showed up the best of any of the 4 sum-&-difference systems.

System 2a (Calbest). This employs an AM subscriber, has full bandwidth on both channels, but stereophonic separation exists only at frequencies up to 7 kc. Additional subcarriers (functional music, *etc.*) can be used by the station simultaneously with the stereocasts.

System 2b (Multiplex Development Corp.). Commonly called the Halstead system, it uses an AM subcarrier, with stereo separation at frequencies up to 8 kc. It provides room for additional multiplex subcarriers and is claimed to be compatible with current AM-FM 2-station simulcast stereo operations. The panel reported an "unbalance of noise which appears to be 6 db greater in the right channel than in the left."

System 3 (EMI-Cossor). Also known as the Percival system, "this system differs from previous proposals in that no attempt is made to have the left & right output signals reproduce the left & right input signals," the stereo reproduction being achieved through the precedence effect in human hearing. Noise level of this system was extremely low.

System 4 (Zenith) & System 4a (GE). AM subcarrier, full separation at all frequencies, both permit use of additional multiplex subcarriers.

System 5 (GE). Another AM-subcarrier system which gives full-frequency separation and permits the use of additional multiplex channels.

Interconnecting Facilities Panel

"The problem of stereo networking . . . is somewhat more complicated than was at first thought," the panel reported, "and development effort would need to be applied in order to provide a nationwide network of stereo circuits similar in extent to that now available for monophonic transmission."

Broadcast Transmitter Panel

This panel listed requirements for needed modifications to monophonic transmitting gear required by each proposed system, and concluded that most systems require alterations which are "intermediate" in magnitude—that is, neither in the category of a major overhaul nor a casual home-built hook-up.

Receiver Panel

Crux of this report—a chart on receiver complexity for each system—was still in the mail to FCC at press time and was not available for review.

Subjective Aspect Panel

On the basis of tests by listener juries, this panel's most significant contribution was the discovery that stereo separation is not critical at frequencies above 8 kc. "Although many listeners can tell the difference," the report noted, "practically all listeners consider that this modified stereo presentation bears a good spatial resemblance to the original and they also express little or no preference for one or the other."

Other Industry Comments

RCA's own report on stereo systems made these conclusions: (1) "In all multiplex systems considered, the quality of monophonic reception is reduced." (2) Crosstalk into the monophonic channel in poorly aligned receivers is likely to be one of biggest problems in FM stereo transmission. (3) To provide good stereo, the separation between left & right channels should exist down to frequencies as low as about 150 cycles. (4) A system using a frequency-modulated subcarrier and with no provision for additional subcarriers (such as the Crosby-Teletronics system) would have the best signal-to-noise ratio, but only slightly better than an FM subcarrier system with provision for 2 subcarriers. (5) AM subcarrier systems will always have a poorer signal-to-noise ratio than FM subcarriers. They will also be more vulnerable to crosstalk, and their noise power is concentrated at low frequencies where it is most objectionable.

Zenith urged the FCC to approve its AM-subcarrier system (System 4), terming it the cheapest from the standpoint of receiver manufacture.

GE backed one of its systems (4a) with a filing, pointing out that only a single-tube converter would be

necessary to adapt present FM tuners for stereo reception.

NBC urged that FCC designate "one specific subcarrier" for stereo, so that receivers may be standardized. It also asked the commission to permit non-broadcast services on stereo channels at times when they're not being used for stereo.

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Missile-borne TV camera, which instantly relays to a ground receiver the results of a firing, was successfully launched for the first time last week at the Army's White Sands range. RCA provided both the airborne-transmitting & ground-receiving TV equipment. In the test, the miniature TV camera & transmitter were housed in a small capsule and ejected from the missile during flight, at a 40-mile altitude. As the capsule fell, it transmitted TV pictures of the target area to a receiver some 75 miles from the impact point. RCA defense-electronics exec. vp. Arthur L. Malcarney said the quality of the TV picture is better than that of commercial TV. "The TV system," he explained, "incorporates a new video technique called 'slow scan,' which results in a series of high-resolution still pictures. The 'slow-scan' technique makes possible transmission of high-quality pictures to the ground receiver, using a very narrow bandwidth." He said the bandwidth required was only 1/100 of that normally needed.

Spotmaster tape-cartridge recorder-playback units for automatic announcement programming & cueing will be marketed by Visual Electronics Corp., broadcast industry sales specialist. Spotmaster is made by Broadcast Electronics Inc., 8800 Brookeville Rd., Silver Spring, Md. Its officers are Ben Strouse, chmn.; Ross Beville, pres.; William T. Stubblefield, asst. to pres.; Jack Neff, sales vp. Strouse is also pres.-gen. mgr. of radio WWDC Washington; Beville is WWDC engineering & labor relations vp; Stubblefield is a TV-radio station management consultant.

Atomic-age TV camera, capable of withstanding nuclear radiation for long intervals, has been built by ITT's industrial products div. The camera, about the size of a shoe box, is constructed of special elements (magnesium, silicon, titanium, zirconium, etc.) which allow atomic radiation to pass through it without harmful effects. The camera's vidicon tube is made of quartz. The new unit permits close-up closed-circuit TV inspection of nuclear reactors where radiation is too intense for observation windows.

First outdoor night colorcast of the Mardi Gras was made by WDSU-TV New Orleans with GE's new GL-7629 low-light-level camera tube (Vol. 15:49 p8). "Station personnel set up the huge 3-tube color camera on a platform outside the studios to televise the colorful parade & celebration," reports GE. According to GE, the "see-in-the-dark" camera tube requires only a tenth of the light needed by conventional tubes: 40 foot-candles for color & 10 foot-candles for b&w.

Slow-scan TV system designed for transmitting non-moving material (maps, charts, pictures) over long-distance telephone lines has been demonstrated by ITT at the Air Force's Rome Air Development Center. A 500-mile circuit between Rome and Buffalo was used. Existing telephone lines can be used.

Do-it-yourself TV repair shop has opened in Toronto. For $2, handy set owners can use the shop's facilities, tools and test equipment to repair their TVs under the watchful eye of an expert. Replacement parts are extra, of course, and technicians stand by to rescue amateurs in trouble.

Stations

More about

OUR SPOT SALES SURVEY: With Spot TV for 1959 reporting an 18% gain over 1958, indications are that time-buying in this area by national & regional advertisers may intensify throughout 1960 to reach a new record level. This picture of boom & prosperity is implicit both in the 4th-quarter 1959 compilations released this week by TvB & N. C. Rorabaugh and in the results of our own survey of national sales reps.

Spot business in 1959's final quarter rose to $165,732,000—up a healthy 13.3% from the $149,105,000 of the year-ago quarter. The figures are based on the volumes of 316 stations, which account for about 90% of total spot revenue. This Oct.-Dec. 1959 spending was also well ahead of the 3rd-quarter volume of $133,581,000 (Vol. 15:50 p7).

For all of 1959, spot TV billings rose to $605,603,000 from $511,770,000 in 1958. (TvB told us the complete 1959 report will be available within a few weeks.)

Night TV accounted for 49.4% of the 4th quarter's spot dollars—$81,960,000. Day TV attracted 37.6%—$62,297,000. The balance of 13%—$21,475,000—was invested in late night TV.

Announcements continued as the primary form of spot activity, accounting for 77.2% or $127,971,000 of the total investment. Programs cut a 12.1% slice ($20,066,000); IDs were used for the remaining 10.7% ($17,695,000).

Food & Grocery Products Top List

The 4th quarter's top spender by category was food & grocery products, with a total investment of $47,744,000 in TV spots. Major increases in spending (4th-quarter 1959 vs. 4th quarter 1958) were racked up by automotive, which gained 181% to $5,435,000 from $1,936,000; tobacco products & supplies, up 56% to $9,023,000 from $5,800,000.

Procter & Gamble was the quarter's leading spender, in a class by itself with an investment of $12,035,400 in gross time billings. Runners-up: Adell Chemical ($4,424,200); General Foods ($3,592,200); Bristol-Myers ($3,536,600); Colgate-Palmolive ($3,266,300).

New faces among the Top-100 spot spenders: Contadina Foods ($382,500), Kayser-Roth Hosiery ($440,100); Lanvin Parfums ($379,400); Louis Marx & Co. ($417,000); North American Philips ($630,600); Quality Bakers of America Co-operative ($449,500).

To ascertain the spot-business outlook for 1960, we made our customary survey of the national sales reps. Some of their comments & predictions follow:

Blair-TV (exec. vp Edward P. Shurick): "Spot TV business presently very strong. This condition should exist throughout spring season ahead. Again face perennial problem of persuading advertisers to take advantage of superior availabilities & franchise opportunities that develop in slower months of mid-summer and mid-winter. Plan to hitch-hike Blair Television Companies' new industry presentation 'See It, Hear It, Learn It Now' with facts about summer television. Showings are being staged throughout country to sell medium *per se*.

"Some concern about economic conditions in general before year is out, which might have temporary negative effect upon advertising in general. Past experience of recent years, however, shows quick bounce back. All in all, looks like record year for spot TV affording a wonderful opportunity to put house in order as far as trade practices are concerned."

Blair Television Associates (exec. vp Richard L. Foote): "The outlook is excellent . . . In the majority of our key markets, we expect national spot volume to gain 18-20% for 1960, and in certain markets the gains will be substantially greater. That prediction is not offhand optimism. It represents the convictions expressed by managers of our 10 regional offices—based on specific analyses of advertising accounts & market conditions in their own areas . . . There seems no room for doubt that spot TV will continue its forward march during the current year.

"Marketing executives generally recognize that our giant soap companies have complete knowhow in getting top-value from ad dollars, and certainly it is something besides sentimental interest that leads them to invest from 72-86% of their ad dollars in television . . . In the food field, no company can be sure of staying in business without aggressive advertising. As a result, regardless of economic ups or downs, the makers of mass market products must continue to advertise aggressively. And it is only logical for them to continue the media strategy already proving so effective—*i.e.*, investing more dollars in spot TV than in any other medium.

"From the longer range viewpoint, I am equally optimistic about the continued growth of spot TV for still another reason: With each passing month, color telecasting moves ahead, both in number of national & local colorcasts and in numbers of color receivers tuned in. Sooner than we might realize, advertisers now using other media because of color, will find spot TV has become their best medium for color advertising."

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George P. Hollingberry Co. (Harry H. Wise Jr.): "Television spot business right now is coming along nicely. After a rather slow start at the first of 1960, business has picked up considerably, and except for some unforeseen events that would affect the confidence of advertisers, I feel business during this election year should be excellent."

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Peters, Griffin, Woodward Inc. (vp Lloyd Griffin): "With national spot TV now thoroughly entrenched as a primary advertising medium, we find more & more major advertisers supplementing their network schedules in the major markets and extending their spot schedules into medium & smaller sized markets. In addition, there has been a pronounced increase in program sponsorship in the spot field, using the advantages of a product-program tie-in for merchandising & stronger viewer impact.

"Also, there is an increased interest in the 30-sec. announcement unit between network programs both day & night. The prime time 20-sec. announcement has reestablished itself as the most-sought-after schedule in spot broadcasting with daytime & late evening "plan" schedules holding a close second. A most encouraging sign is the number of new products going into television . . . General Foods' Gravy Train and Minute Sliced & Mashed Potatoes; Lever's Dinner Ready; and the re-entry of Gulf Oil."

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Television Advertising Representatives Inc. (vp-gen. mgr. Larry H. Israel): "With a healthy first quarter already on the books, 1960 should be another excellent year for spot TV. This real workhorse of the industry will continue as the fastest growing ad medium. The overall picture for 1960 will be contingent on the state of the general economy. If, as the initial forecasts indicate, continued growth & prosperity prevail in 1960, then spot TV can be expected to attract a record number of advertising dollars. But even if there are temporary fluctuations in the economy, in my opinion, spot TV would be the least affected among ad media. Advertisers who want to move merchandise and energize their sales staffs, can take advantage of the dynamic flexibility spot television offers without long term commitments. However, I don't feel spot TV can get a free ride. In light of increasing competition, we must improve our performance. It is incumbent upon the national spot representative business to become one of ideas as well as mechanics. Reps can no longer afford to be mere middlemen between station & client. We must aid and abet the pursuit of good marketing strategy wherein advertisers are able to make their expenditures pay off by achieving the greatest potential in the shortest period."

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Venard, Rintoul & McConnel Inc. (Pres. Lloyd George Venard): "Spot TV in 1960 will surpass in total volume network television dollars for the first time in history. There will be a great deal of selective television buying and all markets may not be treated alike. There will be a tendency to get away from the purchase of 2 or 3 stations in the major markets and to add more individual markets with the same money. The demand for 1-min. will continue, but more advertisers will buy 20-sec. nighttime."

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Weed Television Corp. (Pres. Joseph J. Weed): "In our experience, business in 1959 showed a substantial gain over 1958, and orders signed over the last 60 days indicate a continuation of this same rate of growth into 1960."

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Special temporary authority to Capital Cities TV Corp. to operate WTEN (Ch. 10) Albany should be withdrawn "because it is contrary to law," Veterans Bcstg. Co. has told FCC. Citing a Court of Appeals decision denying use of Ch. 9 in Baton Rouge temporarily by WAFB-TV (Vol. 16:7 p9), Veterans said in a petition that continuance by FCC of the STA for WTEN since Oct. 1957 was invalid. Veterans, a contender for the grant when WTEN won it, pointed to the Court's admonition to FCC in the Baton Rouge case against "temporary" operation which "may well last 2 or 3 years." The petition asked that the Albany STA be cancelled within 30 days and that WTEN be required to submit a trusteeship plan by which Veterans should participate in operation of Ch. 10.

Pres. Oscar S. Stauffer of Stauffer-Capper Publications Inc. (WIBW-TV Topeka, radios KSEK Pittsburg, Kan.; KSOK Arkansas City, Kan.; KGFF Shawnee, Okla., variety of newspapers & magazines) has announced the demise of *Capper's Farmer*, effective with the April issue. Stauffer said the discontinuation of *Capper's Farmer* developed from an "untenable position since [the magazine] was selling its advertising in competition against our own 8 state farm papers."

Alaska sale of Midnight Sun Bcstg. Co.'s TV-radio holdings for $1.2 million to Ketchikan CATV operators Randall D. Jansen & Edward W. Christiansen (Vol. 16:8 p13) has been approved by FCC.

NO BLOCK-BOOKING 'GRAVY': Existing feature-film sales contracts between film distributors & TV stations probably won't be torn up by the govt. and rewritten in favor of stations. This was indicated last week by U.S. District Court Judge Archie O. Dawson in N.Y. as the block-booking anti-trust suit against 6 major TV film distributors continued (Vol. 16:11 p14).

The question of renegotiation of contracts came up early when defense counsel Louis Nizer asked E. K. Jett, vp & gen. mgr., WMAR-TV Baltimore, if he sought renegotiation of the contracts. Mr. Jett replied that he was not seeking renegotiation, but if the court permitted it, "we would want to get on the gravy train." Judge Dawson interjected: "You can go on home to Baltimore now. Don't count on any gravy train."

Other witnesses who testified in the slow-moving trial last week were David Stickle, film mgr., WMAR-TV; Norman C. Kal, formerly exec. vp. of WAAM Baltimore (now WJZ-TV); James J. Kilian, program mgr., WJZ-TV; Freeman W. Cardall, formerly asst. gen. mgr., WBAL-TV Baltimore; James E. Kovach, formerly program mgr., WBAL-TV; Sidney Barbet, former consultant, WBAL-TV; John Downing, program mgr., WBOC-TV Salisbury, Md.; Norman L. Bacon, film buyer, WHTN-TV Huntington, W. Va.; and Irvin Abeloff, gen. mgr., WXEX-TV Petersburg, Va. The govt. originally planned to call more than 100 witnesses, but last week indicated it will reduce that number to speed up proceedings.

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Another anti-trust film trial, citing Screen Gems for blocking competition by distributing 2 competitive film libraries, opened in N.Y. Federal District Court last week before Judge William B. Herlands. Screen Gems distributes both pre-1948 Columbia Pictures and Universal-International feature backlogs. Burton O. Hanft, former SG vp & comptroller, testified on SG's general business policies and activities. The defense hopes to prove, by citing examples in different U.S. markets, that there was no lessening of competition on the part of Screen Gems, we're told. Govt. is prosecuting under Sec. 7 of Clayton Anti-Trust Act.

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Add payola settlements: Three more record distributors—all in Philadelphia—have signed FTC consent orders forbidding them to make undercover payments to anybody to get their records broadcast. Agreeing to the stipulations in FTC's anti-payola-plugola campaign (Vol. 16:11 p13) were: Universal Record Distributing Corp., 1330 W. Girard Ave., and Pres. Harold B. Lipsius, secy.-treas. Clara B. Lipsius and vp Harry Finfer. Main Line Distributors Inc., 1510 Fairmount Ave., and Pres. Haskell Golder & secy. Barry Golder. Raymond Rosen & Co. Inc., Parkside Ave. at 51st St., and Pres. Thomas F. Joyce, exec. vp Joseph B. Elliott, vp Jack S. Rosen, secy. Edward H. Rosen and treas. George M. Mintner.

"Pay TV will be welcome at WXIX if Zenith or anyone else wants to give it a trial," Lew Bryer, exec. vp of the Milwaukee uhf station, told us last week. He would not amplify trade reports that Zenith & WXIX Pres. Gene Posner (now vacationing in Europe and due back April 4) have been conferring on a subscription-TV test since last July. "We certainly wouldn't be averse to it," Bryer commented. "We're operating in the black, sales are good, and we're willing to give pay TV or any other advance a try." Zenith plans to apply to the FCC shortly for authorization to test operate its Phonevision system (Vol. 16:11 p19).

NEW & UPCOMING STATIONS: Sleeper starting last week was WSLA (Ch. 8) Selma, Ala., which began programming March 17 without having first signed network affiliation. It's had CP since Feb. 1954, but attempt to get permission to build a 2,000-ft. tower at a site 25 mi. from Montgomery. After FCC turned down application last year (Vol. 15:24), it proceeded with construction of a 300-ft. tower 3 mi. W of Selma on Land Line Rd. Selma is 40 mi. W of Montgomery, which has one vhf and one uhf outlet. WSLA principals, holding 45% each, are Pres.-gen. mgr. William J. Brennan and treas. William E. Benns Jr. Each also is 50% owner of Vulcan Tower Co. Felix Robinson is WSLA sales mgr.; Bill Wills, program dir.; Cyril Brennan, from radio WBAM Montgomery, chief engineer. Base hourly rate is $125. Rep not chosen. Net starter changes on-air total to 563 (87 uhf).

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In our continuing survey of upcoming stations, these are the latest reports from principals:

KEYC-TV (Ch. 12) Mankato, Minn. has ordered RCA equipment for summer delivery and is planning an early fall start, writes Herbert R. Ohrt, exec. vp of Lee Radio Inc., which recently acquired 70% control of CP (Vol. 16:9). It is just starting construction of studio & transmitter and will use a 1,116-ft. Kimco tower. Rep. will be Branham.

WGTV (Ch. 8, educational) Athens, Ga. is installing a 10-kw RCA driver and a 25-kw transmitter. It hopes to begin programming about April 1, reports Gerard L. Appy, associate dir. of communications div. of grantee U of Ga.'s Center for Continuing Education. It has a 931-ft. Stainless tower with RCA antenna. Work is nearly completed on microwave connection to hook studios (used for closed-circuit programming for some time) with transmitter on Jacks Creek Mt., near Monroe, Ga., 17-mi. WSW of Athens. The station will be part of the University's $2.5 million Center for Continuing Education.

CHSA-TV (Ch. 2) Lloydminster, Alta. has a 5-kw GE transmitter and expects to meet a June programming target. Studio-transmitter building is nearly completed as is a 605-ft. Micro tower. Personnel list not yet released. Base hour not set. Rep not chosen.

Channel Seven Television Ltd. (Ch. 7) Winnipeg, Man., which hasn't call letters as yet, plans a Nov. 1 start. Equipment hasn't been ordered, but studios will be at Polo Park Shopping Centre, transmitter on Hwy. 75, 16 mi. S of Winnipeg. It will use a 1,000-ft. tower. Jack M. Davidson, ex-exec. vp of Winnipeg radio CKY, is gen. mgr.; Stewart MacPherson, ex-gen. mgr. of Winnipeg Enterprises (sports), is program director. R. S. Misener is pres. of Channel Seven; Lloyd E. Moffat, owner of CKY, vp; T. O. Peterson, ex-owner of radio CFOB Fort Frances, Ont., treas.; Campbell Haig, secy. Also on board of directors are Roland G. Couture, managing dir. of radio CKSB St. Boniface, Man. and W. E. Kroeker, pres. of radio CFAM Altona, Man. Rep not chosen.

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WTIC-TV (Ch. 3) Hartford came back quickly with a reply to the petition of WWLP (Ch. 22) Springfield, Mass., which asked FCC to shift WTIC-TV to a uhf channel and give Ch. 3 to Providence (Vol. 16:10 p6). It stated that FCC had given the Hartford Ch. 3 assignment long & careful consideration and that the Court of Appeals had upheld the allocation as "not only rational, but reasonable."

Toronto's 9 Applicants: The contest for Toronto's 2nd TV channel became keener last week as the BBG reviewed the briefs of 8 applicants and slated a Sat. session to hear the bid of a 9th (Vol. 16:2 p9). The winner of coveted Ch. 9 won't be named for several weeks, but observers indicate it's a safe wager that the assignment will go to one of 3 contenders: Baton Aldred Rogers Bcstg. Ltd., Upper Canada Bcstg. Ltd., or Caldwell TV Bcstg. Co.

The applicants who pushed their case before the BBG were virtually unanimous in their conviction that Toronto needs and will support a 2nd station, that such a station will be successful financially, despite heavy competition from CBC's CBLT Toronto, CHCH-TV Hamilton, pay TV in suburban Etobicoke, and U.S. network TV which hops the border via Buffalo's 3 commercial TV stations: WBEN-TV, WGR-TV, WKBW-TV. *Toronto Telegram* publisher John Bassett (associated with the Baton Aldred Rogers group) told the BBG that Toronto advertising is worth more than $66 million annually. Of this sum, CBC's CBLT (Ch. 6) takes $3.9 million. He estimated that the new station could attract more than $3.2 million in its first year. The 9 applicants:

Beland H. Honderich, vp & editor-in-chief of the *Toronto Star*, for a company that will be controlled by the *Star* and include E. E. Fitzgibbons & A. G. Day of Famous Players Canadian Corp. Ltd. (Paramount Pictures).

Caldwell TV Bcstg. Co., headed by Spencer W. Caldwell, TV film producer, Canadian agent for CBS Films, and operator of a radio sales & ad agency. His backers include ex-CBC vp Ernest Bushnell.

Upper Canada Bcstg. Co., whose membership includes British program contractor Granada TV (25%) and Canadian comedians Johnny Wayne & Frank Shuster.

Consolidated Frybrook Industries, owned by Jack Kent Cooke, whose various properties include radio CKEY Toronto, the Toronto Maple Leaf baseball team. He told the BBG he plans 64.4% Canadian content from the first day of operation.

Baton Aldred Rogers Bcstg. Ltd., whose officials include *Toronto Telegram* publisher John Bassett, who said his paper will have 51% control; TV personality Joel Aldred, who'll be pres.-gen. mgr.; Canadian sportscaster Foster Hewitt.

Rogers Radio Bcstg. Co., operator of radio CFRB.

J.S.D. Tory, for a company to be incorporated and to include the *Toronto Globe & Mail*, British TV interests, the J. Arthur Rank organization in Canada.

Maclean-Hunter Publishing Co. and Britain's ATV.

Toronto Telecasters Syndicate, a group of 60 shareholders headed by Henry Borden and backed by the Southam Publishing Co., which publishes 7 Canadian newspapers, has other TV-radio interests.

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Canada's Board of Broadcast Governors last week blasted 2 border stations—CKLW-TV Windsor and CKWS-TV, Kingston—for relying too heavily on filmed U.S. programs & old movies. Both stations, up for a renewal of their 5-yr. licenses, defended their status on the basis of their close proximity to U.S. network stations, and competition for listeners & dollars. BBG Chairman Dr. Andrew Stewart indicated that the Board prefers one-year licenses, presumably to keep a closer check on stations. CKLW-TV pointed out that it had started in 1954 when Windsor people had already had 6 years of U.S. TV from Detroit. BBG's new rule calls for 45% Canadian content for all stations by April 1961 and 55% by 1962.

Networks

Gillette's Big ABC Buy: The largest single chunk of Gillette's $12-million annual budget for TV-radio sports (about $8.5 million) will now go to ABC-TV for a year-'round schedule of NCAA football (13 wks.), Sat.-afternoon major league baseball (25 wks.) and a Sat.-night schedule of boxing (co-sponsoring with Miles Labs).

To bag this advertising prize, ABC-TV has invested heavily in network sports in recent weeks. The NCAA deal, for example, will cost ABC-TV $6,251,140 over 2 years. This was the high network bid for NCAA rights—previously held by NBC-TV for about $2.2 million per year.

ABC-TV has thus also acquired the Gillette boxing billings, which NBC-TV had made no bones about unloading, in the wake of the payola & quiz probes. (Gillette, however, said ad vp A. Craig Smith, is continuing its relationship with NBC-TV, which will carry events like World Series and All-Star baseball games and Rose Bowl game.) ABC-TV has no intention of interfering with the Gillette-sponsored sports shows. "We are carrying events operated under the licenses of the states involved, and there will be no administration of the events," said program vp Tom Moore of the boxing schedule, which will be shifted from its present ABC-TV Wed.-night spot to Sat. this fall.

The Gillette schedule will be launched on ABC-TV April 16 with major league baseball. Football starts Sept. 17 and boxing commences Oct. 8. Commercials will feature Gillette's safety razors and a new male deodorant, Right Guard, currently being test-marketed on the West Coast.

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NBC-TV affiliates, who may have wondered just why so much Gillette business was going ABC's way, received late last week, from NBC Chmn. Robert W. Sarnoff, a telegram which explained that NBC had become "deeply concerned with the public disrepute into which boxing has fallen." He confirmed that NBC had asked Gillette to drop the Fri. *Cavalcade of Sports* boxing series. NBC, however, was far from being shut out of the Gillette ad program, Sarnoff reminded the stations. The Gillette-NBC deal for the World Series, said Sarnoff, is now on a 5-yr. contract basis beyond the 1962 season for a time-&-talent price of $19 million, plus an additional $4.2 million for All-Star Baseball. ABC-TV, stated Sarnoff, could afford to outbid NBC-TV by $1 million annually for the NCAA games because network affiliate rates on ABC-TV are lower than NBC-TV, enabling ABC to make a profit from a deal which would represent a loss to NBC-TV.

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A blast at professional (and TV) boxing appears in the new (April) *Reader's Digest*. Featured along with "Too Tired To Love" (a consideration of the insufficient sex drive in matrimony) is "Abolish Professional Boxing," which characterizes fighting as "a sordid business designed to yield maximum profit to the men who control the fighters, the arenas and the TV outlets." In another attack on TV in the same issue—on "bad taste" in commercials—the editors take video to task for "bringing the bathroom into our living room," apparently forgetful of the fact that they themselves have just brought the bedroom into the bathroom.

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CBC plans a $70,000,000 radio-television city in Toronto's suburban Don Mills. City approval has been won for the project, which will rezone 117 acres for CBC buildings & studios, a shopping plaza and 1,230 apartments.

Revenue Loss From New CBS Rules? CBS-TV may lose revenue as a result of its newly promulgated "guide lines" covering taste & time standards in TV commercials (Vol. 16:11 p14), we're told by Herbert Carlborg, dir. of editing for the network. He acknowledged that the network has received resistance from some advertisers, but indicated there will be no retreat from the announced policy. He added that he thought it would be good for the industry if NBC-TV and ABC-TV adopted the same "guide lines."

Carlborg said there's been little reaction to the rulings regarding content, because CBS-TV has been "pointing in that direction" for so long. Placement, on the other hand, is "quite revolutionary . . . People in the main are in favor of our objectives, but you run into cases where they are not conforming. They appreciate our objectives, but have to consider the realities of their own situations. We are working with them, trying to solve the problems." Carlborg added that while there have been comparatively few objectors to date, he expects more.

The executive revealed that in another area, a headache to the networks is the continual parade of plug requests it receives from various charities. He made clear that he was not referring to such traditional institutions as Red Cross, but to those in the "gray area"—local or regional in nature and with no national organization. Pointing out that a 30-sec. plug on a network program costs a sponsor about $30,000, Carlborg said the network seeks to protect the advertiser by keeping charity pitches to a minimum. In many cases, a charity will attach itself to a name star who demands the right to plug it on his show. "The sponsor is put over a barrel by these stars," remarked Carlborg.

Acknowledging widespread criticism from CBS-TV comedians to the network's edict calling for announcement that a laughtrack has been "technically augmented," Carlborg commented, "We're listening seriously to them. We don't pretend to know all the answers." But there was no indication of a reversal of policy on this.

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On-air TV editorials will begin in the "near future" on CBS-TV's 5 o&o outlets, CBS stations div. Pres. Merle Jones told the AFA's 9th dist. convention in Lincoln, Neb. The o&o's, said Jones, "are now busily engaged in developing editorial staffs" and will present the stations' editorial opinions on community events "at whatever frequency is deemed advisable." Another o&o project in the works, according to Jones: "A weekly program on our stations reviewing the press." Added Jones, taking a sly dig at newspapers that blast TV sex & violence on TV pages and play up sex-drenched courtroom testimony on page one: "We might want to make some observations regarding the size of type, the headline and front-page position given by some newspapers over the past 2 or 3 months to the affairs of Dr. Finch & Carole Tregoff."

Moving to CBS builds ratings, sales administration vp William H. Hylan asserted to agencies & prospective CBS-TV clients in a letter recently. The scorecard: In the past 6 years, 20 TV shows have either moved from other networks to CBS, or have moved out of the CBS shop. Those moving in "increased their audiences by 4.4 rating points—a gain of 24%." Audience shares also increased, by 19%. On the other hand, programs moving from CBS-TV dropped an average of 6.2 rating points, with shares falling 31%, Hylan reported. "If you are thinking of switching networks, we hope you are coming this way," said Hylan.
this country," Stanton said.

ABC's New Rate Structure: Granting advertisers the usual 6-mo. notice, ABC-TV issued a new rate card last week that sets new floors under the network discounts, and—like recent CBS-TV & NBC-TV rate revisions—adjusts rates to take into account seasonal & time-period set usage. A letter from sales vp William P. Mullen said:

1. ABC-TV advertisers must now purchase for each show, effective Oct. 1, 1960, "a minimum cleared gross for station time equivalent to $85,000 for each class A hour."

2. A new winter-summer relationship. There will now be a 36-wk. "winter season" and a 16-wk. "summer season," with the electronic summer starting May 28. Discounts for the summer period have been scaled higher.

3. Big-budget advertisers, who may spend a total of more than $5.2 million annually on ABC-TV "may elect to receive a 30% overall discount in lieu of all other discounts."

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NBC-RKO General swap agreement, covering exchange of NBC's WRCV-TV & WRCV in Philadelphia for RKO General Inc.'s WNAC-TV & WNAC in Boston, was signed officially Mar. 18. The agreement, in the works for months and related to NBC's dealings for an o&o outlet in San Francisco (Vol. 16:9 p1), is subject to FCC and Justice Dept. approval.

NETWORK SALES ACTIVITY

ABC-TV

Daytime programming, participations starting April 8 for 8 wks.
Sunbeam Corp. (Perrin-Paus Co.)

Jubilee U.S.A., Sat., 10:30-11 p.m., participations starting April 9 for 25 wks.
Carter Products (Ted Bates)

American Bandstand, Mon.-Fri., 4-5:30 p.m., participations starting April 6, 26 wks.
Positan Corp. (Kastor, Hilton Chesley, Clifford & Atherton)

CBS-TV

Hotel de Paree, Fri., 8:30-9 p.m., alt. wk. sponsorship eff. April 15.
Carter Products (Sullivan, Stauffer, Colwell & Bayles)

Be Our Guest, Wed., 7:30-8:30 p.m., alt. wk. one-thirds.
Whitehall Labs. (Ted Bates) & *Helene Curtis* (Edward H. Weiss)

Captain Kangaroo, Mon.-Sat., 8:15-9 a.m., once wkly. 15-min. segs.
Union Hardware Co. (Graceman Advertising)

NBC-TV

Another Evening with Fred Astaire, Mon., May 9, 10-11 p.m., repeat of last Nov.'s colorcast.
Chrysler Corp. (Leo Burnett)

Daytime programming, participations representing "$1.5 million"
Coty Inc. & *Rexall* (both BBDO) *Brown & Williamson* (Keyes, Madden & Jones), *Procter Electric* (Weiss & Geller), *Sweets Co. of America* (Henry Eisen)

The Deputy, Sat., 9-9:30 p.m., renewal of alt. wk. sponsorship for 1960-61 season.
General Cigar Co. (Young & Rubicam)

Programming

SUMMERTIME RE-EXAMINED: Although many TV critics are convinced that what TV needs most is a fresh supply of summertime programs, A. C. Nielsen's latest annual study of summer TV audiences gives that theory scant support. Summer viewing drops almost exactly 33% from maximum Jan.-Feb. winter levels, Nielsen stated, and most advertisers are just about as well off with rerun program fare as with shows that strive to maintain a year-'round freshness. Highlights of the Nielsen *Study of Summer TV*:

1. Winter-vs.-summer audience loss: The summer viewing drop-off varies with time & geography. In the early evening, the seasonal decline is more than twice as heavy as it is after 9:30 p.m. In the late evening, there's also a seasonal decline, but it's "relatively uniform throughout the week," said Nielsen. Since the South & Pacific areas have a more consistent climate, the early-evening summertime potential audience is "26% higher in the South & Pacific areas than in the rest of the country," said Nielsen. "In these 2 areas, TV usage drops 35% below winter viewing levels as compared with 45% elsewhere." Geographically, potential audience for late-night summer shows "is relatively uniform," with the seasonal decline representing only 15% in the South & West Coast areas *vs.* 25 %elsewhere.

2. Summer audience composition: Advertisers reach about the same kind of TV audiences in summer as they do in winter. "The number of viewers during the summer is approximately halved, although distribution among men, women, teens & children is essentially the same," Nielsen stated of early-evening viewing. The same trend, although not as marked, was at work later in the night. For late-evening summer shows, said Nielsen, "the summer decrease in viewers is only 22%, evenly distributed between groups."

3. Summer program fare: During the summer months, ad advertiser has a choice of 3 program paths:

Programs using reruns last year drew an average rating 36% lower than the winter average. But when balanced against the all-over 33% summer drop-off in audience, reruns produced a break-even situation for the summer advertiser who manages to reduce winter program costs in the same proportion as audience losses.

Summer replacements, contrary to widespread belief, generally don't do well. The loss in delivered homes for summer replacements is 41% (*vs.* the seasonal drop-off of 33%) and the share-of-audience performance is 14% lower.

Programs operating on a 52-wk. basis with new material do the best job of attracting summer audiences. Such programs lose only an average of 26% of their winter viewers and emerge with an audience share 9% higher than the winter levels. They are not necessarily ahead economically, because program costs do not drop in summer.

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Olympics were an audience success on CBS-TV, advance reports from Nielsen's 2nd Feb. rating cycle indicate. On Thurs. Feb. 18, CBS began TV coverage of the winter sports event with an AA rating of 24.2 (slightly more than 10 million homes) and a share of 37%. On Feb. 19 the ratings dipped, then bounced back to hit a peak for the first 4 days of 25.9 AA (11,345,000 homes) and 62.3% audience share in the 2-5 p.m. period Feb. 21. "It started out as a public-service gesture," a CBS News spokesman told us, "but we were delighted to find we had a hit."

THOSE WESTERNS STILL LEAD: Nielsen's latest review of national rating behavior of basic TV program types reveals that audience figures are finally catching up with many predictions made recently by program executives at leading ad agencies. Two stand out:

1. The strongest bread-&-butter 30-min. shows are still those in the Western & situation-comedy categories, we've been told by a number of admen recently. And the Nielsen figures bear out the theory. In Jan.-Feb., all 30-min. nighttime network commercial shows drew an average total audience level of 21.8% of U.S. TV homes. Westerns were clearly above this average, with the shorter-length (19 of them) drawing an average total audience of 26.8%. One 30-min. pulled a top figure of 44.9% in the category. Runner-up, and also above-average in total audience, was situation comedy, with 16 series in the 30-min. length drawing a total-audience average of 24.9%. Variety shows in the 30-min. lengths (11 series) edged past the average mark with a 22.8% total-audience figure, and general drama shows squeaked by with a 22.1%.

On the wrong side of the 30-min. all-evening-programs average, 3 program categories fell short of the mark. Quiz & audience-participation shows (11) managed to pull 20.3%, and suspense-mystery (15) drew 20.0%. Low mark was scored by 30-min. shows in the adventure category (5) which pulled only a 16.0% average total audience figure.

2. Action-adventure 60-min. shows have become a strong trend, while dramatic specials of this length haven't generally been successful, we've been told by agencymen shopping among the new crop of pilots & network fall offerings. (Network program buying also confirms this thinking; each network, particularly ABC-TV, has plans for an increased number of filmed action-adventure 60-min. shows.)

Among longer-length shows, the Nielsen figures again give statistical weight to current program theory. Their Jan.-Feb. measurements found 60-min. Westerns (9) drawing a 31.7% total-audience average rating to top the field, and comfortably above the average for 60-min. shows—27.6%. This is not to say that all 60-min. Westerns are automatically above-average successes. In this category, the low-high spread is large. One hour-long Western (*Wagon Train*) pulled in a whopping 51.0% total-audience average during the rated period of Jan.-Feb., but another (Nielsen wouldn't say which) corralled only 17.5%. What the figures *do* mean, for admen who like to play the Nielsen tote board, is that the general chances for audience success are above-average in the longer-length Westerns.

Suspense-mystery 60-min. shows weren't far behind the longer Westerns. They (5) scored a 30.1% average, again topping the general average. Hour-long variety shows & specials did fairly well with an average total-audience level of 28.5% on 9 series. On the bearish side of the all-program-average fence was the 60-min. category which Nielsen terms general drama, with a total-audience average of 20.1% on 5 series (and with a high-low spread ranging from 25.4 down to a mere 11.8%).

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Network news team Chet Huntley & David Brinkley has nosed out longtime champion Doug Edwards on the basis of homes-reached, NBC's research dept. claimed last week. Texaco-sponsored series now draws an average-audience level of nearly 7.7 million homes (more than 15 million viewers) which compares with Edwards' AA score in Nielsen's 2nd Feb. report of nearly 7.4 million homes (13.9 million viewers). This is Huntley-Brinkley's first Nielsen victory over CBS-TV's Edwards.

CBS Censors Dobie: The last show on TV many a program executive might think was "controversial" is 20th Century-Fox's *The Many Loves of Dobie Gillis* (CBS-TV, Tues. 8:30-9 p.m.). But a *Dobie Gillis* episode last week became the first program casualty under CBS-TV's new "get-tough" policy of closed-circuit advance screenings, which was first announced at the recent Washington meeting of CBS affiliates by program practices vp Joseph Ream.

The decision to scrap the episode wasn't the network's, we learned by querying Ream. The questionable episode, which dealt with a comedy-of-errors situation in which Dobie's father suspected him of teen-age parenthood, was first piped to the full network. A total of 12 stations, representing affiliates in a cross-section of U.S. markets, responded. All responses were unfavorable, and a rerun episode was hastily substituted.

"We don't have a regular network screening schedule for CBS shows," Ream told us. "It's very informal and occurs only when we think there might be a question. In this case, the stations agreed that there was."

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Philip Morris isn't leaving as co-sponsor of the successful *The Many Loves of Dobie Gillis*, we were told by a spokesman for CBS-TV's sales dept. A Hollywood report had hinted that the cigaret firm was under fire from various groups for sponsoring a show with teen-age leads & considerable teen-age appeal. "It's a family show," said CBS.

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More problems for *Startime*, the expensive Ford-sponsored specials series on NBC-TV's Tues.-night schedule, appeared late last week. Sample: After May 17, all shows in the *Startime* series will be taped repeats, except for a few (possibly one in every 4 or 5) new variety packages. Another sample: Announcement of future *Startime* shows will be through J. Walter Thompson (Ford's agency) and NBC-TV, rather than through the Robinson-employed Arthur P. Jacobs PR firm, we learned from the auto firm's agency. Hailed originally as the biggest thing to hit TV in the way of specials, and filled with unrealized promises to deliver star names like Marilyn Monroe and Marlon Brando, *Startime* now seems to be just riding out its 39-program string as quietly & inexpensively as possible.

Televised political debates & discussions should be "exempt from the equal-time law so that viewers will have an opportunity to see & hear candidates do more than just promote themselves or their own parties," CBS vp for corporate affairs Richard Salant told the season's final RTES timebuying seminar March 15. "CBS is ready, willing and anxious to provide prime time for the major Presidential candidates if equal time doesn't have to be provided for lesser opponents," said Salant. "Why must the government direct broadcasters' activities concerning political campaigns when newspapers are not told they must set aside certain columns for any one candidate if they publish anything concerning another?" he asked. Discussing TV's recent image dilemma, Salant said "the hullaballoo over payola & rigged quiz shows is not a sinister conspiracy to cut down TV, but is genuine & justified and will result in some necessary reform."

"Imported robot tapes" for use as background music in U.S. TV filmed shows & movies would be banned under a bill (HR-11043) by Rep. Pelly (R-Wash.) which sets up criminal penalties. Pelly, himself an honorary AFM member, said the Musicians' Union "wholeheartedly endorses this bill."

Film & Tape

Dropping Name-Dropping? Buyers, once starry-eyed in their attempts to line up famous personalities for series, are now concentrating on properties more than on names. The reason's not hard to understand. Series featuring better-known personalities did not fare too well this season, with the exceptions of Robert Taylor's *The Detectives*, and *The Deputy*, starring Henry Fonda.

June Allyson's series has not lived up to sponsor's rating expectations, although this is partly due to the time slot (10:30 p.m. Mon.). Betty Hutton's comedy series has been in trouble from the outset and seems doomed. Joel McCrea's Western, *Wichita Town*, has been axed. Even *Ford Startime*, which has presented many celebrities, has not brought the anticipated ratings (see adjoining column).

On the other side of the ledger, those few new shows which have done well this season were not featuring big names, aside from the Fonda and Taylor series. These are *The Untouchables* (which, while starring Robert Stack, attained success chiefly because of fine production, with Stack not even appearing regularly at first), *The Many Loves of Dobie Gillis* (with Dwayne Hickman, Bob Denver and sometimes Tuesday Weld), *Dennis the Menace* (with Jay North) and *Hennesey* (Jackie Cooper) and *Mr. Lucky* (starring John Vivyan and Ross Martin). Logical conclusion of buyers is that viewers are more interested in quality than names.

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Commercial Marriage: Another N.Y. film commercial producer has joined the trend toward affiliations or mergers with larger concerns. This time, the deal was between Robert Lawrence Productions (estimated 1960 billings: about $4-5 million) and RKO General Inc. div. of General Tire & Rubber. The affiilation, according to a joint announcement by RKO General Pres. Thomas F. O'Neill and RLP Pres. Robert L. Lawrence, "involves no change in the management & personnel of either company."

The RLP move follows a pattern set last year by several other commercial film producers. Elliot, Unger & Elliot, formerly an independent, is now a div. of Columbia-owned Screen Gems. Filmways formed a facilities exchange & financial alliance with Warner Bros. whereby Filmways is the only company permitted to shoot commercials on the Warner lot. And Transfilm, following a buy-up by diversification-conscious Buckeye Corp., late last year arranged a merger—under the Buckeye corporate umbrella—with longtime independent Caravel Productions.

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"New techniques for films, TV & video tape" will be the theme of SMPTE's May 1-7 convention at Los Angeles' Ambassador Hotel. Among the highlights announced by convention vp Reid H. Ray: A session on acoustics & architecture of studios & stages; discussions of TV tape splicing, editing, cueing, leaders & storage and transfers from tape to film and film to tape; paper on thermoplastic recording by GE's Dr. W. E. Glenn; progress report on video-tape standardization by Ampex's Charles Anderson; special session on training personnel for TV & motion pictures. Herbert Farmer, U. of Southern Cal., is chmn. of the papers program.

CBS-TV last week fired William Talman, "district attorney" in *Perry Mason*, after he was arrested for allegedly cavorting with others in the nude at a Hollywood party. No replacement has been set.

WGA STRIKES NETS' FILM OPERATIONS: Writers Guild of America last week extended its strike to TV film operations at the networks, following their refusal to grant overseas residuals. Thus the Guild—on strike against the Alliance of Television Film Producers and major-studio TV since Jan. 16 (Vol. 16:11 p10)—is striking all except non-Alliance independent producers and live TV & radio at the networks. WGA was reported to be making further concessions to non-Alliance companies.

Screen Actors Guild and Assn. of Motion Picture Producers are making progress in their negotiations and there is hope the strike against the movie majors, which began March 7, may soon be settled. The thorniest issue of all—post-1948 movie-to-TV revenue for actors—appears well on the way to being resolved, with a face-saving compromise which will give SAG a better pension deal. Executives of the networks, the Alliance and TV operations at the major studios met last week and decided to ask SAG to present its demands so that negotiations could begin.

Here's the latest rundown of all management areas & unions involved in Hollywood's labor crises:

Live TV Unaffected Until March 31

NETWORKS: Outlook here is contingent on TV film-WGA talks elsewhere. WGA struck March 18. SAG contract extended to May 31. WGA contract in live TV-radio expires March 31. Directors Guild of America contract expires April 30. There is no IATSE contract with nets on TV film (IATSE works under contracts with majors or independents which film network series).

WGA, which had delayed striking TV film at the networks in the hope this would aid its current negotiations with the nets in live TV & radio, struck the nets last Fri., apparently unable to make much headway in its live TV-radio talks. Included in the Guild's strike are NBC's Cal. National Productions and CBS Film Sales Inc. The series hit by this strike include CBS-TV's *Gunsmoke, The Perry Mason Show, Have Gun—Will Travel, Rawhide, Hotel de Paree, 20th-Century* and *Conquest*, and NBC-TV's *Bonanza*. While pay TV was not an issue in network talks, overseas residuals were, and the nets wouldn't budge on that point. It's expected WGA will also strike live TV and radio at the networks when its contract in those fields expires March 31.

MOVIES: SAG struck the majors March 7, but current situation looks favorable.

A wholly new & optimistic climate surrounded the SAG-majors negotiations to end the movie strike, as the ticklish issue of post-1948 movies sold to TV apparently neared resolution. In effect the majors told SAG that if it would drop its demand for a cut of the post-1948s, they'd give the actors a pension fund retroactive to 1953. SAG reacted favorably to this face-saving compromise. When this issue, pay-TV and post-1960 payments are agreed on, SAG will likely stop its strike which has paralyzed movie production at the majors.

In an effort to avoid another stormy issue, SAG is negotiating now on terms for post-1960 movies which may be sold to TV. The Guild's original demand, asking that 6% of the gross of TV revenue for such pictures be placed in a pension fund, has been turned down and a new solution is being searched. The majors are willing to negotiate this issue, whereas they showed a distinct aversion to talks on the post-1948s.

Regarding pay TV, SAG, unlike WGA, has not made any money demands. Recognizing that pay TV is not yet an established medium, the Guild merely seeks a clause allowing reopening of negotiations when & if there is pay TV. The majors won't discuss pay TV because they consider it an extension of the theatrical boxoffice.

ALLIANCE OF INDEPENDENTS: No progress. WGA on strike *vs.* Alliance since Jan. 16. Contracts expire for SAG May 31; DGA April 30; IATSE Jan. 31.

Again there were no negotiations between striking WGA and the Alliance last week, as the Guild concentrated on seeking an agreement with non-Alliance producers. One hopeful note here was that neutral industry individuals were working behind the scenes to bring about a settlement of the 9-week-old strike. Alliance producers weren't too bothered by the strike at this point, the lowest ebb of production running from March 15 to April 15.

However, they were perturbed by a statement from SAG exec. dir. Jack L. Dales at a membership meeting, to the effect that the Guild will seek overseas residuals from TV producers when it goes into those negotiations. Dales predicted this would be a "very tough issue." Some producers, unwilling to budge on overseas residuals, felt this could lead to a SAG strike, which would shut down production. They talked of getting sponsors to use reruns next fall, and begin first-run programming in 1961. The idea, of course, would be to hold out that much longer against the writers and any potential SAG strike. One exec. commented gloomily: "This is a most discouraging time, all we can do is be patient."

Meanwhile, non-Alliance producers were meeting with the Alliance to discuss current negotiations. The Directors Guild of America requested that negotiations begin with the Alliance, but did not set any date for such talks.

Production overall was not badly hurt, this being the slow season, and cameras were busy where series still are in production. Scripts appeared to be available, but executives weren't talkative about their sources.

Another Crisis Due March 26

UNORGANIZED INDEPENDENTS: Progress being made, but big issue is overseas residuals. WGA contract expires this week—March 26. Others: SAG, May 31; DGA, April 30; IATSE, Jan. 31, 1961.

Progress is being made in this area, with WGA relinquishing its demand that residuals be based on agreed compensation rather than minimums, as in the former contract. There was also a report that WGA would give up its demand for payments of 7th, 8th, and 9th runs. Although a major obstacle, the overseas residuals question, remains. But well-informed sources said producers might recognize this in principle, provided WGA would recognize that the overseas market today is not lucrative and would act accordingly. The WGA concessions motivated a belief that the strike may not continue for months, as many have predicted.

MAJOR STUDIO TV OPERATIONS: Outlook contingent on results in other areas, such as negotiations with non-Alliance group. The WGA contract expired Jan. 16, on which date the strike began. Contracts expire for SAG May 31; DGA April 30; IATSE Jan. 31.

There were no negotiations between WGA and the TV operations of the major studios last week. But in an action attributed to the WGA strike, Warner Bros. placed *Maverick* stars Jack Kelly & James Garner on suspension, exer-

cising the *force majeure* clauses of their contracts. WB's reason: no scripts available. Garner's attorney, Martin Gang, immediately notified Warner Bros. that he considered this a violation of his client's contract. Signed last year, it calls for salary 52 weeks a year. Gang added that WB's action left Garner a free agent. The actor's agent, Bob Coryell of Rosenberg-Coryell, was already lining up other jobs for him. WB notified Garner that if he followed Gang's advice he would be considered "in default." Gang's argument was that since production on *Maverick* has been completed for the season, WB has exercised *force majeure* as a "deliberate" means of avoiding Garner's salary. He draws about $100,000 a year for movies & TV. It seemed evident that the argument would wind up in the courts, since WB was unlikely to let Garner take a walk. Production on *Maverick* was finished in Feb. WB sources told us.

Jim Garner told us he's received a number of offers, one of them to star in MGM-TV's *Diamond Jim Brady* series. Garner said while he liked the Brady series, he prefers to work in movies after having been in *Maverick* since its inception. Said the TV cowpoke: "I no longer consider myself in the employment of Warners. They suspended Clint (*Cheyenne*) Walker, Kelly and myself by using the *force majeure*, and Clint also has a 52-week deal. They made the one film on next season's series so they could say they ran out of scripts. It's a plot to save on salaries. When you've been with a series as long as I have, there's only one place to go—down."

Jack Kelly told us: "We have reason to believe there is an area to investigate thoroughly," and said his attorney is now looking into it. Kelly, whose contract has 4 years to run, said his investigation is not a move to get out of the contract. However, he added, "I don't feel their use of *force majeure* is correct. If there has been an infraction of the contract on their part, I want to know. There is a question as to the validity of their position."

Other strike developments:

SAG exec. secy. John L. Dales quashed rumors that the Guild would allow production of 8 movies halted by the strike, saying this wouldn't be permitted until SAG was "assured of an equitable deal." But some studio sources said they wouldn't go ahead even with the SAG permission because movies, once stopped, are difficult to resume—and "We don't want to operate with a sword hanging over our head."

Musicians Guild of America said it would help SAG and WGA to find a formula on residual payments.

IATSE, in negotiations with newly-formed TV film companies, is seeking a favored nations clause whereby it will receive residuals if other unions or guilds are granted them. IATSE anticipates no difficulties with TV film companies when negotiations begin in Nov., unless producers make concessions in the residuals area. IATSE wants to hold residuals down for fear it will hurt production and result in unemployment, one IATSE source told us.

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No shortage of theatrical films is seen by Motion Picture Assn. of America, despite the Hollywood strikes. By MPA's estimate, "about 150" new movies are waiting on the theatrical beltline and the general supply won't dry up "for another 3½ to 6 months." A small but steady flow of new features will also come from overseas and from companies like Universal Pictures and various independent producers who have settled with the guilds. "Movie attendance this year could hit 45 million weekly," said an MPA spokesman, who admitted however that the figure "doesn't compare with the salad days before TV."

HOLLYWOOD ROUNDUP

Tape will be next to get the attention of Hollywood unions, predict observers here. They believe the growth & expansion of tape in the entertainent field may be retarded and labor costs will rise, once SAG, AFTRA and the technical unions settle their jurisdictional disputes. Insiders theorize that unions will then contend "Why should there be one price for guild & union workers in tape, and another in film?" The result, in their opinion, will be an upping of tape costs to the TV film level.

QM Productions has been formed by producer Quinn Martin, with *The Woman in the Case*, an anthology crime series and the first TV venture on its schedule. QM will hq at Metro . . . **Paul West** has been signed by Screen Gems to write a series, *Bringing up Mother*, as soon as the writers strike is settled. Harry Ackerman produces.

CBS-TV has shelved 2 pilots originally planned with Rod Serling's Cayuga Productions. One was a 60-min. Western, *The Loner*; the other a fantasy, *Mr. Bevis*. Serling told us the network wanted him to write a minimum of 6 to 8 scripts on each series and act as story editor, and he replied he couldn't do this, particularly since he also has *Twilight Zone*, currently on CBS-TV. The deals collapsed.

Four Star Television, to avoid agency or sponsor objections, has changed the character of Willie Dante in the series of that name so that he now operates a nightclub, not a gambling casino. Four Star Pres. Dick Powell played the Dante role in several *Four Star Playhouse* episodes some years back, and Howard Duff stars in the new pilot.

WGA West elections for the screen board and TV-radio board will be held May 19. Nominees for 4 posts on the latter are Arthur Alsberg, Richard Collins, Fran Van Hartesveldt, Richard Berg, Les Crutchfield, John Elliotte, Phil Leslie, Louis Pelletier, Rod Serling, Sterling Silliphant and Barry Trivers. The first 3 are already on the board.

Clarence Hopper, vp of CBS Inc. facilities and CBS-TV for staff facilities, is in Hollywood regarding expansion of the network's Television City . . . **Desilu Productions** has named Jerry Thorpe exec. producer of *The Untouchables*, to replace Quinn Martin.

Eric Fleming is being dropped from CBS-TV's *Rawhide* . . . **Jack Kelly** and **May Wynn's** new company, Majak Productions, is working on plans for 2 series—a 60-min. modern adventure & a comedy to star Miss Wynn (Mrs. Kelly). It also plans to do movies.

NBC-TV has bought *Klondike*, an adventure series, from Ziv TV for next season. Ralph Taeger, James Coburn, Mari Blanchard and Joi Lansing star in the series which will be produced by William Conrad.

Warner Bros.' *Bourbon Street Beat*, on ABC-TV, won't be back next season. WB & ABC-TV are replacing it (in the same time slot) with another 60-min. private-eye series, *Surfside Six*, set in Florida. It hasn't been cast.

Production has been completed on *Hennesey* (Jackie Cooper) . . . **Pilot of** *I Married a Dog*, a comedy starring Marcia Henderson and Hal March, has been finished by producer Phil Rapp, who is in association with Philip N. Krasne.

Jack Ballard has resigned as mgr. of film programming of NBC to join CBS Films as mgr., programs, Hollywood. John F. Meyers is program dir., Hollywood, for CBS Films.

NEW YORK ROUNDUP

Filmways' $1-million Manhattan film-tape studios were completed recently primarily to house TV commercials & TV film program production. But it has been doing considerable business with its older rival, movies. For the past 6 weeks, 20th-Century Fox has been completing feature production of "Murder, Inc." at Filmways, which also expects a rental contract this summer for an untitled Elia Kazan feature. At the moment, no TV series are shooting at Filmways.

Add syndication sales: Screen Gems' *Medicine 1960*, taped public affairs series (12 programs), has been bought by 25 stations, the latest being KRCA-TV Los Angeles & WJXT Jacksonville, Fla. . . . MCA TV's *Mike Hammer* has been bought for upstate N.Y. markets by John Labatt brewery and for 3 Canadian markets by Sealy Mattress Co. and Perth Cleaners . . . NTA's tape-syndicated *Play of the Week* is now in 24 markets.

Fundamentals of tape-commercial production are explained in a new 35-page book, *Questions & Answers About Video Tape Commercials*, prepared by NTA Telestudios. Among key points cited are tape's "presence, which increases believability, association and acceptance;" tape's "coverage, which is 82 markets representing 95.5% of the viewing audience;" tape's costs & production problems.

Cal. National Productions is the 3rd major house to blueprint a 30-min. adult-appeal animation series. CNP, which would not disclose to us details of the series, termed it "an adult humorous cartoon show in full color." Previously sold this season: Screen Gems' *The Flagstones*, produced by Hanna-Barbera, and Warner Bros.' *Bugs Bunny*, both to ABC-TV for fall scheduling.

Advance film-rerun buying is reported by Screen Gems for its *Rescue 8* 30-min. syndicated series—although the first-run showings are still on the air. WTVJ Miami, KRCA-TV Los Angeles; WXYZ-TV Detroit and KCRA-TV Sacramento have bought, in advance, from 3 to 4 runs of the show in their respective markets. *Rescue 8*, produced by Herbert B. Leonard, is now in its second year.

N.Y. Giants football star Alex Webster has been signed to appear in CBS Films' *Turnpike* in a supporting role. Just to keep it in the family, the same team's Frank Gifford is *Turnpike*'s star . . . ABC-TV will telecast reruns of NBC-TV's *Steve Canyon* series Thurs., 7:30-8 p.m., starting April 7.

Animation Producers' Assn. last week elected the following officers: Jack Zander, Pelican Films, pres.; Lew Gifford, Gifford-Kim Productions, vp; Sam Magdoff, Elektra Films, treas.; Bill Weiss, CBS-Terrytoons, secy.

Ross-Danzig Productions is negotiating for Walter Winchell to narrate a new series. The columnist told us he may also narrate Twentieth Century-Fox Television's *Whodunit* series, which has been optioned by NBC-TV.

Edgar Peterson has been named producer of ABC-TV's forthcoming series based on the memoirs of Sir Winston Churchill . . . Keefe Brasselle will host CBS-TV's *Be Our Guest*, replacing George De Witt who recently resigned.

Robert L. Miller has been named asst. to Richard Carlton, Trans-Lux TV sales vp . . . Julian Ludwig has been named gen. mgr., West Coast operations, Flamingo Films.

Advertising

THE QUESTION OF TAPE: Taped TV commercials are still in the "growing pains" stage, and producer opinion concerning them varies widely. This was evident recently when we questioned the heads of 2 of the largest commercial operations in the field: Jerry Madden, dir. of NBC-owned Telesales, and Martin Ransohoff, pres. of independently-owned Filmways.

Operating closely with the parent network, Telesales' tape-commercial production has boomed. After a year of operation, its annual billings are nearing the $1-million mark, Madden told us. "Tape was over-sold at the beginning, but it is now catching up to the point where it makes sense as an adult commercial medium," he added.

About 75% of the tape commercials shot by Telesales wind up in network shows, and thus do not face the problems of making & shipping extra tape prints for spot use, by Madden's estimate. Many of the remaining taped commercials are used in spot, however, but distributed (once the original master tape has been edited to final form) through high-quality film kinescopes. Costs are about $30 for a 1-min. tape duplicate copy as against only $5-$6 for a film kine copy. A recent Telesales order from a major advertiser called for 120 kines of a 1-min. taped commercial, with no taped copies, Madden told us.

On the independent-producer side of the fence, Filmways' Ransohoff takes the position that "tape has its place, and it's not going to replace film, nor is it a panacea." Agencies are now taking "a calm, calculated look at tape," Ransohoff told us. "In many cases, because of shooting techniques, the problems are much greater than in film commercials."

Filmways, which expects to gross between $6 & $7 million this year from TV commercials, TV programming and studio rentals, was one of the earliest independent film makers to install tape equipment. Although it has encouraged the use of tape by agencies, its project has been far from a resounding success. "We've lost at least $100,000 on our initial tape investment at our 95th St. studio," Ransohoff admitted, although he denied a report that Filmways had sold its Ampex VTR and British-made TV camera chain.

Film rules the roost at Filmways presently, and Ransohoff expects that during the first 6 months of 1960 he will bill "in excess of $3 million in N.Y. film commercials alone." Total commercial billings, including film commercials shot on the West Coast under a facilities-exchange agreement with Warner Bros., "may exceed $4 million in the first half of the year." Tape facilities are planned for the firm's new 127th St. studios in Manhattan (2 sound stages, each 10,000 sq. ft.), however, and should be in operation by May. Said Ransohoff, somewhat tartly: "The video-tape hysteria among agencies has abated somewhat."

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How TV molds public opinion is demonstrated in a new study for TvB by Pulse Inc. The study, conducted last Oct. in Boston, Philadelphia and Seattle-Tacoma on the heels of a 4-wk. TV spot campaign by Tyrex (a 5-firm trade group of companies making Tyrex cord for car & truck tires), showed vastly greater inroads for the institutional message among viewers than among non-viewers. Of those who had seen the TV spots, 43% were favorable toward Tyrex, 53% had no opinion, and only 4% were unfavorable. Among non-viewers, a scant 6% were favorable, 13% were unfavorable, and the great majority—81%—had no opinion.

Ad People: Paul J. Caravatt Jr., ex-Ogilvy, Benson & Mather, appointed a Foote, Cone & Belding vp . . . **Howard S. Johnson** named Cunningham & Walsh senior vp; **George F. Kleitz**, ex-Needham, Louis & Brorby, named C&W media dir. . . . **Russ Ford**, TV-radio commercial dir., named Doherty, Clifford, Steers & Shenfield vp . . . **Raymond D. Reiss** named MacManus, John & Adams media dir. . . . **Dougals C. Manson**, ex-Benton & Bowles vp, has opened Doug Manson Agency for advertising & communications (1 W. 47th St., N.Y.) . . . **Lee H. Bristol**, Bristol-Myers chmn., elected Advertising Council chmn.; **Edwin W. Ebel**, ad vp, General Foods Corp., named vice-chmn.

William H. Thomas appointed director of radio-TV & media, Tatham-Laird . . . **Sydney W. Morrell**, ex-ITT PR vp, named exec. vp of McCann-Erickson's Communications Affiliates Inc. . . . **Sigurd S. Larmon**, Young & Rubicam chmn., reappointed to USIA's Advisory Committee on Information by President Eisenhower.

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FTC consent order, forbidding alleged misrepresentation of Life cigarets in TV commercials & other advertising, has been signed by Brown & Williamson & its agency Ted Bates. Settling an FTC complaint filed last Dec. (Vol. 16:50 p10), the 2 respondents admitted no violations of federal law. But they agreed to stop advertised claims that Life cigarets contain "the least tar or nicotine" and that the claims are supported by the govt. The Brown & Williamson case was one of the first in which FTC cited an ad agency & an agency executive as well as a product's manufacturer, Bates vp & account exec. David Loomis having been named in the original charge of deception. FTC dismissed the complaint against Loomis, however, holding he had no authority to direct or control the policies of the 2 companies. The settlement followed a general agreement in Feb. by the tobacco industry with FTC to eliminate tar & nicotine claims (Vol. 16:6 p12).

FTC crackdowns on TV advertising are just part of the Eisenhower Administration's "leap-year liberalism," according to the March *Democratic Digest*, published by the Democratic National Committee. In an article titled "TV Advertising Finally Losing Its 'Invisible Shield,'" the *Digest* said that "it has been the avowed policy of the men appointed by President Eisenhower to run the federal regulatory agencies so as *not* to interfere with the affairs of their big business friends." But now: "With an election coming on, the Republicans cannot afford to ignore the malpractices of their big business friends any longer."

Just because FTC is out to clean up TV & radio "hucksterism & deception," Chmn. Earl W. Kintner said reassuringly last week, "sackcloth & ashes" needn't be donned by broadcasters. Repeating much of what he said in a speech 2 weeks earlier to CBS affiliates in Washington (Vol. 16:10 p2), Kintner told the Ind. Bcstrs. Assn. in Indianapolis that "we need good entertainment & good showmanship" on the air. Pointing out that FTC's targets include deceptive newspaper advertising as well as fraud in TV & radio commercials, he said broadcasters shouldn't conclude that FTC has a special doghouse for them.

Standard Brands has denied FTC charges that its TV commercials for Blue Bonnet margarine are deceptive (Vol. 16:3 p8). In a formal answer to FTC's Jan. complaint, the company said that for several years it had used "substantial identical" advertising which FTC examined & failed to find objectionable. Standard Brands' agency Ted Bates denied any deception in the "flavor gem" commercials.

Congress

Oversighters vs. Dick Clark: A tug-of-war inside the House Commerce Legislative Oversight Subcommittee over how—and when—ABC-TV's Dick Clark should be exposed to public hearings on payola (Vol. 16:11 p12) was joined last week by Reps. Moss (D-Cal.) & Mack (D-Ill.).

Following private & public exchanges between Rep. Bennett (R-Mich.) & Chmn. Harris (D-Ark.), who instructed the subcommittee staff at one point to keep Bennett from seeing files on the *American Bandstand* jockey, Moss & Mack took up positions. They supported Harris, who had urged caution in calling Clark, and opposed Bennett, who had demanded immediate hearings.

Moss & Mack said Bennett's attempt to hurry Clark hearings "violates the American concepts of common decency & fair play." They called for "careful, orderly procedure," said "there should be no disclosure of unevaluated material gathered by the Subcommittee staff," and appended a memorandum from Subcommittee counsel Robert W. Lishman, who said:

"Every effort is being made to expedite & complete the investigation at as early a date as possible. However, the complex nature of Clark's broadcasting & other activities has required more time, overtime and manpower than was originally anticipated. We should be able to have the case ready for presentation at public hearings in the near future."

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Federal-aid-to-ETV bill by Rep. Roberts (D-Ala.), which cleared the House Commerce Communications & Power Subcommittee last month—but without recommendations for action (Vol. 16:9 p14)—has been snagged in the full Committee. The measure (HR-10609) is for $52 million to match federal grants to all states, D.C. and Puerto Rico for ETV equipment. It was Item No. 1 on the Committee's agenda at an executive session March 17, but, after an all-morning discussion, the Committee under Chmn. Harris (D-Ark.) recessed without voting on the bill, thereby dimming chances that it will reach the House floor this session. The Roberts measure is a compromise version of a Senate-passed bill (S-12) by Senate Commerce Committee Chmn. Magnuson (D-Wash.) which would authorize $1 million ETV grants by the govt. to each state & D.C.

TV-debate bill, co-sponsored by Sens. Magnuson (D-Wash.) & Monroney (D-Okla.), to require networks to give 2 hours weekly to discussions of campaign issues by the major Presidential candidates (Vol. 16:11 p13) is getting bandwagon backing in the Senate. Additional signers of the measure (S-3171) include Sens. Case (R-S.D.), Clark (D-Pa.), Hartke (D-Ind.), Mansfield (D-Mont.), McGee (D-Wyo.), Gruening (D-Alaska), Bartlett (D-Alaska), Moss (D-Utah), Fulbright (D-Ark.), Cannon (D-Nev.), McNamara (D-Mich.), Engle (D-Cal.), Anderson (D-N.M.), Sparkman (D-Ala.), Yarborough (D-Tex.), Hennings (D-Mo.). Joining with Magnuson & Monroney in introducing the bill were Sens. Smathers (D-Fla.), Pastore (D-R.I.), Church (D-Ida.), Kefauver (D-Tenn.). A similar bill (HR-11233) was introduced by Rep. Johnson (D-Colo.).

"Worldwide TV" is one of the practical goals of the U.S. satellite program, said the National Aeronautics & Space Administration in its semi-annual report to Congress. Manned space flights are long-range NASA objectives, but of more immediate promise are other developments, including TV relays, dir. T. Keith Glennan noted.

Television Digest

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Personals: Robert D. Swezey, former exec. vp-gen. mgr. of WDSU-TV & WDSU New Orleans, appointed Labor Dept. troubleshooter by Secy. James P. Mitchell in such areas as enforcement of new union regulations, manpower resources, apprenticeship training . . . **Robert G. Patt** resigns as dir. of promotion & advertising, WRCA-TV N.Y., to take similar post at WCBS-TV & WCBS N.Y. . . . **James T. Larkin** named to new post of business mgr., ABC international div. . . . **Frederick J. Schuhmann** appointed ABC-TV dir. of product services.

Burton H. Hanft, ex-Screen Gems vp & treas., elected NBC vp, talent & program contract administration . . . **Bernard I. Paulson** has been appointed NBC dir. of design, art & scenic production . . . **Raymond Eichmann** named client presentations & sales promotion dir. in NBC-TV network sales planning; **David H. Hedley** named program presentations dir.; **Nicholas Gordon** appointed sales development dir.; **Ronald J. Pollock**, sales development mgr.

Victor F. Davies named CBC comptroller, succeeding A. M. Henderson, appointed auditor-gen. of Canada; **Robert E. Keddy** named personnel & organization dir.; **Guy Coderre** appointed associate personnel & organization dir. . . . **Lawrence Grant Wilson** and **Paul Roussel** named program officers, CBC's new bilingual FM radio network, scheduled to start in April.

Leslie Winik, film producer, named a vp of International Telemeter div. of Paramount . . . **Aaron Cohen** named sales development supervisor, WPIX N.Y. . . . **Ted Yates**, former TV & movie script writer (*Peter Gunn*), named news & public affairs dir., Metropolitan Bcstg. Corp.'s TV stations (WNEW-TV N.Y., WTTG Washington, KOVR Stockton-Sacramento, WTVH Peoria) . . . **Norman J. Ostby**, ex-Don Lee Bcstg. System vp and MBS Western div. gen. mgr., appointed MacKenzie Electronics gen. mgr.

Sidney W. Winslow Jr. elected to new post of chmn., Boston Herald-Traveler Corp. (WHDH-TV & WHDH Boston); **Robert B. Choate** succeeds Winslow as pres. . . . **Jack Dolph**, ex-program dir. of WCAU-TV Philadelphia, named CBS News asst. sports dir., succeeding **Tex Schramm**, who resigned to become gen. mgr. of the Dallas National Football League club . . . **Will Fowler** named dir. of news & public affairs, KTTV Los Angeles . . . **Harry A. Babcock**, FTC exec. dir., resigns effective April 1 to join Washington communications law firm of Weaver & Glassie . . . **John H. Battison**, ex-gen. mgr. of KAVE-TV Carlsbad, N.M., April 1 opens engineering consultant's office in Washington at 1028 Connecticut Ave., NW (Phone: Republic 7-0458) . . . **Harold S. Meden** named RAB promotion mgr.

Willard J. Purcell has retired as advanced planning & research mgr. at radio WGY Schenectady after 38 years with the station. A radio pioneer, Purcell built N.Y.'s first broadcasting station (in Hoboken) for the Dempsey-Carpentier fight on July 4, 1921.

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Meetings this week: National Educational TV & Radio Center meeting of program mgrs. of affiliated stations (March 20-23), KUHT, Houston . . . **Canadian Assn. of Bcstrs. annual convention** (21-23), Chateau Frontenac Hotel, Quebec, Que. . . . **IRE international convention** (21-24), Coliseum and Waldorf-Astoria, N.Y. . . . **Bureau of Bcst. Measurement annual meeting** (23), Chateau Frontenac Hotel, Quebec, Que. . . . **RTES round table on radio as an ad medium. Speakers: D. C. Marschner, Shell Oil sales promotion-ad mgr.;** Albert B. Richardson, Chesebrough-Ponds ad vp; James Stocker, Scott Paper ad mgr.; George Arkedis, CBS Radio network sales vp; Maurice McMurray, Storer Bcstg. Co. national sales dir.; Hotel Roosevelt, N.Y.

Obituary

John F. Howell, 40, CBS Films vp & gen. sales mgr., was killed March 16 under the wheels of a subway train in N.Y. Surviving are his widow and 3 children.

Auxiliary Services

Fox Off SEC Hook: Matthew M. (Matty) Fox, pres. of Skiatron of America, and of Television Industries Inc., cleared himself of difficulties with the SEC by voluntarily signing a consent decree enjoining him from selling or offering stock in Television Industries Inc. unless it is first registered with SEC. Television Industries is a TV film distributing firm, successor to Fox's C&C Super Corp.

The judgment, entered in N.Y. federal court, includes a disclaimer by Fox of any personal buying or selling of unregistered stock in the past. Fox had obtained loans from commercial lenders to help finance the business of Skaiatron of America, using his 68,840 shares of Television Industries stock as security. Because of defaults by Fox, one of the lenders sold 12,800 shares of Television Industries stock in the open market without Fox's knowledge or consent, according to an affidavit signed by Fox.

Meanwhile in Washington, protracted SEC hearings for Skiatron Electronics, accused of making inadequate disclosures of stock deals with Matty Fox and his Skiatron of America (Vol. 16:11 p22), were recessed until April 4. No further testimony in the Skiatron Electronics case was taken at a brief SEC session March 17, when SEC attorneys asked examiner Robert N. Hislop for a 2-week delay to work out stipulations with the pay-TV company's lawyers on its business outlook. At the same time SEC's ban on trading in Skiatron Electronics stock was continued.

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Telemeter's Toronto pay-TV system will get Golden Gloves boxing, which has been off TV for the past 7 years, The East *vs.* West finals, to be staged in N.Y.'s Madison Square Garden March 21, will be piped by closed-circuit long lines to Toronto. Viewing price for Telemeter subscribers will be 75¢. Telemeter also told us last week that "negotiations for televising legitimate theatrical productions are currently in progress."

Trade Report . . . .

MARCH 21, 1960

FM STEREO MARKET BY YEAR'S END? Manufacturers can begin active design & planning of a new consumer electronic product—FM stereo radio—by year's end, if FCC meets its own schedule to establish standards for the new broadcast service.

Don't hold your breath waiting for AM stereo standards, though. It looks now as if stereo radio will have a year's headstart on the FM band before it's permitted on the standard AM broadcast band. The Commission is giving priority to FM systems, probably won't even formally ask for AM system proposals until next fall, when FM deliberations are well under way.

Mass output & marketing of radios specifically designed to receive dual-channel FM broadcasts can be in high gear by summer 1961, if the system designation comes toward end of this year, as expected. EIA Pres. David Hull says he's hopeful that FCC will have FM stereo standards ready as early as next fall. Not until FCC delineates the standards for the new service will manufacturers be able to work out actual production design of circuits for the new FM multiplex tuners.

Stereo phono sales have gotten off to good start this year, we were told in Washington last week by manufacturers attending EIA's spring conference—and most hi-fi makers look for introduction of real stereo radio to add to momentum of whole stereo field. FM stereo radios would be merchandised both as part of stereo phono systems and as 2-speaker table sets.

One of FCC's stereo radio deadlines passed last week, as industry comments on FM stereo systems were filed. The Commission received the intra-industry report from EIA's National Stereophonic Radio Committee (NSRC), and this will provide basis for Commission's notice of proposed rule-making, expected soon. As anticipated, NSRC report makes no specific recommendations as to system, but outlines specifications of 5 basic system proposals. Commission's rule-making proposal is expected to be equally non-committal. Details of the NSRC report and other industry stereo-FM filings with FCC will be found on p. 6.

Best guesses as to Commission's further timetable on FM stereo: Deadline for comments on proposed FM stereo rules will probably be July 29, same deadline FCC gave to NSRC's field-test panel for completion of its tests, which will use facilities of KDKA-FM Pittsburgh (Vol. 16:11 p8). FCC hopes to have its staff work completed in summer or early fall, for a final Commission decision and new rules before year's end.

There could be slip-ups in this timing, of course. There's hot controversy over FM stereo systems, centering mainly around question: Should the system be one which also permits FM stations to transmit non-broadcast material (such as functional music for stores) in addition to the 2 channels of stereo? The issue will be hard-fought, because many FM stations now are using 2-channel multiplexing for private radio services. They don't want to give up this lucrative business, nor do they wish to be frozen out of stereocasting. Those who oppose the multiplexing of extra channels with the stereo material argue that such a dual-purpose system would result in degradation of stereo sound reproduction. Field tests are expected to tell whether & how much the signal is degraded.

RCA, which is not a member of NSRC, filed its own 222-page detailed evaluation of proposed FM stereo systems with the FCC. Its principal findings are digested on p. 6.

TV, STEREO PROMOTION DRIVES STYMIED: EIA has dropped its planned fall campaign to promote sales of TV sets, and the companion "stereo de-confusion drive" seems headed for the same fate.

Although last year's hastily-concocted TV promotion had been deemed a success (Vol. 15:21,30, 33), disagreement among TV set makers last week sounded the death-knell for the proposal for a more elaborate campaign this year. Convening at the manufacturer organization's spring meeting last week in Washington, members of EIA consumer products div. executive committee couldn't get together on a theme for the drive, or on what aspects of TV to promote.

The campaign to develop better consumer understanding of stereo (Vol. 15:48-49) is also dying for want of support, although EIA members were impressed by the promotion plans drawn up under phono section Chmn. L. M. Sandwick, of Pilot Radio. Group had hoped to raise war chest of $300,000 and had decided to undertake the campaign if companies accounting for 75% of industry phono output came along. To date, about a dozen firms have subscribed, but since some of the largest companies are holdouts, goal hasn't been met. If some of the big firms change their minds, campaign could still get off the ground—but in Washington last week, EIA phono makers weren't very hopeful.

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Problem of Japanese imports again was a prime topic at EIA's spring meeting—particularly in the tube & semiconductor, parts and consumer products divisions. Main effort at this meeting was directed toward moves to tighten & enforce product labeling laws.

One new "buy American" law was recommended by EIA's board of directors—at request of the tube & semiconductor div. Patterned after Canadian law, EIA wants legislation to require permanent non-removable country-of-origin labels on all foreign-made tubes & semiconductors. EIA also endorsed House-passed HR-5054 which would require country-of-origin labels on containers of foreign-produced articles which are repackaged for sale here (Vol. 16:6 p20).

The 3rd prong in EIA's product-labeling drive will be request to FTC to act on infractions of present laws which require labeling of products containing foreign parts. (Example: radios made in U.S. with some Japanese parts.) EIA will also ask FTC to rule whether product advertising must state country of origin.

Foreign radio makers haven't been complying with FCC radiation-control regulations, and the EIA's consumer-products executive committee voted to take the issue up with the Commission. FCC rules require all set makers to certify that their products come within maximum limits on radiation and won't be cause of interference. To date, it's understood, Sony has been only Japanese set maker to file certification with FCC.

For more news of EIA spring meeting actions, see story below.

TV-RADIO PRODUCTION: EIA statistics for week ended March 11 (10th week of 1960):

	March 4-11	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	102,939	107,794	96,653	1,236,818	1,091,090
Total radio	350,468	318,650	275,592	3,463,321	2,804,791
auto radio	149,147	122,507	109,063	1,499,947	1,061,428

RCA Making Audio Tape: Close on Pres. John L. Burns's disclosure last month (Vol. 16:8 p19) that RCA has been producing magnetic recording tape for several years in experimental quantities and would go commercial in 1960, the company announced over the weekend that it was open for business in a new business—the full-scale manufacture of audio tape.

RCA already has set up production shop in a renovated Indianapolis plant and is turning out audio tape in quantity for commercial, professional and home use. It expects to produce more than 2 billion feet of tape in the first year.

Initially RCA will concentrate on the production of audio tape. Later, at an unspecified time, it will move into magnetic tape for use in TV tape recorders and electronic data-processing systems.

Group exec. vp Charles M. Odorizzi said that the new activity will come under the jurisdiction of the RCA Victor record div. The audio tape will be marketed both by that division and the RCA electron tube div.

RCA's entry into the new field of operation, he said, was preceded by "years of research to develop the highest quality tape available today and to provide the consumer with a superior product." Prior to establishing its own production facilities, RCA purchased tapes for use in producing RCA Victor records and pre-recorded tapes, and for sale in blank form under its own brand name.

EIA Meeting Actions: EIA Pres. David R. Hull was chosen the winner of EIA's 1960 Medal of Honor for "distinguished service contributing to the advancement of the electronics industry." The award will be presented to the Raytheon vp at EIA's annual convention next May in Chicago. Previous winners: Dr. W. R. G. Baker (1953), Robert C. Sprague (1954), Leslie F. Muter (1955), Paul V. Galvin (1956), Max F. Balcom (1957), H. Leslie Hoffman (1958), Frederick R. Lack (1959).

Other actions taken at EIA's spring meeting in Washington last week:

The consumer-products div. executive committee authorized EIA exec. vp-secy. James D. Secrest to prepare a seal which manufacturers may affix to hi-fi sets complying with EIA's Music Power Rating measurement system (Vol. 16:8 p17). The same committee voted to be represented at Congressional hearings to oppose FCC's proposed law to require uhf tuners in all TVs (Vol. 16:6 p2).

The board of directors named H. F. Bersche, RCA electron tube div., a director of the Electronic Parts Show Corp., representing EIA. Pres. Hull named 3 past-presidents to the EIA nominating committee: H. Leslie Hoffman, Hoffman Electronics; Leslie F. Muter, The Muter Co.; Robert C. Sprague, Sprague Electric. Muter was chosen as chmn. of the 1960 convention committee, and Charles N. Hoffman, Warwick, was named to the committee.

JAPAN RADIO PRICES DIP: Japan will formally lower the export floor price for 6-transistor radios to $11 from $14 April 1. The Japan Machinery Export Assn. made the decision on the grounds that the existing floor price (check price) was no longer realistic and has been circumvented by the trade.

Low prices at which 6-transistor sets have been selling in the U.S.—in some cases just a little above $20—have been cited in Tokyo as proof that some set makers have been exporting at less than the floor price, a condition widely known in the U.S. trade. If exported at $14, transistor radios must sell at around $30 to allow for shipment cost, 12½% *ad valorem* duty, markups, etc.

Increasing economies resulting from high production rates have enabled Japanese manufacturers to fill large export orders at unit prices of $10-12.

U.S. importers & distributors of Japanese radios have been reducing prices recently. Latest reductions—albeit mainly on paper—came last week from Sampson Co., Chicago, sales representative of Hitachi. Although dealer & distributor price changes were termed "nominal," suggested list prices of Hitachi radios have been cut by $10 on most models. Pres. Robert Sampson said distributor & dealer margins are still competitive with most imports and greater than domestic brands. Lowest-priced set reduced: 6-transistor radio, $39.95 to $29.95. Highest priced: 8-transistor 2-band marine portable, $75 to $59.95.

(Note: Because of the increasing significance of Japan to the U.S. TV & radio market, TELEVISION DIGEST is now supplementing its direct reports from Japanese sources with its own Tokyo correspondent.)

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Second transistor portable TV set to go into production in Japan is an 8-in. receiver manufactured by Nippon Victor, Japanese affiliate of RCA Victor. Sony Corp. put out the first set in Jan. (Vol. 16:4 p15), and it is being demonstrated in the U.S. for the first time at this week's IRE convention at the N.Y. Coliseum.

The Nippon Victor set has 25 transistors & 11 diodes. It is powered by alkali batteries made by Nippon Victor's parent company Matsushita Electric (which also has announced it is bringing out a transistor battery set of its own). It will go on sale in May at a list price of about $180.

Nippon Victor's U.S. importer is Petely Enterprises, which markets radios & phonos under the Hi-Delity label (RCA does not handle Nippon Victor products here, and the "Victor" brand is not used on them). Its president, Michael E. Lee, told us in Jan. he hopes to handle U.S. distribution of the Nippon Victor portable TV (Vol. 16:4).

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Price reductions of 15-45% in its semiconductor products were announced last week by the U.S. semiconductor products div. of United Industrial Corp. The reduction, said div. vp & sales dir. Joseph C. Worth, was a "reasonable step" following the semi-automation of various production processes. Affected are the concern's tantalum capacitors, zener diodes, other solid-state devices. The most expensive products, including diodes, were slashed to $30-35 from $48-60.

Distributor sales of Admiral TV sets during the first 2 months of 1960 were 37% higher than in the comparable 1959 period, Admiral Sales Corp. electronics vp Ross D. Siragusa Jr. announced last week. He said 23-in. sets now represent 66% of the company's large-screen set sales.

JAPANESE COLOR TV COMING: Don't place any bets against the U.S. debut soon of "low price" made-in-Japan color TV sets. At least one major importer is moving decisively to bring in a Japanese model, which, we are told, is well under "the cheapest American-made set."

Thompson-Starrett's Delmonico International div., no stranger to Japanese products, has samples of a Nippon-made 21-in. color set at its Long Island City hq, has a top executive in Japan working out the details, and expects to announce delivery, price, and technical details in 10 days.

Delmonico exec. vp Herbert Kabat told us that while no decision has been made on the Japanese color set, the question is *"when* rather than *if"* it will be brought in. He declined to identify the Japanese set-maker.

"My partner Albert Friedman is in Japan right now exploring the situation," he told us. "We won't be in a position to make a final decision until he returns, in about 10 days. Until then, any discussion of the set or our sales plans would be premature."

Kabat did tell us, however, that the present thinking is to import cabinet as well as chassis from Japan and equip the chassis here with an American color picture-tube.

"Color tubes aren't available in Japan," he pointed out. However, this situation may change soon. Several Japanese firms which have announced plans to produce color-TV sets are also licensed to use RCA color-tube patents. These firms include Toshiba, Sony, Matsushita.

Note: As color interest revives in U.S., more firms are planning to go back into the color set business. One of the most recent to make this decision is Hoffman Electronics, which now plans to resume output of color sets. As before, Hoffman will manufacture its own sets. The color fever is spreading to Canada, where the Canadian EIA has urged the govt.'s Board of Broadcast Governors to permit color-casting there. Canadian EIA Pres. Stuart D. Brownlee said that Canadian Admiral, which he also heads, will begin color-set production in May.

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Trade Personals: S. Martin Fassler named mktg. mgr., GE TV receiver dept. He was formerly radio-receiver dept. mktg. mgr., and succeeds I. L. (Chuck) Griffin, now mgr. of Hotpoint refrigerator dept. . . . George L. Mansour, ex-vp-gen. mgr. of the record div., named to new post of consumer products vp, RCA Victor Co. Ltd. (Canada); Robert G. Simpson promoted from sales mgr. to record div. mktg. mgr. . . . John R. Halligan, treas. & asst. to the pres., appointed vp-secy., Hallicrafters Co.; Edward Bishop Jr., formerly controller, named treas.

Martin Dubilier, one time Philharmonic Radio executive, promoted from gen. mgr. to pres. of ITT's International Electric Corp.; he succeeds F. H. Lanahan, now IEC chmn. . . . William Lawrence, ex-Bell Aircraft, Radio Condenser & Magnavox, named dir. of operations, Stromberg-Carlson electronics div. . . . Anthony Dillon has resigned as national sales mgr., Roland Radio Corp.

Archer E. Mohr named production engineering mgr., RCA's new plant under construction at Mountaintop, Pa.; Charles J. Smith, Jr. named purchasing, production & materials control mgr. . . . Paul S. Heflin appointed to new post of engineering vp, General Instrument Corp.'s semiconductor div. . . . Robert O'Brien resigned as gen. sales mgr., Stromberg-Carlson special products div.

'Captive Credit' Rises: Four company-owned finance subsidiaries have reported further growth in 1959. The biggest TV-appliance credit organization, GE's non-consolidated General Electric Credit Corp., handled $649,986,000 in credit contracts last year—22% greater than the $533,692,140 in 1958. Net income, however, declined 8% to $7,567,000 from 1958's record earnings of $8,301,520.

Westinghouse reported in its 1959 annual report that its wholly-owned subsidiary Westinghouse Credit Corp. expanded its volume of financing last year to more than $90 million, an increase of 66% above 1958. The parent company's investment in the credit company was $26 million at year's end.

Motorola reported that its investment in non-consolidated Motorola Finance Corp. increased in 1959 to $6,275,059 from 1958's $4,941,391, while net earnings of Motorola finance rose to $333,668 from $231,863.

Appliance Buyers Credit Corp., the "captive finance" house which handles credit for RCA Victor, Whirlpool & Carrier products, also reported substantial growth in 1959. ABCC is 80% owned by Whirlpool, 20% by Carrier Corp. Its total assets at the end of 1959 were $162,847,257, compared with $93,196,184 a year earlier. Whirlpool Corp.'s annual report notes that Whirlpool's share of ABCC's net income totaled $605,234 in 1959, up from $230,451 in 1958.

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As many as 6.6% of rural householders may be in the market for a TV set this year, according to a survey by the National Rural Electric Cooperative Assn. A survey made among the 4.2 million members of 957 rural electric co-ops, indicated that 256,200 may "possibly" buy a TV set this year, while 67,200 (1.6% of total) "definitely" planned to buy one. Among the 20 commonly-used electrical items & appliances listed in the questionnaire, TV was 4th in the "possibly" category—exceeded in number of responses only by freezer (386,000), frypan (289,800) and water heater (281,400). In the "definitely will buy list," however, TV came midway between top & bottom, running 11th.

Spray TV—the poor man's remote channel-changer—may have been born last week at Southside Hospital in Bayshore, N.Y. When Edward McBride, an appendectomy convalescent, casually depressed the trigger button on a can of spray deodorant, he produced simultaneously a change of program on his rented remotely-operated TV set. Each time he pressed the button, the set switched channels. Interested hospital officials took over from bedridden McBride, tested the pressurized can on 15 other TV sets, produced remote channel tuning on 10 of them. A TV repair man theorized that the hissing sound produced by the deodorant can is attuned to the ultrasonic device within the TV sets that operates the remote channel-changer.

"Bonded-Shield" 23- & 19-in. tubes now constitute more than half of Sylvania's picture tube production for set manufacturers, Sylvania Electronic Tubes equipment sales mgr. W. O. Spink said last week. He added that the proportion is expected to continue to rise. The occasion for the statement was the announcement that the company has started production of 19-in. Bonded-Shield tubes.

Symphonic Electronic Corp., which now has "virtually decided to go into the TV set business," according to Pres. Max Zimmer (Vol. 16:11 p20), hopes to begin selling sets May 15. The sets would be produced in the company's New Brunswick (N.J.) plant.

Finance

Dynamics Corp. of America, N.Y.-based manufacturer of communications equipment and numerous electronic & electrical devices & products, netted a 57% profit gain on a 16% sales increase in 1959. Pres.-Chmn. Raymond F. Kelley, in the annual report released last week, said DCA anticipates a "substantial increase in sales & earnings" for 1960. Orders topping $60 million were obtained during 1959, more than doubling the 1958 volume, and the backlog on Jan. 1, 1960, was approximately triple that of a year ago.

For year ended Dec. 31:	1959	1958
Net sales	$37,606,308	$32,386,037
Net income	1,447,128	921,145
Per com. share (after pfd.)	36¢	16¢
Common shares	2,756,683	2,667,094

Collins Radio's sales & earnings for the 3-month & 6-month periods ended Jan. 31 were the highest for any quarter & half-year in the concern's history, the company announced in its report last week. For the 2nd fiscal quarter to Jan. 31, Collins reported net earnings of $2,187,130 on sales of $49,776,356 (no comparative quarterly figures).

For 6 mos. ended Jan. 31:	1960	1959
Sales	$91,779,750	$48,159,426
Net income	4,211,447	986,227
Per common share	2.16	45¢
Common shares (1960)	1,935,749	1,935,749

General Bronze Corp., manufacturer of metal work, TV-radio antennas and other electronic products, virtually doubled profit on record sales in 1959. Consolidated report for the year ended Dec. 31:

	1959	1958
Net sales	$35,379,193	$26,691,810
Net income	619,895	312,885
Per common share	1.61	82¢
Common shares	383,937	380,377

Stewart Warner Corp., Chicago-based maker of automotive, electronic and industrial products & equipment netted substantial increases in sales & earnings in the year ended Dec. 31 (Shares are adjusted to reflect 2-for-1 split effective Dec. 22, 1959):

	1959	1958
Net sales	$114,309,343	$91,412,303
Net income	7,883,729	5,144,307
Per common share	2.40	1.60
Common shares	3,288,902	3,222,706

Sprague Electric Co. reports record sales & earnings in 1959. The company's annual report lists current assets at $22,423,528 at the end of 1959, current liabilities $5,824,212, net worth $29,791,419. For year ended Dec. 31:

	1959	1958
Sales	$56,351,571	$43,193,717
Net income	3,502,328	1,761,719
Per common share	2.61	1.41
Common shares	1,340,229	1,247,912

Philips' Lamp Works, huge Netherlands-based electrical-electronics combine, last year passed the $1 billion-sales mark. Year ended Dec. 31:

	1959	1958
Sales	$1,108,290,000	$952,675,000
Net income	93,015,000	64,660,000

Lafayette Radio Electronics Corp., mail-order distributor of electronic parts & hi-fi components, has placed on the market 225,000 shares of common stock at $5 a share. The offering is through D. A. Lomasney & Co.

Hazeltine Corp. registered a 21% profit gain in 1959 despite a sharp sag in gross income from 1958's peacetime peak. Pres.-Chmn. W. A. MacDonald, in the 36-year-old electronics firm's annual report, attributed the profit increase to operating efficiencies & concentration of production at its own facilities. During the year, he noted, Hazeltine initiated "a carefully planned expansion program to broaden the company's scope of interest without diminishing its depth of capability." The Little Neck, N.Y. concern is among the nation's 100 largest defense contractors. For the year ended Dec. 31 (1958's stock listing is adjusted for a 2-for-1 split in July, 1959):

	1959	1958
Gross income	$55,883,841	$62,424,060
Net income	2,724,772	2,242,226
Per common share	1.80	1.50
Common shares	1,509,910	1,499,910

NT&T stockholders voted to increase the number of authorized shares to 5,000,000 from 3,750,000 at the annual meeting in Los Angeles last week (Vol. 16:11 p24). The authorization will facilitate payment of future stock dividends, allow exercise of stock-purchase warrants involved in the acquisition of NTA and provide shares for future public issue or for acquisitions. Pres. B. Gerald Cantor warned stockholders that a decline in demand for TV films coupled with the SAG strike may slice NT&T's 1960 earnings. "This is a volatile business," he said. "It's hard to make earnings projections."

NAFI Corp., automotive-accessory & broadcast concern (KCOP Los Angeles, KPTV Portland, radio KXYZ Houston) plans a public offering of 200,000 additional capital shares, Pres. John G. Bannister reports. The Oakland, Cal. corporation is acquiring boat-maker Chris-Craft Corp., and $6 million of the stock-sale proceeds will go to repay a bank loan made in connection with the purchase. NAFI has arranged to buy all outstanding common shares of Chris-Craft for $40 million—including $11 million in cash.

GE has filed an SEC registration statement (File 2-16260) for 1.2 million common stock shares for use in the company's savings & security program for employes.

Universal Pictures turned in a healthy $1.8 million profit in fiscal-1960's first quarter, rebounding smartly from the operating loss incurred in the year-ago period (Vol. 16:11 p24). The fiscal-1959 quarter's net income is exclusive of $3,676,510 net profit from the sale of studio facilities.

For the 13 weeks ended Jan. 30:	1960	1959
Net income (loss in '59)	$1,857,039	($864,575)
Per com. share (after pfd.)	2.03	——
Common shares	893,390	927,254

Decca Records reports a decline in earnings in 1959, compared with the preceding year. However, the 1958 figure includes a non-recurring capital gain on the sale of Universal Pictures' studio facilities. As of Dec. 31, Decca held 777,985 of Universal's 893,390 outstanding shares.

For the year ended Dec. 31:	1959	1958
Net income	$2,321,923	$2,776,382
Per common share	1.81	1.82
Common shares	1,285,701	1,527,401

Technicolor Inc. reports a sharp drop in net income for 1959 despite a rise in net sales. For the year ended Dec. 31:

	1959	1958
Net sales	$27,250,407	$26,778,621
Net income	237,160	558,172
Per common share	12¢	28¢
Common shares	2,034,346	2,027,680

RCA's Assets—$805 Million: The world's largest corporation specializing in electronics—RCA, whose sales exceeded $1.395 billion last year (Vol. 16:9 p18)—had total assets of $804,914,000 at the end of 1959. This was an increase from $736,256,000 in one year.

Current assets totaled $535,733,000 (up from $482,764,000—and all following parenthecized figures are for 1958), including cash of $56,473,000 (up from $49,851,000). Investments totaled $56,834,000 ($52,255,000), the largest of which was RCA's 1,158,563 shares of Whirlpool common stock, carried at cost of $21,600,000. Plant & equipment (less depreciation) was carried at $210,261,000 ($198,579,000), patents & patent rights (less amortization) at $1,499,000 ($1,511,000).

Current liabilities were $219,631,000 ($174,781,000), long-term debt $245,220,000 ($249,995,000), deferred liabilities & income $17,110,000 ($16,041,000), total shareholders equity $322,953,000 ($295,439,000).

The results of RCA's unconsolidated wholly-owned foreign subsidiaries in Argentina, Australia, Brazil, Canada, Cuba, England, Japan, Mexico, Switzerland & Venezuela, were not included in the parent company's consolidated earnings statement—except to the extent of cash dividends received in 1959 ($1,797,000). Sales of these subsidiaries last year totaled $58,912,000, resulting in a net profit of $741,000. At year's end, the net assets of these subsidiaries, says RCA's annual statement, exceeded the "RCA carrying value of its investments by $11,941,000 after increasing the reserve against investments from $1 million to $3 million by charging expense in 1959." The wholly-owned foreign subsidiaries are carried on the balance sheet at $11,695,000.

Philco stockholders will be asked to vote to increase the authorized common number of shares from 5 million to 10 million at the company's annual meeting April 7 in Philadelphia. According to the proxy statement, the increase will permit management to act quickly on acquisitions "or otherwise expand & strengthen the business." Philco said there are no plans to issue the new shares.

Reports & comments available: Andrea Radio Corp., prospectus, W. C. Langley & Co., 115 Broadway, N.Y. 6 . . . GT&E, prospectus, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 . . . International Rectifier Corp., prospectus, Blyth & Co., 14 Wall St., N.Y. 5 . . . Lafayette Radio Electronics Corp., prospectus, D. A. Lomasney & Co., 39 Broadway, N.Y. 6 . . . Barnes Engineering Co., prospectus, Hayden, Stone & Co., 25 Broad St., N.Y. 4 . . . Avnet Electronics, report, Grimm & Co., 2 Broadway, N.Y. 4 . . . Multi-Amp Electronic Corp., report, G. Everett Parks & Co., 52 Broadway, N.Y. 4 . . . Textron Inc., comments, Bruns, Nordeman & Co., 52 Wall St., N.Y. 5 . . . Tung-Sol Electric, memo, Hardy & Co., 30 Broad St., N.Y. 4 . . . Electronics Capital Corp., report, James Anthony & Co., 37 Wall St., N.Y. 5 . . . CBS, analysis, Blair & Co., 20 Broad St., N.Y. 5 . . . AT&T, report, Oliphant & Co., 61 Broadway, N.Y. 6 . . . Lear, discussion in *Investor's Reader*, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
General Bronze	Q	$0.37½	Mar. 30	Mar. 21
Hudson Radio & TV	Q	.06	Apr. 8	Mar. 21
Time Inc.	Q	.20	Apr. 30	Apr. 15
Time Inc.	Stk.	4%	.....	.....
Universal Controls	Q	.07½	Apr. 30	Apr. 15

CBS SALES & PROFITS AT PEAK: CBS Inc. last week put the official stamp on its record 1959 performance (Vol. 16:7 p24). To stockholders went the annual report and confirmation that sales & profits were the highest in the company's 32-year history. Chmn. William S. Paley & Pres. Dr. Frank Stanton reported that net income rose 3% over 1958's previous high to top $25 million. Sales climbed 8% to more than $444 million.

The outlook is for "continued progress in 1960," they said. "The positive indications are that the economy will break all records in 1960. With the rise of the national income & consumer expenditures, advertising expenditures are expected to reach new high levels, and sales of consumer & industrial electronic products are expected to join in this rapid growth." Paley & Stanton pin-pointed these highlights of the record year:

The CBS-TV network increased sales 8% over 1958, ran 13% ahead of the sales of the other 2 networks, and for the 6th consecutive year "was the world's largest single ad medium." For the 5th straight year, the network attracted the largest average audiences.

The TV stations div., embracing o&o's, spot sales, CBS Films Inc., and 2 overseas offices, scored a 19% sales increase.

CBS News became a separate division, provided 18% of the network's TV programming & 30% for radio.

Columbia Records div. jumped total sales by 25%, achieved the highest dollar volume in its history, and "attained first position in the record industry." By the end of 1959, the report claimed, Columbia Records held 21% of total industry sales.

CBS Electronics became the new name for the company's manufacturing division (replacing CBS-Hytron), "reflecting the planned expansion into broader & more diversified areas of electronic products" which now include electron tubes, semiconductors, radios, phonos and accessories. Dollar sales for the division were up "substantially" over 1958, although "considerably below sales goals," due in large part to "industry-wide price cutting."

Consolidated report for the 52-week 1959 fiscal year ended Jan. 2 (vs. the 53-week 1958 fiscal, in which the per-share earnings are adjusted to reflect a stock dividend):

	1959	1958
Net sales	$444,311,357	$411,800,203
Net income	25,267,187	24,428,812
Per common share	3.11	3.01
Common shares	8,382,239	8,118,649

———■———

Music Corp. of America topped its 1958 net earnings by 20% in 1959, Chmn. Jules C. Stein stated in MCA's annual report last week. Gross income for the big talent-&-program supplier hit a new high of $57.7 million, but a breakdown of the figures revealed that MCA was taking in about $6 from TV film production & sales (including sales of Paramount TV features and studio rentals) to every $1 that came to MCA as "agency commission" on performer earnings. Net earnings were at the strong rate of $5.1 million (up from $4.3 million in 1958). For the year ended Dec. 31:

	1959	1958
Total income	$57,786,616	$48,429,749
Net income	5,186,066	4,328,442
Per com. share (after pfd)	1.28	1.18

———

National Video Corp. Chicago, the industry's 3rd largest maker of TV picture tubes, was admitted to listing on the American Stock Exchange last week. Symbol: NVD-A.

Officers-&-Directors stock transactions as reported to SEC for Feb.:

Allied Artists. Roger W. Hurlock hought 200, beld 19,000. Albert Zugsmith hought 8,100, held 144,100.

American Bosch Arma. William P. Smith hougbt 400, held 1,500.

American Electronics. George K. Otis II bought 2,000, held 2,500.

Ampex. Murray Innes Jr. sold 1,000, held 1,000 personally, 667 in trusts. Nathan W. Pearson sold 1,000, held 750.

Amphenol Borg. Arthur J. Scbmitt exercised option to buy 3,250, held 33,108.

Arvin Industries. Harlan Foulke sold 909, held 7,010.

Avco. C. Cohurn Darling hought 364, held 7,000. James R. Kerr exercised option to huy 5,000, held 9,366. Frank S. Larson exercised option to huy 1,900, held 4,703. Kendrick R. Wilson Jr. bought 7,900, held 16,000.

Beckman Instruments. Frederick L. Ehrman sold 4,000 tbrough Lehman Bros., held none in Lehman Bros., 3,000 personally.

Belock Instrument. Jack J. Fischer sold 600, held 34,898.

Clarostat. Irvin Lavine sold 500, held none. George J. Mucher sold 2,200 for wife, beld none for wife, 10,868 personally.

Clevite. Wilhur D. Prescott exercised option to huy 500, held 500.

Collins Radio. Max W. Burrell hought 3,120, held 6,296. J. G. Flynn Jr. hought 1,000, sold 51, held 1,008. Albert H. Gordon hought 34 through Kidder Peahody & Co. sold 600 through Kidder Peahody & Co., held none in Kidder Peahody & Co., 1,040 personally.

CBS. Henry C. Bonfig hought 1,000, held 1,212. Arthur Hull Hayes hought 8,278, held 8,278 personally, 132 in joint ownership. Edmund W. Pugh Jr. sold 100, held 200.

Consolidated Electrodynamics. Rohert F. Bacher exercised option to huy 750, held 1,100 which were exchanged for equivalent stock of Bell & Howell in merger. T. P. Morgan exercised option to buy 500, held 700 which were exchanged for equivalent stock of Bell & Howell in merger.

Consolidated Electronics. Charles G. Munn sold 480, held 2,000.

Cornell-Dubilier. Edward Bierma hought 100, held 100. Frank H. Rohy bought 100, held 100.

Corning Glass. Norman J. Vang sold 2,000, held 500.

Decca Records. Milton R. Rackmil hougbt 200 as co-trustee, held 11,600 as co-trustee, 1,713 personally.

Filmways. L. Douglas Nolan received 250 as honus, beld 2,351. Richard B. Sage received 200 as honus, beld 9,305.

GE. Hubert W. Gouldthorpe sold 148, held 1,214. Cramer W. La Pierre sold 1,000, held 3,955. Rohert Paxton bought 1,000, held 25,727. Carter L. Redd exercised option to buy 108, held 3,310 personally, 8 for wife, 542 for son, 1,350 in trusts.

General Transistor. Theodore A. Bruinama sold 5,020, held 2,000.

Globe-Union. Harold M. Sauers sold 100, held 474 personally, 1,970 for wife.

Hoffman Electronics. Bruce L. Birchard exercised option to buy 100, held 1,600.

IBM. William J. Mair bought 225, held 3,137. Bernard F. Wiegard exercised option to huy 220, held 879.

ITT. Charles D. Hilles Jr. received 126 as bonus, held 16,358.

Litton Industries. Roy L. Ash sold 1,000 as custodian and 10 more through partnership in exercise of option by employes, held 2,400 as custodian, 10,597 in partnership, 119,452 personally. Myles L. Mace sold 5,000, held 16,685. Joseph A. Thomas sold 5,000 through Lehman Bros., held 15,000 in Lehman Bros., 206 in trust, 15,312 personally.

Loew's Inc. Nathan Cummings hought 700, held 58,300. William H. Harrison hought 100, held 100.

Loral Electronics. Leon Alpert sold 3,500, held 129,500. Edward J. Garrett hought 600, held 10,600. A. Gerald Merlin sold 100, held 400.

Magnavox. Walter O. Menge hought 160, held 400.

P. R. Mallory. G. Barron Mallory sold 1,500 from trusts, held 84,992 in trusts, 4,492 personally.

Microwave Associates. Vessarios Chigas sold 3,200, held 22,300. Julian Pathe sold 3,100, held 11,100.

Oak Mfg. G. Corson Ellis hought 200 jointly with wife, held 300 jointly with wife, 125 personally.

Packard Bell. Thomas C. Deane hougbt 100, held 100. Richard B. Leng exercised option to huy 1,000, held 1,900.

Philco. Charles S. Cheston bought 700, held 3,000.

RCA. Lewis L. Strauss hought 500, held 500. James M. Toney sold 103, held 35. Incentive awards: Martin F. Bennett received 103, held 1,431. Meade Brunet received 112, held 1,086. John L. Burns received 102, held 20,513. John Q. Cannon received 117, held 975. Ralston H. Coffin received 112, held 612. Charles R. Denny received 178, held 1,219. Orrin Elmer Dunlap Jr. received 144, held 898. Elmer W. Engstrom received 178, held 3,321. Douglas H. Ewing received 173, held 186. Frank M. Folsom received 202, held 10,225. Ernest B. Gorin received 153, held 253. Vincent DeP. Gouheau received 114, held 1,190. Charles B. Jolliffe received 160, held 1,622. Howard L. Letts received 127, held 276. Arthur L. Malcarney received 158, held 399 personally, 200 jointly with wife. George R. Marek received 142 and exercised option to buy 1,800 more, held 2,669. Charles M. Odorizzi received 154, held 10,681. Robert W. Sarnoff received 177, held 10,081. Frank Sleeter received 145, held 2,151. Douglas Y. Smith received 139, held 327. Theodore A. Smith received 180, held 2,923. Edward M. Tuft received 169, held 2,024. William Walter Watts received 164, held 777. Robert L. Werner received 181, held 1,394.

Raytheon. Edward L. Bowless sold 3,819, beld none. Roger C. Damon hought 100, held 100. Roy C. Ellis sold 200, held 1,841. Thomas H. Johnson exercised option to huy 750, held 750. E. Nevin Kather exercised option to huy 385, held 753. Ernest F. Leathem exercised option to huy 525, held 1,762. Percy L. Spencer exercised option to huy 7,350, held 7,798. Thomas C. Wisenbaker exercised option to huy 682, held 682.

Republic Pictures. Victor M. Carter sold 32,300, held 315,420.

Siegler. Lloyd G. Hallamore exercised option to huy 2,060, held 6,113. Pierpont M. Hamilton bought 1,500, held 32,856.

TV Industries. Matthew Fox hought 1,000 in Nov. 1958 and 110 more in Jan. 1959, reported 38,900 sold by pledge from Oct. 1958 to Nov. 1959 to satisfy unpaid indehtedness, held 37,350 reported pledged as collateral against loans.

Texas Instruments. W. F. Joyce sold 1,500, held 12,062. Bryan F. Smith sold 800, held 10,565 personally, 150 in trust.

Thompson Ramo Wooldridge. E. C. Brelsford sold 280, held 1,000.

Westinghouse. William C. Rowland sold 524, held 258.

Zenith. Leonard C. Truesdell bought 100, held 100.

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

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Congress

NETWORKS, FCC PAYOLA hit by Harris in brace of new bills carrying out stern legislative recommendations of his Legislative Oversight Subcommittee (p. 3). Dept. (p. 15).

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FEDERAL AID TO ETV gets new chance in House, Commerce Committee approving of amended Roberts bill cutting grants from $52 million to $39 million (p. 4).

UPCOMING STATIONS: A recapitulation of U.S. educational outlets scheduled to start operation in 1960. Low-power Canadian satellite on air (p. 7).

Stations

KFRE-TV ASSENTS TO UHF SHIFT in unique move, agreeing to go from Ch. 12 to Ch. 30, waiving hearing rights after FCC votes Fresno all-uhf (p. 4).

NAB CONVENTION TV AGENDA will be highlighted by report on industry's "Time for Decision" by Code Review Board Chmn. McGannon. Other features (p. 5).

NAB FIELD—OFF & RUNNING as 25-30 entries in leadership hunt are filed with NAB committee selecting successor to late Pres. Harold E. Fellows (p. 6).

Manufacturing & Distribution

NEW TAPE CARTRIDGE system, developed by 3M & CBS Labs as competitor to stereo disc, demonstrated in N.Y. Repetition of LP-vs-45-rpm war seen (p. 18).

LISTENER STEREO TESTS by GE indicate full-range 2-channel system "listens best;" all stereo better than monaural (p. 19).

IRE CONVENTION HIGHSPOTS: Non-glare picture tubes, transistor radio batteries, wireless stereo remote controls, new TV-radio tubes & transistors (p. 20).

MORE NIPPON COLOR TV: Hitachi swings into mass-production of 21-in. color set that is slated for fall distribution here by Chicago-based Sampson Co.; Hitachi set & tube use RCA license (p. 21).

17- & 21-IN. SETS still being introduced—latest being 4 RCA 17-in.—but many manufacturers are de-emphasizing those sizes in favor of 19- & 23-in. (p. 21).

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LOOK-ALIKE GROUND RULES developing informally between CBS & NBC as CBS drops its labels on canned laughter (p. 9).

NETWORK ADVERTISERS total rose to 320 last year and they purchased $627,311,530 worth of time, TvB reports (p. 10).

Film & Tape

WGA MAY DROP KEY ISSUE of foreign residuals in its 10-wk. old strike (p. 11). Situation at a glance (p. 12).

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SUSPENSION OF 'IDENTIFICATION' EDICT LIKELY: FCC is inclined to give industry a breather from the onerous requirements of its tremendously upsetting March 16 document—"Sponsor Identification of Broadcast Material" (Vol. 16:12 p2-3). Though it hadn't acted at week's end, indications were that it would incorporate its interpretation of law on payola, plugola, etc., into rule-making and give industry a chance to tell what's wrong with it.

Seldom has industry been in such a furor. Most of it is about free records. FCC said stations must announce the donor. This hits almost every station in its minute-by-minute operations. NAB, networks and stations reacted with urgent pleas that Commission hold off enforcement, listen to industry's plight, modify its decision, give stations some rules they can live with.

Biggest concern of stations was that FCC requires them to clutter up programs with announcements that "Such-&-Such Record Co. supplied following record" or words to that effect. FCC sources say that isn't quite true, that an announcement every 15 min. sounds reasonable. Furthermore, they assert, stations can arrange programs so as not to make announcements unwieldy—by bunching records from each donor into 15-min. groups.

"But what about our libraries?" stations ask. "We don't know which we bought or which were given to us." FCC reaction: Do your best to find out. Show good faith. The law doesn't exempt those.

What irks operators further is that the announcements would have to be logged as commercials and counted in their reports to FCC—thus amounting to a huge increase of as much as 1,000-1,500 spots a week —giving their operations an extremely "overcommercial" impression.

There are many, many other problems & questions, very disruptive to industry's way of doing business. Industry's examples, as filed with Commission last week, point out the ludicrous, such as announcing source of press releases. FCC has said nothing, will discuss problem this week, is expected to remove pressure.

Industry speculated endlessly about reasons for FCC's hasty & disturbing action. Main answer, naturally, is desire to impress Congress with a show of firmness, as if to say: "You say we've been lax about payola, etc.? Okay. Here. Here's what the Communications Act says. If our action was too tough, or impractical, or ridiculous—change the law."

But many attorneys disagree violently, asserting that Commission is cockeyed in its reading of the law and that any court would tell it so. There's no major move afoot yet to amend law. Rather, industry is hoping to persuade FCC into reasonableness. Failing that, appeals to courts are likely—though lawyers aren't certain that the troublesome document is appealable. It's simply a "public notice," spelling out FCC's understanding of the law.

Industry hopes that Commission will be able to ease off gracefully, that it won't give anyone impression that it's "backing down," that Congress will understand FCC's intentions but make it easy for it to "reinterpret" the law.

NAB moved to alert all stations to make their reactions known to powers that be, sending members & non-members copies of "petition for further proceedings" which it had filed with Commission.

NAB's petition, in brisk language, epitomized industry reaction well. Excerpts: "This document is of a sweeping nature, affecting many established & unquestioned practices in the broadcasting industry and would require extensive changes in the day-to-day operations of practically every station in the country. Because many of the concepts set forth are so substantive in nature, it is submitted that they should not be adopted through the medium of an interpretive memorandum . . .

"Until now it has been regarded as inconceivable that the broadcasting of a recording which was received either free or at a nominal charge, without an announcement to that effect, could by any stretch of the imagination be held to be a violation of Sec. 317 of the Communications Act . . ."

Some stations are now feeling around, attempting to meet what they think are FCC's requirements. They use such language as: "Some of the records in this program were supplied by the manufacturers & distributors." (FCC officials say that isn't enough—that names of suppliers must be given.) But most stations, on legal advice, are sitting tight, expecting clemency. Some, however, have started buying their records. NBC for one, said it will pay for all discs from now on, and that it was examining all programs to determine what announcement it should add where, to comply with its understanding of FCC's requirements.

Last week was also deadline for comments on FCC's proposed anti-payola rule (Vol. 16:7 p7). NAB, networks & several group owners filed. All agreed with Commission purpose but all said that proposed language would put impossible burden on licensees of policing program preparation at stages way beyond their reach. They generally suggested that FCC require stations to apply "due diligence" in suppressing payola—not expect them to guarantee suppression absolutely. Some suggested that law governing under-counter payments be extended to program producers not controlled by licensees. Others asked Commission to supply guidance as to what kinds of licensee controls it wants—in a question-answer type of document such as Commission's "Use of Broadcast Facilities by Candidates for Public Office."

EDWARD K. MILLS GETS NOD FOR FCC: Someone in the White House certainly likes Edward Kirkpatrick Mills Jr., because he has been tapped for an FCC vacancy twice in 3 years. First time, in May 1957 (Vol. 13:19-20), he was offered chairmanship to succeed George McConnaughey, but opposition developed and offer was reduced to membership—whereupon Mills declined job. But last week he was ready to accept the position, and President sent his name to Senate.

Big question now is whether Democratic-controlled Senate will choose to pigeonhole nomination pending election, in hopes of substituting a Democrat in Jan.

Mills is an attorney, was No. 2 man (deputy administrator) of General Services Administration from May 1956 to Jan.2, 1960. He's native of Morristown, N.J. who endeared himself to Eisenhower camp when he

served as chmn. of Morris County Citizens for Eisenhower Committee. He has enthusiastic backing of Sen. Case (R-N.J.), is classified as "liberal Republican." He was mayor of Morristown in 1949-50. Before joining GSA, he was partner in Mills, Jeffers & Mountain law firm there from 1940 to 1956.

Term would last until June 30, 1961, filling out unexpired term of ex-Chmn. Doerfer. Though an early report stated Mills had agreed not to seek full term after that, he says he has taken no position on matter.

Mills was 54 on March 19, is noted as hard worker. In fact, friends blame overwork for his heart attack last year. Apparently, he has recovered well. At GSA, he actually held down several jobs, including acting commissionership of public-building services. He says his attack was "very mild—I didn't even know I had it, at the time."

Associates say he's "fair, pleasant, tough—and tough on himself." He hasn't endeared himself to AT&T, for he led fight which ended with FCC's reduction by 15% of the rates it charges govt. for long lines service, including big SAGE defense system.

Mills had this to say to us about agency conduct: "Members of regulatory agencies like FCC owe the highest integrity to the public in the discharge of their duties. Contested hearings before regulatory bodies are no different in substance than court proceedings and should be decided strictly on the record & the merits."

He's leery of FCC fingers in programming, said that Commission shouldn't try "to determine what programs should be offered to the American public by radio & TV" but that public demand should produce improvement and is now calling for "less emphasis on crime & violence." As for quiz-rigging & payola: "It is discouraging to find this type of thing going on and it should be eliminated." He said he'd hold off suggested cures until he knows more about it.

Mills' nomination was a surprise, just as his selection was in 1957. His name hadn't figured in public speculation, and selection was made only week before it was announced.

He married Shirley R. Burks in 1944, has 2 daughters—12 & 10 years old. During World War II, he was a pilot, attained rank of major. He was educated at Princeton & Yale Law School.

He's an inventor of what he calls "Rube Goldberg things," holds patents on a land-air-sea vehicle, airplane & car safety-seat device, a car bed-seat combination, elementary pilot trainer for youngsters. He has application pending for a "new type of clothes horse," a replacement for the closet.

Meanwhile, Republican Comr. Lee's re-appointment still hangs fire and his chances still look good—better perhaps because of Mills' nomination, since it's doubtful Senate would want to keep 2 FCC vacancies dangling. Commerce Committee is expected to set Lee's hearing for an early date when it meets April 13.

Ex-Chmn. Doerfer hasn't decided what he'll do next, says he's considering several offers, but wants time "to look at this in perspective." (For NAB's talent hunt for late Pres. Harold Fellows' successor, see p. 6.)

NETWORKS, FCC, PAYOLA HIT BY HARRIS: Rep. Harris (D-Ark.), who wears 3 legislative hats as chmn. of House Commerce Committee and of its Legislative Oversight and Communications & Power Subcommittees, had another busy time last week.

Drastic broadcasting reform bills to license TV & radio networks, stiffen FCC regulations and outlaw payola & program rigging were tossed at the industry by Harris, who had promised them since Feb. report by Oversighters (Vol. 16:6 p1).

Harris this week moved away from FCC to FPC in hearings on agency ethics (Vol. 16:12 p1), forcing admissions that FPC had been subjected to secret pressures in gas-rate case. He sent staffers out on more evidence-gathering forays for yet-unscheduled payola hearings for ABC-TV's Dick Clark (Vol. 16:12 p17). And he produced one of few actual legislative accomplishments by Commerce Committee so far this season—approval of federal-aid-to-ETV bill (see p. 4).

Harris TV- & radio-control measures probably won't get far before Congress adjourns. But his 2 bills probably will get the biggest push of any reform proposals at session (Vol. 16:7 p1). One (HR-11340) would prohibit station-license trafficking by forbidding FCC to approve transfers within 3 years of grants unless public hearings prove they're in "public interest." Other (HR-11341) is omnibus—and ominous—catch-all. Among other things, it would: (1) Require network licensing. (2) Instruct FCC to set up rules obliging networks to take full responsibility for all material supplied affiliates. (3) Prohibit payola. (4) Make it crime to fix contests on air. (5) Authorize FCC to discipline broadcasters by suspending—instead of revoking—licenses.

For once, Harris-hearing headlines were shifted away from long-spotlighted FCC, however. It was FPC Chmn. Jerome K. Kuykendall's turn to get treatment ("FPC Chief Admits Seeing Pipeline's Lawyer in Secret") after FCC Chmn. Ford emerged unscathed from 2nd week of full Committee hearings on govt. ethics.

Finally releasing Ford from stand, Harris paid him unaccustomed compliments, in fact. Harris said Ford exhibited "patience & diligence as well as persistence" in testimony against some rigid features of Harris bill (HR-4800) to ban ex-parte influences on all regulatory agencies.

Week's hearings wound up with Ford-supporting testimony by ex-FCC gen. counsel Warren Baker. Testifying for Federal Communications Bar Assn., Baker said that Harris measure, as written, is so constricting that agency officials would be unable to accept "a ride downtown in a snowstorm, the loan of a match, the gift of a souvenir."

Oversighters' hearing stage was being prepared meanwhile for Dick Clark, billed as top witness when Subcommittee returns to payola hearings after Committee's ethics hearings are concluded. Subcommittee sources told us no date had been set for Clark's performance, that it may be weeks yet before full Committee finishes with FPC, FTC, CAB, etc. Getting ready for event, Subcommittee counsel Robert W. Lishman & other staffers were amassing more file documents, including Clark's contracts with ABC-TV and Triangle Publications, Inc., whose WFIL-TV Philadelphia is Clark's originating station.

FEDERAL AID TO ETV GETS NEW CHANCE: After many starts & stops, weakened proposals for govt. grants to states to set up educational TV stations were headed last week for House vote and possible approval by Congress this session.

Cut-down ETV bill for $39 million in federal funds by Rep. Roberts (D-Ala.) survived House Commerce Committee delays & opposition (Vol. 16:12 p17) and was approved for floor action. If measure (HR-10609) is passed by House, it must go to conference with Senate, which last year voted for $51-million ETV bill (S-12) by Sen. Magnuson (D-Wash.).

Advocates of states' rights & govt. economy slashed away at Roberts bill in closed House Committee session, putting through 3 watering-down amendments before permitting it to be reported out to floor. Comfortable majority of 25 Committee members at meeting voted for amended measure, but opponents indicated they'd file minority report, promising floor battle.

Amended House bill authorizes matching grants by govt. up to $750,000 for each state, D.C. & Puerto Rico—to pay for half of construction costs of ETV facilities operated by colleges, state agencies or foundations. Total federal grants possible were reduced from $52 million to $39 million. Limit of federal aid for any station was set at $150,000, but each state could claim $10,000 in govt. funds for pre-construction ETV surveys.

Eisenhower Administration is against idea of federal aid to ETV, but Roberts predicted President will not veto his measure if it wins Congressional approval. Once before—in Aug. 1958—House Commerce Committee approved ETV bill (Vol. 14:33 p5) but it died before reaching floor vote. That one authorized $51 million.

KFRE-TV ASSENTS TO UHF SHIFT IN UNIQUE MOVE: A vhf operator agreeing to shift to uhf—an unprecedented action—occurred last week. Triangle Publications' KFRE-TV (Ch. 12) Fresno, immediately after FCC announced that it proposed to make the city all-uhf—and not all-vhf as previously proposed—announced that it would waive all rights to a hearing and agree to the shift. Instead of starting long siege of litigation to fight shift, Triangle TV-radio vp Roger W.Clipp stated:

"When the Commission approved the transfer of KFRE-TV to Triangle, there was outstanding the Commission's proposal that KFRE-TV be changed from vhf Ch. 12 to uhf Ch. 30. At that time, it was determined by our engineers that the people of Fresno could receive a good signal on uhf Ch. 30 from KFRE-TV's present transmitter site. Provided Ch. 30 can be made available to us—and it appears that the present proposal in fact contemplates this—we will in all fairness waive our rights to a hearing and acquiesce in the creation of the new all-uhf area of Fresno."

Though FCC proposes to give KFRE-TV Ch. 53, it also proposes to shift Ch. 30 from Madera to Fresno, which would make it available to KFRE-TV. Commission is undecided about what to do with Ch. 12. It proposes 2 alternatives: Reserve it for educators in Fresno (instead of present Ch. 18) or shift it to Santa Barbara for commercial use. It also proposed to put Ch. 59 in Madera.

Two other telecasters most affected are Fresno's KMJ-TV (Ch. 24) & KJEO (Ch. 47). Principals of both

said they need to study decision before commenting. Also vitally affected are Bakersfield's one vhf & 2 uhfs—KERO-TV (Ch. 10), KLYD-TV (Ch. 17) & KBAK-TV (Ch. 29). As in Fresno, the 2 uhfs had been slated to get vhf channels. But with reversal in Fresno, trend is now toward shifting KERO-TV to uhf. Said FCC:

"ABC proposed that the area be made all-V or all-U and that at least 3 equally competitive services be made available in both Fresno & Bakersfield in either band. While there is self-evident merit in the course urged by ABC, in view of the fact that Fresno & Bakersfield are adjoining markets in the San Joaquin Valley, with vhf service from Bakersfield extending into the service area of Fresno uhf stations, we find it appropriate & desirable to defer for separate consideration the particular problems associated with uhf deintermixture of the Bakersfield market. The Commission is prepared to give consideration to any proposal interested parties may wish to submit in this regard."

Commission voted 4-1 for the move, Cross dissenting, Craven absent (not voting because his engineering firm participated in case before he joined FCC). Though 4-1 vote is a strong one, it shouldn't be assumed that big trend to uhf deintermixture is necessarily in works. Fresno was unusually ripe for move, particularly because TV Allocations Study Organization (TASO) had singled it out as exceptionally good for uhf, noting that uhf coverage was virtually as good as vhf. Furthermore, the all-vhf plan previously under consideration would have moved all stations to Patterson Mountain, 43 miles from Fresno, cutting strength of signal in city "to undesirably low levels."

Though FCC has proposed other vhf-to-uhf shifts, none is still live except plan to shift Evansville's WTVW from Ch. 7—and station has been fighting it bitterly for years.

The week also brought an unusual petition from WEAU-TV (Ch. 13) Eau Claire, Wis. It asks waiver of duopoly rules to permit it to operate both WEAU-TV and a new uhf Ch. 25 station in Eau Claire. WEAU-TV has NBC-TV affiliation; new station would seek CBS-TV. Station says area needs second station and that uhf would be stimulated throughout country if vhf operators were given opportunity to build—and take the risks.

Stations

NAB CONVENTION TV AGENDA: "Time for Decision"—a report by TV Code Review Board Chmn. Donald H. McGannon on the industry's trials & tribulations—heads the TV program at NAB's 38th annual convention April 3-6 at Chicago's Conrad Hilton Hotel.

NAB TV vp Thad H. Brown will preside at the first TV assembly 2:30-5 p.m. April 4 in the hotel's Waldorf Room, where McGannon & other Code Board members will review self-regulation measures & problems. A report by TV Information Office dir. Louis Hausman and an analysis ("Washington 1960—an Election Year") by NBC's David Brinkley & NAB staffers will follow.

The annual closed TV management & ownership conference, including TV Board elections, will be conducted 10 a.m.-12 noon April 5 with Board Chmn. G. Richard Shafto in the chair.

TvB takes over an April 6 TV assembly at 2:30 p.m. with a presentation ("How Good Must We Be?") by Pres. Norman (Pete) Cash, station relations dir. William McRae and central div. dir. George Lindsay. Panel discussion of "Spending Money to Make Money" will follow. Participants will include NAB personnel & economics mgr. C. H. Tower and Roger Read of WKRC-TV Cincinnati.

Major convention speakers include: Clair R. McCollough (Steinman Stations) keynoting the opening general assembly at 10:30 a.m. April 4 in place of the late NAB Pres. Harold E. Fellows. Secy. of State Christian A. Herter, addressing the April 4 luncheon. FCC Chmn. Ford, replacing ex-Chmn. Doerfer on the program, as the April 5 luncheon speaker. ABA Pres.-elect Whitney North Seymour, NAB's special counsel on Constitutional issues of FCC program controls, addressing the April 6 luncheon.

For radio members at next week's convention, April 3 will be FM day. The agenda for radio assemblies will include: April 4—Chmn. Cliff Gill of NAB's Standards of Good Practice Committee, Chmn. Robert T. Mason of the all-industry radio-music license committee, managing dir. Lawrence Webb of the Station Reps Assn. April 5—RAB presentation. April 6—"Radio's Public Relations—Your Job" by Chmn. Robert L. Pratt of NAB's radio public relations comm., Broadcasters' Promotion Assn. presentation.

Note: We cordially invite all subscribers and other NAB attendees to TELEVISION DIGEST's suite No. 1319 at the Conrad Hilton. We'll look forward to seeing you.

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Assn. for Professional Bcstg. Education will hold its annual convention April 2 in the Conrad Hilton Hotel, Chicago, prior to NAB's convention there. All NAB members are eligible to attend sessions of the NAB-affiliated organization of colleges & universities which offer broadcasting courses. The featured luncheon speaker at APBE sessions will be gen. supt. Dr. Benjamin C. Willis of Chicago schools. Other speakers will include NAB personnel & economics mgr. Charles H. Tower, Chmn.-designate E. K. Hartenbower (KCMO-TV Kansas City) of the TV Code Review Board, vp Avery Gibson of H-R Reps, vp H. W. Bussman of A. C. Nielsen Co.

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Add NAB-convention-associated meetings: Assn. of Maximum Service Telecasters, April 3, Bel Air Room, Conrad Hilton Hotel, Chicago.

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NAB TV Code staff expansion, including establishment of a N.Y. office under an asst. Code-affairs dir., and appointment of an aide to asst. dir. Frank Morris in the Hollywood office (Vol. 16:1 p6), is due by May 1. Men for the new jobs will be selected after the convention.

NAB FIELD—OFF & RUNNING: Informal nominations, recommendations and suggestions for a successor to the late NAB Pres.-Chmn. Harold E. Fellows (Vol. 16:12 p3)—ranging all the way from President Eisenhower down through the ranks of the broadcasting industry itself—began piling up last week.

"We already have 25 or 30 names on hand—some of them just dreamed up," Chmn. C. Howard Lane (KOIN-TV Portland, Ore.) of NAB's 8-member selection committee told us. He begged off mentioning any of the names, since his nominating group won't even get together for a preliminary look at the field until next week's convention.

Lane refused to join in speculation about who his committee might settle on for the NAB leadership. But he agreed that in letters & telephone calls, the talk about likely possibilities for the job already has taken in top national non-TV-radio figures as well as broadcasters who have won public stature.

"We'll be damned lucky to find somebody like Hal Fellows," Lane said. "He was a combination of a respected front-running spokesman for the industry and an administrator." If an available top-caliber candidate combining those qualifications can't be found, it's possible that the nominating committee will recommend to NAB's joint boards that the job be split, Lane added.

If one thing about the NAB succession is sure, Lane told us, it's that no selection will be made during the April 3-6 convention. He hopes to call his committee into its first formal meeting April 3 to begin sifting possibilities.

Meanwhile, Lane called for general participation by NAB members in the hunt. He urged them to come up with ideas and telephone or write him (Mt. Hood Radio & TV Bcstg. Corp., 140 S. W. Columbia St., Portland, Capital 8-3333) or nearest members of the selection committee:

Payson Hall, Meredith Publishing Co., Des Moines, Ia., Atlantic 8-8511. Thomas C. Bostic, Cascade Bcstg. Co. Inc., Box 702, Yakima, Wash., Glencourt 2-9111. John E. Fetzer, Fetzer Bcstg. Co., 590 W. Maple St., Kalamazoo, Mich., Fireside 5-2101. John S. Hayes, Washington Post Co., 40th & Brandywine Sts. NW, Washington, D.C., Emerson 2-9300. Dwight W. Martin, Modern Bcstg. Co., Box 2671, Baton Rouge, La., Dickens 4-8571. William D. Pabst, San Francisco-Oakland TV Inc., Jack London Sq., Oakland, Cal., Templebar 4-2000. W. D. (Dub) Rogers, Texas Telecasting Inc., 7400 College Ave., Lubbock, Tex., Sherwood 4-2345.

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Name-droppers are having a field day with the NAB presidency by keeping the rumor mill busy with highly imaginative speculations. Some of the oft-mentioned candidates: President Eisenhower, Richard M. Nixon, Adlai Stevenson, Treasury Secy. Robert B. Anderson, Eric Johnston, Red Cross Pres. Gen. Alfred Gruenther, ex-NAEB Pres. Frank Schooley, FCC secy. Mary Jane Morris, Madison Ave.'s Oliver Presbrey, ex-Secretary of State Dean Acheson, ex-FCC Chmn. Paul A. Porter, CBS-TV program practices vp Joseph H. Ream, ex-WDSU-TV New Orleans exec. vp Robert D. Swezey, ex-FCC Chmn. John Doerfer.

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Tribute to Harold E. Fellows, NAB pres. who died March 8, has been paid by 3 religious charity organizations for "his willingness, along with his industry, to render a public service." A joint statement by the Bishops' Relief Fund (Catholic), One Great Hour of Sharing (Protestant) and United Jewish Appeal pointed out that one of Fellows' last acts was to send out letters to all broadcasters urging cooperation in the organizations' fund-raising campaigns.

Redundant Block-Booking Testimony: Fewer witnesses will be called by the govt. in its block-booking anti-trust suit against a half-dozen leading TV feature film distributors (Vol. 16:11 p14 et seq.). Govt. trial attorney Leonard Posner and U.S. District Court Judge Archie O. Dawson reached agreement on this point last week, after Judge Dawson complained that the prosecution was putting "repetitious" testimony on record. The March 25 court session was postponed to give the prosecution a chance to trim its witness list, which originally numbered 126.

Heard in testimony last week: Roger Clipp, TV operations vp of Triangle Publications, Inc., who said he had purchased the AAP (now UAA) Warner Bros. library but was pleased with the deal and didn't feel he'd been pressured; Jack Harris, vp of KPRC-TV Houston, who said he'd bought a large NTA feature package because he wanted "to beat opposing stations to the features;" Samuel Gifford, program dir., and Charles McDaniel, film dir., of WHAS-TV Louisville; George Patterson, program mgr., WAVE-TV Louisville; Charles Vanda, ex-gen. mgr., WCAU-TV Philadelphia, now exec. of J. Walter Thompson; and Morton Cohen, film buyer, WCHS-TV, Charleston.

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Restraint-of-trade trial against Screen Gems brought by the govt. in N.Y. Federal District Court is, like the other govt. film suit (see above), moving at a crawl. After 2 days of testimony on behalf of Screen Gems by economist John J. Corson, who stated that feature films are only "one of a number of important factors" in local-level programming, govt. attorneys asked that his testimony be stricken from the record. Judge William B. Herlands took the move under consideration. Earlier, Herlands had denied a govt. motion to block future sales of the Universal-International backlog (distributed in TV by SG) until the anti-trust suit, under Sec. 7 of the Clayton Anti-trust Act, is completed. Just to make things even, he also denied a motion by the defendants to dismiss the suit on the basis that the govt. had failed so far to prove anti-trust violations.

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United Artists Associated has created a new national sales div. to aid stations in obtaining "full sponsorship for UAA features & cartoons already purchased, on a national, regional and local basis." Leonard E. Hammer has been named dir. of the new UAA div., reporting to national sales mgr. Donald Klauber.

Add payola charges: FTC's anti-payola campaign (Vol. 16:11 p13) has approached the 70-case mark with filing of complaints against these record manufacturers & distributors, each accused of making under-the-table payments to TV & radio disc jockeys:

Decca Distributing Corp., 445 Park Ave., N.Y., Decca Records subsidiary which distributes Decca, Coral and Brunswick records. Southern Record Distributors Inc., 147 Lafayette St., Nashville, and Pres. John Richbourg. Hull Records Inc., 1595 Broadway, N.Y., and Pres. William Kaslin & secy. Blanche Kaslin. Field Music Sales Inc., 1480 Howard St., San Francisco, and Pres. Richard Field. Dolores Enterprises Inc., 1674 Broadway, N.Y., and Pres. Dolores Fuller & secy. Irving Spice. Carlton Record Corp. & Carlton Record Distributing Corp., 345 W. 58th St., N.Y., and Pres. Joseph R. Carlton, vp Norman Walters and vp Don Genson. Herman Lubinsky (Savoy Music Co.), 56 Ferry St., Newark. W. S. F. Inc., 1674 Broadway, N.Y., and Pres. Jack Waltzer & vp-treas. Monte Freed.

Disc jockeys are "musicasters" at radio WEOK Poughkeepsie. A station announcement said that henceforth use of the term "disc jockey" would be banned on its air because of "unpleasant associations." "Musicaster" will be the only acceptable title for record spinners.

Prescott, Ariz. would get Ch. 7 under rule-making proposed by FCC at the request of radio KNOT Prescott.

Shulton Finds A 4th 'Network': Undaunted by the refusal of all 3 TV networks to clear time for his prize-winning 60-min. documentary, "The Race for Space," because it wasn't a network-produced news show, producer David L. Wolper found a happy ending last week. The show will be aired in prime time during the week of April 24 on what amounts to a custom-made "network" of more than 100 stations willing to clear time, and purchased on a spot basis by Shulton Inc. through Wesley Associates.

Shulton, which wanted the show from the beginning and optioned it despite the lack of network time, didn't lose the opportunity to take a jab at network resistance to the Shulton-Wolper project. "It's expected," said Shulton vp Frank Carpenter regarding the film's hand-made lineup, "that the show will be viewed by a greater audience than originally contemplated through a network telecast. It will have the backing of public-spirited groups everywhere."

The idea of spot-placing the show was Wolper's. He had shot out a spate of telegrams to stations on the heels of WPIX N.Y.'s recent 49.7 Arbitron success with its station-produced non-network "The Secret Life of Adolf Hitler," now being sold on a syndicated basis. Response was immediate. As part of Shulton's deal, stations have a no-charge right to a 2nd run of the show.

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Toronto Ch. 9 Award: The *Toronto Telegram*-controlled Baton Aldred Rogers Bcstg. Co. was declared the winner in the 9-way competition for Toronto's Ch. 9. Canada's Board of Broadcast Governors, in making the grant at last week's end, rejected 8 applications, which included *Toronto Daily Star*, *Toronto Globe & Mail*, Southam Publishing Co. (7 dailies) and MacLean-Hunter Publications (57 general circulation & trade publications).

Chmn. of the new Toronto grantee is John Bassett, publisher of the *Telegram*, which owns 51% of the station's stock. TV-radio personality Joel Aldred is pres. Other owners include Foster Hewitt, owner of radio CKFH Toronto; Paul Nathanson of Sovereign Films; and TV-radio producer Ray Purdy. Officials say they hope to get the station on the air by year's end.

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UA, out to buy stations, has created a TV-radio stations div., to be headed by former UA-TV exec. vp Bruce Eells, who'll have the new title of dir. of broadcast-station acquisitions. Eells will set up the new UA div. (it's part of the parent company, rather than the enlarged UA-Ziv operation) at the Samuel Goldwyn studios in Hollywood. Ziv-TV, meanwhile, is losing none of its sales energy in the UA merger (Vol. 16:11 pp5&9). NBC-TV said it was purchasing 30 min., ZIV-produced *Klondike*.

Sale of KSBW-TV (Ch. 8) & KSBW Salinas-Monterey, Cal. and its semi-satellite KSBY-TV (Ch. 6) San Luis Obispo for $3.1 million, was announced last week. Buyers are Paul F. Harron & Gordon Gray, owners of WKTV (Ch. 2) Utica, N.Y. John C. Cohan, major stockholder of the selling group, retains personal ownership of radio KVEC San Luis Obispo.

WMBD-TV (Ch. 31) & WMBD Peoria, Ill. have been sold for $1.85 million to owners of WCIA (Ch. 3) Champaign, Ill., subject to FCC approval. Sellers are John E. Fetzer (WKZO-TV Kalamazoo, Mich.) & Charles C. Caley, who receive an additional $225,000, spread over 8 years, for agreeing not to compete during that period. WCIA ownership interlocks with the *Decatur Herald & Review* and the *Champaign News-Gazette*.

Educational Television

UPCOMING EDUCATIONAL STATIONS: The 7 non-commercial outlets which have reported 1960 targets will increase the educational operating total from 46 to 53 by the end of the year. And a few more grants by FCC may bring the 1960 operating total closer to 60 stations. The 7 that have announced 1960 targets include WGTV (Ch. 8, educational) Athens, Ga. (April target).

The new starter for the week was Canadian satellite CHBC-TV-3 Oliver-Osoyoos, B.C., which began repeating parent CHBC-TV (Ch. 2) Kelowna, B.C. on March 27. It's a low-power unattended repeater installation with an RCA transmitter and 50-ft. Western Bridge tower. CHBC-TV also operates satellites CHBC-TV-1 (Ch. 13) Penticton and CHBC-TV-2 (Ch. 7) Vernon, as well as uhf translator CHBC-TV-4 (Ch. 72) Princeton, B.C. CHBC-TV hour is $170. Reps are Weed and All-Canada.

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In our continuing survey of these educational grantees, here are latest reports from principals:

KPEC-TV (Ch. 56, educational) Tacoma, Wash. still hopes to begin shortly, writes V. F. Miner, director of Vocational Technical School for grantee Clover Park Schools. It has a GE transmitter installed & hooked up with a 175-ft. self-supporting tower. Proof of performance tests began week of March 7.

WIPM-TV (Ch. 3) Mayaguez, P. R., planned as a non-commercial outlet by P. R. Dept. of Education, has an April programming target, reports Delgado Marquez, gen. mgr. of the dept.'s other station WIPR-TV (Ch. 6, educational) San Juan. It has an RCA transmitter on hand and a 202-ft. Ideco tower is scheduled for March delivery.

WFSU-TV (Ch. 11, educational) Tallahassee, Fla. has a 10-kw GE transmitter scheduled for April 1 delivery and hopes to start soon, according to Roy Flynn, dir. of Fla. State U. bcstg. services. Studios, which have been used for closed-circuit programming, are ready. In addition to Flynn, formerly with Birmingham radio WAPI, the staff includes: W. E. Ragsdale, ex-WCTV Tallahassee, chief engineer; Donald E. Wheeler, ex-radio WFIU Bloomington, Ind., program dir.; Richard L. Puckett, studio supervisor.

WGTE-TV (Ch. 30, educational) Toledo, O. expects to be on the air this spring, reports exec. mgr. A. R. Bittner for grantee U. of Toledo. It has a 100-watt GE transmitter and helical antenna on University Hall tower.

KERA-TV (Ch. 13, educational) Dallas, Tex., planning full schedule by Sept. 1, hopes to begin with limited programming around July 1, writes exec. director Martin Campbell, ex-WFAA-TV Dallas. Grantee Area Educational TV Foundation signed contract last Dec. to take over the 300-ft. tower, transmitter and other equipment from WFAA-TV (Ch. 8) for $400,000. It plans to start conversion of equipment this month and has blue prints ready for construction of a temporary studio near the transmitter on Harry Hines Blvd.

Weber County School Dist., grantee for Ch. 18, Ogden, Utah hasn't ordered equipment as yet, but hopes to be on the air by next Sept., writes school supt. T. H. Bell. Planned as a low-power outlet, it will use a 100-ft. tower.

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Revised directory of educational TV, AM and FM stations, as of Jan., has been published by the U.S. Office of Education, Health, Education and Welfare Dept., Washington 25, D.C. It was prepared by TV-radio education specialist Mrs. Gertrude G. Broderick.

Advertising

FTC TURNS ATTENTION TO PRINT ADS: FTC Chmn. Earl W. Kintner's plans to put his agency's "crash" program of TV & radio advertising monitoring on a regular, permanent basis (Vol. 16:7 p13)—and take in print media as well—became official last week.

From now on in, Kintner said in a speech to the Washington chapter of the American Public Relations Assn., FTC's expanded 12-member hq monitoring crew (10 lawyers, 2 assistants) will pore over newspapers & magazines for frauds in addition to watching commercials.

FTC always has maintained surveillance over deceptive print ads, but the most common sources of the agency's complaints against non-broadcast media have been consumers and/or the advertisers' competitors rather than FTC's staff itself. Now the strengthened monitoring unit will pay as much attention to printed claims as to spoken & animated claims, Kintner said. He expanded on this thus:

"This will include a continuing survey of all newspapers & periodicals, spot checks of advertising of particular products, spot checks of advertising in geographical areas, and studies of advertising appearing during particular periods.

"Every consideration will be given to the feasibility of tackling advertising evils on an industry-wide basis. Voluntary compliance with the law is always to be preferred if it can be made effective. But we cannot let enthusiastic declarations of good intent on the part of business substitute for law enforcement."

Acting dir. Charles Connolly of the monitoring staff said later that it is scheduling 20-25 newspapers & 15 magazines for inspection each week on a rotating basis. He explained that only newspapers in larger cities and magazines which have national circulations will come under regular scrutiny.

As the broadened monitoring program progresses, Kintner added, FTC will determine: (1) Whether advertisers are complying with FTC law & rules. (2) What "problem areas" exist. (3) Whether drafting of additional special guides to honesty in advertising is needed. (4) Whether the agency should move against groups of leaders in offending industries. (5) What formal complaints should be filed against willful violators.

As he has in other recent speeches, Kintner said that the "crisis in confidence" in advertising brought on by last year's TV quiz scandals can be met by industry itself. He told the APRA meeting that there's "a great opportunity for members of the communications industry to demonstrate once again that private citizens & their organizations can discharge their responsibilities with imagination, speed and decisiveness."

Note: Kintner has set something of a speech-making record for a govt. official since he was promoted to his job last June. As of last week's end, he had made 160 speeches and 35 TV & radio tapes during his 9 months in office. In the last 3 weeks alone he has delivered 12 addresses.

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Renaissance in broadcast advertising is needed, Westinghouse Bcstg. Pres. Donald H. McGannon told a luncheon meeting of Chicago's Broadcast Advertising Club March 23. Criticizing some of TV-radio's current advertising excesses, he pointed a finger at "ad-villification," and stated that "knocking the competition . . . is a practice that we could well do without." McGannon reminded his audience of the Elmo Roper survey which found that the public thought far less about payola & rigged quizzes than it did about false advertising claims. TV has greater impact than print media, he said, and "advertising on TV and betimes on radio is searched more carefully for believability than advertising in published media. Is it possible," he asked, "to sell aspirin in the absence of abdominal explosions and cranial anvil choruses?"

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Eversharp Inc. has been FTC-cited for allegedly deceptive TV commercials for Schick safety razors & blades "which unduly frighten prospective purchasers of competitive razors." Also named in the complaint as co-respondents were Eversharp vp E. E. Ettinger, the company's ad agency Compton and the latter's vp John Hise & account exec. Alex Hoffman. Challenged by FTC was a "typical" Schick commercial which FTC described this way: "The announcer, Bud Palmer, runs an 'old style round head razer' across a boxing glove worn by heavyweight champion Ingemar Johansson, cutting its surface. 'Look! If that can happen to this glove, think what could happen to your face,' the announcer claims. He then runs his thumb over the edge of a Schick razor, which is drawn across the glove without cutting it. During this video sequence, he tells viewers: 'But Schick shields blade corners . . . no danger of nicks or scrapes. Shave with confidence . . . switch to Schick safety razor, so safe you can shave in the shower.'" In a statement replying to FTC's complaint, Compton said the commercials are "completely valid."

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Ban's Greek statue commercials, subject of quiet negotiations between NAB TV Code staffers, Bristol-Myers and the deodorant maker's agency, Ogilvy, Benson & Mather (Vol. 16:5 p11), are scheduled for replacement—probably this week. All hands in the negotiations had agreed on new commercials to eliminate features which the Code Review Board deemed objectionable, but production difficulties have delayed the changes.

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Bill to curb misleading ads that contain "untrue, deceptive or misleading" facts & figures passed the N.Y. State Assembly last week, and has been passed on to the Senate, where it is scheduled to come to a vote in Albany March 29. Introduced by Assemblyman Luigi R. Morano (R), the bill will absolve TV-radio & print media of responsibility for false ads if the media are "without knowledge" of such deceptions. A bill to correct "abuses" in broadcast rating figures is also pending, having been introduced by Assemblyman Bruce Manley (R).

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Rating services have formed their own trade association "to represent the interests of the broadcast-audience-measurement field." Executives of several research firms attended a recent meeting in N.Y., and took initial steps toward setting up a PR program aimed at the trade & the general public. The group included: Edward Hynes, Trendex pres.; Sydney Roslow, pres., Pulse; James Seiler, ARB pres.; Frank Stisser, C. E. Hooper pres. An invitation has also been extended to A. C. Nielsen Co. to join the group, but the Nielsen firm told us it had no present plans to do so.

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FTC Chmn. Earl Kintner will be interviewed by Mike Wallace March 29 (WNTA-TV New York, 8 p.m.). He'll answer agency criticisms calling his TV ad crackdown "unfair & arbitrary."

In Other Media: *Editor & Publisher's* 1960 Year Book reports total U.S. daily newspaper circulation up slightly from 57,594,454 in 1958 to 58,299,723 in 1959. Number of dailies dropped from 1,768 to 1,761. Sundays increased from 558 to 564, with circulation inching up to 47,848,477 from 47,041,203. Ad rates were up in all categories. Evening daily rates (combined) jumped $8 per agate line ($215.50 to $223.50), mornings increased $2.67 ($108.55 to $111.22), and Sundays moved up to $167.80 from $167.60.

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Print-media problem is highlighted by the contest being staged by Newspaper Advertising Executives Assn. and American Assn. of Advertising Agencies. They seek a good slogan to explain the advertising virtues of basic circulation figures provided by the Audit Bureau of Circulations. NAEA executives H. James Gediman and John D. Thees in N.Y. said the tendency to project advertising statistics from circulation figures is reaching a dangerous level. "We seem to be returning to precisely the climate of audience inflation that A.B.C. was founded to correct."

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Ad People: **Alan S. Perry** and **Richard B. White** elected BBDO vps . . . **Victor M. Ratner**, ex-Benton & Bowles, named Grey Advertising planning vp . . . **Harry L. Niederauer**, ex-J. Walter Thompson, named Fuller & Smith & Ross vp & account mgr. for Raytheon . . . **Bryan Houston** named pres. of Fletcher Richards, Calkins & Holden, succeeding **Fletcher D. Richards**, who continues as exec. committee chmn. . . . **William A. (Bill) Wylie**, ex-M-E Productions, named TV-radio dept. vp, Lambert & Feasley . . . **William McIlvain**, Leo Burnett program vp, moves from Chicago to new N.Y. TV-radio program dept. . . . **Hugh C. Ralston** named mgr., Ford Motor Co.'s new TV dept., Dearborn.

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Spot TV is "ideal medium" for promoting compact cars, Larry Israel, gen. mgr., of TvAR, Westinghouse-owned rep firm, said recently in a new brochure, *The Impact of the Compact*. "The first domestic compact-car manufacturer who utilizes spot TV properly to drive home his story with the reach, frequency and impact provided by this medium could well become the pace setter in the field," said Israel. The booklet, based on a TvAR survey in the 5 WBC markets, emphasized the weak auto-owner awareness of U.S.-made compact cars, despite growing sales. In brand identification, only 17% of car owners could name all 5 American-made compacts correctly (Vol. 16:9 p3) and only 38% were able to recall even 3 of the specific makes, said TvAR. Foreign compacts, which generally avoid network TV but do use spot, are still a competitive threat to the U.S. makes, with 13% of men who are interested in buying a compact car expressing a desire for an imported auto, and 20% of these falling into the 18-34 age group.

TV's liquid-detergent success story added more lucrative chapters in 1959. Gross-time billings for 6 of the products topped $35 million—more than double the 1958 outlay —TvB noted last week. The leaders' 1959 TV-time buys (vs. 1958): Adell Chemical's Lestoil, $17,627,100 ($12,339,-090), Procter & Gamble's Mr. Clean, $7,593,219 ($421,300), Texize Chemical's Texize, $4,611,500 ($3,619,000), Lever Brothers' Handy Andy, $4,096,136 ($740,730), Colgate Palmolive's Genie, $1,054,600 ($319,840).

Networks

LOOK-ALIKE GROUND RULES: What amounts to a near-uniformity of quiz-cleanup ground rules is developing informally between CBS and NBC. Last week, TV admen & producers were notified of these changes:

CBS-TV: It's now all right to use canned laughter in comedy shows without terming it "audience reaction technically produced," a March 18 memo from program practices vp Joseph H. Ream made clear. This reversed the stand of CBS and Ream in the Dec. 14, 1959 memo that brought a storm of protest from comedians & producers. Ream's new memo also relaxed the label policy on filmed shows & delayed broadcasts. "We think that after 3 months the TV audience is educated to many basic production techniques, and there's not much further use in cluttering up shows with labels that no longer serve a purpose," Ream told us. "Film, by its very nature, is obvious in a show's own credits, although we will continue to label tape shows, since they could be mistaken for live telecasts."

NBC-TV: A new set of "daytime program commercial practices" is now making the rounds of agencies, and will go into effect March 28. Details of the new NBC-TV rules were contained in a memo from daytime programs vp Carl Lindemann Jr. Primarily, they cover the fringe areas of daytime commercials. Advertisers will now be allowed 5-sec. opening & closing billboards in 15-min. program segments (except in film shows) which can't be used for commercial sell, but must restrict their content to the corporate name and mention of TV-sold products. Lead-ins between program content and commercials must be allowed, with these 10-sec. transitions being "devoid of sell." Lead-outs, on the other hand, will "no longer be permitted." In a 15-min. program segment, the advertiser with multi-product lines may now use "two 30-sec. commercials back-to-back in one commercial position (but not in 2 commercial positions) on his major portion."

Comparison of NBC-CBS ground rules, in light of these new memos, reveals an interesting fact. The new CBS rules covering program labels are now quite comparable to those of NBC, issued Jan. 26, and the new NBC daytime ground rules are not unlike those recently issued by CBS. Will ABC complete the picture of ground-rules uniformity? We asked an ABC vp, who said: "We seem to be doing pretty well with the rules we have, and we don't anticipate any changes in the near future."

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U.S. guide to BBC-TV, the 1960 edition of the British-govt.-owned network's *Handbook*, is now being distributed by BBC's N.Y. office. It is a hefty (274 pages, plus ads & illustrations), detailed job, and points with pride to the fact that BBC: has a staff of over 16,000 and is the largest non-commercial TV-radio organization in the world; maintains 13 full-time orchestras; is building a $45-million TV center from its own funds; broadcasts in 40 languages; pulls up to 12.5 million viewers for its top comedy & variety shows; and has an annual gross income of $87 million from TV-radio set fees. On another BBC-TV front, the network's London hq last week revealed that BBC intends to enter the world program market with a 60-min. taped drama series (26 episodes) based on Georges Simenon's well-known detective-novel hero, Inspector Maigret. Using its own conversion facilities, BBC intends to distribute Maigret tapes—which are compatible with "any lines-system in the world."

1959 Had 51 More Net Advertisers: Network TV attracted 320 advertisers in 1959. This figure was up sharply from the 269 participants of the preceding year, TvB reported last week. Procter & Gamble headed the time-buying parade with an investment of more than $50 million, and Standard Oil Co. of Ohio brought up the rear with a $3,118 expenditure. LNA-BAR compilations show a total investment of $627,311,530 in network time by the entire list—vs. 1958's $566,590,401 (Vol. 16:11 p14).

Among the users of network TV last year were these representatives of the TV-electronics industries: Channel Master Corp. ($26,808), CBS Inc. ($126,680), Consolidated Electronic Industries Corp. ($35,566), General Dynamics ($20,475), GE ($6,194,634), GT&E ($327,700), Philco ($306,348), RCA ($3,841,836), Westinghouse ($5,166,205).

The top 10 network advertisers in 1959 were:

Rank	Company	Expenditures
1.	Procter & Gamble	$50,293,552
2.	Lever Brothers	32,734,955
3.	American Home Products	28,109,458
4.	Colgate Palmolive	22,478,524
5.	General Foods	20,890,321
6.	General Motors	20,021,744
7.	Reynolds Tobacco	16,123,827
8.	Gillette	13,642,174
9.	Sterling Drug	12,975,463
10.	General Mills	12,919,237

NETWORK SALES ACTIVITY

ABC-TV

Hong Kong, Wed. 7:30-8:30 p.m., co-sponsorship starting in fall 1960.
Kaiser Industries Corp. (Young & Rubicam)

CBS-TV

Masters Golf Tournament, April 9, 5-6 p.m. & April 10, 4-5:30 p.m., co-sponsorship.
American Express Co. (Benton & Bowles) & *Travelers Insurance Co.* (Young & Rubicam)

Game of the Week, Sat. afternoon baseball coverage.
Falstaff Brewing Co. (Dancer-Fitzgerald-Sample), *Colgate-Palmolive* (Ted Bates), & *General Mills* (Knox Reeves)

On the Go, Mon.-Fri. 10:30-11 a.m., alt. 15-min. segs. eff. April 4.
Pharmaceuticals, Inc. (Parkson Advertising)

Captain Kangaroo, Mon.-Sat. 8:15-9 a.m., alt. 15-min. segs. eff. April 2.
General Mills (Dancer-Fitzgerald-Sample)

To Tell the Truth, Thurs. 7:30-8 p.m. co-sponsorship eff. March 31.
R. J. Reynolds (William Esty) & *Helene Curtis* (McCann-Erickson)

NBC-TV

Major League Baseball, starting April 16 for season.
Phillies Cigars (Wermen and Schorr), *Anheuser-Busch Inc.* (Gardner Advertising), *Genesee Brewing Co.* (McCann-Marschalk), *National Brewing Co.* (W. B. Doner & Co.)

Princess Margaret's Wedding, April 21, 10:30-11 p.m., May 6, 4 p.m. & 7:30-8:30 p.m.
Frigidaire div. of General Motors (Dancer-Fitzgerald-Sample)

Paramount-CBS Deal: A production marriage not unlike that existing between Warner Bros. and ABC-TV may be in the making between Paramount Pictures Corp. and CBS-TV. On March 25, CBS-TV Pres. James T. Aubrey Jr. and Paramount Pres. Barney Balaban announced an agreement "opening Paramount's vast Hollywood production facilities to the network," and termed it "the beginning of a continuing & growing relationship between our organization & CBS-TV."

No immediate avalanche of Paramount-produced TV programming will hit CBS-TV channels, however. So far, the deal calls for CBS-TV to move its own house-produced or CBS-owned film packages—such as *Gunsmoke* and *Have Gun, Will Travel*—to the Paramount lot. CBS will also use Paramount as its Hollywood production base on new film pilots, filmed inserts in programs, etc. Co-production deals, a la the Warner-ABC alliance, may come later, and there's every likelihood that they will.

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Salaries of CBS Inc. directors who made more than $30,000 in 1959, as reported in the proxy notice to stockholders for the annual meeting April 20 in N.Y.: Chmn. William S. Paley, $150,000 salary plus $144,375 additional paid-out & $5,625 deferred additional compensation; Pres. Frank Stanton, $150,000 plus $144,375 plus $5,625; CBS-TV network div. Pres. James T. Aubrey Jr., $68,942 plus $20,000 paid-out; vp Henry Bonfig, $50,000; CBS Electronics Pres. Arthur L. Chapman, $60,000 plus $12,500 plus $7,500; Louis G. Cowan, who resigned last year as CBS-TV pres., $69,808; CBS Radio Pres. Arthur Hull Hayes, $60,000 plus $17,500 plus $2,500; CBS-TV stations Pres. Merle S. Jones, $75,000 plus $35,000 plus $5,000; Columbia Records Pres. Goddard Lieberson, $67,500 plus $21,875 plus $13,125. These amounts are in addition to pension benefits.

Boston affiliation shuffle is currently taking place in the wake of the NBC-RKO general swap of Boston stations (WNAC-TV & WNAC) for a pair of outlets in Philadelphia (WRCV-TV & WRCV). CBS-TV announced March 24 that, not later than Jan. 1, 1961, WHDH-TV—currently a basic ABC-TV affiliate—will become a primary CBS-TV affiliate (since CBS had been displaced from WNAC-TV, which will become an NBC o&o). In the game of network musical chairs, this left ABC-TV and Westinghouse Bcstg.-owned WBZ-TV lined up as potential partners, and ABC-TV station relations vp Julius Barnathan told us his network was studying the situation closely." WBC already has a station affiliated with ABC-TV (Baltimore's WJZ-TV).

TV has spurred voters "to participate in the choice of our national leadership," said CBS News Pres. Sig Mickelson, speaking on "TV & the Election Year" to the St. Louis Rotary Club. Mickelson traced the increasing complexity of political coverage by the networks—with emphasis on the heavy 1960 convention-election coverage planned by CBS-TV. Although "TV is an enormous force on the political scene," he pointed out that political education can't be done by the TV-radio industry alone. "Training the human mechanism to accept a greater volume of information and thus stimulating greater understanding is a job for all of the educational forces in society, including the home, the school, the church, the club and all communications media."

Second British commercial TV firm to pick a U.S. agency this season is Granada TV network, which has named Papert, Koenig, Lois Inc., to handle U.S. advertising. Earlier Associated-Rediffusion appointed McCann-Erickson International to handle its advertising here.

Film & Tape

WGA MAY DROP KEY ISSUE: First hopeful note in the 10-week-old strike of Writers Guild of America vs. Alliance of TV Film Producers and major-studio TV operations came last week, when it was learned that WGA may drop its demand for foreign residuals on telefilms—the single issue which has prevented agreement. In return, WGA would ask a more generous pension fund. (Our strike chart is on the next page.)

Because it's in the midst of delicate negotiations with non-Alliance producers, WGA was guarded when we asked confirmation. A spokesman said only that "it has been considered, but is only one of several approaches discussed."

WGA, which had granted an extension of its contract with non-Alliance producers to March 26, let the pact lapse without strike action. But producers were informed they can be struck on 48-hours notice if negotiations collapse. WGA has called a membership meeting for March 31 to seek strike authorization covering live TV, radio and freelancers in the network field, as well as some non-Alliance producers. The network contract expires March 31. Extension of the strike to non-Alliance producers was not considered a serious possibility last week, since both sides reported good progress was being made.

Modified Demand on Foreign Payments

WGA had submitted a modified demand on the foreign residuals. Under this proposal writers would get $1 a film per country as advance payment against 2% of the global gross after the producer recouped his distribution costs. After the producer had received an amount twice his distribution cost, the figure would go to 4% for the writers.

While this was more palatable than WGA's original demands, producers still didn't want to open the door to foreign residuals at this time, because if they did other guilds and unions would want a slice of the same pie. Solution here appeared to be a better pension plan.

In SAG-major negotiations, post-1960s had replaced post-1948s as the major problem. The studios rejected a SAG proposal that actors get 7½% of the gross of post-1960 movies sold to TV, countered by offering all guilds & unions 20% (after deducting 40% for distribution) on movies which made a profit. SAG turned this down.

SAG accused the producers of deliberately stalling in negotiations and some SAG sources asserted this was because an 8-week strike would enable the majors to drop more personnel off the payroll under *force majeure* clauses. A major-studio source dismissed this as "nonsense."

An intangible which is delaying progress in the movie negotiations involves personalities. Major-studio negotiators feel they are not dealing with actors of stature, said one. "We're talking with some bit players & some actors who haven't been in movies for years, and they're telling us how much we've got to pay," scoffed one executive. At the same time it was conceded that SAG faces a problem in that top movie stars usually have their own production companies, so cannot serve as SAG negotiators inasmuch as they are both producers & actors.

Meanwhile, SAG revealed a new policy of signing independent movie-makers even though they are financed by or aligned with major studios. First such company to be signed was Atlantic Pictures, which has a distribution deal with Allied Artists. Contract calls for payment on TV-movies to be a producer-paid pension & welfare plan.

Four Star's Big Year: Four Star Television Pres. Dick Powell, who is consistently accurate in predicting his company's future, expects to have a record number of 15 or 16 series for his firm before the buying season ends. Four Star has 10 series now, and, with 5 new sales already made for next season, is in good position to nail down the No. 2 spot in the Hollywood TV film industry—behind Revue Studios. Here's how Powell broke it down for us:

New sales: *The Tom Ewell Show*, *The Westerner*, *Stagecoach West*, *The Law & Mr. Jones*, and *The Peter Lind Hayes-Mary Healy Show*, bought by Procter & Gamble.

Anticipated renewals: Dick Powell's *Zane Grey Theatre*, *Black Saddle*, *The Rifleman*, Robert Taylor's *The Detectives*, *Wanted—Dead or Alive*, *The June Allyson Show*, *Johnny Ringo*, *The Plainsman*.

Pilots close to deals: *Michael Shayne* (60-min. private eye made for NBC-TV) and *Willie Dante*.

A Stewart Granger adventure project is problematical because of script problems. Added Powell: "I haven't even mentioned our Westerns. We're also planning a 60-min. series, *The Corrupters*, and an anthology called *Six Star*, for David Niven, Charles Boyer, Joan Crawford, Jack Lemmon, Robert Ryan and Jane Powell." The company is renewing its lease at Republic.

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MGM-TV '61-'62 Plans: MGM-TV, now lining up properties for the 1961-62 TV season, has signed Jose Ferrer to produce & star in a 60-min. mystery series, *Hercule Poirot*, based on Agatha Christie's French detective. Ferrer will soon check in on the lot to begin developing the property. He owns a piece of the show.

While there is a slight possibility that MGM-TV's pilot, *The Paradise Kid*, may be sold for next season, the studio is not showing it, planning to submit it for 1961-62. It doesn't consider this a good season to submit Westerns. This studio's 60-min. pilot, *Asphalt Jungle*, now being finished, is also a likely 1961-62 submission. Rexall has bought half of MGM-TV's *National Velvet*, and is currently seeking an alternate sponsor & a time slot.

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20th Century-Fox TV will be back to its 1959 network level this fall, with 3 major series airing nationally. ABC-TV has announced purchase of new, 60-min. *Hong Kong* (starring Rod Taylor) and sale of a major slice of it to Kaiser Industries. Program vp Tom Moore also told us that *Adventures in Paradise*, which got off to a rocky start but has gained steadily, will also be renewed for another season at the end of its 52-wk. run. TCF-TV's 3rd show, *The Many Loves of Dobie Gillis*, has been a hit almost from the beginning on CBS-TV. (But *5 Fingers*, cancelled early in the season on NBC-TV, was not.) . . . **Added note on** *Hong Kong:* It will be launched by Kaiser this fall in a Wed. 7:30 p.m. slot in a direct attempt to buck top-rated *Wagon Train* on NBC-TV, just as Kaiser's *Maverick* combatted the Steve Allen & Ed Sullivan shows.

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Hong Kong is hot this year as a TV backdrop. In addition to the above, on March 28, CBS News will launch a special sales campaign for "William Holden's Hong Kong," a 60-min., one-shot, filmed-on-location news special with actor Holden as host & narrator. It's due to be aired soon in a nighttime prime-time slot. Jack Paar, upon his return to NBC-TV, enthused on his show about the British Crown colony; Arthur Godfrey has dropped in to gather material for his shows; and ABC Films' *Counterthrust* series will feature espionage segments shot in Hong Kong.

STRIKE SITUATION AT A GLANCE

Union	Strike vs. TV-Film Makers?	Strike vs. TV Networks?	Strike vs. Movies?	Effects on TV Management	Prognosis for TV
WGA (Writers Guild of America)	Yes. Against Alliance of TV Film Producers and TV operations at major studios. Began Jan. 16 over residual proposals, including a foreign residual demand which may be dropped in favor of better pension deal. WGA extension of contract with non-Alliance TV film producers expired March 26, but no strike is imminent as negotiations progress —although a WGA membership meeting is scheduled for March 31 to authorize a strike.	Yes. WGA struck TV film at networks March 18, after latter refused to grant foreign residual demands. Contract with networks covering live TV-radio & network staff writers, now in negotiation, expires March 31. Strike authorization vote to be taken March 31. Same key issues as those in strike against TV-film makers.	Yes. Strike began Jan. 16 over demands for share of post-1948 film sales to TV.	Some producers feel script shortage, some pilots have been hindered, but production generally has not been hit badly. Producers are obtaining scripts from various sources, including non-Guild writers; are also remaking previously-filmed scripts. Some Guild writers are working under pseudonyms despite WGA orders. If strike doesn't end in few weeks, it can seriously affect next season's production.	WGA's consideration of pension plan in lieu of explosive issue of foreign residuals may pave way for settlement in several weeks. Key factor here is IATSE threat to seek more residuals if TV producers grant talent-guilds residuals. Pension plan would by-pass residuals. Many writers grumbling about being unemployed 10 weeks. Most optimistic view: Settlements late in April with Alliance and TV operations at majors; earlier with non-Alliance group.
SAG (Screen Actors Guild)	Doubtful. Extension of contract with TV producers expires May 31, and negotiations haven't begun yet. SAG may settle for reopening clause, make no issue of overseas residuals demand. SAG strike vs. major studios, on since March 7, doesn't involve their TV operations.	Douhtful. Extension of TV film contract expires May 31. Situation same as with Alliance.	Yes. SAG struck major studios March 7 over issue of post-1948 movies sold TV. Majors have offered SAG retroactive $1.5-million pension plan to drop post-1948 demands. SAG has reacted favorably, hut is holding out for $3.5 million. New key issue: post-1960 movies sold to TV. SAG wants 7% of gross. Majors offer 20% (after deducting 40% for distribution) for all guilds & unions, hut only for those movies which profited at boxoffice. SAG cool to this proposal. Pay TV another issue. SAG wants reopening clause. Majors consider pay TV an extension of theatrical box office Little hope for early settlement.	SAG strike has shut down majors' movie production but not their TV-making. No early release of post-1948s to TV is seen even if settlement is made, since majors will sell only when in need of cash.	With SAG striking majors, Guild has no desire to extend strike to TV. Neither side considers this likely.
IATSE (International Alliance of Theatrical Stage Employees)	No. However, IATSE threats of residual demands in event producers allow them to guilds have hindered negotiations. Circumvention of residuals via pension plan is hest het.	No.	No. Contracts of studio unions don't expire until Jan. 1961. Negotiations begin in Nov. IATSE threat to demand its share of post-1948 money is key factor in SAG-majors agreement on pension plan instead of post-1948s.	None.	IATSE seeking residual provisions in contracts with new TV film companies. Won't press post-1948 demands unless SAG or WGA gets such money from majors.
SEG (Screen Extras Guild)	No. Contract expired Apr. 2, 1959. SEG filed unfair labor practices with NLRB last week vs. Alliance of TV Film Producers, alleging Alliance refused to bargain separately with SEG and apart from Assn. of Motion Picture Producers.	No. Contract expired Apr. 2, 1959, negotiations still going on.	Negotiating with Universal-International. Also meets this week with major independents releasing through United Artists.	None.	Same as SAG.
DGA (Directors Guild of America)	No. Contract expires Apr. 30. Proposals presented to Alliance include modified overseas demands. No date set for negotiations. DGA overseas demand is much less than WGA's & it doesn't ask percentage of gross.	No. Contract expires Dec. 31.	No.	None.	No majors crisis anticipated.

Reruns of Rory Calhoun's *The Texan*, now in first-run on CBS-TV, have been sold to ABC-TV for next season, and Calhoun will star in a new 60-min. adventure series on CBS-TV. This neat double-play, executed by Desilu exec. vp Martin Leeds, involves an estimated $1.2 million for 78 episodes from ABC-TV which will daytime-strip the Western. While Rorvic Productions made *The Texan* series with Desilu, its principals, Calhoun and Orsatti, have formed a new company, Calvic, which with Desilu will produce the 60-min. series. It's tentatively set for 7:30 p.m. Mon. Still untitled, the show will present Calhoun as a Barbary Coast adventurer. Giraud Chester, ABC-TV daytime program vp, negotiated *The Texan* purchase.

TV's impact has forced movies to become "a more selective & discerning medium than it has been in the past," Motion Picture Assn. Pres. Eric Johnston stated before the 36th annual conference of the Child Study Assn. of America in N.Y. last week (March 21). "The movie theater," said Johnston, who pointed out the steady dwindling of brick-&-mortar theaters from 22,000 in the late 1940s to only 13,000 today, "once America's massive popular love, has been jilted for that glassy-eyed siren in the living room." Have TV-caused changes improved movies? "As responsible parents, we should all welcome this growing-up . . . to more mature subjects [which] has resulted in more fine motion pictures than in any previous Hollywood period."

NEW YORK ROUNDUP

Add film projects planned: Cal. National Productions and Fremantle International have blueprinted a 104-episode series of 5-min. children's TV films titled *Henry & His Claymates*, produced by Art Clokey. CNP will handle U.S. distribution; Fremantle will sell it overseas . . . NBC-TV has signed 3 more new film series for possible scheduling during the 1960-61 season: the 60-min *Michael Shayne* (Four Star), the 30-min. *The Westerners* (Four Star), the 30-min. *Big Jake* (Louis F. Edelman) . . . Jackie Coogan, onetime child star, has been signed by CBS Films programs vp Robert F. Lewine to co-star with Reed Maxwell in the pilot of a new adventure series, *Call Me First*.

Fremantle International has signed another co-production deal for a juvenile TV series, this time with Cullen Associates (independent documentary producers), the Golden Press (Golden Books), Hudson Productions, (Little Golden Books) and the Weston Printing Co. The series title is *Goldentoons*, and will feature animated versions of at least 130 Golden books & records. The series is designed to be a segment in a network children's show. Fremantle will hold world distribution rights outside the U.S.

Iron-Curtain sale has been scored by ITC for its syndicated series, *The Four Just Men*. Purchaser is the state-owned TV system in Czechoslovakia. The deal, made by ITC international sales dir. Abe Mandell, is actually the 2nd time ITC has sold a telefilm show to the other world-politics camp. Recently, the *Lassie* series was purchased for telecasting in Yugoslavia.

Foreign-produced TV cartoons are being launched as a new TV syndication package by Cinemagic International Corp. Pres. Arthur Epstein. Titled *Hound for Hire*, the 55-cartoon, 5-min. package is being animated in Europe by studios in France, Germany, England & Yugoslavia. Central cartoon character is "Sam Basset," a dead-pan, sad-faced private-eye type, aided by his sidekick, "Chapultepec," a guitar-strumming Chihuahua. TV-radio writer (*The Danny Thomas Show*, *Father Knows Best*, others) Phil Davis, vp of Cinemagic, created and is producing.

CBS Films Inc. sales staff will hold special sales meetings in N.Y. & Chicago March 31 and April 1, prior to the NAB convention to review sales plans and screen new fall product. Merle S. Jones, CBS Films pres., will officiate.

Screen Gems has sold a group of 12 telefilm series, including *Dennis the Menace*, *Father Knows Best*, and *Rescue 8*, to Tasmanian TV Ltd., new commercial TV outlet in Hobart, Tasmania (Australia).

Add syndication sales: Ziv-UA's *Home Run Derby*, now in 87 markets, has been sold to International Harvester dealers in a major regional buy . . . **Official Films'** *Almanac*, filmed 5-min. strip series, was bought by 5 stations last week . . . **WPIX N.Y.** has now lined up 23 station customers for syndicated showings of its 60-min filmed news special, "The Secret Life of Adolf Hitler."

Warner Bros.' *Alaskans*, one of several 60-min. slow starters on ABC-TV this season, scored a 35% share of audience in the latest (Feb.) National Nielsen. *Alaskans* gets 1.9 adults per set in its audience, "ranking first among all 136 nighttime TV programs in this area," the ABC Research Dept. pointed out.

HOLLYWOOD ROUNDUP

Veteran Hal Roach Sr. came out of retirement last week to say he is reactivating Hal Roach Studios, which he founded. He plans an $8,420,000 movie & TV-film production program, contingent on obtaining financing as well as approval from the trustees. The studio is in bankruptcy, following Hal Roach Jr.'s partnership with Alexander Guterma. Roach said he has a group of businessmen interested, but declined to identify them. His son will not be involved in the proposed operation.

RonCom Productions exec. producer Alvin Cooperman is casting for the leads in a new action-adventure series, *Arena*. He has virtually set Dan Tobin for a supporting role. RonCom has just finished 2 more pilots, *Harry's Business*, a comedy starring Ray Walston & Elena Verdugo, and *Happy*, another comedy starring Yvonne Lime & Ronnie Burns . . . Production resumed last week on the *All Star Golf* series near Indio, Cal. Show is on ABC-TV.

Warner Bros.' Efrem Zimbalist Jr., star of *77 Sunset Strip*, threatened to quit the series when the studio refused to lend him out for several movies. The actor was pacified by a meeting with studio Pres. Jack L. Warner, who assured him of consideration in future loan-out requests. Currently in a 4-month walkout on *Strip* is Edd Byrnes, who seeks a revised contract.

Columbia Pictures producer Charles Schneer has entered into a co-production deal for a series, *Sinbad the Sailor*, with the studio's subsidiary, Screen Gems. Sidney Cole will produce the series for Schneer . . . **Screen Gems** has assigned Winston O'Keefe as producer of its *Tom Sawyer* pilot.

Industry Film Producers Assn. gave its award of merit to CBS Pres. Frank Stanton at its first annual awards banquet in Los Angeles March 26. The prize was for outstanding public service in filmed documentaries, specifically *CBS Reports'* "Biography of a Missile." CBS News producer Jack Beck accepted the award for Stanton.

Anthony George has received his release from Desilu's *The Untouchables*, after appearing in 13 episodes . . . **Darryl Hickman** and **Dick Davalos** will star in NBC-TV's *The Blue and the Gray*, being produced by Gordon Kay . . . **Screen Gem's** *Alcoa-Goodyear Theater*, an anthology series, has been axed.

Revue Studios is planning a pilot for *Defiance*, a 60-min. adventure series starring Don Megowan, Bing Russell and Denny Miller. John Champion is producer-writer of the pilot, which goes into production this week . . . **Producer Jack Chertok** will begin production of his pilot *Port of Entry*, this week. Paul Comi stars.

Walden Productions' *The Secret Life of James Thurber*, starring Arthur O'Connell, has been sold, and a time slot for next season is now being sought.

NT&T and its subsidiaries, including NTA, National Television Investments Inc. and Williamsport Cable Corp., moved into their new building in Beverly Hills this week.

Screen Actors Guild and AFTRA have given their members permission to appear free on the Cinema-industry-sponsored Academy Awards telecast on NBC-TV April 4 . . . **Academy of TV Arts & Sciences'** Emmy telecast on NBC-TV June 20 will be sponsored by P&G and Greyhound.

Technology

NEW VIDEO RECORDERS: A "new approach" to TV tape recording will be placed on the market within about a year by Telechrome Mfg. Corp. So said Telechrome Pres. J. R. Popkin-Clurman in an address to N.Y. security analysts, confirming our story of last Dec. (Vol. 15:51 p3). The new machine, designed to sell at substantially lower price than present videotape recorders, is being developed as a result of an agreement between Telechrome and Epsylon Ltd., a div. of Britain's Stone-Platt Industries.

Popkin-Clurman hopes to demonstrate the new recorder within 4 months. It is understood to be incompatible with the Ampex & RCA 4-head machines. Telechrome's pres. told us earlier that it is "similar in principle to the Toshiba recorder," which uses a single recording head and is now in production by Tokyo Shibaura Electric Co. and scheduled to go on sale this summer in Japan.

The Toshiba recorder is one of 2 known TV tape recorders developed in Japan—both incompatible with Ampex-RCA recorders and with each other. The Victor Co. of Japan has developed a video-tape recorder with 2 recording heads. This mutual incompatibility has led the Japan Broadcasting Federation, a station trade group, to begin a study on the advisability of the setting up of a single TV tape recorder standard to insure compatibility of tapes used by its member stations. Only U.S.-made recorders are currently in operational use in Japan.

How Toshiba Recorder Works

Toshiba's recorder features continuous diagonal recording of video signals on a single tape track. According to Toshiba officials, this is how it works: Recording tape from the feeding reel is wound spirally around the guide drum and is reeled in the winder while being fed at a fixed rate of speed determined by a capstan. The guide drum at the center is divided into upper & lower parts with a slight space left in between.

The head disc, provided with the video recording head, revolves at high speed in this space and the contact point of the recording head & the tape pass along the track. TV picture frames are recorded at every revolution of the guide drum on the even-spaced track. The tape can then be broadcast without special synchronization. The head can be changed easily and there is no need for matching recording heads. The recording process can be monitored with the special monitoring head provided in the assembly.

Production of video tape has been begun in Japan by TDK Electronics Ltd. & Fuji Photo Film Co. Output is due to reach 600 reels a month in May.

In the U.S., meanwhile, Minnesota Mining & Mfg. Co. has lost its monopoly on the production of video tape. Reeves Soundcraft announced it is now in regular production of tape for TV recorders. Minnesota Mining last week announced a reduction of about 8% in the price of video tape in lots of 48 one-hour reels—3rd cut in 19 months.

Ampex's Videotape demonstrations at the NAB convention April 3-6 will feature new production facilities including still-frame viewing of recorded tapes. With all improvements to date, the Ampex tape system now has a 6-db improvement in signal-to-noise ratio.

Ampex denied reports that it has dropped plans to manufacture Videotape recorders in Japan. Press reports in Tokyo stated that Ampex had reached an agreement under which Sony Corp. would make its VTRs.

Completely new film-projection system, developed by Eastman Kodak, will be unveiled by GE at the NAB convention. Designed for use with a Vidicon camera, the system is claimed to project 16-mm images with clarity & sharpness previously obtained only from 35-mm film. The optical system has tilting, rotating mirrors which follow the film as it passes over the projection gate—reflecting an immobilized, stable image. Action is "continuous"—that is, film motion is not intermittent as in standard projectors, but smooth and at constant speed. GE claims the new projector "practically eliminates the effects of scratches & dirt particles on 16-mm film, and projects a steadier image."

Western Union's transcontinental microwave network (Vol. 15:44 p3) is taking on substance with the awarding of contracts for a system to link Boston & Los Angeles. Pres. Walter P. Marshall said the network will cover some 3,700 miles and is slated for completion late next year. GE will engineer the system. RCA will supply the basic radio equipment. WU has indicated that it plans to have a "video" channel, but it hasn't disclosed whether this would be capable of handling TV or would be used only for non-TV pictorial matter. The system will provide a broad-band circuit to be leased to the Air Force, as well as telegraph channels for WU's private-wire, facsimile and other services. WU is procuring sites for 160 relay stations to be located 25-30 miles apart along the route.

Complete film-room mechanization could be attained through novel approaches based on equipment which can be produced today, it was suggested in a paper at last week's IRE convention by chief engineer J. H. Greenwood of WTAE & radio WCAE Pittsburgh. Among his proposals: (1) Slide projection could be mechanized and made more flexible through use of cathode-ray storage tubes to show the picture while slides are being changed. (2) Film projectors which can be started instantly at full speed could be attained by using the technique of audio-tape machines which keep the motor & drive mechanism in operation during the "standby" period. (3) Cartridge-loaded film projectors could be used for short program segments.

RCA 4½-in. image orthicon camera will be unveiled at the NAB convention in Chicago next week. It's the first U.S.-made 4½-in. TV studio camera to be announced—although Ampex is selling the British Marconi 4½-in. camera, and Telechrome will show 4½-in. British EMI cameras, and the Pye counterpart is also due to be merchandised in this country (Vol. 15:51 p7). The new RCA camera, with a unique keystone-shaped case, is designed for maximum clarity in studio & tape use. It has only 2 main operating controls, meaning that a single operator can handle a group of cameras simultaneously. Designated TK-12, it weighs only 130 lb., is one of the first pieces of equipment to use RCA's thimble-size nuvistor tubes.

Outer-space radio signal was scheduled to be beamed live to TV viewers March 27 on NBC-TV's "Time: Present —Chet Huntley Reporting." Pioneer V is estimated to be 2 million miles from Earth. The program, a detailed examination of how Pioneer V works, arranged to pick up the signal at a U.S. tracking station in Hawaii, and transmit it from there to N.Y. for broadcasting.

Industrial Television, 7940 Fareholm Dr., Los Angeles, reports that it has installed more than 70 translator (booster) TV stations, as well as 40 microwave installations. It also manufactures TV & FM transmitters, closed-circuit & studio equipment.

The FCC

Lar (America First) Daly, Chicago's die-hard politician whose equal-time beefs led to Congressional amendment of the Communications Act's Sec. 315 last year, has lost 3 arguments with FCC on the same subject. In separate letters to Daly, Commission rejected pleas by Daly for: (1) Equal time on CBS to reply to comments on a news discussion program. (2) Reconsideration of FCC's denial of his request for time on "6 TV and/or radio networks and 23 TV licensees" to reply to newscasts. (3) Reconsideration of FCC's rejection of his plea for dual equal time as a 2-ticket candidate.

Radio-equipped birds—"experimental birdcasting" is FCC's designation for the in-air communications development—will be set loose by U. of Minn. in a study of their flight & nesting movements. Approving an experimental radio research grant for a National Science Foundation-financed project at the Cloquet Forest Research Center, FCC authorized installation of tiny transmitters on 6 male ruffed grouse. Powered by one-oz. batteries, the radios will transmit different-frequency signals to biologists stationed within a one-mile area.

Transfer of control of WJPB-TV (Ch. 5) Weston, W.Va. from J. Patrick Beacom to Pittsburgh Pirates major stockholder Thomas P. Johnson & George W. Eby (Vol. 16:8 p13) has been protested by WBOY-TV (Ch. 12). It alleges that the WJPB-TV principals made numerous misrepresentations, including concealment of ownership changes & agreements.

License renewal hearing for radio KDB Santa Barbara may be necessary because of "overall programming operations & disparity between program representations & actual operations," FCC notified the station in a letter. The action was another indication of Commission's closer scrutiny of renewal applications.

Engineering data in AM applications must conform after April 25 with new FCC requirements in Form 301 for detailed information on interference studies. FCC has revised the form to speed up processing of applications, putting the engineering data "on a more uniform basis."

WHP-TV (Ch. 55) Harrisburg, Pa. wants to move to Ch. 21, according to a petition filed with FCC. The switch also would require these CP-holders to shift: WRAK-TV Williamsport from Ch. 36 to Ch. 73; WLAN-TV Lancaster Ch. 21 to Ch. 55; WTLF Baltimore Ch. 18 to Ch. 66.

Translator CPs granted: Ch. 73, Yakima & Selah, Wash., & Ch. 78, Cowiche & Naches Hts., Wash., to Yakima Wireless Community TV Assn.; Ch. 71, 77 & 80, Memphis, Tex., to Cap Rock Translator System; Ch. 76, Honohina, Hawaii, to Kaiser Hawaiian Village TV.

KTSF (Ch. 10) Scottsbluff, Neb. received authority to identify itself with Gering, Neb. as well as Scottsbluff. FCC has also rescinded the authority granted WLOS-TV (Ch. 13) Asheville, N.C. to identify itself with Greenville & Spartanburg, S.C.

FCC Comr. Robert E. Lee will keep the store during the NAB convention—remaining in Washington while all other members go to Chicago.

Unfair labor charges against WTVM (Ch. 28) Columbus, Ga., accused by IBEW's radio & TV local 662 of refusing to bargain, have been dismissed by NLRB. It held that the union didn't have a majority of station's employes.

Congress

"Mess in Washington grows & grows," Rep. Bennett (D-Fla.) complained in a *Congressional Record.* He said he himself wasn't pointing "any finger of scorn at anyone," but he cited an editorial in the *Florida Times-Union* of Jacksonville which had scored ex-FCC Chmn. Doerfer's conduct in office, and said new Chmn. Ford "is going to be on the spot." The editorial warned: "Unless he moves fast & in the right direction, the public may be clamoring for a wholesale housecleaning of the FCC to straighten up this phase of the mess in Washington."

TV's "adverse publicity" has been brought on by "the venal & fraudulent efforts of the few" within the industry who have embarrassed it, according to Rep. Blatnik (D-Minn.). "There are producers to whom public service means more than a slogan, and those whose taste earns them a place on my screen," he told the House. As an example of "constructive work" in TV, Blatnik cited Four Star's projected series on men & women in the Foreign Service, planned in cooperation with the State Dept.

"National AGVA Week" would be observed June 5-11 under terms of Congressional resolutions (S. J. Res. 168 & H. J. Res. 624) introduced by Sen. Keating (R-N.Y.) & Rep. Halpern (R-N.Y.). Keating called on the country to "resoundingly applaud the 20,000 members & their families who make up the National American Guild of Variety Artists." Halpern said that "this wonderful group of Americans has an outstanding record of devoted service to every cause without regard to color or creed."

Budget increase of nearly $82 million to about $480 million has been voted by the House Appropriations Committee for the U.S. Office of Education, which administers audio-visual research programs under Sec. VII of the National Defense Education Act. It was part of $197.4 million added to funds of the Health Education & Welfare Dept. above monies requested by President Eisenhower.

Samoan natives who are U.S. nationals—but not citizens—would be authorized to operate radios aboard their own craft, under special legislation (S-3181) introduced by Senate Commerce Committee Chmn. Magnuson (D-Wash.). The measure was requested by Asst. Interior Secy. Roger Ernst, who said that inability of Samoans to get radio licenses from FCC "imposes a serious handicap upon shipping operating in & from the waters of American Samoa." FCC can issue licenses only to U.S. citizens now.

Another booster bill, amending the Communications Act to permit FCC to legalize the devices, has been introduced in the House by Rep. Dixon (R-Utah). The measure (HR-11333) is patterned after legislation (S-1886) cosponsored by Sens. Moss (D-Utah) & Murray (D-Mont.) which was passed by the Senate last year (Vol. 15:37 p3) but has had no House action.

Budget increase of $66,595 to $291,595 for 1960 for the Senate Commerce Committee headed by Sen. Magnuson (D-Wash.) has been approved in a floor vote. Magnuson said more money was needed for stepped-up committee work in jurisdictions ranging from fisheries to surface transportation and including such communications areas as allocations, pay TV, networks, ETV, CATV & boosters.

Ex-President Truman stars in the first of a new series of 13 "public service" TV films to be produced in the Senate studios by Sen. Hart (D-Mich.) for release to home-state stations.

Programming

Block that Song Plug: To curb the possibility of payola in the use of TV background & theme music, the American Society of Composers, Authors & Publishers last week drew up a new set of rules concerning royalties to be paid in TV for such music. The main change is in terms of the distribution to music writers of ASCAP royalties, although the new regulations call for a royalty reduction on background music heard twice or more times weekly to 25% of the maximum paid for such music on a once-weekly basis. The total amount of ASCAP royalties paid by networks is not affected.

ASCAP's move has been made with the blessing of the Justice Dept., since ASCAP is currently operating under a consent decree in exchange for a govt. promise to cease anti-trust proceedings. ASCAP Pres. Stanley Adams stated that the move will "curb incentives for artificial stimulation of performances."

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WNTA-TV's N.Y. Storevision experiment is showing results, NTA o&o stations vp Ted Cott stated last week. Cott cited Feb. 29-March 5 Nielsen figures for N.Y. which indicated that the station's *Day Watch* program, telecast 9 a.m.-6 p.m., is now reaching "approximately 1,390,000 unduplicated TV homes." This level, said Cott, is "nearly double the number of *Day Watch* homes that saw the show during the premiere week, Jan. 18-23." *Day Watch* is also seen on nearly 3,200 store TV sets.

Hubbell Robinson Jr. is out as production chief of the troubled Ford *Startime* specials series on NBC-TV. Last week, his N.Y. office closed down and, based in Hollywood, he will direct his further activities toward new TV series. There have been reports, in addition to the show's other problems (Vol. 16:12 p13), of recent sharp disputes between Robinson's firm and the show's sponsor and agency J. Walter Thompson.

Quiz probe is on again in N.Y. as a result of DA Frank S. Hogan's March 23 announcement that he'll probe "any false statements" made by quiz contestants & producers before a grand jury within 2 months. Hogan's quiz probe last fall resulted in a presentment, suppressed at first, but eventually turned over to Congressional probers (Vol. 15:44 p2 et seq.) to trigger the quiz chain-reaction whose effects are still being felt.

"TV 'Free' Film Source Book," 8th edition, published by Broadcast Information Bureau, lists 5,069 public-relations films, of which 1,552 are new titles. Editor Judy Dupuy estimates that the informational films represent an investment topping $250 million. The source book is obtainable from BIB, 535 Fifth Ave., N.Y. 17.

TV Guide's awards to 7 winners of its readers' poll were presented Friday night during the 60-min. Chrysler-sponsored "TV Guide Award Show," colorcast via NBC-TV. The first nationwide balloting of TV viewers attracted 176,532 votes which selected 5 nominees in each of 7 categories. In the 2nd balloting, readers chose these winners in each category: *Father Knows Best* (favorite 30-min. series), *Perry Mason* (favorite 60-min.-or-longer series), "Turn of the Screw," starring Ingrid Bergman (best single dramatic program), "Another Evening With Fred Astaire" (best single musical or variety program), *Huntley-Brinkley Report* (best news or information program), Raymond Burr (most popular male personality), Loretta Young (most popular female personality).

WCBS-TV N.Y. granted "equal time" immediately after it launched its first on-air TV editorial Mar. 18. In it, the o&o's vp & gen. mgr. Frank H. Shakespeare Jr. had taken a televised swipe at proposals to legalize off-track betting, charging that it would draw most of its revenue from those New Yorkers least able to afford it. Chmn. Robert W. Dowling, of the Mayor's Committee to Legalize Off-track Betting, accepted the station's offer to reply, taped a statement on March 22, and saw it aired at 11:15 p.m. the following night (the same time slot used by Shakespeare for his original 10-min. criticism—which had been repeated on Sat. March 19). Another rebuttal was aired by WCBS-TV on March 19 when state Sen. Joseph Zaretsky, minority leader (D), disagreed with the station's editorial during an appearance on WCBS-TV's *Eye on New York* public-affairs series.

TV's "minuscule percentage of wrongdoing should be weighed in proper perspective with the medium's overwhelming record of public responsibility," NBC standards & practices vp James Stabile told Pittsburgh's radio-TV club. He cited the network's *American Heritage* and *World Wide 60* series as "exemplifying TV's continuing effort to provide quality public-service programming to the maximum number of viewers." Terms such as payola & plugola "which fit neatly into headlines, have diverted attention from TV's consistent record of supplying to some 52 million homes quality entertainment & enlightenment 19 hours a day, 365 days a year," said Stabile.

MCA is entering sports field in TV with the representation of a $3-million, network-level package on behalf of the American Football League. Both NBC-TV and ABC-TV (which recently landed much of the Gillette sports business) are reported interested. A total of 30 weekend TV grid games will be included in the deal, selected from a total of 56. Harry Wismer, sportscaster & pres. of the New York Titans (one of the league's new teams), stated last week that the American Football League's deal via MCA will offer TV advertisers "twice as many" games as the National Football League, for the same amount of money.

Two instances of station & police dept. cooperation have turned up recently. In Miami, WCKT has set up a lending library of police-series TV shows (*Man Hunt*, *Highway Patrol*, *Decoy*, others) for the city's police dept. to use for "illustrating certain techniques of crime investigation" in its training courses. And in Seattle, KOMO-TV is televising police dept. mug shots & descriptions several times weekly on its 11 p.m. news show. In one campaign against bad-check passers, 33 arrests resulted from 100 telecasts. Several people have turned themselves in after seeing their own faces on screen.

KOMO-TV Seattle scheduled a local public-service double header last week: A 60-min. live telecast from the new Seattle Public Library to celebrate its opening, and the debut of a 30-min. 4-part series, *Alumni Fireside*, featuring distinguished U. of Wash. alumni in conversation with University faculty members. KOMO-TV news editor Herb Robinson is the series host.

Lawrence H. (Bud) Rogers II, recently named operations vp of Taft Bcstg. Co., has instituted a regular series of broadcast editorials for the Taft stations (WKRC-TV & WKRC Cincinnati; WTVN-TV & WTVN Columbus; WBRC-TV & WBRC Birmingham, Ala.; WBIR-TV & WBIR Knoxville, Tenn.; WKYT Lexington, Ky.). Rogers writes the editorials and delivers them on camera.

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Personals: John H. Mitchell, former vp in charge of ABC's KGO-TV & KGO San Francisco, appointed mgr. of Central American TV Network (51% owned by ABC) . . . Ralph S. Mann named dir., NBC talent & contract administration . . . Bart Swift, ex-TelePrompTer, named national sales development dir., Theatre Network Television . . . Harry A. Babcock, FTC exec. dir. who joins Washington communications law firm of Weaver & Glassie this week (Vol. 16:12 p18) after 38 years with agency, has been awarded FTC's distinguished service award for "exceptional accomplishments."

Joseph M. Dealey elected pres. of the A. H. Belo Corp., owner of WFAA-TV & WFAA Dallas, succeeding his father E. M. (Ted) Dealey, now chmn. James M. Moroney Sr. promoted from senior vp to vice-chmn.; Joe A. Lubben, from vp to senior vp; H. Ben Decherd Jr. and James M. Moroney Jr. elected vps.

Tom Coleman, ex-asst. dir. of Assn. of American Medical Colleges, Evanston, Ill., appointed Greater Washington (D.C.) Educational TV Assn. exec. vp . . . W. A. MacDonald named CBC PR dir. . . . Cleveland Lane named exec. vp, John Sutherland Productions (industrial & educational film producers).

Jay L. Schiller, ex-Lennen & Newell, named RAB research mgr. . . . Dr. John W. Meaney, U. of Houston radio-TV-film center dir. and mgr. of educational KUHT & KUHF, takes leave to join U.S. Office of Education as TV consultant . . . Russell C. Tornabene, NBC Washington correspondent, elected treas. of Washington chapter of Sigma Delta Chi, professional journalistic fraternity.

Obituary

Franklin P. Adams, 78, noted newspaper columnist and panelist on *Information Please*, died March 23 of hardening of the arteries. He is survived by his second wife, Mrs. Esther Root, 3 sons and a daughter.

John Lardner, 47, TV-radio columnist for *The New Yorker* as well as *Newsweek*'s sports columnist, died March 24 of a heart attack. Coincidentally, Lardner, son of late writer Ring Lardner, was writing the *Newsweek* obituary for his father's colleague, Franklin P. Adams, when he suffered his heart attack.

Former President Harry S. Truman will receive the Broadcast Pioneers' Distinguished Service Award in Chicago April 5 at the banquet held in conjunction with NAB's convention April 3-6. The Pioneers will present to the former chief executive a tape collection of his speeches for the Harry S. Truman Library in Independence, Mo.

RCA Chmn. David Sarnoff was awarded Italy's medal of Commendatore of the Order of Merit at a ceremonial dinner at the Italian Embassy in Washington for his contributions to telecommunications development in Italy. He won the Prize Cristoforo Colombo in Genoa last year.

Meetings this week: Pa. Assn. of Bcstrs. legislative luncheon (March 29), Congressional Hotel, Washington . . . ANA workshop on "How to Use Advertising Effectively in Introducing New Products." (29), Hotel Ambassador, Chicago . . . Assn. of Bcstg. Executives of Texas (31), Statler-Hilton Hotel, Dallas . . . National Assn. of FM Bcstrs. business meeting (April 2), Hilton, Chicago.

Meetings next week: Ore. Assn. of Bcstrs. annual meeting (April 8-9). Howard Bell, asst. to pres. of NAB, will speak, Eugene, Ore. . . . Disc Jockey Assn. membership meeting (9-10), Minneapolis.

"Charley Weaver's Family Album," picture book by Cliff Arquette, will be published April 4 by the John C. Winston Co. ($1.95).

Auxiliary Services

Intelligent national pay-TV decision "has been made almost impossible for millions of set owners and for the FCC itself," according to the Fund for the Republic. It's "occasional paper," titled "To Pay or Not to Pay" and written for the Fund's Center for the Study of Democratic Institutions by Robert W. Horton, cites "expensive gestures of lavish hospitality and contact with members of Congress in 1958 by a major TV network as a factor in frustrating pay TV in its early stages." As a result of such persuasions, says Horton, the Interstate & Foreign Commerce Committee of the U.S. Senate "apparently yielded to strong outside pressure and requested FCC to postpone pay-TV experiments when the service was about to be initiated in March 1958." Pay-TV interests also "have handled the matter of fees in vague contradictory terms," Horton reports, "and have made no comprehensive or concerted effort to produce realistic estimates of what the public might expect." Horton adds that the pay-TV supporters have strengthened their opponents' hand by ignoring the public "which must ultimately decide the issue."

Television Industries Inc. stock can't be sold by the various firms (Judson Commercial Corp., Mideast Securities Corp., Silver Co.) to which Matthew M. (Matty) Fox, pres. of Skiatron of America pledged his 68,840 shares against loans—at least, not unless the stock is registered with SEC. That's what we were told in N.Y. last week by a spokesman for the SEC office, who added there had been "no new developments since Fox signed a consent decree" (Vol. 16:12 p18). "We've litigated this position over a period of time," said our SEC source.

Jerrold's expansion plans (Vol. 16:10 p20) were further delineated last week in an unusual *Wall Street Journal* ad. "We are interested in purchasing *this* electronics company," read the caption. The text stated that Jerrold wants to buy a company specializing in design, development & manufacture of radio-frequency measuring devices "with sales of from $100,000 to several million dollars annually."

Trade Report . . . .

MARCH 28, 1960

NEW TAPE CARTRIDGES & NEW CONFUSION: The candidacy of tape as a mass-market competitor to the stereo disc last week received an important boost—or setback, depending on how you look at it—with the unveiling of 2 new easy-as-a-record stereo tape cartridges.

Most promising was the widely-publicized Minnesota Mining-CBS Labs system, now virtually ready for production and due to be used next year by Zenith and Grundig (Germany), probably also Columbia and some other domestic & foreign phono makers. As demonstrated by CBS Labs Pres. Peter Goldmark—father of the LP disc—at last week's IRE convention in N.Y., it seemed certain to stir up another LP-vs.-45-rpm war—that is, unless it and its competitors kill each other off in a cloud of confusion.

Thus Goldmark again challenges RCA, which has been marketing its own non-compatible tape-cartridge system for 9 months. The 3M-CBS tape cartridge is ingenious, convenient, compact, has excellent tonal reproduction—and, backed by Zenith, should give RCA cartridge a run for its money.

New cartridges are designed to sell for price of LP records "plus or minus 20%," employ brand new type of tape. Tiny cartridge (3½-in. square, 5/16-in. thick) looks like a slightly oversized graham cracker. It plays up to 64 min. at 1⅞-in. per sec. on new narrow tape only 150 mils (about 1/7 in.) wide, completely enclosed within the plastic cartridge. Five or 6 hours of programming can be carried in the coat pocket, and the tapes can be stacked on automatic tape player for continuous music (Zenith's upcoming set will play up to 6 hours). Home recordings can be made on blank-tape cartridges.

One big breakthrough in the new development is preservation of good frequency response at slow speed ("essentially flat" response from 50 to 15,000 cycles is claimed). To prove this achievement, Goldmark played parts of a regular 15-in.-per-sec. master tape played alternately with same selection on new cartridge. Although there was some dispute among audio engineers attending the demonstration, our ears could discern little or no difference.

More confusion may be added by the provision in the 3M-CBS cartridges for an "optional 3rd track" on the stereo tapes. This track would not affect conventional 2-channel tape reproducers, but special players with a 3rd-channel amplifier would reproduce a "reverberation track." Goldmark said that CBS Labs experiments "have shown that in [the] average living room, a much more exciting & realistic sound can be produced [by reverberation], giving an illusion of 'being there.'" The reverberation track would contain "the stereophonic sum signal delayed & reverberated to an optimum degree."

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RCA's tape cartridges, which contain 2 reels and conventional ¼-in.-wide tape, are considerably larger than 3M-CBS's, and can't be stacked on a changer. Recorded at 3¾-in. per sec., they sell at $4.95-$6.95, vs. $5.95 for most stereo LP discs. RCA has about 100 titles in its cartridge catalog, adds about 6 a month.

"Consumer acceptance of the RCA tape cartridge has reaffirmed our belief that this is the answer to tape recording & reproduction for the mass market," said RCA Sales Corp. Pres. Jack S. Beldon, when asked to comment on the new development. "Sales of our first 2 player-recorders using this system—one stereophonic & one monaural—have met our expectations for a pioneering product and are showing steady increases in areas where dealers are actively promoting & demonstrating the instrument."

Bell Sound Systems, which makes 6 models of recorder-players for the RCA tape cartridge, says it has sold "less than 400 of them—but we feel sales are going well."

Armour Research Foundation, which holds many basic magnetic recording patents, also showed a tape cartridge at last week's IRE meeting. Tape is enclosed in a half-in. thick disc, 3¾-in. in diameter, plays at 3¾-in. per sec. Like 3M-CBS cartridge, the ARF units can be stacked for antomatic playing—but they can

also be played on present manual machines. Because 3M-CBS system already has some important industry backing, there seems to be less chance of widespread acceptance for the ARF approach.

Pre-recorded stereo-tape industry, which suffered an almost disastrous depression a year ago as a result of the perfection of the stereo disc and the talk of impending tape cartridges, picked itself off the ground and has been gathering momentum as result of new standards adopted by most tape music manufacturers (Vol. 15:21 p16). Industry standard for pre-recorded tapes is 7½ in. per sec., 4 tracks (2 in one direction, 2 in other), open reels (no cartridge).

The 3M-CBS tape-cartridge development has been demonstrated to most phono & tape-recorder manufacturers—including RCA. Whether tape emerges from the cartridge race as a new & formidable competitor to the stereo disc is anybody's guess—but don't bet if you want to be paid off in the next 2 years.

WHAT TYPE STEREO 'LISTENS BEST'? Which approach to stereo provides most pleasure for the listener? If you disregard economics, forget about furniture, ignore convenience features—in other words, just listen—which type of stereo will your ear like best?

GE's radio receiver dept. undertook such a study and came up with "stereophonic home phonograph system rating guide," which, according to advanced project development engineer Harwood B. Moore, "at least shows a significant trend."

Describing results of limited tests in a paper at last week's IRE convention in N.Y., Moore explained that listeners—one at a time—were placed in a room equipped with loudspeakers and switch control and told to compare "System A & System B" 5 different times—systems being changed after each decision. In each case, a standard full-frequency 2-speaker stereo system was compared with all other systems.

Compared in 2 separate series of tests were a monophonic system, normal full-frequency 2-speaker stereo system, single-cabinet stereo console, a 3-speaker system with mixed lows from both channels in the center speaker, a 2-speaker system with mixed lows in the right speaker, a 2-speaker system with "phantom center speaker," and a "spread stereo" console system in which sound is supposed to appear to come from "beyond the cabinet" through enhancement of the "difference" information.

Four tests were made with two sets of 12 subjects taking 2 tests each. Subjects were technicians, secretaries & other GE employes who did not know which systems they were testing and were asked to compare "sound panorama" of the various systems in "order of preference." Quality of equipment, frequency response & volume were kept identical for all tests. One set of tests used a stereo disc, the other a tape. Separate tests were conducted with subject sitting directly in front of speakers and off-center.

Results could have been influenced by size of room, type of furnishings, statistical method (using normal 2-speaker stereo as standard of comparison), as well as many other non-electronic factors—but nevertheless outcome of experiments are interesting. Here is the summary as outlined by Moore:

Listeners expressed "large preference for normal stereo"—a 2-speaker system with the speakers 10 ft. apart (subject was 10 ft. from speakers). While single-cabinet stereo was widely preferred over monaural, all types of wide-angle and "spread" systems got the nod over one-cabinet 2-speaker sound. For listeners sitting front-&-center of speakers, "phantom center channel" system came out ahead of 2-cabinet "normal stereo" in disc tests, but its popularity went way down when subject moved off-center. Summing up, Moore concluded that "subjective listening tests indicate that 2 full-range speakers widely separated are most preferred for stereo." For complete tables of the test results, see p. 20.

TV-RADIO PRODUCTION: EIA statistics for week ended March 18 (11th week of 1960):

	March 11-18	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	106,733	102,939	91,416	1,343,551	1,186,116
Total radio	349,896	350,468	170,655	3,813,217	3,074,365
auto radio	132,255	149,147	40,218	1,632,202	1,162,191

Country of origin must be labeled plainly on consumer electronic items imported into Canada beginning April 1, under a new order issued under Canada's Marking Act. Products covered are TV & radio receivers, radio-phono combinations, phonos, record players, tape recorders.

Magazine for distributor salesmen covering the industrial electronics market has been introduced by RCA's electron tube div. *Industrial Market Product & Commercial Tips* will be issued bi-monthly to keep salesmen posted on latest RCA industrial products & promotions.

IRE HIGHSPOTS: While space electronics, microminiaturization, computers, medical electronics and direct conversion of heat to electricity dominated the huge IRE international convention last week, there was something for everybody—as usual—among the more than 800 exhibits and 54 technical sessions. The only difficulty was finding it.

Being principally interested in consumer electronics, we again leave the subject of coil-winders, thermothrockles and canuten-valves to the technical journals, and present herewith some capsule summaries of developments, exhibits & papers which were of most interest to us last week at the N.Y. Coliseum & Waldorf-Astoria:

TV devices: (1) Corning Glass showed its new nonglare laminated "cap" for 19- & 23-in. picture tubes. The treated cap diffuses 75% of reflected light without perceptible loss in resolution, according to the company. Spokesmen told us that several manufacturers are using the new cap in 19-in. sets, although they have been less quick to accept it for 23-in. tubes. (2) Union Carbide (Eveready) displayed a flat 15-volt alkaline battery developed for direct-view transistor TV sets. Weighing 6½ lb., it can be used for about 4 hours, recharged in 10 hours, takes about 50 recharges. A company official said it can be mass-produced as soon as there's a demand.

Stereo & hi fi: In addition to the papers on new tape cartridges and listener stereo ratings (see pp. 18 & 19), 2 new devices described by CBS Labs engineers aroused interest: (1) A wireless ultrasonic continuously variable remote control unit for stereo phonos, controlling volume, balance & record-reject. (2) An automatic stereo phaser for use in record labs & radio stations (now being tested at CBS's KMOX St. Louis) which keeps left & right signals in their proper channels regardless of phase changes.

New tubes: There's plenty of life in the vacuum tube yet, and these new types for TV, radio & hi-fi were shown or described at the convention: (1) RCA's thimble-sized nuvistors, now in commercial production, were shown in 2 vhf TV tuners, 2-stage & 3-stage TV IF amplifiers, a uhf tuner and an FM tuner. An 18-nuvistor TV set was shown in operation. (2) GE showed a new "shadow grid" tube (6FG5), which incorporates extra grid, eliminates some circut components, drastically reduces noise levels in TV tuners and increases amplification in IF operation. GE also showed a full line of 11 new reliable high-performance audio hi-fi tubes and a TV rectifier tube with new tubular cathode which acts as its own heater and permits a 40% power saving. (3) Amperex Electronics introduced new frame-grid tubes for TV tuners & IF stages, whose gain is claimed to be high enough to eliminate an IF stage.

Transistors: Two RCA engineers described a developmental double-emitter transistor, combining oscillator & mixer functions, for portable & auto radios. This 2-in-1 transistor will make possible simpler & improved transistor radio designs.

Ultrasonic cleaners: First such unit "designed for the mass consumer market as well as for laboratories & industry" was introduced by Narda Ultrasonics Corp., Westbury, N.Y., to sell for "less than $100." Suggested home uses of the transistorized ultrasonic cleaner: Cleaning contact lenses, eyeglasses, parts & tools for do-it-yourself projects, jewelry, silverware, etc. Principal markets at which the new cleaner is aimed are dental & medical offices, laboratories, barber & jewelry shops, plants handling small parts. Westinghouse, meanwhile, introduced its first portable industrial ultrasonic cleaners for industrial plants.

More about

LISTENER STEREO RATINGS: Preference for 2 widely-spaced (10 ft.) full-range speaker systems in reproduction of stereo discs & tapes was expressed by experimental listeners in GE's recent subjective tests of stereo systems (see p. 19). Two sets of tests were conducted—one using stereo discs, the other tape—with each of 12 people taking each test twice.

GE engineer Harwood Moore, who conducted the tests, said that instrumental selections featuring small musical groups were used for the experiments. In each case, the program material was screened to select recordings in which instruments were grouped so that distinctive sounds originated from left, right & center. He conceded that results might have been different if large-group recordings—symphonies, for example—had been used.

For the disc tests, Moore used the Capitol stereo record, *Donnybrook with Donegan* (3 instruments). In 2nd series of tests, RCA stereo tape *Love in the Afternoon* (5 instruments), was used for program material. In both disc & tape tests, listeners were tested separately sitting 10 ft. in front of speakers at apex of equilateral triangle formed by the 2 widest-spread speakers ("on-center" position), and seated 10 ft. in front but "off-center."

Same stereo-system approaches were compared in both disc & tape tests, except that "spread stereo console" was substituted for "monaural" in the tape tests. No tests of "spread stereo" were made using discs as program material. "Spread stereo" is the system in which sound supposedly seems to originate from beyond the confines of the cabinet.

Here are the listener ratings, as compiled by totaling the number of preferential votes each system received (a vote was allocated to a system for each favorable decision it received by a listener):

System	Votes (on-center)	Votes (off-center)	Total Votes
STEREO PHONOGRAPH RECORD			
Normal stereo	49	52	101
Phantom center channel	52	32	84
Mixed lows in center	28	48	76
Mixed lows at right	31	32	63
Stereo console	19	13	32
Monophonic	1	3	4
STEREO TAPE			
Normal stereo	48	54	102
Mixed lows at right	45	41	86
Mixed lows in center	37	38	75
Phantom center channel	34	35	69
Spread stereo console	11	6	17
Stereo console	5	6	11

EIA Board Actions: The EIA board of directors, at its recent spring meeting in Washington (Vol. 16:12 p20), opposed pending legislation which would give the Secy. of Labor broad authority to investigate industry costs & profits before recommending higher tariff rates to offset lower wage levels in countries exporting goods to U.S. In a summary of other actions, in addition to those reported here last week, EIA announced that its board also urged the repeal or modification of the Walsh-Healey Act. Admission of 13 new members raised EIA membership to 342:

Electronic Consultants Inc., Hempstead, N.Y.; Electronics Investment Management Corp., San Diego, Cal.; Harman-Kardon, Westbury, N.Y.; McDonnel & Co., N.Y.; McDonnell Aircraft Corp., St. Louis; Polytronics Labs, Clifton N.J.; Ruder & Finn, N.Y.; Standard Rectifier Corp., Santa Ana, Cal.; Stanford Research Institute, Menlo Park, Cal.; Syntron Co., Homer City, Pa.; Tucor Inc., S. Norwalk, Conn.; U.S. Transistor Corp., Syosset, N.Y.; Vought Electronics div. of Chance Vought Aircraft, Dallas.

MORE NIPPON COLOR SETS: Japan's interest in the U.S. color-TV market is shifting from academic to epidemic. Last week came word that giant Hitachi Ltd. of Tokyo has swung into mass production of a 21-in. model that is America-bound. The Sampson Co. of Chicago disclosed that arrangements are being finalized for U.S. distribution of the Hitachi set—soon. The color-TV model is slated to debut at the May parts show in Chicago and to hit U.S. sales outlets in the fall.

It's a sure bet that this is only the beginning. Previously, Thompson-Starrett's Delmonico International div. reported that it is preparing for the debut of a still-unnamed Japanese color set—also 21-in. (Vol. 16:12 p21). Other Japanese majors—Toshiba, Sony, Matsushita—are known to be gearing for color, and certainly there'll be no dearth of distributors for Yankee markets.

In keeping with its "policy to license responsible companies here & abroad to use RCA's patent rights on reasonable terms," color-promoting RCA has been responsive to bids from Japanese set & tube makers. Obviously, the prospect that RCA-licensed Japanese color sets may come home to roost is not a worrisome thought—because anything that boosts color TV in the U.S. helps RCA. (Japan recently adopted the NTSC color standards.)

Plans U.S. Marketing This Fall

The Hitachi 21-in. color set is being produced under RCA license, at Hitachi's new Yokohama plant. The picture tube also is being produced by Hitachi. The set, of course, is compatible with U.S. standards and will require no changes or modifications for U.S. reception.

Pres. Robert Sampson of the Sampson Co. said that a team of Sampson executives is in Japan finalizing distribution arrangements. Although the distributor hopes to have the Hitachi color sets "in American stores this fall," Sampson said, price & delivery data will not be available until various details are settled. One detail concerns the completeness of the import. Sampson said it is possible that only the Hitachi chassis & tube will be imported, to be married here to an American cabinet, to save shipping charges. Interestingly, Delmonico International is planning on importing chassis & cabinet, but adding the picture tube in this country. The Hitachi set reportedly uses 28 tubes, 6 diodes and a full-wave silicon rectifier.

Meanwhile, back in Japan, Tokyo-published Feb. *Radio & TV* reports: "The Ministry of Postal Services is in the optimistic opinion that the mass production of color-TV sets will be easier than that of non-color TV sets in the early stage. As regards the price, the domestically-made color-TV sets are 300,000 yen [$680] a set, while in the U.S.A. it is said to be 200,000 yen [$520] per set. When they are put into quantity production, it is expected to be lowered to 170,000 yen [$442], and further to 100,000 yen [$260] in a few years."

* * *

Sony's Canadian distributor, Winnipeg-based General Distributors Ltd., has been named exclusive Canadian rep of the Japanese concern's newly-formed & wholly-owned Sony Corp. of America distributorship (Vol. 16:10 p16). General Distributors took over the Sony radio line in 1955. Since then, the Canadian distributor reports, it has made Sony "the most wanted brand of transistor radios on the market," has pushed it to the "top sales position with an estimated 30% of total Canadian unit sales against 23 competing name brands."

Sony's battery-portable TV—in its premiere U.S showing—was a traffic-stopper at the IRE convention last week in N.Y. Even though the Sony booth was tucked in an out-of-the-way corner of the N.Y. Coliseum, there was a continuous crowd watching the tiny 8-in. transistor set (Vol. 16:4 p15)—and asking questions. The model, a pre-production unit, was housed in a transparent plastic cabinet to reveal the neat arrangement of its innards on printed-circuit boards. It gave an excellent picture in the Coliseum, operating on line power or self-contained battery pack and using its own single-rod telescoping antenna. Sony representatives told us it will sell in this country at about $200, that samples would be here soon, but there will be no large quantities until next year. The set weighs 13 lb. with battery, but feels much heavier because of its compactness. The 12-volt lead-acid battery will operate the set for 3 hours, then must be charged for 10 hours from the power line. The set may be off or on while battery is being charged. The battery can be recharged about 100 times, Sony officials said. In addition to its 8-in. 90-degree tube, the set has one power tube (for charging the battery and operating on line power), 23 transistors, 14 diodes.

First U.S.-made FM-AM transistor portable has been put into distribution by Zenith at $189.95. Designated the "Trans-Symphony," the deluxe indoor-outdoor radio has 5x7-in. oval speaker, 500-milliwatt undistorted power output, automatic frequency control (AFC), 3 antennas (one for AM, built-in & telescoping antennas for FM), 11 tuned circuits on FM & 8 on AM. It weighs 11¾ lb., is designed to operate 300 hours on 8 flashlight batteries.

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17- & 21-IN. NOT DEAD YET: Just as Motorola caused raised eyebrows when it introduced 6 new 21-in. sets as forerunners of its 1961 line (Vol. 16:11 p20), RCA showed its confidence in the popularity of an old standby last week when it announced 4 new 17-in. portables.

Two of the 17-in. sets, designated "Sportabouts," are equipped with a new "Wireless Wizard" remote control which turns the set completely off in addition to performing the traditional remote functions. The remote sets feature a "touch bar" channel-selector. The low-end 17-in. non-remote portables start at a suggested retail price of about $169.95. Some 14-in. portables are retained in RCA's line.

Also introduced by RCA were 2 new color sets—in early American maple and modern—both carrying "open" list and in the higher-priced bracket.

Although most manufacturers are due to emphasize 19- & 23-in. sets this year, no set maker has unequivocally announced that it will eliminate both the 17- & the 21-in. sizes. Some undoubtedly will, however. Admiral is dropping all 17-in. sets and has indicated that it hopes to drop the 21-in. this summer unless there is special demand. Hoffman is known to be planning to drop both sizes. Sylvania, which discontinued 21-in. sets last year, is expected to discontinue the 17-in. size this spring. Westinghouse probably will have only one 21-in. set in its new line, holding over perhaps a couple of 17-in. portables.

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Sales of magnetic tapes aren't subject to the manufacturer's excise tax on phono records, the Internal Revenue Service has decided (Rev. Rul. 60-105). Answering questions raised by an unidentified producer of tape-recorded religious music & songs, IRS said such tapes aren't taxable records because they aren't intended "for reproduction by means of a phonograph [or] radio & phonograph."

Trade Personals: Theodore S. Hoffman named Hoffman industrial relations vp . . . James W. Evans, dir. of Hazeltine Electronics advanced planning group, named vp . . . William H. Weed named Raytheon industrial components div. ad & sales promotion mgr. . . . S. Champion Titus, ex-BBDO, appointed Ampex Audio ad & sales promotion mgr.

Edward O. Johnson promoted from advanced development mgr., RCA semiconductor & materials div., to chief engineer for the div. . . . Carl W. Burrows Jr., ex-Hoffman, named hq sales dir., Stromberg-Carlson . . . Charles W. Carruthers named electromechanical components operations chief engineer, Raytheon industrial components div. . . . Frederick H. Brooke Jr. named mktg. mgr., Raytheon A.G., Raytheon wholly-owned European mktg. subsidiary. He will headquarter in Zug, Switzerland . . . Jack A. Rickel to head new Dage Washington office (905 16th St.) . . . Lothar Stern resigns as electronics editor, *Popular Mechanics* magazine, to join Motorola PR dept.

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Excise tax status of some TV tuner makers who have been tangled up in a 1955 technical ruling by the Internal Revenue Service would be clarified under a bill (S-3244) by Sen. Hartke (D-Ind). He said his measure is intended to validate procedures by which makers of non-taxed tuners sold them tax-free to set manufacturers although tubes used in the tuners were taxable. Under "the technically correct procedure" of the 1955 ruling, Hartke said, the tuner manufacturers should have paid excises on the tubes, then recovered the taxes from manufacturers of the sets which were taxed. The IRS is now trying to collect tube taxes from the tuner makers although the taxes already have been paid by the set makers, Hartke said.

Radio will outstrip TV in set sales by a ratio of 4-to-one between now & Jan. 1, 1970, predicted RAB Pres. Kevin Sweeney last week before the Spokane Ad Club. Americans, said he, will buy "200 million new radios" by 1970. "A generous estimate," he added, "will give TV another 50 million set sales, of which all but 20 million will be replacements. If newspapers have another 6 million copies daily potential annually by 1970, it will surprise their most enthusiastic advocates, and the chances are that magazines will not gain anywhere nearly as much."

National Co. Inc. has acquired Servo-Dynamics Corp. and will operate the Somersworth, N.H. maker of electromechanical components as a wholly-owned subsidiary. Herbert C. Guterman, chmn. of Malden (Mass.) based National, said Servo-Dynamics' present plant & more than 100 employes will be retained. The new subsidiary was acquired from Saco-Lowell Shops.

Most extensive spring advertising-merchandising program in Motorola's history will be keyed to its portable & car radio lines. Robert G. Farris, consumer-products ad & sales promotion dir., said the program will include national magazines, local newspapers, professionally installed window displays and radio-set selling displays.

Dual-function audio signal generator has been designed by Packard Bell Electronics for measuring distortion in hi-fi amplifiers and frequency response of test equipment, hi-fi amplifiers, tone controls and phono equalizers.

New-type TV aerial cable which uses foamy polythene as screening against high-frequency interference, such as that caused by passing traffic, has been introduced by N. V. Hollandsche Draad-en Kabelfabriek, Amsterdam. Low impedance of the cable requires use of adapting transformers at either end.

Finance

Admiral's sales & earnings "should continue to increase in 1960," Pres. Ross D. Siragusa predicted in the company's annual report. He stated, however: "Your management is not in complete accord with economists who have been predicting a boom in 1960. While our outlook is cautiously optimistic for the nation's economy, we believe the effects of the prolonged steel strike will be felt for some time. Of greater concern to us is the specter of increasingly strong competition for American products on the world market from the many nations which have been receiving billions of dollars from the U.S. since World War II." Reviewing Admiral's 1959 operations, Siragusa said: (1) Admiral's portable-TV remote control "helped the company attain first place in the portable field." (2) The company sold more color sets during 1959 than during the previous 5 years it offered the product. (3) Admiral's transistor radio sales increased 25% despite Japanese competition. (4) The $1-million expansion program begun at Electronics City, Harvard, Ill., will make it the world's biggest single TV plant. Admiral's financial report for the year ended Dec. 31 (preliminary report in Vol. 16:10 p19):

	1959	1958
Sales	$199,605,609	$170,777,126
Net earnings	4,108,450	1,375,017
Per common share	1.71	57¢
Common shares	2,405,471	2,372,476

Sonotone capped its 30-year history with record sales & earnings in 1959. Pres. Irving I. Schachtel told stockholders in the annual report that profits soared 41% over the 1958 level and sales gained 15%. The multi-product electronics firm, he said, will add to its line this year its first TV remote-control unit and new stereo phonograph pickups "to cover the entire range of manufactured sets." For the year ended Dec. 31:

	1959	1958
Net sales	$24,756,708	$21,513,064
Net earnings	1,132,302	800,473
Per com. share (after pfd.)	96¢	71¢
Common shares	1,148,287	1,070,169

Allied Radio Corp., Chicago, reports a moderate profit increase on a sharp sales rise in the 6 months to Jan. 31. For the quarter ended Jan. 31, net income was $390,639 (38¢) vs. $348,161 (34¢) in the same 1959 quarter. The 1959 per-share earnings are based on shares now outstanding.

For 6 months to Jan. 31:	1960	1959
Net sales	$17,448,535	$14,967,902
Net income	592,805	536,787
Per common shares	58¢	53¢

Muntz TV profit rose 2½ times plus on a marked sales increase in the 6 months ended Feb. 29:

	1960	1959
Net sales	$5,939,772	$3,652,746
Net income	698,705	252,572
Per com. share (after pfd.)	59¢	23¢
Common shares	1,165,376	1,115,376

Emerson has submitted an SEC registration statement (File 2-16310) covering 107,434 capital shares to be offered under its key employes' restricted stock-option plan.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
General Dynamics	Q	$0.50	May 10	Apr. 4
Packard Bell	Q	.12½	Apr. 25	Apr. 11

ITT posted record profit, sales & revenues and order backlog in 1959, Pres. H. S. Geneen told stockholders last week in the company's annual report. Consolidated worldwide sales & revenues jumped 11% over the 1958 total, consolidated net income rose about 9%. The order backlog at 1959's end totaled $551 million, up from $511 million at the start of the year. For the year ended Dec. 31 (1958's per-average-share net income is adjusted for a 2-for-1 split):

	1959	1958
Sales & revenues	$765,639,896	$687,451,445
Net income	29,035,688	26,600,168
Per average share	1.90	1.85

ITI Electronics, Clifton, N.J. manufacturer of TV gear, electronic components and communications & test equipment, posted record sales & earnings in the 1960 fiscal year ended Jan. 31. Sales rose 102% over fiscal-1959's level, profit jumped 69%. Pres. Horace Atwood Jr., in the first annual report since the 13-year-old concern became publicly owned last year, forecast "even better results" for the current fiscal. For the 1960 fiscal year ended Jan. 31:

	1960	1959
Total sales	$781,475	$387,162
Net profit	38,181	22,605
Per common share	22¢	18¢

Sprague Electric, North Adams, Mass. producer of electronic components, transistors and electrical parts, recorded record sales & profits in 1959. Chmn. Robert C. Sprague & Pres. Julian K. Sprague forecast increased sales & earnings in 1960 and reported plans for expanded transistor production this year. For its 33rd year ended Dec. 31:

	1959	1958
Net sales	$56,351,571	$43,193,717
Net profit	3,502,328	1,761,719
Per common share	2.61	1.41
Common shares	1,340,229	1,247,912

American Electronics, Los Angeles development & production concern which produces electronic components & magnetic tape recorders among its various products, recovered from 1958's loss year with profit & increased sales in 1959. The 1958 loss is net after giving effect to a $1,047,621 tax credit. For the year ended Dec. 31:

	1959	1958
Net sales	$25,019,132	$17,396,064
Net income (loss in '58)	609,599	(2,285,826)
Per common share	70¢	——
Common shares	874,994	869,994

General Transistor Corp. reports a sag in profits despite a healthy gain in sales in the year ended Dec. 31 (1958 shares adjusted to reflect 2-for-1 split in July 1959):

	1959	1958
Net sales	$10,278,585	$6,867,879
Net income	537,306	591,356
Per common share	61¢	77¢
Common shares	884,978	769,462

Federal Pacific Electric Co. has accepted tenders for more than 80% of the outstanding common stock (512,390 shares) of Cornell-Dubilier Electric and has extended to March 31 its offer to exchange one share of $23 par, 5½% convertible 2nd preferred stock for each C-D share. (Vol. 16:7 p24). The new Federal Pacific issue (500,000 shares created in Feb.) is convertible, in turn, into Federal Pacific common at $28.50 per share.

Telechrome Mfg. Corp. is acquiring the remaining 50% of Hammarlund Mfg. Co. from Pres. Lloyd A. Hammarlund, according to Telechrome Pres. J. Raymond Popkin-Clurman. The total price of the acquisition, he said, will be "well under $1 million." He predicted that sales of the company & subsidiaries will total about $8 million in the fiscal year ending June 30, 1960, up from $1,641,194 in fiscal 1959, and profits of $850,000 vs. $54,768. In the company's annual report for fiscal 1959, issued this week—although the earnings statement had been reported earlier—Pres. Popkin-Clurman stated that Telechrome had originally underestimated its potential in the automation field, that its export business to Japan (mainly color-TV equipment) increased fivefold in fiscal 1959 and that the firm expects to open engineering & manufacturing facilities in England, Germany & Japan.

Varian Associates, Palo Alto, Cal. producer of microwave equipment and specialty power tubes for radar & uhf TV, anticipates sales of $50 million for the 1960 fiscal year ending Sept. 30, up from $38,130,311 in fiscal 1959. Finance vp Myrle R. Zinser reports that new orders are running 35% ahead of the year-ago volume and that backlog totals $23 million vs. $17 million 12 months ago. For the 2nd fiscal quarter ending Mar. 31, he anticipates about the same performance as that of the first quarter, which produced a profit of $755,710 (24¢ a share) on $10,677,551 sales. Varian will complete this year at Palo Alto an expansion program which will step up production capacity to serve a sales volume of $75 million. Zinser believes Varian should reach that sales level in 2-3 years.

General Mills is negotiating to acquire 2 closely-held electronics firms—Daven Co. (Livingston, N.J.) and Laible Mfg. Co. (Manchester, N.H.), manufacturers of electronic components, instruments and test equipment. C. H. Bell, pres. of the flour, cereal and food giant, said the move is in keeping with General Mills's diversification program. Conclusion of the negotiations may be weeks away, Bell added, but "it is appropriate at this time to say it is the intent of General Mills to operate the business as a subsidiary and to continue to maintain & expand the operations at their present locations." Lewis Newman is pres. of the 2 electronics companies which, combined, employ 1,200.

Andrea Radio Corp. stock is publicly held for first time following offering by radio-TV pioneer Frank A. D. Andrea of 120,000 shares of common at $16 per share through an underwriting group headed by W. C. Langley & Associates. The shares were sold for Mr. Andrea, the company's sole stockholder, and none of the proceeds went to the company. Following the sale, Mr. Andrea continues as the principal stockholder, holding 130,700, or 52% of the outstanding common stock. Andrea manufactures TVs, radios & stereo for eastern distribution, military electronics.

Latest financing activity by Electronics Capital Corp., San Diego, small business investment company: Purchase of $800,000 convertible debentures & long-term notes of Duncan Electronics Inc., Santa Ana, Cal. manufacturer of multi-turn potentiometers & component sub-systems. The debentures—amounting to $500,000—are convertible into 68% of Duncan common stock.

Canadian Marconi Co., Montreal-based TV-radio manufacturer, rebounded from 1958's net loss of $386,844 with a healthy $523,686 net profit in 1959. Pres. S. M. Finlayson said sales increased over 1958 "despite a generally reduced market" and increased competition from Japan and Europe.

Ampex Corp. reports profits for the 9 months ended Jan. 21 were double those of the same period the preceding year, while sales were substantially ahead. Chmn. Alexander M. Poniatoff & Pres. George I. Long Jr. told shareholders in an interim report that the 3rd fiscal quarter "saw a fall-off in sales to govt. activities of both data & professional products, and a change in the mix of our over-all product picture from that previously planned." However, they expressed the opinion that the company would realize the $60-million sales & $3.9-million earnings they predicted at the beginning of the fiscal year (Vol. 15:26 p19). A stock split Feb. 1 increased the shares outstanding to 7,217,943 after the close of the 3rd fiscal quarter.

For 9 months ended Jan. 31:	1960	1959
Net sales	$46,271,000	$26,829,000
Net income	2,446,000	1,219,000
Per common share	1.02	66¢
Common shares	2,405,981	1,835,662
For 3 months ended Jan. 31:		
Net sales	$16,269,000	$10,682,000
Net income	683,000	554,000
Per common share	28¢	30¢

Wometco Enterprises (WTVJ Miami, WLOS-TV & WLOS Asheville, 47½% of WFGA-TV Jacksonville) will report strong increases in gross income & profit from 1958 to 1959 this week in its first annual report to stockholders since it became a publicly-owned corporation. The consolidated balance sheet of the company, which also owns a theater chain and a food & vending-machine business (recently expanded to include the Bahamas), shows total assets of $10,540,046 at the end of 1959. Current assets exceeding liabilities by $1,098,047. The company's first stockholders meeting will be held April 11 at company hq in Miami. For the year ended Dec. 31 (1959 net income includes non-recurring gains of $228,786):

	1959	1958
Gross income	$10,364,753	$9,366,098
Net income	936,336	588,737
Per common share	1.04	65¢

Gross Telecasting Inc. (WJIM-TV & WJIM Lansing-Flint) reports declines in revenues & net income for 1959 as compared with 1958. For the year ended Dec. 31:

	1959	1958
Broadcast revenue	$2,562,605	$2,769,918
Net income	672,418	766,373
Per com. & B share	1.68	1.91
Common & B shares	400,000	400,000

Times-Mirror Co. (KTTV Los Angeles, *Los Angeles Times, Los Angeles Mirror*) and the New American Library of World Literature Inc. will merge through a stock exchange. The latter is one of the world's largest publishers of paperback books (Signet, Mentor, etc.). It will become a Times-Mirror wholly-owned subsidiary, but will operate as an autonomous unit. For the first half of fiscal 1960, ended Dec. 31, the book concern recorded earnings of $619,606 on $7.8 million sales.

Reports & comments available: Magnavox, report, Blyth & Co. Inc., 14 Wall St., N.Y. 5 . . . Consolidated Electronics Industries, study, Jesup & Lamont, 26 Broadway, N.Y. 4 . . . Pentron Electronics Corp., prospectus, Stanley Heller & Co., 30 Pine St., N.Y. 5 . . . Decca Records, review, Gruntal & Co., 50 Broadway, N.Y. 4 . . . Collins Radio, prospectus, Kidder, Peabody & Co., 17 Wall St., New York 5, N.Y.

Pentron Electronics, Chicago manufacturer of tape recorders, components and other electronic products, is offering 250,000 shares of common ($3 a share) through investment banker Stanley Heller & Co. The proceeds will be used in part for plant renovation & new equipment. After the present financing, Pentron's outstanding capitalization will comprise $680,186 of sundry debt & 815,000 common shares. For the 6 months ended Dec. 31, the company reported, net income totaled $103,638 (18¢ a share) on consolidated net sales of $1,690,161.

General Atronics Corp., Bala-Cynwyd, Pa. firm engaged in research & development of advanced electronics techniques, has submitted an SEC application (File 2-16276) for registration of 155,660 common shares for public sale. The offering, at $3.50 per share, would be handled by an underwriting group headed by Harrison & Co. Of the outstanding stock, 181,200 shares (35.3%) are owned by Chmn.-Pres. David E. Sustein, 79,000 (15.3%) by Phyllis Sustein.

Lab for Electronics, Boston maker of electronic equipment, plans a subscription offering of new common stock to raise capital & reduce bank loans, according to a prospectus filed with SEC (File 2-16273). At the same time, the company applied for registration of 75,000 common issued or issuable on conversion of outstanding 5½% subordinated debentures, due 1973, which are to be called for redemption in May.

GT&E offering of 775,000 shares of common stock, priced at $73.62½ per share, is being made by an underwriting group of 119 members headed by Paine, Webber, Jackson & Curtis; Stone & Webster Securities Corp.; Mitchum, Jones and Templeton. GT&E, parent of Sylvania Electric Products, will add the net proceeds from the stock sale to corporate funds. After the offering, GT&E will have 22,896,194 common shares outstanding.

Kollsman Instrument Corp., optical- & precision-instrument producing subsidiary of Standard Coil Products, Melrose Park, Ill. maker of TV tuners, has purchased for an undisclosed cash sum Richardson-Allen Corp., College Point, N.Y. The acquisition will be operated as a Kollsman wholly-owned subsidiary. Richardson-Allen's principal products are rectifiers and DC power supplies.

International Rectifier Corp. offering of 120,000 shares of common stock, at $30.75 per share, is being made by an underwriting group headed by Blyth & Co. Half the offering represents new financing by the El Segundo, Cal. maker of electron tubes & semiconductors. The balance of 60,000 shares is being offered for selling stockholders. Proceeds from the sale of the company's 60,000 shares will be added to general funds.

Telectro Industries Corp., which makes magnetic tape recorders & other electronic equipment at Long Island City, N.Y., proposes public sale of $1 million of 6½% convertible subordinated debentures, due 1970, in an SEC registration statement (File 2-16283). Underwriters are headed by Milton D. Blauner & Co. Price: 100% of principal amount.

Transitron Electronics Corp. anticipates that sales in its 1960 fiscal year (ending June 30) will rise to $45-50 million from $30.9 million in fiscal 1959. The Bakalar brothers (Chmn. Leo & Pres. David), in a March 23 *N.Y. Times* profile on the Wakefield, Mass, concern, noted that Transitron has no plans to sell its semiconductors to TV-radio manufacturers. The TV-radio industry is "too seasonal," reasons Chmn. Leo.

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WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

WITH THIS ISSUE: Special Supplement—FCC Public Notice on Sponsor Identification
First-Quarter 1960 Index to Television Digest Newsletters

Stations

NAB's CRISIS-LADEN CONVENTION offers traditional agenda of assemblies, speeches, exhibits, parties—but items No. 1 & 2 are industry self-examination & self-defense (p. 1).

STATION COLOR STATUS: 327 network affiliates now equipped to telecast network color; 111 stations can transmit local color; 47 have live color cameras (p. 3).

"CLEAN IT UP," SAYS KINTNER to payola practitioners, or FTC will keep on until job is done (p. 5).

EDUCATIONAL KPEC-TV (CH. 56) Tacoma, Wash., 47th U.S. non-commercial outlet, raises on-air total to 562 stations (p. 5).

FCC

FCC INSISTS ON FREE-RECORD ANNOUNCEMENTS, voting 3-2 to keep interpretation of law in effect while asking industry for legal arguments with May 2 deadline (p. 2).

Auxiliary Services

ZENITH-RKO GENERAL join for Hartford pay tests; will apply for 3-year experiment using uhf WHCT, hoping to attract up to half of area's 200,000-300,000 set owners (pp. 3 & 6).

Networks

THREE 'NEW LOOKS' AT TV are available to admen in the form of new Nielsen studies of the characteristics of TV households, nighttime & daytime network standings (p. 9).

Manufacturing & Distribution

A LANDMARK PASSES as TV manufacturing-broadcasting pioneer Du Mont Labs is sold to expanding Fairchild Camera (pp. 4 & 19).

MORE COLOR ACTIVITY, but no landslide, shown in survey of set makers. Magnavox, Emerson, Du Mont, others to add color sets in fall (p. 17).

TEST OF CONSUMER RATINGS due in courts, as hi-fi manufacturer files test suit against Consumers Union, charging "false reports" (p. 18).

FULL JAPANESE TV LINE to be imported for 2nd-half distribution by Delmonico International, made by Victor Co. of Japan (p. 20).

Advertising

SPOT SALES ROSE 18% IN 1959 to $605,603,000. TvB report spotlights P&G as top spot buyer, Lestoil as top brand, food & grocery products as most lucrative source of spot dollars (p. 7).

Film & Tape

BIDS TO END WGA STRIKE FAIL: Alliance rejects Wasserman-WGA proposal; WGA kills Alliance bid; writers' strike stalemate continues; SAG-major negotiations bog down (p. 12). Chart (p. 15).

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CONGRESS (p. 10). **PERSONALS** (p. 15). **PROGRAMMING** (p. 15). **FINANCE** (p. 21). **ETV** (p. 24).

NAB'S CRISIS-LADEN CONVENTION: Self-examination & self-defense—if not self-reproach for TV & radio sins & scandals—are themes running deeply through traditional agenda of NAB's 38th annual convention this week in Chicago, where record registration of more than 2,500 broadcasters is expected.

NAB faces some hard facts of broadcasting life in a time of previously-unexperienced quiz & payola embarrassments: (1) Furious attacks & threats of punitive laws from Congress. (2) Swift & far-reaching forays by FTC against deception & fraud on air. (3) Get-tough crackdowns on licensees by newly-militant FCC. (4) Defensive position with regard to public confidence despite general industry affluence.

Will broadcasters come alive to their perils? That was big & worrisome question for NAB staffers who laid groundwork for the crucial April 3-6 meeting in Conrad Hilton Hotel without the guidance—for first time in 10 years—of Harold E. Fellows. NAB's late president had spent his last days imploring industry to stand up to perils with more self-regulation—or suffer more govt. regulation.

Industry's salvation lies in NAB good-conduct codes, Fellows was convinced. Corridor caucusing on his successor will be prime business of delegates throughout convention, from opening address by keynoter Clair R. McCollough to closing banquet entertainment featuring Roberta Sherwood. But with crossed fingers, NAB hq men hoped that sessions devoted to Fellows' major objective—all-industry acceptance of codes—will be week's biggest item, obscuring such regular convention highlights as speeches, exhibits, parties.

NAB's repeated pleas for more & more subscribers to broadened & tightened codes have won more professed station adherents than ever. Just before convention, TV Code roster reached unprecedented total of 380, up from 269 only 5 months earlier. Radio Code subscribers total more than doubled to 1,305 within same period. NAB membership itself hits new records—357 TV, 2,066 AM & FM. But in preparing their convention reports, TV Code Review Board Chmn. Donald H. McGannon and Chmn. Cliff Gill of radio's Standards of Good Practice Committee agreed with other thoughtful broadcasters that these results weren't nearly enough.

TV Code pledges still represent few more than 2/3 of 561 TV stations on air—and NAB staffers, who have been combing field, privately despair of raising that percentage without some new stimulus. Radio's Code subscribers have been limited until now to NAB members, but all 4,100 AM & FM stations—in & out of NAB—are now becoming eligible.

Broadcasters still have far to go—by Fellows' standards, at least—before they can boast that their own house is securely in order and in no need of additional outside police help. And while they count hopefully on Chicago convention to produce extra impetus toward that goal, there are those in NAB who ruefully recall happenings at last broadcasters' get-together at which Fellows presided.

Self-controls vs. govt. controls was topmost subject on program of convention preview in Feb., when presidents of state associations of broadcasters held conference in Washington. They passed strong resolutions in favor of one against other. But at conference's concluding roundtable session, debate & discussion centered not on implementation of Codes but on such questions as how to obtain distinctive license plates for station-owned cars. Congress & federal regulatory agencies will watch Chicago sessions this week for some surer signs than that of industry's awareness.

FCC INSISTS ON FREE-RECORD ANNOUNCEMENTS: Broadcasters will have to make their own judgments of how to operate in light of FCC's now-famous "sponsor identification" public notice on free records, etc. (Vol. 16:13 p1) because the Commission last week declined to suspend its effect. By narrow 3-2 vote (Ford, Craven & Cross forming majority, Hyde & Lee favoring suspension, Bartley absent, one vacancy), Commission acknowledged that industry may differ in its strict interpretation of law—and it invited everyone to file legal arguments by May 2.

So the document is still law of the land, and all must comply however they can. In light of Commission's re-emphasis of its points and its failure to suspend the document after considering objections of NAB, networks & stations, we've published full text of the public notice as a special supplement, included herewith.

Decisions on compliance are up to each broadcaster. CBS & NBC o&o's were among first to try. CBS first made announcements to effect that some records had been supplied free by manufacturers & distributors. By last week, however, it had segregated its library and started buying all records played—and dropping the announcements. Spokesman said it didn't have too much trouble determining which records were free, which bought. He said, also: "We find that making the announcements required by the FCC disrupts the pace & entertainment level of the programs." NBC was in process of similar segregation and record-buying operation, was making announcements about free records meanwhile. ABC had no comment, but its WABC N.Y. is making free-record announcements.

No one knows how tough FCC will be with transgressors—nor in fact exactly when transgressions occur, in borderline cases. However, FCC sources call attention to last paragraph of the public notice, wherein Commission talks seriously about "wilfulness, misrepresentation or serious neglect." Commission has recently renewed licenses of stations which accept single "sample" copies of records and hasn't announced names of donors. In future, however, stations are expected to announce free records as they're played—probably every 15 min. or less.

Commission's decision is expected to stand for some time. Here's what Hyde said, Lee concurring: "I concur in the action taken in so far as it invites comment on the public notice of March 16, 1960, FCC 60-239. However, I am of the view that this notice issued as an interpretive ruling as to the requirements of Section 317 may be found, upon further consideration, to go beyond the intent & purpose of the statute. Since the notice has inherent characteristics of rule making involving substantial impact on interested parties, I believe that its effective date should be suspended until it can be considered in the light of the comment of such parties. This, of course, would not excuse licensees in the meantime from compliance with the obvious and well understood requirements of Section 317."

ZENITH-RKO GENERAL JOIN FOR HARTFORD PAY TESTS: Though Zenith has formally announced its pay-TV test plans—with RKO General the broadcaster, Hartford the market, WHCT (Ch. 18) the station—it may be long time before experiment will start under FCC's tight ground rules.

Not only must FCC take time to examine carefully the application, which is promised "within the next few weeks," but RKO is buying the station from Edward D. Taddei & his associates, and this may bring a protest & FCC hearings.

But project is in the works, regardless of delays, and Zenith certainly has funds to strive for goal sought so long & so vainly by its late Pres. Eugene F. McDonald.

Just preceding NAB convention in Chicago, in Zenith's own backyard, announcement of plans is regarded as an effort to wean telecasters from traditional anti-pay position. Since start of Paramount's wired toll operation in Toronto, pay-TV forces have been warning that success of wired systems might produce dangerous competition for stations. Engineers assert that Toronto cables can carry 12 video signals. Said an RKO General spokesman: "RKO is interested in bringing entertainment to the public and in the protection of our broadcast investment against the encroachment of wire and the AT&T."

When we interviewed Zenith Pres. Joseph S. Wright & his toll-TV asst. Pieter E. van Beek in Washington last week, they gave impression of determination to see project through, regardless of costs. No specific amount has been budgeted, Wright said, but "RKO General & we are prepared to spend what's necessary."

Wright estimated capital costs—covering everything except program procurement & telecasting operations—will run about $100 per home if more than 100,000 homes are equipped with decoders. He said that some 200,000-300,000 TV homes can receive WHCT's signal, and intention is to equip every set-owner interested. He believes that "up to 50%" of homes will want device.

Set-owner can't buy decoder, under FCC's rules, but rental may be charged, and Zenith is considering $1-$2 monthly. Programs will run about $1 each, Wright said, but could go higher or lower for some material.

Wright said that plan is to test 3 years, "but I would think that everyone would know it's a good business before 3 years and we'd be off & running. I don't think FCC or broadcasters would hesitate."

It's no great surprise that RKO General is telecaster involved, because Pres. Thomas F. O'Neil has long shown some leanings toward toll TV. For example, he once permitted Skiatron to use his WOR-TV N.Y. for technical tests. Nor is use of uhf in Hartford a surprise. Originally a uhf-only market, virtually all its sets can get uhf. WHCT is independent, so viewers won't be deprived of network programs. Per FCC rules, it will also program regular fare, running pay-TV unspecified number of hours daily. Taddei will continue as mgr. Incidentally, RKO (55%) & Gannett newspapers (45%) started the station in 1954, sold it in 1956 to CBS, which sold it to present owners in 1958.

If project gets FCC go-ahead, that sews up Hartford for testing purposes. FCC specified that it will allow only one system per market & one market per system. Previously, there had been speculation that Zenith would choose WXIX (Ch. 18) Milwaukee, also a large-market independent uhf. Skiatron once urged FCC to confine pay TV to uhf only, was also thinking about Hartford—before it developed problems with SEC and before it began talking about cable when FCC & Congress tightened up.

If test is success and if Congress & FCC allow pay TV to become a permanent service, RKO is in position to do something about it, for it will have, in addition to WHCT, vhf stations ready & waiting in N.Y., Los Angeles, Philadelphia, Washington & Memphis, plus partly-owned one in Windsor, Ont. serving Detroit.

For details on program plans, decoding equipment, etc., see p. 6.

STATUS OF COLOR STATIONS: There's unquestionably more interest in color today than there has been in several years. And, while there's certainly no stampede, the number of stations equipped to telecast color is gradually increasing.

Some 327 network affiliates (or 79% of all affiliated stations) are now equipped to telecast network color. This includes 165 of the 190 NBC-TV affiliates, 149 of the 201 CBS-TV affiliates, and 123 of the 209 ABC-TV affiliates—although ABC-TV has never telecast a color show, and CBS-TV put on only a handful of color shows last year. (Figures total more than 327, because of inclusion of stations with more than one network.)

Total of 111 stations can now transmit some form of local color—live, film, slide or all 3. Some 47 stations are equipped for live colorcasts. These include 28 NBC affiliates, 9 CBS affiliates, 12 ABC affiliates, 3

independents. Equipped for film and/or slide originations in color are 104 stations— 54 NBC, 27 CBS, 24 ABC, 9 independents. Most live color stations also originate film & slides and are included in both tabulations.

New list of color-equipped stations—compiled from information supplied by NBC, CBS and the equipment manufacturers—is a feature of our forthcoming spring-summer TV Factbook No. 30, out this month.

For report on the status of color-receiver market, and set manufacturers' thinking on color TV, see p. 17.

A LANDMARK PASSES—DU MONT SOLD: Sale of Allen B. Du Mont Laboratories, pioneer in TV, came as no surprise. For years there have been negotiations with various entities in electronics & aircraft fields. Nevertheless its proposed stock-exchange acquisition by progressive, fast-rising Fairchild Camera & Instrument Corp.—subject to directors' & stockholders' approval—underscores end of great pioneering era in TV.

Founded in the depths of the depression on a capital of $1,000—and an abiding faith in the future of the cathode-ray tube—by Dr. Allen B. Du Mont, one of the industry's great gentlemen and one of its most respected scientists, Du Mont sold the first all-electronic TV set in this country in 1939, once made about 10% of the picture tubes used by the industry, owned a TV network and a thriving broadcast-equipment business.

Organizational difficulties & friction between largest stockholder—Paramount Pictures—and Du Mont management have been blamed for gradual decline of Du Mont Labs. In 1955, with new banking blood infused in the organization's top level, Du Mont's telecasting properties (the network had been discontinued) were spun off into Metropolitan Bcstg. Co., later sold to present ownership group headed by John Kluge. In 1956, former Raytheon senior vp David T. Schultz was called in as pres., and in the ensuing years, he succeeded in whipping the company back into profitable shape—disposing of its TV-radio business through sale to Emerson, dropping picture-tube production.

Now down to fighting trim and concentrating on military & commercial electronics, instrumentation, test equipment, special-purpose CR tubes, Du Mont is once again in the black, has paid off its debts and has a tax-loss carry-forward of about $10 million—all of which make it very attractive to Fairchild, whose product line complements that of Du Mont.

Fairchild Camera is involved in diversification project, attempting to get more commercial business, reducing dependence on military. The electronics & photographic firm recently announced its first consumer product—low-cost home sound-movie camera & projector (Vol. 16:5 p21). However, Fairchild management has no plans to re-enter Du Mont in consumer-products market. It will operate Du Mont as a div., retaining the personnel, but probably with no Du Mont representation on Fairchild board. Dr. Du Mont's own plans weren't revealed, and he could not be reached for comment. Paramount's 26% interest in Du Mont won't make it an important stockholder in Fairchild.

Fairchild exec. vp is well-known engineering & management veteran of TV business—Richard Hodgson, 1947-50 TV dir. of Paramount Pictures and 1950-56 pres. of Paramount-controlled Chromatic TV Labs, developer & promoter of Lawrence color tube. Du Mont currently is developing color-TV receiver design for Lawrence tube, under contract to Paramount, which may soon announce the "perfection" of this somewhat lower-cost approach to color reception.

For further details of the Fairchild-Du Mont merger, see p. 19.

QUARTERLY INDEX BOWS: To enhance its utility as a ready record reference for this industry, Television Digest introduces with this issue its quarterly index service. Our indexes, previously issued only annually, will now reach you four times a year. Although this first index covers only the first 13 weeks of 1960, the next, in July, will include the year's first half, and so on cumulatively until the fourth index appears with the full year's record. The new service should be useful to broadcasters, manufacturers, advertisers, agencies, and the TV-film industry. Since publication of our first index in 1949, Television Digest has been the only completely indexed journal of record in these fields.

Cabinet status for USIA and related govt. offices dealing with international "information, cultural & educational fields" is recommended by the U.S. Advisory Commission on Information in its 15th report to Congress. The Commission, headed by Yale's Mark A. May, said the foreign communications programs could be administered more effectively in the 1960s if they were to be integrated into one cabinet-level dept. The Commission also foresaw "eventual construction of a space satellite capable of transmitting TV & radio throughout the world." It called on the govt. to "move ahead with the scientific & experimental work" necessary for "world-wide audio-visual communication."

Stations

'Clean It Up,' Says Kintner: The broadcasting industry & related business were warned again last week by FTC Chmn. Earl W. Kintner to eliminate payola practices themselves—or the govt. will do it for them. In a speech to the Washington Kiwanis Club, he said FTC—which already has issued complaints in 70-odd payola cases and has about 80 more docketed for investigation—is determined to see to it that payola is stopped, one way or another.

Failure of the industry to "clean up," Kintner said, can only bring "more govt. regulation—and this I don't like." He also repeated a warning that he has voiced in other speeches, that FTC may move against false & deceptive advertising by local businesses as well as those engaged in interstate commerce. Kintner said a new interpretation of the Federal Trade Commission would be needed for such local policing, but that most advertising—on TV & radio and in newspapers—crosses state lines now.

In a new payola complaint filed at last week's end, FTC hit Mercury Record Corp., 35 E. Wacker Dr., Chicago and 3 subsidiaries which distribute records it makes. They are Mercury Record Distributors Inc. of Ohio, 1737 Chester Ave., Cleveland; Mercury Record Sales Corp., 549 W. 52nd St., N.Y., and Midwest Mercury Record Distributors Inc., 2021 S. Michigan Ave., Chicago. Each was accused of illegal payoffs to unnamed TV & radio disc jockeys.

Meanwhile, 2 affiliated record distributors—Ideal Record Products Inc., 549 W. 52nd St., N.Y., and Ideal Record Products of N.J., 357 Lyona Ave., Newark—asked FTC to dismiss payola complaints against them. They said payola isn't illegal and that they've violated no laws.

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Triangle Adopts 'Clipp Plan': An autonomous continuity acceptance dept. is being set up by Triangle Publications, Inc. for its TV & radio stations. The new unit will carry out industry proposals made by radio & TV div. vp Roger W. Clipp for previewing programs & commercials prior to broadcasts (Vol. 16:10 p9). Edward H. Sheaffer, now editing & acceptance dir. of CBS central div. continuity acceptance office in Chicago, and a veteran of 8 years with the network, will join Triangle April 18 at its Philadelphia hq in a new post of continuity acceptance dir. He will report only to top management. Announcing these developments April 3, Clipp said:

"There is wide industry support for the previewing plan, and I believe it will inevitably be adopted. In the meanwhile, however, in the absence of a nationwide industry previewing program, we at Triangle Stations [WFIL-TV & WFIL Philadelphia, WNBF-TV & WNBF Binghamton, WFBG-TV & WFBG Altoona, WLYH-TV Lebanon, Pa., WNHC-TV & WNHC New Haven-Hartford, KFRE-TV & KFRE Fresno] have decided to establish our own independent dept. to examine program & commercial content prior to acceptance."

Guidelines for acceptance of commercial copy for the Triangle Stations will be NAB's TV & Radio Codes and Triangle's own policy book, Clipp said. He added that this policy has been followed by the stations, but "we are taking this vital responsibility out of the hands of our program executives & our individual station mgrs." because: "Broadcasting—particularly TV broadcasting—has become such a complex pursuit that our program personnel do not have the time to combine the demanding tasks of administration with the all-important function of intensive pre-examination of our total program & commercial product."

NEW & UPCOMING STATIONS: KPEC-TV (Ch. 56) Tacoma, Wash. educational outlet got program test authorization April 1 after being on proof of performance tests since March 7 (Vol. 16:13). It has a GE transmitter and a 175-ft. self-supporting tower, purchased from defunct KTRX (Ch. 31) Kennewick, Wash. Owner is Clover Park School Dist. No. 400. Staff includes following, from local schools: J. Albert Brevik, program-production dir. & film buyer; Fred V. Miner, technical dir., and Cloise H. Turner, engineer. New starter raises U.S. operating total to 562 (87 uhf), of which 47 are non-commercial (13 uhf).

In our continuing survey of upcoming stations, these are the latest reports from principals:

WJPB-TV (Ch. 5) Weston, W.Va., delayed by severe snowstorms, has changed target for programming with ABC-TV & CBS-TV to May 1, reports Pres. J. Patrick Beacom. It will use 5-kw GE transmitter with 35-kw amplifier and 510-ft. Blaw-Knox tower on Fisher Summit, Jane Lew, W.Va. Base hour will be $225. Rep will be Gill-Perna.

KIFI-TV (Ch. 8) Idaho Falls, Ida., with GE transmitter due in mid-June, is holding to Aug. programming target, writes J. M. Brady, pres.-gen. mgr. of grantee Eastern Idaho Bcstg. & TV, which also operates radio KIFI. Construction of studio-transmitter building started last Feb. It will use 300-ft. Swager tower. Network affiliation hasn't been signed as yet and rates haven't been set. Rep will be Gill-Perna.

KCBY-TV (Ch. 11) Coos Bay, Ore. hasn't a fixed target, reports S. W. McCready, gen. mgr. of owner KVAL-TV (Ch. 13) Eugene, Ore., although earlier it hoped for start next summer (Vol. 15:43). It has 2-kw RCA transmitter on order as well as 6-bay antenna. Construction of studio-transmitter building and tower has been delayed. Base hourly rate is expected to be about $150. Reps will be Hollingbery and Art Moore (Ore. & Wash.).

KCDA (Ch. 3) Douglas, Ariz. plans to be on the air next summer, according to Mike Ling, national sales mgr. of owner Electron Corp., which also is providing equipment for low-power operation. It plans to use 150-ft. Rohn tower. Base hour not set. Rep not chosen.

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KSAN San Francisco last week filed a $200,000 suit against disc jockey George Oxford and 20 unnamed record companies & distributors. It charged Oxford played payola records on his show and that this should have been classified as advertising and therefore paid for at regular rates. KSAN also charged that Oxford had received $40,000 in payola since he joined the station in 1955. Oxford didn't deny receiving payola—"as everyone else in the business has"—but he denied that amount. He said the suit was the result of a feud with Norwood J. Patterson, gen. mgr. of the station, and that this stemmed from his joining KDIA Oakland effective April 1, when his KSAN contract was to expire. Oxford claimed that KSAN has known for years that he took payola.

Campaign to boost TV-radio as selling media is being offered the broadcasting industry by Westinghouse Bcstg. Co. Details of the plan were announced April 1 by WBC sales vp A. W. Dannenbaum Jr. at a Westinghouse management meeting held at Absecon, N.J. To promote radio, WBC will offer 10 recorded jingles and 22 live tags, starting with demonstrations at the NAB convention. The TV promotional spots are still in the planning stage.

Canadian Crackdown: Two Canadian stations on the U.S. border were warned last week by the Board of Broadcast Governors to change their program practices—or lose their licenses. CKLW-TV Windsor, Ont.—across the river from Detroit—was granted a limited renewal of its license to March 31, 1961, and told by BBG that it should demonstrate its intention & ability to meet the govt.-prescribed minimum of 45% Canadian program content by that date. CKLW-TV is two-thirds owned by RKO Teleradio's Canadian subsidiary.

CKWS-TV Kingston, Ont., bordering on N.Y. state, had its license renewed for 2 years, was warned to show evidence of increased local programming "of a satisfactory quality."

The BBG also approved a new CBC TV station at Sturgeon Falls, Ont., and CBC satellites at Sudbury, Ont. and Nelson & Courtenay, B.C.

* * *

Five applications have been received for one TV outlet in Ottawa and 2 applications for another in Halifax. Hearings will be in June. Ottawa applicants are Ernest Bushnell, former CBC vp & gen. mgr.; Grattan O'Leary, pres., *Ottawa Journal*, controlled by Sifton FP Publications which also publishes *Winnipeg Free Press;* Lawrence Freiman, dept. store owner, associated with Southam Publishing Co.'s *Ottawa Citizen*, and Ken Soble, gen. mgr. of CHCH-TV Hamilton; CFRA-TV Ltd., owned by CFRA Radio Ltd.; Roger N. Sequin, Ottawa business executive, and associates.

Halifax applicants are radio CJCH; vp Finlay MacDonald of Franklin & Herschorn Theatre Co. and associates.

* * *

Montreal's TV licenses have been awarded by the BBG to Canadian Marconi Co. Ltd. (English language) and Paul L'Anglais & Associates (French). Canadian Marconi (which operates radio CFC Montreal) is 50.6% owned by Canmar Investments Ltd., formed by British electronics interests to keep Marconi's overseas communications in British & Canadian hands. Canadians hold 59% of the balance. The sole competitor for this license (after 2 others withdrew) was Mount Royal Independent TV Ltd. The new station will be called CFCF-TV, using Ch. 12. Paul L'Anglais & Associates won the French-language license over a joint application from Radio CKVL Ltd. and United Amusement Corp. Two other applicants, including French-language daily *La Presse*, withdrew. The new station will operate on Ch. 10. Neither station may be operating until late 1961. BBG has approved a requirement that both new stations must share with CBC's present 2 stations the same antenna on Mount Royal, making rebuilding necessary. BBG did not indicate the term of license, but usually it is for 5 years.

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WLUK-TV (Ch. 11) Marinette, Wis. will become identified with Green Bay, following FCC's final rule-making decision shifting its channel & modifying its license. The vote was 4-3, Comrs. Bartley, Lee & Ford dissenting.

WJHL-TV (Ch. 11) Johnson City, Tenn. has sold its radio adjunct WJHL to James C. Wilson, ex-WPOI Bristol, Tenn., for $230,000.

KVUE (Ch. 40) Sacramento, Cal. left the air March 21 for 90 days because of "technical difficulties"—second in as many weeks. KLOR-TV (Ch. 11) Provo, Utah went off March 18 for same reason; requested only a 15-day hiatus.

Auxiliary Services

More about

PHONEVISION TESTS: Principal program fare for the Zenith-RKO pay-TV tests in Hartford (see p. 3) will probably be movies, sports, opera and drama, Zenith Pres. Joseph S. Wright told us last week in an interview. He had this to say about prospects for getting program material:

"No firm commitments or deals have been made, but we've had extensive negotiations & we're confident of cooperation. I'm satisfied that the movie industry recognizes that subscription TV is an extension to the boxoffice. We won't replace the movies. We'll open up audiences they just don't have. Incidentally, we don't intend to repeat movies as often as they do in Toronto. And it will be a completely new business for broadcasters."

Zenith will make the transistorized decoders which, initially, won't be coinbox type—as they are in Toronto. They'll have tape which makes record of the programs seen, plus their cost. Subscriber will remove tape periodically, send in check. Duplicate of tape will be kept in machine, not accessible to subscriber, but available for Zenith's inspection. "If a coinbox proves more desirable," said Wright, "we'll have it ready."

Security of system, resistance to "bootlegging," is quite adequate, according to Wright. "Anything coded can be decoded," he said. "However, we've designed a reasonable amount of security in the system. Someone with a computer and an array of instruments could break the code to see a dollar show, but I doubt whether it will be done. An ordinary serviceman or tinkerer couldn't do it. But if more security is needed, we can provide it. After all, the telephone company could make a pay phone which would accept only an absolutely genuine dime—but it has found the extra cost wouldn't be worth it."

Code Number is Key to Program Reception

Wright envisions *TV Guide* & newspapers printing price & code number with each pay program. If more security is needed, he said, each set owner could have own code for each show, getting information in mail.

Stations would need no coding equipment under Zenith system. Rather, a coding center would be set up, taking signal from station by cable, garbling it and sending it back to station for transmission. Thus, Wright said, any station could participate, and all decoders would unscramble all stations' coded signals.

Zenith & RKO are hoping road is clear in Congress & FCC—since both bodies agreed last year that tests could be conducted under certain carefully limited ground rules (Vol. 15:13). By narrow 11-10 vote, House Commerce Committee agreed to go along with FCC's rules. After the vote, Chmn Harris (D-Ark.) stated):

"The vote here today shows that some individuals [on the Committee] are opposed to the system to the extent that they don't even want to permit any tests . . . Under the limitations of the [FCC rules], the financial risk is placed where it belongs—namely, on the promoters of subscription TV—and these promoters are on notice that there is no assurance that at the end of the [3-year test] they will be granted authority for continued operation."

Wright said that plan is to test 3 years "but I would think that everyone would know it's a good business before 3 years and that we'd be off & running. I don't think that the FCC or broadcasters would hesitate."

Advertising

1959 SPOT SALES ROSE 18%: TvB & N. C. Rorabaugh last week confirmed that 1959 was most certainly a good year for spot TV. National & regional gross time billings climbed hand over fist to $605,603,000—a solid 18% increase over 1958's $511,770,000 spot-TV business and, of course, a new high.

Although night TV got the larger share of the business, as usual, with billings of $306,406,000 (vs. $273,162,000 in 1958), its share-of-business dropped to 50.6% from 53.4% in 1958. Increased day & late-night activity enabled the former to produce $223,495,000 or 36.9% of total business (vs. 1958's 35.7% or $182,730,00); while the latter pulled in $75,702,000 or 12.5% (vs. $55,878,000 or 10.9%).

Announcements gained as the dominant format of spot activity with a 76.1% share ($460,706,000) of the total revenue (vs. 72.7% or $371,931,000 in 1958). Programs were down with a 13.2% share or $80,385,000 (from 16.2% or $83,014,000). IDs also fell—percentage-wise—to 10.7% or $64,512,000 (from 11.1% or $56,825,000).

The year's top spot spenders by product category: Food & grocery products, with a $165,725,000 investment, were up 18% from 1958's $135,687,000 budget. Other heavy spenders: drug products, $53,478,000 (a 20% gain), cosmetics & toiletries, $52,512,000 (up 12%), household cleaners, waxes, etc., $45,165,000 (up 52%). (See complete list of product classifications below.)

Procter & Gamble was 1959's top national spot-TV advertiser (as well as top network spender—Vol. 16:13 p10). The soap giant spent more than $45 million for spot-time buys. In 2nd place was Adell Chemical, with an $18-million investment. In the No. 100 spot: Kroger Co. (meat & grocery products), with $1.2 million for spot billings. (See accompanying list for 1959's top 100 spot advertisers.)

Lestoil was largest single-brand user of spot TV, with way-out spending of $17.6 million. Duncan Hines mixes took 2nd place with $7.2 million. Runners-up: Maxwell House Coffee, $6 million; Kellogg Cereals, $5.9 million; Mr. Clean, $5.8 million; Alka-Seltzer, $5.7 million. TvB's expenditure estimate by national & regional spot-TV advertisers and by product classification:

AGRICULTURE	$ 1,782,000
Feeds, Meals	1,005,000
Miscellaneous	777,000
ALE, BEER & WINE	47,840,000
Beer & Ale	42,945,000
Wine	4,895,000
AMUSEMENTS, ENTERTAINMENT	1,019,000
AUTOMOTIVE	18,175,000
Anti-Freeze	158,000
Batteries	449,000
Cars	12,143,000
Tires & Tubes	1,715,000
Trucks & Trailers	303,000
Miscellaneous Accessories & Supplies	3,407,000
BUILDING MATERIAL, EQUIPMENT FIXTURES, PAINTS	2,827,000
Fixtures, Plumbing, Supplies	503,000
Materials	746,000
Paints	1,012,000
Power Tools	231,000
Miscellaneous	335,000
CLOTHING, FURNISHINGS, ACCESSORIES	16,273,000
Clothing	12,206,000
Footwear	2,911,000
Hosiery	803,000
Miscellaneous	353,000
CONFECTIONS & SOFT DRINKS	28,192,000
Confections	13,427,000
Soft Drinks	14,765,000
CONSUMER SERVICES	17,531,000
Dry Cleaning & Laundries	35,000
Financial	2,975,000
Insurance	3,770,000
Medical & Dental	197,000
Moving, Hauling, Storage	488,000
Public Utilities	7,861,000
Religious, Political, Unions	$ 969,000
Schools & Colleges	185,000
Miscellaneous Services	1,051,000
COSMETICS & TOILETRIES	52,512,000
Cosmetics	11,844,000
Deodorants	5,870,000
Depilatories	152,000
Hair Tonics & Shampoos	10,982,000
Hand & Face Creams, Lotions	3,982,000
Home Permanents & Coloring	5,326,000
Perfumes, Toilet Waters, etc.	1,822,000
Razors, Blades	2,412,000
Shaving Creams, Lotions, etc.	1,488,000
Toilet Soaps	7,103,000
Miscellaneous	1,531,000
DENTAL PRODUCTS	13,571,000
Dentifrices	8,806,000
Mouthwashes	3,898,000
Miscellaneous	867,000
DRUG PRODUCTS	53,478,000
Cold Remedies	16,655,000
Headache Remedies	10,823,000
Indigestion Remedies	10,310,000
Laxatives	3,031,000
Vitamins	4,026,000
Weight Aids	1,911,000
Miscellaneous Drug Products	5,625,000
Drug Stores	1,097,000
FOOD & GROCERY PRODUCTS	165,725,000
Baked Goods	28,736,000
Cereals	15,266,000
Coffee, Tea & Food Drinks	36,501,000
Condiments, Sauces, Appetizers	7,121,000
Dairy Products	7,919,000
Desserts	1,366,000
Dry Foods (Flour, Mixes, Rice, etc)	19,489,000
Fruits & Vegetables, Juices	9,551,000
Macaroni, Noodles, Chili, etc.	2,163,000
Margarine, Shortenings	8,942,000
Meat, Poultry & Fish	8,909,000
Soups	988,000
Miscellaneous Foods	7,850,000
Miscellaneous Frozen Foods	1,502,000
Food Stores	9,449,000
GARDEN SUPPLIES & EQUIPMENT	808,000
GASOLINE & LUBRICANTS	22,890,000
Gasoline & Oil	21,449,000
Oil Additives	1,285,000
Miscellaneous	156,000

100 Largest TV-Spot Advertisers of 1959

Gross time costs only, as estimated by Television Bureau of Advertising (TvB) in cooperation with N. C. Rorabaugh Co.

Rank	Advertisers	Amount
1.	Procter & Gamble	$45,046,800
2.	Adell Chemical	18,132,030
3.	General Foods	14,599,400
4.	Lever Brothers	14,118,940
5.	Colgate-Palmolive	13,879,890
6.	Continental Bakg.	10,806,480
7.	Warner-Lambert	10,690,620
8.	Amer. Home Prod.	10,657,620
9.	Brown & Williamson	9,252,640
10.	Miles Labs	7,830,830
11.	Bristol-Myers	7,744,650
12.	International Latex	7,381,340
13.	Kellogg	5,988,600
14.	Texize Chemicals	5,360,900
15.	Philip Morris	4,387,270
16.	Reynolds Tobacco	4,252,450
17.	Corn Products	4,226,190
18.	P. Lorillard	4,177,170
19.	Standard Brands	4,135,040
20.	Merchants & Mfrs.	3,840,970
21.	J. A. Folger	3,722,440
22.	Avon Products	3,677,040
23.	Sterling Drug	3,660,910
24.	Anheuser-Busch	3,649,070
25.	Coca-Cola	3,567,960
26.	Carter Products	3,474,300
27.	American Tobacco	3,467,440
28.	Ford	3,438,840
29.	Revlon	3,284,050
30.	General Mills	3,237,710
31.	Vick Chemical	3,115,200
32.	Lanolin Plus	3,047,290
33.	B. T. Babbitt	2,992,150
34.	Pepsi Cola	2,984,590
35.	Liggett & Myers	2,948,590
36.	Andrew Jergens	2,923,670
37.	Wesson Oil	2,883,440
38.	Borden	2,824,470
39.	Food Mfgrs.	2,769,580
40.	Wrigley	2,749,420
41.	Gillette	2,745,350
42.	Drug Research	2,742,900
43.	Pillsbury	2,712,080
44.	Pabst	2,710,170
45.	Nat. Grape Co-op.	2,601,350
46.	Nestle	2,581,390
47.	Norwich Pharmacal	2,534,960
48.	American Chicle	2,496,540
49.	Shell Oil	2,451,710
50.	General Motors	2,427,260
51.	Max Factor	$ 2,423,490
52.	Carling Brewing	2,395,710
53.	Jacob Ruppert	2,213,820
54.	Esso	2,198,650
55.	National Biscuit	2,130,880
56.	Wander	2,075,850
57.	Falstaff Brewing	2,061,370
58.	Sun Oil	2,038,840
59.	U.S. Borax	1,998,720
60.	Pharma-Craft	1,973,510
61.	Associated Prod.	1,956,140
62.	Helena Ruhinstein	1,920,480
63.	Hertz Corp.	1,915,420
64.	Quaker Oats	1,859,690
65.	Schlitz Brewing	1,850,150
66.	Minute Maid	1,822,880
67.	Hamm Brewing	1,821,880
68.	Ralston-Purina	1,808,340
69.	Helene Curtis	1,787,350
70.	Std. Oil (Ind.)	1,767,900
71.	Ward Baking	1,748,460
72.	Gallo Winery	1,640,110
73.	Interstate Bakeries	1,586,800
74.	Fels & Co.	1,549,600
75.	Atlantic Refining	1,543,390
76.	Alberto-Culver	1,535,130
77.	Exquisite Form	1,507,730
78.	M. J. B. Co.	1,505,720
79.	Continental Wax	1,496,130
80.	Piel Bros.	1,487,830
81.	Nat. Dairy Prod.	1,445,980
82.	Safeway Stores	1,430,470
83.	Chesebrough-Ponds	1,419,880
84.	Plough	1,405,460
85.	Atlantis Sales	1,403,850
86.	Wilson & Co.	1,401,800
87.	General Motors	1,370,030
88.	Schick	1,348,040
89.	Pam Industries	1,328,560
90.	Phillips Petroleum	1,325,310
91.	E. F. Drew & Co.	1,320,230
92.	Parker Pen	1,317,120
93.	Armour	1,291,160
94.	Charles Pfizer	1,279,910
95.	Vic Tanny Enter.	1,277,630
96.	Heublein	1,273,310
97.	National Brewing.	1,258,700
98.	Block Drug	1,250,630
99.	Pacific Tel. & Tel.	1,243,960
100.	Kroger	1,232,020

HOTELS, RESORTS, RESTAURANTS	$ 568,000
HOUSEHOLD CLEANERS, CLEANERS POLISHES, WAXES*	45,165,000
Cleaners, Cleansers*	38,128,000
Floor & Furniture Polishes, Waxes	3,540,000
Glass Cleaners	659,000
Home Dry Cleaners	569,000
Shoe Polish	1,725,000
Miscellaneous Cleaners	544,000
HOUSEHOLD EQUIPMENT—APPLIANCES	4,971,000
HOUSEHOLD FURNISHINGS	3,564,000
Beds, Mattresses, Springs	1,785,000
Furniture & Other Furnishings	1,779,000
HOUSEHOLD LAUNDRY PRODUCTS	36,727,000
Bleaches, Starches	6,702,000
Packaged Soaps, Detergents*	27,987,000
Miscellaneous	2,038,000
HOUSEHOLD PAPER PRODUCTS	4,558,000
Cleansing Tissues	666,000
Food Wraps	1,524,000
Napkins	314,000
Toilet Tissue	1,162,000
Miscellaneous	892,000
HOUSEHOLD, GENERAL	5,617,000
Brooms, Brushes, Mops, etc.	603,000
China, Glassware, Crockery, Containers	941,000
Disinfectants, Deodorizers	1,156,000
Fuels, (heating, etc.)	309,000
Insecticides, Rodenticides	1,701,000
Kitchen Utensils	106,000
Miscellaneous	801,000
NOTIONS	325,000
PET PRODUCTS	6,689,000
PUBLICATIONS	679,000
SPORTING GOODS, BICYCLES, TOYS	4,893,000
Bicycles & Supplies	36,000
Toys & Games	4,530,000
Miscellaneous	327,000
STATIONERY, OFFICE EQUIPMENT	222,000
TELEVISION, RADIO, PHONOGRAPH, MUSICAL INSTRUMENTS	1,171,000
Radio & Television Sets	381,000
Records	280,000
Miscellaneous	510,000
TOBACCO PRODUCTS & SUPPLIES	31,490,000
Cigarets	28,756,000
Cigars, Pipe Tobacco	2,330,000
Miscellaneous	404,000
TRANSPORTATION & TRAVEL	3,911,000
Air	2,734,000
Bus	422,000
Rail	718,000
Miscellaneous	37,000
WATCHES, JEWELRY, CAMERAS	3,830,000
Cameras, Accessories, Supplies	1,170,000
Clocks & Watches	22,000
Jewelry	174,000
Pens & Pencils	2,211,000
Miscellaneous	253,000
MISCELLANEOUS	8,600,000
Trading Stamps	953,000
Miscellaneous Products	3,655,000
Miscellaneous Stores	3,992,000
TOTAL	$ 605,603,000

* In 1959 liquid cleaners (i. e. Lestoil) included in sub-class "Cleaners, Cleansers."

Arthur Murray Inc., whose *Arthur Murray Party* is an NBC-TV staple, has been charged by FTC with deceptive TV-radio-newspaper promotional schemes to "decoy" customers into more than 450 licensed dance studios. FTC's complaint against local telephone quizzes, crossword, "dizzy dance" and "Lucky Buck" contests, also named company officials Arthur & Kathryn Murray and David A. Teichman. FTC said this Arthur Murray promotion isn't bona fide, that it's "a deceptive form of 'bait' or 'decoy,' attractive to the innocent, unwary and unsuspecting." Among techniques used to "mislead & coerce" dance-lesson customers, FTC said, was: "The use of 'relay salesmanship,' involving a number of Arthur Murray representatives who sign up a lone prospect by force of numbers & unrelenting sales talks, sometimes aided by hidden listening devices monitoring conversation with the pupil." In N.Y., the company issued a statement conceding that "on occasion" some Arthur Murray Studio employes have "engaged in isolated practices not approved by our organization." But it maintained that the business conduct of most employes has conformed with "highest standards."

Net TV Up 10% in Jan.: The 1960 national ad volume got off to a healthy start with January posting a 9% gain over the year-ago business, *Printers' Ink*'s latest ad index shows. Sizable increases were recorded by most major media: newspapers 15%, magazines 12%, network TV 10%. The poorest showing was recorded by network radio, which ran 34% below the Jan.-1959 performance. The index for the first time includes a spot-TV report which will be adjusted quarterly. Spot TV in 1959's final quarter was 9% ahead of 4th-quarter '58; 2% ahead of 3rd-quarter '59.

Medium	Index Jan. 1960	Index Jan. 1959	% Change from 1 month ago	% Change from 1 year ago	1959 year average
General Index	227	209	— 2	+ 9	225
Total Magazines	182	162	+ 1	+12	173
Weekly	195	175	— 1	+11	192
Women's	141	124	+ 1	+14	128
General Monthly	228	206	— 1	+11	217
Farm	122	110	+36	+11	105
Newspapers	202	176	— 6	+15	206
Network Television	471	430	0	+10	452
Network Radio	21	32	0	—34	24
Business Papers	226	229	— 2	— 1	232
	4th Qtr. '59	4th Qtr. '58	3rd Qtr. '59	1 year ago	
Spot Television	742	683	+ 2	+ 9	708

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-1949 except for the TV base, which covers the years 1950-52. Spot TV is not reflected in the general index.

Another whiskey rebellion has broken out in broadcasting—this time in Baltimore's Dundalk suburb, where radio daytimer WAYE is carrying commercials for Kentucky Gentleman bourbon. Baltimore's Strakes agency placed the R. W. L. Wine & Liquor Co. account with the non-NAB 500-watter after it had been turned down by other stations. The soft-sell commercials don't mention liquor or drinking. Typical copy: "Who's your friend, honey?" "Why, that's Kentucky Gentleman." No alarm over WAYE's defiance of the industry's taboo on hard liquor advertising was professed at Washington hq of NAB, where Code sources told us they've had no reports that the Dundalk revolt is spreading elsewhere in radio—or in TV.

Ad People: William M. Nagler elected a Young & Rubicam vp . . . Barron B. Boe and Herbert A. Ericson named BBDO vps . . . Joseph Stone appointed a vp & associate creative dir., McCann-Erickson . . . Sy Radzwiller and West P. Woodbridge Jr. named Ted Bates vps . . . Charles A. Farrington named recruitment ad mgr., Fuller & Smith & Ross's new Boston office (137 Newbury St.), established to serve client Raytheon's recruitment program.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WRCA-TV New York	$9200 to $10,200	$2300 (no change)	Feb. 1
WCBS-TV New York	8250 to 10,000	2100 to $2400[1]	Dec. 21
WRCV-TV Philadelphia	3700 to 4000	850 to 880[1]	April 1
WHDH-TV Boston	3000 (no change)	600 to 700	April 1
KRON-TV San Francisco	2100 to 2350	675 to 775	April 1
KTVI St. Louis	1150 to 1400	287 to 325	April 1
WGR-TV Buffalo	1300 to 1400	300 to 320	April 1
WFBM-TV Indianapolis	1300 (no change)	350 to 400	April 1
WAVE-TV Louisville	1100 to 1150	250 to 275	March 1
KMTV Omaha	900 to 1000	225 to 250	April 1
WSAZ-TV Huntington	1000 (no change)	180 to 220	April 1
KXLY-TV Spokane	625 to 800	165 to 220	April 1
KARD-TV Wichita	700 to 800	145 (no change)	March 1
WJRT Flint	700 to 800	140 to 150	April 1
WLOF-TV Orlando	400 to 500	80 to 90	March 1
WTVC Chattanooga	400 to 450	80 to 100	March 1
KNTV San Jose	325 to 400	80 to 100	April 1
WBTW Florence, S.C.	375 to 400	85 to 90[1]	March 1
KVAL-TV Eugene	360 to 396	86 to 99[2]	March 1
KLAS-TV Las Vegas	250 to 275	50 to 60	April 1
KTEN Ada, Okla.	225 to 250	30 to 40	March 1
KCTV San Angelo	200 to 225	34 to 42	March 1

[1] 20 Sec. only. [2] Combination rates with KPIC, Roseburg, Ore. from $434 to $464 (Hour), $99 to $110 (Min.).

Networks

THREE 'NEW LOOKS' AT TV: Socio-economic factors of TV households, nighttime network audience standings and daytime competitive TV patterns were examined last week by a trio of new Nielsen-based studies available to admen. Highlights:

●

TvB-Nielsen study: One of TV's most popular fallacies is that TV viewing falls off as income & educational levels rise. A special Nielsen study for TvB, however, deflates this notion. Upper-income homes (over $8,000 annually) account for 19% of U.S. households—and these same households account for 19% of U.S. TV viewing. Middle-income homes (37% of households) account for 40% of all TV viewing, while 44% of U.S. homes in the low-income brackets (under $5,000), account for only 41% of viewing.

Education relates to, rather than reacts against, TV viewing, the Nielsen qualitative analysis revealed. Homes with a college-educated adult (31% of all homes) account for 32% of viewing. And homes whose most-educated adult had less than a high school education (33% of homes) provided only 32% of TV viewing. Somewhat similar patterns appeared in terms of family size & age. Large (5 or more people) families amount to 23% of the U.S., but provide 30% of viewing. What TvB termed "the important young homes" (with the head of household under 40, and representing 34% of U.S. homes) actually provide 40% of TV viewing—18% more than the proportionate share.

●

Nighttime network standings: ABC-TV is now a strong contender for over-all national rating honors. CBS-TV still leads the field, and NBC-TV runs in 3rd position. The first of the March Nielsen reports on the all-evening (6-11 p.m., Mon.-Sun.) network national picture revealed these average-audience ratings: ABC-TV—20.4; CBS-TV—22.1; NBC-TV—19.3. Audience shares showed this line-up at 31.3, 35.1, and 30.0, respectively.

In the "primest" of prime-time periods (8-10:30 p.m., Mon.-Sun.), national average-audience standings: ABC-TV —22.0; CBS-TV—23.6; NBC-TV—20.1. Coupled with ABC's lower gross time costs, the resultant cpm figures let ABC claim an average cpm of $2.78 in the 8-10-30 p.m. hours, vs. $3.17 for CBS and $4.17 for NBC.

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Daytime competitive areas: Nielsen figures show early results of the recent addition to the NBC-TV daytime schedule of *Loretta Young Theater, Comedy Playhouse* and *Adventure Time.* In the 24 cities where Nielsen measures 3-network direct competition, NBC has moved from 14% behind CBS (average-audience ratings in the 10 a.m.-1 p.m. & 2-5 p.m. periods) to 3% ahead. NBC has also widened its lead over ABC's daytime TV schedule, advancing from a 5% lead in the Feb. 5 Nielsen competitive report (before the programming changes) to a lead of 23% in the March 4 Nielsen report (with new schedule in effect).

The actual rating levels look like this: NBC-TV up from a 6.7 to an 8.0. CBS-TV holding with a 7.8 average before & after the NBC program changes. ABC-TV—a slight gain, from 6.4 to 6.5, but not enough to make up the daytime difference with NBC. One major victory for NBC-TV has been in throwing the *Loretta Young* reruns against CBS-TV's highest-rated daytime show in the Nielsen multi-network areas, *House Party.* The latter has now slipped back to being the 5th-rated CBS show in the 24 Nielsen competitive cities.

CBC has applied for a license to establish a TV station at Pembroke, Ontario to serve 63,000 persons outside the "B" contour of existing English-language TV stations, Pres. Alphonse Ouimet reported recently. The new service would be a satellite transmitter, on Ch. 5, which would carry the programs of CBOT, Ottawa. The application is subject to recommendation by the BBG and approval by the Dept. of Transport.

South African visa was refused to NBC News' Cairo correspondent Welles Hangen on grounds that NBC has "prejudged the issue" in the current racial flare-ups there. According to NBC News vp William R. McAndrew, it was a case of guilt-by-association, inasmuch as the Union of South Africa's complaint was apparently over comments made by NBC News' Chet Huntley March 28 & 29 in the network's Texaco-sponsored *Huntley-Brinkley Report.*

CBS-TV has shelved plans for additional construction at Television City in Hollywood, apparently as the result of a recent survey & a comparatively light schedule of live production from the network this summer.

NETWORK SALES ACTIVITY

ABC-TV

Princess Margaret's wedding, May 6, 5-5:30 p.m., full sponsorship.
Yardley of London (N. W. Ayer)

Sugarfoot-Bronco, Tue., 7:30-8:30 p.m., and various daytime participations.
Simoniz (Young & Rubicam)

NCAA football telecasts, eff. Sept. 17, Sat. afternoons, quarter sponsorships.
Liggett & Myers (McCann-Erickson)
Humble Oil (McCann-Erickson)

Jeannie Carson Show, Thur., 9-9:30 p.m., reruns starting in July, full sponsorship.
Procter & Gamble (Grey)

The Flagstones, Fri., 8:30-9 p.m., eff. fall 1960, alt. wk. sponsorship.
Miles Laboratories (Geoffrey Wade)
R. J. Reynolds (William Esty)

CBS-TV

June Allyson Show, Thur., 10:30-11 p.m., renewal of full sponsorship.
DuPont (BBDO)

DuPont Show of the Month, 1960-1961 season, renewal of full sponsorship.
DuPont (BBDO)

Arthur Godfrey Show, May 6, 9-10 p.m. Second Godfrey special of 4 planned this year.
Greyhound Corporation (Grey), *Sears, Roebuck & Co.* (Cunningham & Walsh), *Sara Lee* (Cunningham & Walsh)

Rawhide, April 2, Fri. 7:30-8:30 p.m., one-third alt. wk. sponsorship.
Gulf Oil (Young & Rubicam)

Jack Benny Show, Sun. 10-10:30 p.m., eff. Oct., co-sponsorship.
State Farm Mutual Insurance Co. (Needham Louis & Brorby)

NBC-TV

Conventions 1960, April 24, 5:30-6 p.m., full sponsorship.
Kemper Insurance Co. (John W. Shaw)

CBS Denies 'Tough' Policy: A report that CBS-TV was turning down a number of new & old TV shows because they didn't measure up to the network's new program-practice standards gained wide circulation last week. New shows like *The Law & Mr. Jones* (Four Star, P&G sponsoring), *Time Out for Ginger* (Ziv-UA, Kellogg part-sponsor, *Dr. Kildare* and *National Velvet* (both MGM-TV) and the new Peter Lind Hayes show, *Peter Loves Mary*, were said to have been handed thumbs-down notices.

That CBS was suddenly taking a stiff attitude toward outside program packages was flatly denied in N.Y. by various network spokesmen. CBS Inc. Pres. Dr. Frank Stanton, although seldom directly concerned these days with individual program problems on the network, nevertheless told us that "CBS has no intention of controlling all its shows. This would be a violation of anti-trust laws."

Vp John P. Cowden threw additional light on the situation, telling us: "Business has been booming at CBS, and our fall schedule is becoming locked-in fairly early. As a result, the number of open time periods is dwindling, and many programs are under consideration to fill them. Some programs we've discussed will probably fall by the wayside, not because we don't like them or because they have no intrinsic merit, but because we just can't fit them in."

What gave strength to the reports, apparently, has been the fact that CBS has made no bones, in a number of recent instances of controlling program content on the network. The trend began last fall, in the wake of quiz hearings, with a Stanton-ordered axing of *Name That Tune*, and continued with a flurry of program-practices memos covering everything from tape labels to canned laughter.

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NBC wants to reinstate call letters WNBC-TV, WNBC and WNBC-FM for its N.Y. o&o's, says William N. Davidson, NBC vp & gen. mgr. of the N.Y. stations, and has filed with FCC. The stations have been using WRCA call letters since 1954. Prior to that, the radio o&o's used WNBC, the TV outlet, WNBT. The WNBC call letters are currently assigned to the TV station for New Britain-Hartford, Conn., which NBC recently sold to Conn. TV Inc. (Vol. 15:30 p9). The proposed call letters "better identify" the N.Y. stations with the network, said Davidson. WRCA will go to an RCA marine station.

Trial of $15 million suit by KTNT-TV Tacoma against CBS & KIRO-TV Seattle, alleging that KIRO-TV obtained CBS-TV affiliation illegally through its AM tie-in with the network (Vol. 14:37 p8), has been set tentatively for July 12 in Tacoma. Anti-trust law infractions by CBS & KIRO-TV are charged in the triple-damage suit, which is scheduled to be tried by U.S. District Court Judge William J. Jameson.

Radio Free Europe seeks $10 million in a new TV-radio drive due to be launched April 24. On March 28, a taped, closed-circuit RFE appeal was made from N.Y. to affiliates, which featured appearances by top officials of the 3 networks (AB-PT Chmn. Leonard H. Goldenson; CBS Inc. Pres. Dr. Frank Stanton; NBC Chmn. Robert W. Sarnoff) and Donald H. McGannon, Westinghouse Bcstg. pres. & chmn. of Broadcasters for Radio Free Europe. The campaign will include special TV-radio programs, a saturation schedule of spot announcements, special RFE kits for broadcasters, and other electronic appeals. Radio Free Europe now exists as a 28-station network in West Germany and Portugal that broadcasts 3,000 hours weekly to a potial audience of 76 million people behind the Iron Curtain.

Congress

DICK CLARK DATE SET: House Commerce Committee investigators who have been plodding through tedious legislative hearings on ethics-in-govt. bills (Vol. 16:13 p3) last week set April 21 as a tentative date to return to more glamorous work—payola probes. ABC-TV headliner Dick Clark, 20-30 disc jockeys, music publishers and record promoters in the Philadelphia area —and probably network officials—were billed by Chmn. Harris (D-Ark.) as leading witnesses for the new round of payola hearings by his Legislative Oversight Subcommittee.

Harris also interrupted last week's legislative hearings by the full Committee for CAB, FTC, SEC and ICC to announce that a long-rumored study of TV & radio rating systems is being farmed out by the subcommittee to the American Statistical Assn., financed from Oversight funds, results of a 3-man ASA survey probably won't come in until after the Nov. elections, at least—and Harris indicated no hearings on ratings will be held before fall, if then.

Clark Questions Previewed

What Clark will be in for when he keeps his payola-probe date was indicated by the Oversighters' counsel Robert W. Lishman in a memorandum on the case, which has been a subject of Subcommittee bickering (Vol. 16:12 p17). Among questions he wants to ask, Lishman said, are these:

(1) "Have records or musical compositions been broadcast on the network programs *American Bandstand* and *The Dick Clark Show* because of payments of money or other valuable considerations?" (2) "Have such payments been made to Dick Clark directly or indirectly through corporations owned or controlled by him, or through his third party agents or representatives?" (3) "Has the licensed broadcasting station over which the Clark shows originate lived up to its responsibility concerning material that should be broadcast, or has it surrendered control over that material entirely to mercenary interests?" (4) "Has Dick Clark, through record pressing & other corporations, exacted tribute from composers & talent in order that their compositions or recordings may be aired on his shows?"

Clark has been under investigation by subcommittee staffers since last Nov. and under subpoena as a witness since Jan. Rep. Moss (D-Cal.), one oversighter who had called for careful preparations for Clark's hearing—vs. demands by Rep. Bennett (R-Mich.) that they be speeded up—said questioning of the ABC-TV jockey would be "as thorough as the facts will permit." Clark could be sure of one thing—he'll have a full house for his appearance.

Meanwhile House Judiciary Committee Chmn. Celler (D-N.Y.) also got into the payola act. He introduced a bill (HR-11397), patterned after ASCAP proposals (Vol. 16:12 p5), to make payola a crime punishable by $1,000 fines and/or one-year jail terms. Another Celler bill (HR-11398) would permit FCC to limit license renewals to one year instead of 3 in cases where it finds evidence of payola practices at stations.

No payola-like sensations were expected from the Harris-subsidized ratings inquiry. Harris himself said one rating service already had offered "a comprehensive & candid study of its statistical methods"—and that other services were lining up to follow suit.

If past Congressional experience in Congressional hearings on the subject is any guide, any public inquiry by Harris into ratings & how they are computed will run

into a problem of shutting witnesses up rather than extracting damaging evidence from them. Sen. Monroney (D-Okla.) found that out when he ran one-man Senate Commerce Committee proceedings on the subject in 1958 (Vol. 14:26 p2). He was overwhelmed with statistical data & lectures on mathematical equations in audience samplings.

Conducting the ratings study for the ASA will be Dr. William G. Madow, Stanford Research Institute, Menlo Park, Cal., Chmn.; Dr. Raymond J. Jessen, General Anlysis Corp., Los Angeles; Dr. Herbert Hyman, Columbia U.

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In N.Y., A. C. Nielsen Co., largest of the broadcast measurement firms and a research organization likely to be affected considerably by any govt. move in the ratings field, took a we-have-nothing-to-hide position concerning a probe. Vp & best. div. mgr. Henry Rahmel told us that, if there was a need for more information on rating services in Washington, a Harris study "should prove helpful." He also repeated an invitation to "pay us a visit" at Nielsen's Chicago hq, adding that "a first-hand inspection would provide a background of confidence in Nielsen services."

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CATV-regulation bill (S-2653) which has been pending in the Senate since last session, when it was written & recommended by the Commerce Committee (Vol. 15:38 p5), has been bypassed again. Opposed by the National Community TV Assn. because of language which directs FCC to consider "continued operation of the local station" in licensing CATV systems, the bill came on the Senate floor on the consent calendar. But a quick vote on it was prevented by objections raised by Sen. Fulbright (D-Ark.) & others. Also passed over on the Senate floor was an FCC-recommended bill (S-1734), approved last session by the Commerce Committee (Vol. 15:32 p6), which would prevent ex-parte presentations in adjudicatory cases after they have been designated for hearings.

Congressional review of legislative rule-making by FCC & other federal regulatory agencies is provided in a bill (HR-11411) by Rep. Moulder (D-Mo.) amending the Legislative Reorganization Act of 1946. Under its terms, "any proposed rule or regulation having the effect or import of legislative action to carry out the purposes of an act of Congress" would have to be submitted for Senate & House committee approval before being issued. If there's no committee action, agency rules could become effective 15 days after they are filed with Congress. Intra- and inter-agency administrative regulations would be excepted from the requirement.

Tower painting & lighting bill (S-2812), requiring that unused as well as used broadcasting structures must be marked & illuminated (Vol. 16:11 p13), has been approved by the Senate. The measure, sponsored at FCC's request by Senate Commerce Committee Chmn. Magnuson (D-Wash.), was sent along to the House, where an identical bill (HR-10259) by House Commerce Committee Chmn. Harris (D-Ark.) is pending.

Another "influence" bill, barring officials of FCC & other govt. regulatory agencies from "unlawful & unethical" outside contacts, was promised last week by Sen. Butler (R-Md.). In a speech prepared for Senate delivery, he said his proposed measure would amend the Administrative Procedure Act of 1946 to outlaw ex-parte approaches to the agencies. But his "code of conduct" would "leave to the discretion of the respective officials the degree of conduct, social & business, they would have with the industry."

The FCC

FORD'S TRAFFIC-MOVING PLANS: Several ideas for improving & moving FCC's work have been broached to colleagues by new Chmn. Frederick W. Ford, and they may go into effect soon. Though uppermost in his mind are upcoming decisions on such major matters as payola, deception, programming (main topic of his NAB convention speech), TV allocations, etc., he's giving much thought to administrative job.

He has strong hopes that an expediter will be a great help—someone who will "bird-dog" major projects and "program" Commission activity to keep decisions rolling out. It's understood that he'll soon name the man, James B. Sheridan, asst. chief of the economics div. Sheridan has been with the Commission 19 years. He worked with Ford on many major cases—such as the Richards news-slanting hearing and the ABC-Paramount Theaters merger—when Ford was a top staff attorney in 1947-53. As an economist, Sheridan has worked on almost all major Commission problems, has an exceptionally broad knowledge of the industry and is articulate about it. It's not intended that Sheridan be an "executive director," such as those in some govt. agencies, with a substantial voice in policy decisions. Commissioners don't go for that, don't want a buffer between them & staff.

Another Ford objective: "I'd like to acquaint my colleagues & myself with problems as fast as they hit the Commission, not a couple of months after the staff has worked on them. The Commission should have closer control of staff wrk, give mre direction, not lost track of anything, assign the priorities."

Ford is enjoying excellent press, meanwhile. For example, April 1 *Washington Post* editorial titled "Sins of Commission," devoted primarily to the problems of the Federal Power Commission, said this:

"Frederick W. Ford, the new chairman of the Federal Communications Commission, has espoused a commendable philosophy without the need of a new law. 'I've no problem acting like a judge,' Mr. Ford said in a recent interview, 'I bet I haven't had a visitor a month—people just don't come to see me.' "

On March 28, *Washington Daily News* editorialized: "Congressmen who turned up the FCC scandals and others here in Washington seem to think if anybody can restore the agency to good standing, the new chairman, Frederick W. Ford, is the man. Among those who believe this is Mr. Ford.

"In his 2½ years on the FCC, he says, he didn't find ethics to be any problem. Judging by his reputation, there was no 'problem' because he had a clear understanding of the difference between right & wrong, and the intelligence to apply this understanding."

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Govt. regulation of CATV receiving towers, which run as tall as 750 ft., would be authorized by legislation proposed by FCC to Congress. The proposed bill would cover all receiving antennas, which are now exempt from rules governing transmitting antennas. National Community TV Assn. exec. dir. Edward Whitney said that NCTA supports the proposal, in fact has always urged members with tall towers to comply with FCC transmitter-tower regulations despite the absence of laws covering their structures. He said that he's sure all CATV towers of substantial height do comply.

Boston Radios Answer FCC: General & specific defenses of their policies were filed last week by 4 Boston area radio stations which were challenged by FCC to show why their licenses should be renewed in the face of alleged payola practices and infractions of FCC rules (Vol. 16:10 p5).

Also submitted to FCC in the 4 cases were petitions by the AFM and its Boston Local 9 for permission to intervene if license hearings are held. The musicians' union said FCC should put this new issue into the proceedings involving WMEX, WILD, WORL and WHIL: "Whether applicant should be required, as a condition of renewal of its license, to present local live musical programs."

None of the stations in their replies to FCC's letter conceded that they had knowingly been involved in payola. WORL, for instance, said it was aware that employes received a few Christmas gifts, total value not exceeding $200. As for free records used by the station, WORL said they were just like books sent by publishers to newspapers for review. WHIL said it had issued strict no-payola orders to its employes as long ago as last Nov. 25.

As for programming defaults, which FCC cited against all of the stations except WORL, a typical defense was filed by WMEX. It said that FCC wasn't keeping up with the broadcast times when it complained that WMEX had too much news-&-music and too few agricultural, educational, talk and religious programs. "The yardsticks which were evolved approximately 15 years ago for measuring station programming do not lend themselves to a fair evaluation of present day methods of operation of broadcast stations," WMEX said.

The stations' replies were accompanied by affiidavits, program logs and other exhibits intended to show that they have been operated in the public interest and are entitled to have their licenses renewed.

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Rules for vhf boosters (repeaters) were considered again by FCC last week, but no decision was reached. Meanwhile, the Commission again extended for 90 days, from March 31, the grace period during which it will not proceed against the boosters, which operate without Commission authorization. A new proposal, offered by one Commissioner, is that each booster operator be required merely to "register" with FCC, that each be permitted to continue as long as it creates no interference, that no new vhf boosters be permitted.

Another "Kohler hearing" reprimand was delivered by FCC last week, to WATR-TV Waterbury, Conn. The station was reminded of the sponsor-identification requirements of the Communications Act. It had carried, without identifying the source, films of Senate hearings supplied by the National Assn. of Manufacturers. About 25 stations had carried the films, and most have been warned by FCC (Vol. 14:16 et seq.).

Short-spaced vhf allocations rule-making deadline for comments was extended from April 19 to June 20 (replies July 5), as the FCC acted on a petition of the Assn. of Federal Communications Consulting Engineers. The first deadline was Feb. 19, later extended to April 19 (Vol. 16:2 p1, 16:5 p1).

Letter covering TV allocations, including the status negotiations with OCDM, was sent by FCC April 1 to the Senate Commerce Communications Subcommittee, headed by Sen. Pastore (D-R.I.). The Senator was out of town; therefore the contents were not released.

Film & Tape

BIDS TO END WGA STRIKE FAIL: Hollywood's turbulent labor scene last week was marked by dramatic but unsuccessful attempts to end the 11-week old strike of Writers Guild of America against the Alliance of TV Film Producers, and a setback in negotiations between Screen Actors Guild and the Assn. of Motion Picture Producers, struck by SAG March 7. Optimism that the disputes would soon be settled was shattered.

For the first time, the 2 largest talent agencies—MCA and William Morris—became involved in attempts to settle the TV strike, but plans projected by them were rejected. Here's the sequence of events:

A WGA committee met with MCA boss Lew Wasserman. They conceived a dramatic plan which called for scrapping the present residuals system and replacing it with an arrangement giving writers 2.2% of telefilm gross, foreign & domestic. Writers would receive $1,000 for a script—considered an advance against the gross. WGA liked the formula because (1) it gave them a foot in the foreign market, and (2) would give them residuals in perpetuity. But the Alliance rejected the WGA-Wasserman plan immediately.

Explained an Alliance source: "It was a radical, ingenious plan which might upset our relationships & rates with the various guilds. Under this plan we would have to overhaul the entire residuals structure. The actors might want a lot more, for example." WGA met again with Wasserman, asked him to exert influence to end the strike.

WGA Rejects Alliance Proposal

The Alliance then came up with its own proposal, which ironically, was drawn up with the aid of the Morris Agency. This plan called for writers to receive a 10% increase in minimums the first 2 years of a new contract, another 5% hike the 3rd year, and 5% based on agreed compensation (but no more than double minimum) to go into a pension fund. This plan skirted the ticklish foreign issue by offering WGA a favored nations clause, whereby WGA would receive foreign residuals if any were given to other guilds.

The Alliance plan was told to the Guild the day of its membership meeting (March 31) and WGA executives first believed it contained recognition of the principle of foreign residuals. As a result they were optimistic and felt the strike would end. However, when they received the actual proposals and recognition of the foreign principle was not included, they presented it to the membership with a recommendation that it be rejected. All but 2 or 3 of the 400 writers at the meeting turned the proposal down.

Previously, in informal discussions WGA had asked for a 15% minimum raise for 3 years, plus 5% for a pension fund and recognition of the foreign residuals principle, but the Alliance rejected this. Although they rejected the Alliance proposal, the writers authorized their negotiators to resume talks with the producers in an effort to find a solution.

At its membership meeting, WGA members authorized a strike against non-Alliance producers, & against the networks in live TV, radio and freelance, since the network contract expired March 31. However, progress is being made in negotiations with the networks so no strike call is planned, and the networks have been given an extension.

As for the SAG-major negotiations, what began as a week promising settlement ended in name-calling and an

indefinite termination of negotiations. Hollywood trade papers headlined that a settlement had been reached, but this was not true. Nor were the terms printed by such papers. AMPP vp Charles S. Boren said: "It is not correct to say that at any time negotiations had reached a point which 'should settle the strike.'" Although considerable progress had been made, the differences in the positions of the producers and of the Guild represented millions of dollars to the industry. Boren said negotiations have been interrupted because the producers have to take time to "explore thoroughly the economic implications of the present proposals," and said talks will resume once this is completed.

Boren's comments were motivated not only by the false alarms of a settlement, but by a statement from SAG which termed AMPP's postponement of negotiations "shocking."

SAG May Withdraw Offer

SAG said it had offered substantial compromises, and claimed that on March 26 both the producer and Guild committees knew that the strike could be settled on terms offered by SAG. They blame company presidents for refusing to support the positions of their committees. SAG said: "We have no intention of being the sacrificial lamb for the producers. If the producers intend to continue the strike, the Guild will be compelled to withdraw its compromise offer, which was designed to end the strike."

Actually, the disputants were apart not in the area of principle, but in dollars & cents. SAG had asked $3 million for its pension fund (in lieu of post-1948 payments); the producers were offering $1.8 to $2.1 million.

SAG wanted 6% (minus 40% for distribution) of post-1948 films sold to TV; producers don't want movies which lost money at the boxoffice included, but SAG rejected this. (Producers said 710 movies made last year lost money.) Producers also wanted a 10-year "freeze" on post-1960s once agreement is reached, but SAG also rejected this.

SAG made a concession in the pay-TV area, when it agreed to go along with majors' contention that pay TV is an extension of theatrical boxoffice. However, this would have been for the duration of the new contract only.

Directors Guild of America, meanwhile, asked producers for a health & welfare plan, with employers to pay 3½% of DGA members' salaries or 3½% of producers' gross on post-1948 movies sold to TV.

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Block-booking Trial: Assumption that block booking by TV film distributors is proved was termed "premature" last week by Federal District Court Judge Archie O. Dawson in the current government anti-trust suit against 6 feature-film distributors. Judge Dawson again told the court he "probably would not grant renegotiation of contracts," but would decide solely on the block-booking issue. If he sides with the govt., stations may then sue film companies individually for renegotiation of contracts, he said. "This court, however, won't be used as a collection agency for stations," Dawson added.

Testifying last week were William L. Putnam, pres., Springfield TV Broadcasting Corp.; Wallace Sawyer, film mgr., Springfield Bcstg.; Seymour Horowitz, program mgr., WTCN-TV Minneapolis; Frank Bignell, asst. gen. mgr., WKOW-TV Madison, Wis.; Martin F. Memolo, former pres., WARM-TV Scranton, Pa.; Morris E. Greiner Jr., mgr., KMBC-TV Kansas City, Mo.; Edgar T. Bell, exec. vp & gen. mgr., KWTV Oklahoma City. The trial is expected to last at least 3 more weeks.

HOLLYWOOD ROUNDUP

Negotiations are under way for sale of *The New Bob Cummings Show*, an adventure-comedy series. Included in the package now being discussed are four 60-min dramatic shows to be called—*Bob Cummings Theatre*—which would star Cummings and be produced by his own company, Laurel Productions. These would be on film or tape. Cummings told us he had originally planned a pilot for his new venture, but the Writers Guild strike intervened. Consequently the negotiations are being made by presentation. If the strike continues, he will film the series abroad.

Bristol-Myers is negotiating for alternate sponsorship of *Boston Terrier*, a half-hour private eye. The other half has already been bought by R. J. Reynolds. No time or network has been set. Tom Waldman and Blake Edwards of Terrier Productions are with the series, which stars Robert Vaughn. Waldman will produce. Also in the venture are Don Sharpe and Warren Lewis.

Producer Larry Berns, with CBS-TV for 18 years, has left the network to join a co-production venture with Nannette Fabray and her husband, Ranald MacDougall. The trio plans a comedy series, *Yes, Yes, Nanette*, to be produced by Berns. They will seek to sell it via presentation instead of a pilot.

Producer Hal Hudson (*Dick Powell's Zane Grey Theatre*) is considering leaving Four Star Television to form his own telefilm company . . . **Producer John Robinson** is planning a series called *Kovack*, about a newspaper columnist . . . **Westwood Productions** producer Edmund Hartmann plans to pilot *Going On Seventeen*.

Twentieth Century-Fox TV may not use Ron Ely as alternating star, with Gardner McKay, on *Adventures in Paradise* next season. Ely was originally scheduled for this season, but McKay protested vigorously, wishing to remain the sole star of the series. The studio has not yet reached a decision.

CBS-TV staff producer-dir. Fred de Cordova will leave the network when his contract expires April 17 . . . **Screen Gems** has signed director Oscar Rudolph to a 3-year contract . . . **William Morwood**, ex-CBS Films, has become associate producer of *GE Theater* at Revue Studios.

Jack Benny-owned J&M Productions has sold a new series, 60-min. *Checkmate*, to CBS-TV for next season. The deal is for 26 segments of the suspense show . . . **Production has been finished** on this season's *Dick Powell's Zane Grey Theater*.

Howard Christie, producer of *Wagon Train*, has been named a vp of Revue Studios . . . **Serge Valle** named NTA research director . . . **Daniel Goodman** has been named eastern sales mgr. & Robert Newgard midwest sales mgr. for Screen Gems.

H. Weller Keever, ex-Cal. National, has been named sales vp for Filmaster . . . **Producer William Goetz** has signed Jeff Chandler to star in two 60-min. Biblical dramas being produced in Israel for ABC-TV.

Jack Linkletter's *On the Go* on CBS-TV has been renewed . . . **Phil Karlson** plans a series, *Tolliver's Trolley*, written by Steve Allen and Karlson.

Raylock Productions will produce a series based on Ripley's "Believe It or Not."

NEW YORK ROUNDUP

CBS Films 26-episode N.Y.-taped *Robert Herridge Theatre* has been sold to the Australian Bcstg. Commission for 6 stations. Individual episodes in the series also have been sold in West Germany, Sweden, Denmark and Norway. And a 4-station CBC lineup has picked up the full package for Canadian telecasting. No U.S. station or network deal has yet been lined up, although CBS Films began production of the taped 30-min. drama series nearly a year ago. One likelihood: CBS Films is still trying for a network sale on the show in preference to launching it in U.S. syndication.

Ben-Hur will be on TV this season—at least, some of the physical props will. Producers John Lee Mahin and Martin Rackin, who are currently shooting *The Barbarians* as a 60-min. NBC-TV fall entry near Rome, and who know a good standing set when they see one, plan to film part of the series on the giant sets left over from MGM's huge "Ben-Hur" production, we have learned. How MGM will react to the sight of the sets from history's costliest feature serving as a backdrop for a TV show isn't known.

Wonderama, 3-hr. weekend cartoon-&-games package of WNEW-TV N.Y., is adding moppet-slanted political features as a new public-affairs approach. Senators John Kennedy (D-Mass.) & Hubert Humphrey (D-Minn.), rival Presidential hopefuls, have recorded 60-sec. explanations of the political primaries, to be used in a series of 15-min. news-in-depth discussions on *Wonderama*. Kennedy's message is video-taped; Humphrey's a beeper-phone recording.

Westerns are still active, with 2 new ones being bought for next season. ABC-TV has ordered 26 of 60-min. *Stagecoach West*, produced by Vincent Fennelly, for Four Star Television. Robert Bray, Richard Eyer and Wayne Rogers star. And NBC-TV has bought 39 of *The Tall Man*, a Revue Studios-Nat Holt series starring Barry Sullivan and Clu Gulagur.

NTA's tape-syndicated *Open End* series became a TV-radio simulcast April 3 in a move by origination point WNTA-TV N.Y. to broaden the show's audience. First discussion topic to be seen on WNTA-TV & heard on WNTA, with David Susskind as host: "Crisis in the South," a roundtable discussion of integration issues.

John Jack Cron has resigned as pres. of Bernard L. Schubert Inc., N.Y. & Los Angeles TV film packager-distributor . . . Howard Lindsay will narrate NBC-TV's *Project 20* showing of "Mark Twain's America," April 22.

Add syndication sales: Official Films' *Almanac* package has been sold to 5 additional stations: WRGP-TV Chattanooga; KLRJ-TV Las Vegas; KOOL-TV Phoenix; KTVO Kirksville, Mo.; and WLOF-TV Orlando.

Cinema-Vue Corp. will distribute Pathe News' 260-episode *Milestones of the Century*, with narration by Ed Herlihy. The series is now available in 3½-min. versions for daily stripping.

Laurence S. Untermeyer, ex-NBC producer-dir.-writer, has been appointed associate producer of Transfilm-Wylde Animation . . . Willard Block has been named international sales mgr., CBS Films.

AFM won an NLRB election to represent musicians in TV film at CBS-TV, getting 122 votes vs. 90 for MGA.

Unlucky Mr. Lucky: Blake Edwards, creator of *Peter Gunn*, *Mr. Lucky* and *The Boston Terrier*, has told us he'll quit TV for the movies if he ever runs into as extreme a case of interference as he encountered on *Mr. Lucky* this season. Such interference, added the producer-director-writer, paves the way to mediocrity.

Recounting his experience with *Mr. Lucky*, he said, "First CBS-TV & the sponsor objected to the gambling ship locale. I was apprehensive at their insistence on a nightclub, but I went along. Then, during my absence working on movies, they took most of the comedy out of the series. I told them my deal gave me creative control, and I took my name off the show. I don't want ulcers, and I don't want to go back to my analyst.

"I had come up with the idea of *Mr. Lucky*. Don Sharpe sold it, and though I was to be in charge of it, I didn't like being partner with a network. From the beginning there was nothing but trouble. The network said it objected to the 'morality areas' [the gambling]. I was for not giving in, but didn't want to see Don Sharpe get hurt financially, so went along and did it their way. But as the show moved away from comedy & the gambling ship, I thought it was terrible. What they are now doing is a bad *M-Squad*. The ratings are not as good as they have been, and in that time slot you ought to get a good rating with a bridge game."

Edwards added that *Peter Gunn* has done so well because it has never encountered such interference, either from the sponsor or NBC-TV. Next season he'll shoot *Gunn* in Eastman color, and he plans other changes, such as replacing Mother's nightclub with one owned by the feminine lead (Lola Albright). He will also expand story lines to cover situations all over the world, removing them from the confinement of "typical underworld crimes."

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Maverick Mutiny: Warner Bros. has begun a campaign to woo back TV stars who claim they're no longer under contract, as a result of the studio exercising *force majeure* clauses in their contracts—allegedly because of the Writers Guild of America strike.

The Burbank studio made its first move by sending Clint Walker, star of *Cheyenne*, a check retroactive to March 3, the date he was placed on layoff—and reinstating him on its payroll. But the Warner lot was in for trouble with *Maverick* stars Jack Kelly & James Garner. Both, off the payroll on *force majeure* since March 3, had said that as a result they no longer considered themselves under contract. Kelly declared himself a free agent, and said his agent was lining up personal appearances & offers to work in other series.

Kelly told us last week that if WB sends him a check to reinstate him on the payroll, he will return it. His co-star was equally vehement, saying he, too, would return any such check. Garner received a letter from WB stating it was looking around for other work for him in the entertainment field and wanting to know if he would take such jobs. Via his attorney, Garner replied by telling the studio, in effect, "We fired you when you violated our contract." Garner, incidentally, was upset last week, but not by his tiff with the studio. While he was golfing with Mauri Orr, sister of WB TV exec. producer William T. Orr, his ball struck & broke her nose.

Late last week, Warners filed suit against Garner, seeking to determine whether it has the right to suspend him under *force majeure*. Warner contended that its contract prohibits Garner from offering his services elsewhere.

STRIKE SITUATION AT A GLANCE*

Union	Strike vs. Movies' TV Operations?	Strike vs. Alliance of TV Film Producers?	Strike vs. Non-Alliance Independents?	Strike vs. Network TV Film?	Strike vs. Live Network?
WGA (Writers Guild of America)	Yes. Began Jan. 16 residual proposals. Employers favor pension plan instead. Majors in TV have not been hit hard by strike. Some using non-Guild writers and Guild members who write under pseudonyms. However, there is concern over production for next season.	Yes. Began Jan. 16 over residuals. Alliance last week rejected plan conceived by WGA and MCA's Lew Wasserman to replace residual system with formula giving writers 2.2% of gross, foreign and domestic. Alliance still seeks more generous pension plan in lieu of increased residuals. Production not badly hit, but producers are worried about scripts for next season.	No. Extension of WGA pact with non-Alliance group lapsed March 26, but Guild not likely to call strike since progress is reported in negotiations. However, WGA could call strike on 48-hour notice. Non-Alliance group comprises only Hollywood TV film makers not struck.	Yes. WGA struck March 18, following network refusal on foreign residuals. Most series produced by networks had finished production by that date.	No. Contract expired March 31, but WGA granted extension since progress is being made in negotiations for live TV-radio & staff writers at networks. However WGA membership authorized strike in event negotiations collapse.
SAG (Screen Actors Guild)	Doubtful. Extension of contract expires May 31. Negotiations haven't begun yet. SAG strike vs. major studios, which began March 7, doesn't involve their TV operations.	Doubtful. Extension of contract expires May 31. Negotiations haven't begun yet.	Douhtful. Extension of contract expires May 31. Negotiations haven't begun yet.	Doubtful. Extension of contract expires May 31. Negotiations haven't begun yet.	No. SAG has jurisdiction over TV films; AFTRA over live TV. AFTRA contract with networks expires Nov. 15. Preliminary negotiations will probably begin in Sept.
IATSE (International Alliance of Theatrical Stage Employees)	No. Contracts of studio unions don't expire until Jan. 1961. Negotiations begin in Nov.	No. However, IATSE threats of residual demands in event producers grant them to guilds have hindered negotiations. Pension plan as means of circumventing IATSE threat best bet.	No.	No.	No. IBEW & NABET have jurisdiction at networks.
SEG (Screen Extras Guild)	No. Contract expired April 2, 1959.	No. Contract expired April 2, 1959. SEG charged Alliance with unfair labor practices, alleging it won't bargain separately with SEG and apart from Assn. of Motion Picture Producers.	No. Contract expired April 2, 1959.	No. Contract expired April 2, 1959.	No. SEG doesn't have jurisdiction in live network; AFTRA does. Its contract expires Nov. 15.
DGA (Directors Guild of America)	No. Contract expires April 30. Negotiations haven't begun.	No. Contract expires April 30, negotiations haven't begun. DGA seeks additional 25% payment on all foreign sales of a film if it has had 6 U.S. & Canadian runs prior to overseas release. Also seeks pension plan.	No. Contract expires April 30. Negotiations haven't begun.	No. Contract expires April 30. Negotiations haven't begun.	No. Contract expires Dec. 31.

*As it pertains to branches of TV film and TV live programming. For movie strike developments, see p.12.

In restraint-of-trade trial against Screen Gems brought by the govt. (Vol. 16:13 p6), Federal District Court Judge William B. Herlands was told last week by 3 defense witnesses that feature films aren't different from other types of programming and are used and sold interchangeably with 30-min. syndicated shows, cartoons and other programs. The witnesses were Jerome Hyams, vp & gen. mgr., SG; Frank Pellegrin, partner & vp, H-R reps, & Irwin H. Ezzes, vp & gen. sales mgr., TV Industries Inc. In cross examination, the govt. attempted to show that feature films are a distinct line of commerce, set apart from other types of programming. The prosecution's case is relying mainly on a point of law to substantiate its claim that the acquisition by SG of the distribution rights to the Universal Pictures library was contrary to anti-merger provisions of the anti-trust laws. The trial will now enter its 4th week.

"First independent TV-tape studio in the Midwest" has been opened by Giantview TV Network, Detroit closed-circuit producer & equipment manufacturer.

TCF-TV into Public Affairs: Twentieth Century-Fox Television is planning a half-hour public-affairs series. Peter Levathes, pres., told us the series will include a variety of subjects and has been discussed with agencies & networks.

Levathes added that Twentieth will have more production next season than it had this year. He listed as definite sales the 26 60-min *Hong Kong* episodes; a half-hour series, *Down Home*, starring Pat Buttram; expected renewals of *The Many Loves of Dobie Gillis* and *Adventures in Paradise*. He was optimistic about the company's pilots of *Picture Window* and *Whodunit*. The latter is currently under option to NBC-TV.

To build up the TV audience for the Academy Awards show on Mon. April 4, the Motion Picture Assn. of America has sent out an extensive press book to 17,000 U.S. theaters, 2,000 more in Canada and to all NBC and CBC TV & radio stations. The cinema super-promoters estimate that the Oscar ceremonies will reach an audience in the U.S. & abroad of 300 million.

Television Digest

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Personals: Leonard Allen named NBC foreign news mgr., Donald V. Meaney, national news mgr. . . . Richard H. Close, NBC Spot Sales dir., named vp-national spot sales.

Stephen A. Mann, pres. of Intercontinental Services Ltd. (overseas station reps), named ABC international div. sales mgr. . . . William F. Schmick Sr. retires as pres. of A. S. Abell Co. (WMAR-TV Baltimore and Baltimore Sunpapers), succeeded by his son William F. Schmick Jr. . . . Ken Easton, ex-Rediffusion, Montreal, becomes engineering chief of Trans-Canada Telemeter, the Paramount Pictures associate conducting cable-fed pay-TV experiments in Etobicoke, suburb of Toronto.

John Devine, commercial mgr. of KVOO-TV Tulsa, named also station mgr. . . . Charles Keys named KVII Amarillo (Tex.) gen. mgr. . . . Virgil V. Evans, ex-radio WBT Charlotte, N.C. named asst. gen. mgr. of WCSC Inc., Charleston, S.C. & national sales mgr., WCSC-TV, eff. May 1 . . . Leonard Traube, ex-*Variety*, named WCBS-TV (N.Y.) information services & advertising dir., eff. April 11 . . . Jack Hooley named news dir., WROC-TV Rochester . . . Norman B. Harrington named news dir., KOOL-TV & KOOL Phoenix, Ariz. . . . Howard W. Coleman, ex-Gross Telecasting, appointed promotion dir., WTCN-TV & WTCN Minneapolis-St. Paul . . . Lawrence (Larry) Weiland, ex-NBC advanced planning mgr. for engineering, joins Ampex Professional Products as staff asst. to Charles Ginsburg, video engineering mgr. . . . David Brinkley, NBC news, succeeds John H. Secondari as pres. of Washington chapter of Academy of TV Arts & Sciences.

John Tillman appointed news dir., WPIX N.Y. . . . John J. Tormey named radio vp-N.Y., Avery-Knodel; Thomas J. White named TV vp-N.Y.; Roger O'Sullivan, radio vp-Chicago; Raymond M. Neihengen, TV vp-Chicago.

Obituary

A. Frank Katzentine, 58, longtime civic & political leader in Miami Beach and owner of radio WKAT which he founded in 1937, died there March 27 of a heart attack. He was 1932-34 mayor of Miami Beach and subsequently organized & led the Crime Commission of Greater Miami. His wife survives him.

Michael Dreyfuss, 32, a dir. of CBS-TV's *U.S. Steel Hour*, died March 30 of a heart attack in his N.Y. home.

Programming

NBC's NFL Lineup: Starting this fall, NBC-TV will carry a pro football schedule of 4 pre-season exhibition games and 12 regular-season games of the world champion Baltimore Colts and Pittsburgh Steelers of the National Football League. Sponsorship deals are now being discussed.

CBS-TV has virtually had a corner on NFL games, although the deals were actually made on a club-by-club basis and no NFL package was involved. But CBS-TV will still be able to choose from the games of 11 other NFL teams, and is already talking contract terms with such clubs as the N.Y. Football Giants.

NBC, which is rapidly filling up any gaps in its sports schedule caused by the exodus of much Gillette business to ABC-TV (Vol. 16:12 p11), will have a sizable TV grid schedule this fall. In addition to the pro *Game of the Week* contests, the network will also have "at least 8" major college and pro bowl and other post-season classics, including the pro championship game, Rose Bowl, Sugar Bowl and Shrine East-West game.

■

Scott's Rerun Coup: *Father Knows Best* will be back in CBS-TV's lineup this fall—but the 1960-61 season will be filled with rerun episodes culled from the show's backlog (which extends back to Oct. 1954). Scott Paper Co., a sponsor of the show from the beginning (and recently co-sponsoring with Lever Bros.), arranged the rerun deal with producers Robert Young and Eugene Rodney virtually at the last minute before an April 1 deadline to go ahead, or not go ahead, with the situation comedy series.

The reruns won't air in their regular Mon.-night 8:30-9 p.m. on CBS-TV; that spot will be filled by another Scott buy, a full-sponsorship purchase of a new 30-min. comedy series, *Bringing Up Buddy*, produced by Joe Connelly & Bob Mosher, the team responsible for *Leave It to Beaver*. Instead, *Father Knows Best* will shift to Tues. 8-8:30 p.m. on CBS-TV in Sept., replacing Oldsmobile-sponsored *The Dennis O'Keefe Show*.

Another sidelight to Scott's deal for reruns of the *Father Knows Best* series is that it puts a freeze, for as long as 2 years, on plans of ABC-TV to schedule the full rerun package as a daytime strip show or—as Scott and CBS-TV are planning—as a once-weekly nighttime series.

■

The Trouble with Comedy: There's an ample supply of comedians today, but there is so much censorship they can't express themselves. That was the consensus expressed by a panel of comedians at the Academy of TV Arts & Sciences in Hollywood last week.

Groucho Marx said comedians today are subconsciously "brainwashed," that they take lines out of the script even before the censor sees them because they know they will be blue-pencilled. Speaking with vigor & anger, Marx commented: "There's a curtain of fear over the whole country today that's a hangover from the McCarthy days." He was much applauded. "A comedian is basically a rebel," continued Marx. "But today if he comments on something he's in trouble. Comedians have no freedom of speech. The networks claim they're not responsible. If a sponsor gets 8 anonymous letters from plumbers saying they didn't like a joke about a plumber, he's terrified. He doesn't think of the millions who enjoyed the joke. That's why there is very little satire on TV." Others on the panel were Robert Young, Carl Reiner and Steve Allen.

Trade Report . . . .

APRIL 4, 1960

MORE COLOR-TV ACTIVITY, BUT NO LANDSLIDE: Consumers may have choice of 6 to 10 makes of color sets by next Christmas, but no full-scale push to "put color over" is yet on horizon. Increasing color set sales by RCA & Admiral have softened the attitude of some manufacturers—to the point where they're ready to get their feet wet again—but it's good be that many makes of sets on market this year will be sisters under the skin, born at RCA's color receiver plant in Bloomington, Ind.

Our survey of manufacturers finds no expectations of any gold rush—but there's a more critical scrutiny of the market. Some of those which said "maybe" in our survey last Nov. (Vol. 15:45 p3) are now saying "yes;" some which said "no" are saying "maybe."

Here is color status at the moment: Now selling color sets—RCA, Admiral, Packard Bell. To have new color lines this summer—Magnavox, Emerson-Du Mont, one or 2 others. By fall—perhaps a couple more. Some Japanese color sets may be on U.S. market—including on made by RCA affiliate Victor Co. Japan, to be distributed here under the Delmonico label by Delmonico International as part of a full line of color and b&w Japanese-made sets (for details, see p. 20).

RCA says color sales by its distributors are running 35% ahead of last year, factory sales even further ahead, with no inventory at factory level. It's production line at Bloomington—which makes chassis for Admiral as well as RCA, and will supply other manufacturers—has capacity of one set a minute. There are indications that RCA may initiate another line in a few months.

Admiral says first-quarter color sales have been good—and that in the last 9 months it has sold more color sets than in the 5 years it was previously in color field.

Packard Bell color sales have been "very good," says consumer products vp Ken Johnson. "We ran out of sets 3 months faster than anticipated—in Jan., instead of April. Our sales are up 3 times above last year. Our volume isn't big, but it's consistent."

Magnavox, which has been supplying color sets individually on request of dealers, will become active in field again this fall, showing high-end ($750-$995 range) color TV line at Music Show in N.Y. this summer. Color will be backed by national ad campaign as part of Magnavox line.

Emerson & Du Mont will introduce 3-set color lines this fall, returning to market after hiatus of few months. Pres. Benjamin Abrams tells us he doesn't expect "any substantial increase—it will take a year or 2 before color business is substantial." Nevertheless, he feels "time is right" to get back into market.

Big chain stores are re-evaluating color, too. Montgomery Ward has been handling RCA sets in some of its biggest retail outlets for about a year. The number of stores and amount of sets has been "stepped up," we were told by a Ward's official. There are "less than 100 stores" handling color, but they're the largest stores in all regions of the country. "The sales level is extremely limited," we were told, "but offering & displaying color sets does have its effect." Ward's has no present plans to offer color set under its own Airline label—"the market is too limited."

Sears Roebuck says it's "studying the market." It has no plans to bring out a color set in "the next few months"—but if it does, it will be under Sears' own Silvertone brand.

Manufacturers not now in color market express many shades of opinion—but most have one thing in common: They still say they're "studying the market closely," and this time they seem to mean it more than before. Here are some reactions:

Zenith conducted special survey of color set market, according to Zenith Sales Co. Pres. Leonard Truesdell. The 80-market study, covering nearly 300 large dealers, showed that "very few are really inter-

ested in color, and the ones which handle it are selling at reduced prices." He adds: "We've given it much thought, but at the present time we don't think it's ready as a business, and we don't think it will be this year."

Hoffman is "looking into the possibility of color sets, but has no definite plans at this time," says consumer prducts vp-gen. mgr. Ray Cox.

GE seems to be veering toward entrance into color field. Says TV receiver gen. mgr. Herbert Riegelhan: "We are watching for significant increases in consumer demand for color sets and have plans for supplying color sets when the demand warrants it."

Westinghouse has no color plans for this year at least, says TV-radio mktg. mgr. C. J. Urban. He agrees that there is increased manufacturing talk about color—but wryly adds that this is normal for this time of year.

Motorola says it has "no present plans to introduce color TV in 1960," but is "watching closely." Philco, too, is "watching," but won't comment on plans.

Manufacturers are very cautious about revealing their plans—but it's good bet that several more will get into the market on test basis via the no-risk route of RCA-made chassis. It's obvious from their attitudes that color market is coming under closest scrutiny, that color hasn't yet "caught fire," but that some set makers think it could be a profitable business—next year.

LEGAL TEST OF CONSUMER RATINGS: A $150,000 suit against Consumers Union, publisher of Consumer Reports—brought by a small manufacturer of hi-fi loudspeakers—will be watched closely by many consumer-goods manufacturers. The action by Hartley Products Co., charging commercial libel, pinpoints increasing power of consumer test organizations, whose adverse ratings often trigger sales declines.

In such "enthusiast" fields as component hi-fi, Consumer Reports has far more influence than its 800,000 circulation (and claimed 2-million readership) would indicate. The non-profit Consumers Union, which tests products ranging from canned peas to automobiles, has caused particular concern in recent years with its hi-fi product ratings, and there has been criticism of its reports by several hi-fi publications (but none has ever effectively proved CU's methods to be faulty).

Component hi-fi basically is a small-business field, and several firms have soared to the top after receiving good ratings from CU. Conversely, others claim to have suffered after poor ratings.

Hartley's suit, due to be filed this week in Bronx Supreme Court, specifically charges that CU's tests do not reflect actual conditions of use—insofar as loudspeakers are concerned. It is seeking to recoup $50,000 it allegedly lost as result of an adverse Consumer Reports rating; $100,000 in "exemplary damages" for libel.

Hartley showed continuous growth & acceptance from 1950 until Consumer Reports published its loudspeaker ratings in its Sept. 1958 issue, owner Robert Schmetterer told us. "Then, when our increase should have been greatest because of the growth of stereo, our gross fell off 60%. We're hanging on by the skin of our teeth. We've lost dealers as well as retail customers."

As described in the 1958 article (which reportedly called the Hartley speaker "unacceptable"), the CU tests "were conducted under conditions radically different from the conditions under which said loudspeakers were designed to be used," the Hartley suit alleges. Among other charges brought by Hartley, through N.Y. attorney Elliott L. Biskind:

CU's statements about the Hartley loudspeaker "are false & defamatory, known by the defendants to be false & defamatory, are malicious and made with intent to deceive in that the quality of a loudspeaker depends upon an individual's personal reaction to the sound emanating thereform as affected by the method of housing the loudspeaker, method of treating the interior of the enclosure, and by such factors as size, shape and acoustics of the room in which a loudspeaker is operating, the emotional state of the individual listening to such speaker, atmospheric changes, the effect upon an individual's ears to degrees of loudness, type of music played, the musical instruments used or the voice or voices rendering the music, and other subjective factors not capable of precise scientific measurement."

CU Director Dexter Masters had no comment on the suit, saying merely that the matter had been turned over to CU's lawyers.

If court battle goes the full route, it may serve to delineate powers & responsibilities of consumer testing organizations. It's known that other manufacturers will be watching the suit closely. One firm, a giant which grosses more than $1 billion annually, is also understood to be studying various possible avenues of

recourse against CU. In another case, the president of a TV-radio-phono firm was so incensed by a recent CU report on record changers that he has written a bitter letter to Consumer Reports blasting its test methods.

TV-RADIO PRODUCTION: EIA statistics for week ended March 25 (12th week of 1960):

	March 18-25	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	104,233	106,733	94,378	1,451,646	1,279,222
Total radio	343,023	349,896	259,070	4,160,193	3,333,898
auto radio	126,041	132,255	97,621	1,759,283	1,259,772

More about

FAIRCHILD-DU MONT MERGER: Although details are still to be worked out and directors & stockholders of both companies must approve the deal, it seems fairly certain that the acquisition of Du Mont Labs by Fairchild Camera & Instrument Corp. (see p. 4) will go through.

The terms of the proposed merger call for an exchange of one share of Fairchild common for each 15 shares of Du Mont common and each 5.7 shares of Du Mont 5% pfd. This would involve a transfer of about 157,000 shares of Fairchild stock—or some 12% of the outstanding common. At the current price of about 140, the exchange would involve transfer of some $22 million in Fairchild stock.

For this stock expenditure, Fairchild inherits a $10-million tax-loss carry-forward plus a company ideally suited to its drive for expansion in the commercial field. Fairchild has been working with Du Mont in certain military activities, and exec. v.p. Richard Hodgson says the 2 firms have a "great community of interest." Du Mont's display tube work, for example, will complement Fairchild's computer work. Du Mont's activity in closed-circuit TV & related fields fills an electronic gap in Fairchild's photographic activities.

Du Mont announced a breakthrough into the black in the 16 weeks ended last Oct. 11 (Vol. 15:45), and is understood to have further enhanced its financial recovery in recent months. A shadow of its former self, but profitable at long last, Du Mont now has working capital of about $8 million, and is now consolidated in its single remaining plant at Clifton, N.J. Its last financial statement reported sales of $5.5 million, profit of $148,426 for 16 weeks ended Oct. 11, 1959. Fairchild, with hq at Syosset, N.Y., reported net sales of $26.8 million, net profit of $1,375,000 for 9 months ended Sept. 30.

Both companies have featured prominently in merger talks in the last few years, Fairchild recently having unsuccessfully sought to acquire R. C. Allen Business Machines. Also talking merger recently with Du Mont was Republic Aviation, and in the past there have been reports & rumors of Du Mont negotiations with Raytheon, Daystrom and Borg-Warner.

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Four transistor manufacturers have signed cross-license agreements to make & sell Philco's MADT transistor (Micro Alloy Diffused-Base Transistor): General Transistor Corp., CBS Electronics, Sprague Electric, Semiconductors Ltd. of Great Britain. Philco, in a full-page *Wall St. Journal* announcement last week, said Sprague and Semiconductors Ltd. already are "in full automated production," that CBS Electronics and General Transistor "are currently installing the equipment and adopting the manufacturing techniques to mass produce MADTs with extreme precision & uniformity." Philco says it has "produced & delivered more very-high-speed, high-frequency transistors than all other manufacturers combined."

Symphonic Enters TV: A full line of TV sets will be made & marketed by Symphonic Electronic Corp., big package hi-fi manufacturer, Pres. Max J. Zimmer officially announced last weekend (Vol. 16:11-12). He said the decision was made after a survey of Symphonic distributors showed that less than 10% of them currently carry a TV line and that "the majority were most enthusiastic."

The new line, to be shown at the Music Show (N.Y.) and possibly at the home-furnishings markets (Chicago) this summer, will include "portables, table models, consoles and stereo home-entertainment systems with AM-FM, each model available in 2 or more finishes." The line will use 19- & 23-in. short-neck tubes. The 23 will be of the bonded-shield type; no decision yet on 19-in. type.

Symphonic also expects to furnish private-label sets. It has a large private hi-fi business and Zimmer has offered its TV facilities "to any of our valued contract accounts."

Production will begin in late May or early June at Symphonic's New Brunswick (N.J.) plant, for introduction to distributors at a mid-June meeting. Zimmer promised "most modern circuits, highest quality components, thin-line models, remote control." Prices will be "competitive," he said, but "we do not intend to be the lowest-cost set on the market."

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Semiconductor industry, now 12 years old, probably is "the world's fastest growing big business," notes *Business Week* in a detailed cover-story report on semiconductors in its March 26 issue. "Perhaps the most striking evidence of the gulf between transistors and tubes," says *Business Week*, "is that the nation's No. 1 & No. 2 makers of semiconductor devices—Texas Instruments Inc. and Transitron Electronic Corp.—attained their leads without ever turning out a tube. And although most major tube manufacturers at the outset made & marketed semiconductor devices, they soon suffered some severe cases of indigestion. As a result, such companies as GE, RCA, Raytheon and Sylvania have divorced the two and set up completely autonomous semiconductor operations." The industry, says the article, will soon feel the full impact of the mesa transistor—the most promising type of mass-produceable transistor. More than 20 companies plan to turn it out. In a "partial who's who" of the semiconductor industry, *Business Week* lists these firms, in addition to Texas Instruments & Transitron: The "front ranks" include GE, RCA, Westinghouse, Hughes Aircraft, Philco, Sylvania & Raytheon. Other highlighted companies are Bendix Radio, Motorola, Delco-Remy div. of GM, Minneapolis-Honeywell, Allis-Chalmers, CBS Electronics, Clevite, Hoffman Electronics, International Rectifier, Sperry-Rand.

U.S. Underseas Cable Corp. has been jointly organized by Northrop's Page Communications Engineers, Phelps Dodge and West Germany's Felten & Guilleaume to design & construct long-distance underwater systems. Page's ex-engineering vp Herbert H. Schenck was named exec. vp.

JAPANESE TV LINE DUE: Japan made its most ambitious move toward the U.S. TV market last week. Hep, aggressive importer-distributor Delmonico International signed a "long-term agreement" with Victor Co. of Japan Ltd., RCA's Tokyo-based affiliate, then announced it was bringing in for 2nd-half distribution a complete line of Japanese TVs—ranging from 8-in. transistor portables to 23-in. consoles, and including 21-in. color (Vol. 16:12 p21).

Price, delivery and distribution data will remain under wraps, Delmonico said, until the unveiling of the Japanese TV line at the May 16-18 Parts Show in Chicago. However, the importer indicated that the 8-in. battery portables and the other b&w models will be on U.S. sale by late June, followed shortly thereafter by the 21-in. color sets. The complete line—which will be marketed under the Delmonico label—will include 8-, 17-, 19-, 21- and 23-in. models, Delmonico exec. vp Herbert Kabat told us. He said the chassis will be imported and married to American-made picture tubes in the concern's 90,000-sq.-ft. assembly plant at Corona, N.Y. "In most cases, depending on model," he added, "we will also import the cabinets with the chassis. Some chassis will be assembled here into cabinets obtained from U.S. manufacturers."

Delmonico's venture should shed some important light on the question of whether Japan can hurdle the obstacles of shipping cost, price and foreign styling to become any kind of a factor in the U.S. TV market. Previously, another major U.S. distributor, the Sampson Co. of Chicago, announced that it was arranging to bring in a Hitachi-made 21-in. color set (Vol. 16:13 p21). However, the size of the U.S. color market and Japan's own inexperience with the product would indicate that Nippon color sets will prove more a novelty than a sales threat.

Will TV Imports Follow Radio Pattern?

An assault on the U.S. market by a complete Japanese b&w TV line could be a horse of another color—if the Nippon manufacturers can take the hurdles. At this stage, it's a huge if. The price & quality of Japanese transistor radios proved more than a match for the resistance of American shoppers. But it still has to be proved that Japan can offer sufficient quality & price advantages to lure a profitable volume of Americans into taking a chance on a high-price, foreign-made electronic product as complicated as TV. The Delmonico venture does stimulate a variety of interesting questions: Who will be first American TV maker to import Japanese video components or even complete chassis? What will Japanese TV do to the price structure of American-made sets? Will Japanese TVs follow the distribution trail of transistor radios and wind up in drug stores, jewelry shops and the other imaginative outlets which helped Japan expand and then gobble a larger share of the U.S. radio market?

Lending weight to the impact of the Japanese TV move is Delmonico International, which takes 2nd place to no importer when it comes to sagacious selection and hard-hitting promotion & sales of foreign products. Indicative of Delmonico's quick-footedness is its rapid tie-up with Victor Co. of Japan after losing its Sony affiliation when that Japanese firm decided last month to handle its own U.S. distribution (Vol. 16:10 p16). Delmonico has made a name for itself as an importer & assembler of highly salable German- & Japan-made hi-fis, radios, tape recorders. Since Nov. 1, 1958 it has been a division of Chicago-based Thompson-Starrett Co. Inc., which acquired Delmonico International Corp. of Long Island City, N.Y. for one million shares of common stock. Thompson-Starrett concentrates on general contracting & construction work, and turned in a 1958 profit of $298,105 on sales & revenues of $7,032,180.

Adding fuel to the fire Japan has started to build under the TV market, mass-producer Mitsubishi Electric Mfg. Co. of Tokyo has announced a 17-in. color tube made entirely of Japanese parts. The tube is described as a 3-gun shadow-mask type with 70-degree deflection. TV-radio maker Hitachi Ltd. also made TV news last week when an official declared that export of Japan-made color tubes to the U.S. is impossible now because Nippon manufacturers aren't turning them out in commercial quantities. However, he pointed out, export of color chassis without picture tube has "great possibilities."

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TV Technical Advances: Previews of new engineering developments in TV & radio receivers will be highlighted at the IRE's Chicago Conference on Broadcast & TV Receivers at the Graemere Hotel June 20-21, coincidental with the opening of the summer International Home Furnishings Market. Scheduled papers & discussions:

Color TV experiments using the Land technique, by W. L. Hughes, Iowa State U. Tunnel diode applications, Eric Gottlieb, GE. Transistorized deflection circuits for 110-degree picture tubes, G. W. Fyler et al., Zenith. Transistorized FM & TV limiters, C. R. Gray & T. C. Lawson, Philco. Wide-deflection picture tube, Mr. Bisbing et al., Philco. Low heater-power CR tube, H. E. Smithgall, Sylvania. Scan magnification in picture tubes, W. F. Niklas & P. J. Dolon, Rauland. Electrostatic scan magnifier, Fred M. Bruno & Henry Schmaltz, Tung-Sol.

Survey of unconventional flat picture tubes, E. G. Ramberg, RCA. New picture-tube developments, panel headed by Robert Adler, Zenith, and including Norman Parker, Motorola; Zbigniew Wiencek, Warwick; and others to be announced. Japanese TV survey, Milton Goldstein, American Institute of Engineering. New ultrasonic TV remote control, J. A. Cunningham, Admiral. Low-cost pneumatic ultrasonic remote control, P. Tappan et al., Warwick. Transistorized remote control Robert Wolff, Admiral.

Transistorized TV, L. J. Mattingly, Motorola. Nuvistor vhf tuner, G. C. Hermeling, RCA Victor. Low-noise transistorized TV tuner, C. D. Simmons & J. Specialny, Philco. Four-tube AM superhet receiver, W. J. Sember, Sylvania. Automatic gain control for TV sets, P. H. Amoory, Zenith.

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Emerson and Du Mont introduced "new-shape" TV sets last week. Du Mont became the 2nd manufacturer to announce a 19-in. set (Admiral had been first). The Decorette "Nineteener" is a table model with non-bonded picture tube (separate safety glass). It will sell for $198 in hand-rubbed mahogany finish, and at $208 in walnut or limed oak. Emerson's new sets are stereo-TV and stereo-TV-AM-FM combinations. They feature 23-in. bonded-shield tubes, in 4 basic models, each available in mahogany, limed oak or walnut. Prices range from $328 to $488.

Portable electronic refrigerator, which can be operated from an automobile battery and will provide a drop of 70-85 degrees, was announced in England by GE Ltd. Prototypes of commercial models have been produced, GE said. The refrigerator harnesses the Peltier effect—the cooling provided when current is passed through the junction of 2 dissimilar metals. Westinghouse, RCA and other companies have demonstrated experimental electronic coolers in this country, but the British refrigerator is the first such unit said to be already designed for the consumer market.

Transistor sales in Jan. were nearly double those of Jan. 1959, and considerably higher than sales in Dec. 1959, according to EIA figures. Here are the factory sales totals for Jan. 1960, with comparative figures for Jan. & Dec. 1959:

	Units	Dollars
January 1960	9,606,630	$24,714,580
December 1959	7,826,194	22,819,931
January 1959	5,195,317	13,243,224

Trade Personals: Leland W. Aurick named industrial market ad & sales promotion mgr., RCA electron tube div. . . . Robert E. Wilson appointed mgr. of RCA's new industrial electronics plant, Canonsburg, Pa. . . . **John W. Brazil** named Raytheon industrial mobilization planning dir. . . . **Ralph E. Leader** named mgr., Raytheon microwave cooking dept. . . . **John E. Meegan**, ex-Zenith, named ad mgr., Admiral Sales Corp., Chicago div. . . . **Howard Burgess**, ex-Raytheon, named mktg. mgr., Cornell-Dubilier mica capacitor div. . . . **Howard Turner** named sales mgr., Du Kane Corp. audio visual div., continuing as export mgr. for the entire company and asst. mgr. of the div.

Irving Rossman, Pentron exec. vp, elected pres. of the Assn. of Electronic Parts & Equipment Mfrs. (EP&EM). Other officers: **Warren Stuart**, Belden Mfg. Co., 1st vp; **Bruce Vinkemulder**, Centralab, 2nd vp; **Kenneth Hathaway**, Ward Leonard, treas.; **Kenneth C. Prince**, exec. secy. . . . **Raymond V. Pepe**, vp of James B. Lansing Sound Inc., elected pres. of Institute of High Fidelity Mfrs.; he has been acting pres. since Jan. . . . **Sidney T. Kitrell** named sales mgr., Hy-Gain Antenna Products Corp. . . . **Carl Muelhaupt Jr.** named American Microphone sales mgr.

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RCA dropped its Monogram line of picture tubes, effective last week, in favor of a Red Label line containing all new parts & screens, but with some re-used glass envelopes. The Silverama line of all-new tubes will be continued, selling at an average of about 26% above the Red Label line in popular 21-in. types. Red Label tubes will be priced in a range "generally comparable" to the Monogram line. Meanwhile, antenna-maker Channel Master Corp., which for the last year has also been selling hi-fi components & Japanese-made transistor radios, confirmed plans to enter rebuilt picture tube manufacturing on a nationwide basis, after a year of trial merchandising of rebuilt tubes on West Coast.

"Socket antenna" manufacturer last week signed a consent judgment in N.Y. Supreme Court in which he agreed to stop advertising that the "Radarex-Tenna," when plugged into a wall outlet, would convert house wiring into a giant TV antenna. The N.Y. state attorney general's office charged that Charles Torelli, doing business as Moto-Matic Co., had collected $117,000 from consumers who bought the gadgets at $3.98 & $4.98. The judgment required that $10,000 be placed in escrow with the attorney general's office to back up refund payments to disappointed customers. A National Better Business Bureau report last Nov. assailed "house-wiring-antenna" claims by socket-antenna makers (Vol. 15:47 p20).

New plants & expansions: Standard Coil Products will lease from the Oshkosh, Wis. Industrial Commission a 58,000-sq.-ft. production plant to be completed there in Aug. Increased demand for TV tuners necessitates the expansion, but Standard will use the new facility for multi-product production . . . **Westinghouse** is adding a building to its Youngwood, Pa. semiconductor operation. The structure is scheduled for summer occupancy and will expand semiconductor facilities by 30% . . . **Sylvania Electronic Systems** is planning a 90,000-sq.-ft. expansion, including a new hq building and applied research lab. The buildings, each approx. 45,000 sq. ft., will be constructed on a 55-acre site adjacent to present facilities in Waltham, Mass.

Following trend among importers, Transistor World Corp. has reduced list prices on 9 Toshiba transistor radios by amounts varying from $5 to $8.

Finance

FOX & STOCKS: The borrowings of Matty Fox were in the news again last week in published & unpublished (though reliable) reports.

The pres. of Skiatron of America and of Television Industries Inc. was featured in a series of articles by *N.Y. Herald-Tribune* financial writer Richard Phalen, describing how SEC rules on stock registration can be skirted by pledging unregistered stock as security on loans, then defaulting payment—in which case the lender sells the unregistered stock on the open market.

Then there was the report that a globe-circling film magnate had endorsed a Fox note for $25,000, which the film magnate had to pay when Fox defaulted.

Financial circles were also interested in word of a recent short-term loan of $450,000 obtained by Fox at 1% interest—per week.

By pledging stock as security for loans, and then defaulting, Fox unloaded nearly 1.1 million shares in 3 companies on the public in the last 5 years, the *Herald-Tribune* article states. The companies: Skiatron TV & Electronics, Television Industries, Guild Films. Also noted in Phalen's 4-article roundup:

Both Fox and the money lenders made money on the deals. For example: Fox acquired 265,000 shares in Skiatron TV (not his own Skiatron of America) under options at $1.75 to $3. SEC charges he pledged 70,000 shares with Judson Commercial Co. at between $5 & $6 a share—when the stock was selling on the open market at 8-9—at an interest rate of 24% a year or more. Except for the interest charges, "which were multiplying at lenders all over town like an amoeba gone amok," Fox made a gain of $3 a share. Fox "never made any cash payments" on these loans during 1959, SEC says, and the lenders unloaded the stock—forcing Skiatron's price down from 10¾ to 5⅝.

Fox's activities in disposing of Television Industries stock were similar, according to SEC, which charged that he pledged 68,840 shares with lenders, then defaulted. When the lenders sold his securities, SEC charges, they "indirectly did for him what he could not do on his own—distribute Television Industries stock without registering it." Last month Fox signed a consent decree in federal court, agreeing not to sell or offer Television Industires stock without registering it (and denying past wrongdoing), thereby blocking any further SEC action.

Regarding lenders' sales of unregistered stock held as security on defaulted loans, SEC secy. Orval L. Dubois outlined the Commission's position to us this way:

"The law says that any public offering of stock by an issuing company or by an underwriter or a person in a controlled relationship with an issuer shall first be registered with the Commission.

"The Commission's position in the Matty Fox case is that he was an underwriter or controlling person and that the Television Industries stock couldn't be sold without its having been registered by the company. And stock pledged by him with a lender could not legally be sold publicly without being registered.

"In this case, certainly Fox at least was at fault. And the lending agencies had an obligation to see whether the stock had been registered, but I wouldn't attempt to determine how culpable they were in selling the unregistered stock. What we could do beyond the injunction already issued, I don't know now. Any willful violation of Commission regulations by the lending agencies—such as collusion—could be subjected to prosecution, of course."

RECORD AB-PT SALES: A record gross of $287,957,000 was reported by AB-PT for 1959 in its annual report, issued last week—along with a 49% increase in net earnings. Pres. Leonard H. Goldenson reported record income & earnings, too, for the ABC broadcasting div. Broadcast operations in 1959 contributed 60% of the parent company's operating income, vs. 1958's 55%.

ABC's o&o TV & radio stations, said Goldenson, showed higher sales & earnings, and the radio network improved its operation, but continued to operate at a loss. The TV network, he said, "achieved 2nd position among the 3 networks in terms of its share of the total national TV audience in the 7:30-10:30 p.m. prime evening time period." In other AB-PT operations:

The theater div. reported improved earnings (on a lower gross), while Am-Par Records "had its best year in 1959." Referring to the projected Central American TV network, in which ABC owns 51% interest (Vol. 16:8 p9), Goldenson said, "it is expected that minority interests will be acquired in the [5] stations participating in that network." Disneyland Park, in which AB-PT has a 35% interest, reported record attendance revenues last year. The 3 electronics firms in which the company has ownership (25% in Microwave Associates, 21% in Technical Operations Inc., 33% in Dynametrics Corp.) reported over-all improvement in income and expansion of the scope of their operation. For the year ended Dec. 31:

	1959	1958
Consolidated gross income	$287,957,000	$244,821,000
ABC operating income..	172,469,000	136,967,000
theater operating income	91,139,000	94,280,000
merchandise & other....	24,349,000	13,574,000
Net profit	8,154,000	6,116,000
Per com. share (after pfd.)	1.92	1.40
Common shares	4,149,362	4,149,363

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Time Inc. (KLZ-TV & KLZ Denver, WOOD-TV & WOOD Grand Rapids, WFMB-TV & WFMB Indianapolis, WTCN-TV & WTCN Minneapolis, magazine publishing and paper products) reports record revenues for 1959 and increased net income—although profit margins dipped to 5.3% from 6.6% in 1958 because of "substantial costs in the first of a 3-year program to broaden the base of magazine-publishing operations," according to Pres. Roy E. Larsen & Chmn. Maurice T. Moore. For the year ended Dec. 31:

	1959	1958
Revenues	$271,373,088	$245,107,397
Net income	9,003,890	8,737,313
Per common share	4.60	4.47
Common shares	1,955,779	1,954,819

Storer Bcstg. Co. reports sales & profit increases in 1959. Net profit in 1958 was depressed because of a $2,233,271 loss in the abandonment of WVUE Wilmington-Philadelphia. The company's consolidated balance sheet as of Dec. 31, 1959, shows total assets at $31,107,318, current assets $6,058,927, current liabilities $2,867,429. For the year ended Dec. 31:

	1959	1958
Operating revenues	$28,114,937	$25,176,710
Net profit	5,336,682	1,676,754
Profit, com. & B shares ..	2.16	68¢
Common & B shares	2,474,750	2,474,750

General Transistor Corp. has registered 64,500 common stock shares with SEC (File 2-16395), 50,000 for the company's savings-stock purchase plan for salaried employes, 14,500 reserved for exercise of options.

General Tire & Rubber Co. set record first-quarter sales & earnings in the fiscal period ended Feb. 29. Pres. William O'Neill noted an increase of 35% in the quarter-to-quarter "net income of our radio-TV subsidiary, RKO-General" (WNAC-TV & WNAC Boston, KHJ-TV & KHJ Los Angeles, KFRC San Francisco, WOR-TV & WOR N.Y., WHBQ-TV & WHBQ Memphis, radio WGMS Washington, ⅓ of CKLW-TV & CKLW Windsor-Detroit). "It should be noted," he cautioned, "that earnings of this subsidiary will probably not continue for the year" at the first-quarter level, "due to seasonal variations and because income in the latter part of the year will require a provision for income taxes." Consolidated report for the fiscal quarter ended Feb. 29:

	1960	1959
Net sales	$167,518,280	$137,388,355
Earnings	6,448,523	6,034,547
Per com. share (after pfd.)	1.16	1.16
Common shares	5,311,562	4,962,554

Times-Mirror Co. (KTTV Los Angeles, *Los Angeles Times, Los Angeles Mirror*) posted strong rises in revenue & income for year ended Dec. 31:

	1959	1958
Total revenues	$97,672,928	$85,649,154
Net income	4,800,196	3,303,718
Per common share	4.17	2.86
Common shares	1,152,000	1,152,000

Oak Mfg. Co., Chicago components maker, reports a healthy step-up in sales & profits in 1959. The company reported to stockholders: "TV set sales were slightly up for the year 1959 as compared to 1958 and we held our share of this market in supplying parts to the set manufacturers. However, of significance, we enjoyed improvement in sales of commercial parts as contrasted against TV components. Our volume in military components for 1959 was good, exceeding the volume in 1958. We closed the year 1959 with a substantial backlog, up 20% from the previous year end." Preliminary report for the year ended Dec. 31:

	1959	1958
Sales	$18,442,747	$15,537,850
Net income	991,685	624,426
Per common share	1.51	95¢
Common shares	656,129	656,129

National Co., Malden, Mass. manufacturer of communications systems, electronic components and industrial products, netted record sales & a 300% profit increase in 1959. Pres. Herbert C. Guterman told the annual meeting: "We expect 1960 to be one of the best years in the history of the company. The record growth achieved in 1959 in new products, business booked, billings and improved financial strength, provides a firm base for continued growth." For the year ended Dec. 31:

	1959	1958
Net sales	$12,942,987	$7,433,813
Net profit	351,834	109,063
Per common share	47¢	13¢

General Dynamics Corp., which includes Stromberg-Carlson among its various divisions, reported a decline in 1959 profits despite a marked sales increase. The consolidated report includes in the figures for each year the earnings of Material Service Corp., merged with General Dynamics Dec. 31, 1959. For the year ended Dec. 31:

	1959	1958
Net sales	$1,811,871,384	$1,626,015,489
Net income	31,056,069	43,395,158
Common shares	9,944,488	9,909,822

Tung-Sol Electric, Newark, N.J. maker of electron tubes, semiconductors and electrical products, expects that the first quarter ended March 31 will produce higher sales but lower profit compared with the year-ago period. Pres. Milton R. Schulte said a sales drop in March, due to unusually bad weather, "will probably cause our results to be off from the extremely good first quarter of last year." For the 1960 year, however, Schulte forecast a 35% profit increase on a 10% sales gain over the 1959 performance. He noted that Tung-Sol's semiconductor division has not yet reached the break-even point, but "our 1960 program shows us reaching that point late in the year."

Reeves Bcstg. & Development Corp., formed in Feb. in a merger of Southern Bcstg. Co. (WUSN-TV Charleston, S.C.), Reeves Sound Studios Inc. and Reeves Products Inc., proposes a public offering of 300,000 common stock shares. Terms of the sale—at $5 per share with Laird & Co. as principal underwriter—were outlined in an SEC registration statement (File 2-16393) covering 487,392 shares, 187,392 of them to be purchased by Christiana Oil Corp. for dividend distribution to its stockholders. Hazard E. Reeves, Southern Bcstg.'s pres., is head of Reeves Bcstg. & Development, in which he holds 611,442 shares (66.3%) of outstanding stock.

Magnavox sales for 1959 totaled about $108 million, of which the consumer-products div. accounted for $70.5 million, govt. & industrial div. $37.5 million. This is the estimate of broker Blyth & Co. in an elaborate new brochure on Magnavox. Since Magnavox has just changed to a calendar-year basis, no directly comparable figures are available, but total sales for the fiscal year ended June 30, 1959, were $90,624,000, of which $59,413,000 were consumer products and $31,311,000 govt. & industrial. Blyth's report estimates the company's sales & profits for 6 months ended Dec. 31, 1959 at $60,795,000 & $3,400,000, record highs.

Siegler Corp., which embraces Olympic Radio & TV, David Bogen Co., Presto Recording, Hallamore Electronics, other divisions & affiliates, is interested in acquiring Jack & Heintz, Inc., Cleveland manufacturer of aircraft & missile components and electric control systems. Exploratory negotiations, involving an exchange of stock, already have been held and are expected to be resumed shortly. Jack & Heintz in 1959 earned $640,000 (76¢ a share) on sales of $15,365,000. Siegler's 1959 net income was $2,203,022 ($1.36) on $77,074,442 sales.

Reports & comments available: AB-PT, review, Ira Haupt & Co., 111 Broadway, N.Y. 6 . . . **General Instrument Corp.**, prospectus, Carl M. Loeb, Rhoades & Co., 42 Wall St., N.Y. 5 . . . **P. R. Mallory**, review in *Investor's Reader*, Merrill, Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5 . . . **CBS**, analysis, Penington, Colket & Co., 70 Pine St., N.Y. 5 . . . **Avco**, review, Francis I. duPont & Co., One Wall St., N.Y. 5 . . . **Magnavox**, report, Schweickart & Co., 29 Broadway, N.Y. 6 . . . **ITT**, comments, Van Alstyne, Noel & Co., 52 Wall St., N.Y. 5 . . . **Cohu Electronics**, review, Winslow, Cohu & Stetson, 26 Broadway, N.Y. 4.

Thurow Electronics Inc., Tampa distributor of electronic products, has submitted an SEC registration statement (File 2-16329) for public offering of 200,000 Class A common shares at $3 per share. Half of the shares would be offered by Thurow, half by Pres. H. M. Carpenter, with Donald V. Stabell of St. Petersburg handling the sale on a "best efforts" basis.

Zenith sales for first-quarter 1960 have set a new all-time high.

Newark Electronics Corp., Chicago distributor of electronic parts, seeks SEC registration (File 2-16271) of 200,000 class A shares for public sale through underwriters headed by H. M. Byllesby & Co. Inc., price & terms to be supplied by an amendment to the application. All outstanding class A & B shares are owned now by Pres. Sam Poncher & secy. Abe L. Poncher.

General Instrument Corp., Newark-based manufacturer of electronic components & devices, has made a public offering of 200,000 shares of common stock ($27.25 per share) via an underwriting group headed by Carl M. Loeb, Rhoades & Co. The company will use $3 million of the net proceeds to repay all outstanding bank loans and will add the balance to working capital. Offering was oversubscribed.

Reeves Soundcraft Corp. Danbury, Conn. magnetic recording tape producer, will put 125,000 outstanding common stock shares on the American Stock Exchange for sale—or offer them otherwise—according to an SEC registration statement (File 2-16394). Selling stockholders include Bernard E. Smith, who will offer 92,400 shares for his own account.

Esquire Radio & Electronics Inc., new N.Y. company organized to take over Esquire Radio Corp., N.Y. contract designer & maker of radios, stereo phonos and hi-fi units, has submitted an SEC registration statements (File 2-16381) for public sale of 150,000 common shares at $5 per share. The underwriter is Myron A. Lomasney & Co.

Thompson Ramo Wooldridge has acquired control of Good-All Electric Mfg. Co., Ogallala, Neb. producer of components for TV-radio, industrial and military use. The acquisition involves the exchange of TRW stock for 80% of Good-All shares. The amount of shares involved was not disclosed.

Ets-Hokin & Galvan Inc., San Francisco electronics contractor for missile & satellite work, seeks SEC registration (File 2-16328) of 250,000 common stock shares for public sale at $5.30 per share. Underwriters are headed by Van Alstyne, Noel & Co.

Canadian Westinghouse net income sagged to $2,113,502 ($3.45 a share) in the year ended Dec. 31, compared with the 1958 net of $2,605,484 ($4.26).

General Precision Equipment Corp. reports record sales in 1959 and a more than tenfold increase in net profit, as compared with 1958. For the year ended Dec. 31:

	1959	1958
Net sales	$215,588,430	$168,333,316
Net profit	4,198,200	304,267
Per com. share (after pfd.)	2.63	—
Common shares	1,126,625	1,125,810

Clarostat Mfg. Co., Dover, N.H. maker of resistance devices for the electronics & electrical industries, increased profit more than 12-fold on a sharp sales rise in the year ended Dec. 31:

	1959	1958
Net sales	$8,998,940	$6,808,779
Net profit	265,512	20,860
Per common share	60¢	5¢
Common shares	437,867½	417,992½

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Daystrom	Q	$0.30	May 16	Apr. 27
Leeds & Northrup	Q	.15	Apr. 25	Apr. 11
Leetronics	—	.05	Apr. 6	Mar. 31
National Video "A"	—	.22½	May 16	Apr. 29
Howard W. Sams	Q	.15	Apr. 25	Apr. 8
Warner Bros.	Q	.30	May 5	Apr. 15

Educational Television

YOUTH CONFERENCE BACKS ETV: A 19-point pronouncement on TV & radio, including endorsement of "public & private" financial aid to educational TV, and criticism of programs which "glamorize socially undesirable behavior," was produced last week in Washington by the White House Conference on Children & Youth.

Mass-communications work groups, picked from among 7,000 delegates who swarmed through Washington for the conference, drafted & redrafted resolutions on broadcasting's blessings & faults before coming up with an agreed-on list. Final wording was much more restrained than criticisms hurled by some speakers.

In the area of education by broadcasting, a conference forum on mass media: (1) Suggested financing of ETV at "local, state and national levels." (2) Urged teachers to be more aware of TV & radio as school aids. (3) Called for more TV & radio courses in teacher-training schools. (4) Said FCC should give "major consideration" to promised programming for children—as a specific category—when stations are licensed. (5) Asked FCC to assign more vhf channels for educational purposes.

On the subject of broadcast programs generally, which some delegates wanted to blast in a broadside manifesto, the mass-media forum voted to "urge less emphasis on programs & advertising which glamorize socially undesirable behavior." The resolution deplored "emphasis on horror, crime and its techniques, and unnecessary violence."

Other session speakers included editor Eva H. Grant of the *National Parent-Teacher Magazine*, who "dared" the networks to hire an independent research organization to find out what programs the public really wants.

Also recommended by the communications work groups —4 of them in TV & radio alone—were: (1) White House consideration of appointment of "a high-level advisory board" to study & make recommendations to "appropriate agencies" on program content. (2) Parental supervision of TV viewing by children. (3) "Greater responsibility" and increased compliance with NAB Codes by the industry. (4) Consultation by broadcasters with groups "concerned with the effects of TV & radio on children & youth."

Another section of the forum report said: "We commend those responsible [in] TV & radio for that current creative & constructive programming which elevates taste & standards of children and enhances their knowledge."

On the other hand, Dr. Leo H. Bartmeier, Baltimore psychiatrist, said TV generally has "salubrious effects" on young viewers. I. Keith Tyler of Ohio State U. said children spend more time watching & learning at TV sets than they do listening to their teachers in school. N.Y. Rabbi Bernard Mandelbaum said he thought improvements in public taste must come before general improvements in TV programming.

* * *

TIO dir. Louis Hausman snapped off a reply last week to Eva H. Grant, accusing her of choosing "to overlook a thoughtful project which has been widely publicized." The project: The nationwide survey to determine viewer preferences, announced by CBS Inc. Pres. Dr. Frank Stanton in a Dec. 3, 1959 talk in N.Y. before the ATAS. The challenge from Miss Grant, Hausman pointed out, "has been accepted months before it was ever issued."

Ford Foundation Grants: Educational TV got another big financial boost last week with the announcement by the Ford Foundation that it has awarded grants totaling $2,761,250 to 8 colleges & universities to initiate new teacher-education programs. Foundation vp Clarence H. Faust pointed out that classroom experience in the use of TV, tape recordings and films is among innovations introduced by grantees in their teaching-teacher programs.

Other recent ETV grants announced by the Ford Foundation include an additional $750,000 ($500,000 was granted in Feb.) to the Purdue Research Foundation for the Midwest Council on Airborne TV Instruction project (Vol. 15:42 p3); and $100,070 to Wayne State U., Detroit, to finance the TV-teaching of 8 college-level courses via closed-circuit next fall.

The Fund for Adult Education (Ford Foundation offspring) awarded fellowships totaling $210,000 last week to finance special studies by 40 educators, broadcasters and newspapermen.

You are cordially invited to visit us at the NAB Convention.

TELEVISION DIGEST

(Our hospitality suite at the Conrad Hilton is No. 1319. Drop in!)

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WEEKLY Television Digest

APRIL 4, 1960 © 1960 TRIANGLE PUBLICATIONS, INC. SPECIAL SUPPLEMENT No. 4

Full text of

FCC Public Notice on 'Sponsorship Identification of Broadcast Material'

FCC 60-239 . . . PUBLIC NOTICE 85460 . . . March 16, 1960

Editor's note: *The following FCC interpretation of the Communications Act, governing payments to stations, has produced industry-wide concern because of the extensive changes it requires in programming & business operations. The section with the greatest impact is the requirement that stations identify the donors of free records. NAB, networks & individual stations have petitioned the Commission to suspend the effectiveness of the document and to consider interpretations of the law conflicting with FCC's.*

Information supplied by broadcast licensees in answer to the Commission's recent inquiry concerning unannounced sponsorship of broadcast material, and other information before the Commission concerning such practices indicates that many station licensees have failed to comply with the requirements of Section 317 of the Communications Act and with the Commission's Rules promulgated thereunder. In many instances, such broadcasts resulted from practices of station employees and independent contractors, acting in their individual capacities. In these situations, questions are raised as to whether the licensee took reasonable steps to inform itself as to the type and nature of the material being broadcast by its station, and to assure itself that its operation met the sponsorship identification mandate of the Act and the Rules.

It is apparent that consideration has been provided in exchange for the broadcasting of various types of material without an accompanying announcement indicating that consideration was provided, and by whom, in exchange for or as an inducement for the particular broadcast. The information before the Commission indicates that, in general, such consideration was usually in one of the following forms: (1) recorded material provided to licensees and/or their employees and independent contractors for actual air use or for some other use by these groups (prizes to listeners, door prizes at "record hops" etc.); (2) promotion of outside activities in which a licensee, employee or independent contractor participated and from which he received financial or other benefits; (3) acceptance of travel expenses, accommodations and other valuable consideration by a licensee or its employees or independent contractors in exchange for "plugging" a place, product, service or event; and (4) payments for "plugs", expressed or implied, without accompanying revelation that the particular broadcast material was, in fact, sponsored.

Section 317 of the Communications Act reads as follows:

> "All matter broadcast by any radio station for which service money, or any other valuable consideration is directly or indirectly paid, or promised to or charged or accepted by, the station so broadcasting, from any person, shall, at the time the same is so broadcast, be announced as paid for or furnished, as the case may be, by such person."

Commission regulations promulgated thereunder are contained in Sections 3.119, 3.289, 3.654 and 3.789 of the Commission's Rules. The Congressional intent in enacting Section 317 of the Communications Act and similar antecedent legislation was clearly to prevent deception on the part of the public growing out of concealment of the fact that the broadcast of particular program material was induced by consideration received by the licensee. During the past two years, the Commission has had many occasions to consider the applicability of the above statute and rules, and has made its interpretations public. Consistently, these interpretations have contained the statement "The Commission, of course, expects that in connection with all of the material presented over his station, the licensee will use reasonable diligence to ascertain the true sponsor and source of the material broadcast, and will disclose the same to the station's audience as required by the Rules."

We call the attention of all licensees to the current Notice of Proposed Rule Making in the matter of Amendment of Sections 3.119, 3.289, 3.654 and 3.789 of the Commission's Rules, released on February 8, 1960 (Docket No. 13389), and the views expressed in the Commission's Public Notice of October 10, 1950 entitled "Sponsor Identification on Broadcast Stations" (6 Pike & Fischer RR 835).

With respect to the many prevalent practices revealed in licensee responses to the Commission's inquiry of December 2, 1959, and in other information before the Commission, it is evident that compliance with the Act and the Rules has not been attained. Accordingly, a discussion of these practices appears pertinent at this time.

FREE RECORDS

Information before the Commission indicates that virtually all broadcast stations receive some free musical recordings from manufacturers, distributors or other parties interested in promoting the recording itself or the performer or musical selection displayed thereon. The number of such recordings received, the charges to the station (if any), the number of copies of an *individual recording* received, the manner and degree of solicitation (if any) on the part of the station and other similar factors vary from station to station. The Commission's information indicates that, generally, stations in major metropolitan areas receive essentially all recordings free of charge; stations in smaller cities receive records at substantially reduced prices from manufacturers or distributors via "subscription services"; and the remainder of the stations secure few free records or subscription service records.

The Commission is of the view that the receipt of *any* records by a station which are intended by the supplier to be, or have the practical effect of being an inducement to play those particular records or any other records on the air, and the broadcast of such records, requires an appropriate announcement pursuant to Section 317. This includes, but is not limited to, those situations in which a manufacturer, distributor or other person donates recordings (whether or not copies of the selections being played on the air) to the station as an inducement for exposure on the air of recordings handled by the same manufacturer or distributor. The Commission is of the view that, as a practical matter, quantities of records are given to broad-

cast stations for no other purpose than as an inducement to obtain preferential air exposure for certain recordings in which the donor has a financial interest—especially in those situations where a relatively large number of recordings are "donated" to a station for distribution to listeners as prizes, or to be given away at "record hops" etc.

The Commission is further of the view that an announcement must accompany the playing of any recording received under terms such as those outlined above, indicating that the station has received consideration and from whom for playing the particular recording and/or that the recording was furnished to the station, and by whom, as appropriate. An announcement merely stating the trade name on the record label, for example, without the added indication that consideration (in the form of the recording itself or otherwise) was supplied or furnished is insufficient. Only an announcement containing both of these elements, where applicable, provides the degree of information to the listening public contemplated by the Congress in enacting Section 317. It follows then that compliance with said statute requires that an appropriate announcement accompany the playing of all recordings received free or at a nominal charge, and that a similar announcement be made when the station broadcasts recordings of a particular manufacturer, distributor, etc. who has provided other free records which the station utilizes in any non-broadcast manner.

PROMOTION OF OUTSIDE ACTIVITIES

The most frequent activity falling into this category is the promotion of "record hops." These enterprises may be owned by the station licensee, by its employees, by outside parties, or by some combination thereof. If the station or its employees do not have the beneficial interest in the enterprise, the station personality acting as "record hop" master of ceremonies may receive a salary or portion of the profits. In some instances, the "record hop" may be a fund-raising activity of a charitable, civic, educational or religious organization. Information before the Commission indicates that such "record hops" frequently feature the distribution of records (obtained free or at a substantial reduction in price by the station or its employees) as door prizes, and also that such presentations often utilize recording "talent" on a "live" basis, with the performer's fee paid by the station, its employee, or a record distributor. It is also noted that on many occasions the "talent" appears for a fee substantially less than the prevailing or union pay scale; or as a variation thereon, the operator of the "record hop" is partially or fully reimbursed by a record distributor or manufacturer for the fees paid to performers.

Obviously, where a disc jockey or station licensee anticipates a financial benefit to be derived from participation in a "record hop" enterprise, advance on-the-air promotion of the "hop" will stimulate larger attendance than could otherwise be expected. Past practices reveal widespread "record hop" plugging on stations where the station itself or its employees had some financial interest in these enterprises. Such announcements have usually been labeled "promotional" non-commercial spot announcements by the stations broadcasting them, or, in the extreme cases, no cognizance whatever has been given to these announcements, and they have not been entered on the station's logs on the theory that they were a part of the disc jockey's ad-lib "patter." It also appears that recordings by performers appearing at the "hop", or recordings distributed by the donor of free records to be given away at the "hop" may have been played at frequent intervals preceding the "hop" as a means of engendering in the listener a desire to purchase an admission ticket to the "hop" or in exchange for the cooperation of performers or donors of records. The probability of increased financial benefits accruing to the beneficial owners of and paid participants in these "record hops" as a result of broadcast promotion is readily apparent. Less direct, but just as financially advantageous are the benefits to performers, distributors and record manufacturers from air exposure in return for their contributions to the "record hop."

In light of the above, the Commission is of the view that appropriate announcements must accompany *all* broadcast material (announcements, playing of records, etc.) where a *profit* is to be derived from these "record hops", or where recorded or other broadcast exposure is being provided (whether based upon an express or implied agreement) in exchange for all or a part of a performer's fee or in exchange for the donation of records, prizes, hall rental, etc. Such announcements must identify the parties deriving financial benefit from the "record hop" as well as any other parties providing consideration in any form whatsoever in exchange for any of the above types of broadcast exposure. Although ostensibly it may appear that money, services or other valuable consideration is being provided gratuitously for use in some aspect of the presentation of the "record hop" itself, where such consideration is, in fact, provided for the purpose of or has the effect of inducing on-the-air "mentions" or "record spins", the accompanying announcement shall clearly state that such consideration is being provided, and by whom, in exchange for the broadcast presentation of one or more of these various types of program matter.

These sponsorship identification announcement requirements apply in connection with all "record hop" enterprises where any or all of the above commercial practices are involved, irrespective of the identity of the persons or nature of the organizations receiving the net proceeds of such "record hops."

TRANSPORTATION, ACCOMMODATIONS, "REMOTE" EXPENSES

The Commission's attention has been directed to the fact that transportation and accommodation expenses, and equipment operation and origination expenses incurred in "remote" pickups have been paid in part or in full by persons or organizations as an inducement to the broadcast of program material containing, for example, pictures or descriptions (which may or may not be accompanied by editorial comment or indorsement) of a place, product, service or event. Such payments may have either been made with the understanding that the product, event, etc., would be given broadcast exposure, or made in the hope that the person receiving the benefit would consider the matter of general interest or "newsworthy" and decide to provide broadcast coverage.

When inducements of the type set forth above result in the broadcast of any type of program material, it is especially important that an appropriate announcement be made. In such instances, the public may reasonably believe that the licensee considered the place, event, etc., to be of sufficient news or entertainment value so as to justify extraordinary expenditures in order to provide broadcast coverage when, in fact, consideration offered by a party or parties other than the licensee or commercial sponsor of the program was responsible, to a degree, for the decision to broadcast the particular program material.

The announcement contemplated in these situations should fairly disclose the fact that consideration was provided, and by whom, as an inducement for the broadcast presentation. This type of announcement is anticipated in those instances where the consideration is given with the understanding that certain broadcast coverage would be provided, and also where consideration has been given with the hope that broadcast exposure would result when, in fact, such exposure does occur.

The Commission wishes to distinguish between situations where the program material *alone* (for example, a "travel" film produced by a chamber of commerce) is provided to a licensee for air use, and situations where consideration other than or in addition to the program material itself (for example, a trip to a resort) is provided as an inducement to the licensee or its employees or independent contractors to broadcast certain matter. The former requires an announcement that the program or film was furnished to the licensee for broadcast use; the latter necessitates the additional revelation that consideration was provided in return for or as an inducement to the broadcast of the particular program material.

The Commission is compelled to reject the contention advanced by some licensees that in the above situations no announcement is required because such "favors" are "normal business practices" and because no more benefits are derived by broadcast personnel than accrue to members of the press, etc. who regularly are given this type of "junket." These arguments are wholly without merit by

reason of the fact that certain requirements not applicable to other forms of communication have been imposed by the Congress on broadcast stations. The acceptance of such gratuities is in no way proscribed so long as the announcement required by the statute is properly made.

"PLUGS" AND "SNEAKY COMMERCIALS"

Instances have come to the Commission's attention in which "trade out" announcements—announcements in exchange for which the station receives services or products—have failed to disclose the fact that the particular matter broadcast is commercial and is supported by some form of consideration. For example, the Commission considers such statements as "Travel arrangements made through Trans-State Airways" to be the substance of the "plugs" themselves. Such announcements do not indicate that consideration (free transportation) was provided *in exchange for* the particular broadcast exposure or "plug."

Similarly, absent an appropriate announcement, compliance with Section 317 is lacking in arrangements for the barter of air time involving the exchange of cash, products or services for broadcast exposure of certain products or services (e.g., close-ups of certain brands of typewriters on TV newscasts in exchange for the loan, free of charge, of typewriters for use in the station's offices) in which the commercial aspect of the presentation is not apparent. Additionally, such exposure may imply an indorsement of the particular product by the broadcast licensee. When, in fact, such objects are shown because of some financial benefit accruing thereby to the licensee, its employees or independent contractors, the listening and viewing public is entitled to the knowledge that such is the case in order that it may view such a commercial presentation in its true context.

It has come to the Commission's attention that intentional, indirect references have been made to certain products in syndicated "interview" and other types of programs. For securing the broadcast of such "plugs", the producer, program packager or "public relations" organization receives a fee from the particular sponsor involved. In some instances, it appears that the licensee broadcasting the program not only failed to receive revenue for this commercial use of its facilities, but in addition neither the licensee nor its audience may have been aware that the matter broadcast was deliberate commercial advertising. In this connection, the Commission has also been advised that networks and other producers and suppliers of program material have made surcharges (in the form of products and "promotional fees") for the publicity value to a manufacturer resulting from a showing and description of his product on television programs. For example, the manufacturer of a refrigerator to be awarded as a prize on a give-away program may be required to provide a number of *extra* refrigerators and may be charged a "promotional fee" for the broadcast exposure of his product. The Commission wishes to indicate to producers or suppliers of such programs that it considers this matter a serious one inasmuch as such practices, engaged in without the knowledge of the stations broadcasting such programs, have the effect of preventing individual licensees from complying with the Commission's sponsorship identification and logging requirements.

On September 9, 1959, the Commission released a Memorandum Opinion and Order denying a petition for rule making permitting the utilization of "teaser" announcements without sponsor identification of each such announcement. However, it has come to the attention of the Commission that practices similar to the broadcasting of "teaser" announcements have been utilized subsequent to the date of this Order. We wish to emphasize that, in addition to "teaser" announcements, the broadcast of any similar commercial matter, such as that in the form of the playing of an instrumental version of a commercial jingle—associated exclusively with the sponsor holding the copyright to the musical jingle—without explicit identification of the sponsor, is likewise proscribed.

We also believe that, in light of the above discussion, it should be obvious that such practices as periodically playing a song from a current motion picture, when such is inspired by an express or implied agreement with a local theatre or distributor to do so (or as a "bonus" for purchasing a number of spot announcements advertising the movie) and is not accompanied by an appropriate sponsorship announcement, violate Section 317 of the Act.

Responses to the Commission's inquiry of December 2, 1959, indicate that questions exist concerning compliance with Section 317, compliance with the Commission's station log requirements, and possible abdication of licensee responsibility in the selection of program material, as well as character qualifications of licensees. The Commission recognizes that in some instances, non-compliance with the provisions of Section 317 may have resulted from a misinterpretation of that section and in other instances negligence on the part of the licensee in carrying out his responsibilities or a failure to maintain adequate supervision on the part of management, or reliance on what has been termed "accepted industry practices." While the Commission is not delineating precise situations or circumstances which will warrant the imposition of sanctions for past violations of Section 317 of the Act, the Commission will not consider the reasons illustrated above as a sufficient excuse for non-compliance occurring in the future. Cases now before the Commission involving wilfulness, misrepresentation or serious neglect on the part of the licensee or other circumstances indicating a failure to exercise the proper degree of licensee responsibility will be considered by the Commission on a case-to-case basis and appropriate action will be taken in each case. However, pending final action on the proposal advanced in Docket 13389, the Commission expects its broadcast licensees to use the utmost diligence to apprise themselves of situations in which their employees or independent contractors have outside financial interests which are being promoted on the air and to act accordingly to require that appropriate announcements be made wherever Section 317 is involved.

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WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

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NAB CONVENTION—SERIOUS, CALM, BIG: Beautifully run & biggest yet, NAB convention in Chicago last week was singularly free of panics, rump sessions & the like—despite broadcasters' anxieties & confusion about governmental policies & actions. Smooth, businesslike & calm atmosphere seemed to be a sort of testimonial to NAB's late Pres. Harold E. Fellows—who was eulogized by CBS Pres. Frank Stanton in opening session (p. 9).

Registration was 2,810 (2,238 management-ownership, 572 engineering) vs. previous high of 2,448 in 1957. Next year's convention will be in Washington May 7-11 at Shoreham & Sheraton Park hotels.

Most attention was directed to FCC & its new chairman Frederick W. Ford, as broadcasters sought relief & clarity in connection with Commission's "sponsor identification" interpretation. But FCC panel discussion of free records left them still confused, although some easing was apparent (p. 4). And Chmn. Ford's speech gave both comfort & concern—thus forcing them to cautious speculation about his administration until Commission makes final decisions in specific areas (p. 6).

Hunt for new president was constantly on minds of NAB leaders, notably 3-man policy committee—Clair R. McCollough, Steinman stations, chmn. (and convention keynote speaker, p. 9); G. Richard Shafto, WIS-TV, Columbia, S.C.; Merrill Lindsay, WSOY Decatur, Ill.—and the chmn. of selection committee, C. Howard Lane, KOIN-TV Portland, Ore.

Dominant man of NAB at present, McCollough again said he wouldn't accept presidency. He stated that policy committee wants man picked soon, doesn't believe he should be "political," and therefore sees no need of waiting for political conventions or elections. In next few weeks, several promising men will be interviewed. He's also of view that NAB shouldn't be reorganized and handed over to new president, as some members desire, believing instead that new leader should have free hand. Some of most likely candidates, he said, don't know they're being considered.

Lane said his committee came to convention with 30 names, left with nearly 100. Group went through list, did some eliminating, will do so soon again at unspecified date.

Policy committee met at end of convention to instruct staff on preparation of comments of FCC's sponsor-identification ruling, testimony for Harris committee hearings. Next meetings are April 18 & 25.

There was intense interest in all subjects, standing room only for virtually every session—TV & radio codes (p. 7), the sold-out luncheons (1,600 each), TvB (p. 8), RAB, automation & tape, TIO (p. 7), FM (p. 8).

In background, most important was fiercely intensifying network competition as NBC & CBS fought to offset ABC's all-the-trimmings pitch to its affiliates (p. 11).

In wake of Zenith-RKO General pay-TV announcement of plans to test in Hartford (Vol. 16:14 p3), it was apparently too early for clearcut telecaster reaction. None brought subject up with us voluntarily. On questioning them, we got impression that quite a few less-well-situated operators (and some well-situated) wouldn't blink at subscription TV if they thought they could make money at it. Networks still haven't commented about it. We detected some feeling, generally, of resignation to a test. A Wall St. Journal reporter questioned 30 telecasters, found them evenly split, pro & con. He obtained a resounding "no" from W D. (Dub) Rogers, KDUB-TV, Lubbock, Tex., new TV board chairman.

Everyone was quick with kudos for NAB staff, headed by secy.-treas. Everett E. Revercomb, and co-chairmen Thomas C. Bostic, Cascade Bcstg. Co., Yakima, Wash., & Payson Hall, Meredith stations.

McCollough summed it up: "I've been attending NAB conventions since 1931. This was not only the biggest but the best I've ever attended. I've never seen such serious-minded attention to industry matters. I didn't hear one, single, solitary complaint. First time in history. The industry wants to ferret out the things that are not good. At the same time, it wants the public & official Washington to know what is good."

NEW EQUIPMENT EXCITES BROADCAST ENGINEERS: Enthusiastic station engineers partook of a $15-million new-equipment smorgasbord at the NAB convention in Chicago last week. Their bosses had their Diner's Club cards at the ready.

Much of the broadcast gear shown for first time had been announced previously (major exception: new compact Ampex Videotape recorder)—but both looking and buying interest in new equipment was the highest it has been in several conventions, equipment makers agreed. As we saw them, these are capsule highlights of product displays in Conrad Hilton exhibit hall:

Video-tape recorders again hogged the spotlight, with biggest crowds attracted to Ampex & RCA displays—and the no-holds-barred rivalry between the 2 recorder makers was as rough as ever. TV tape pictures never were more beautiful. Fed from new 4½-in. image orthicon cameras, differences between live & taped shots were indistinguishable even to many engineers. RCA color tapes were especially sparkling.

Ampex introduced 2 new Videotape recorder models—the compact new VR-1001-A upright machine for mobile or small-space installations, requiring only 11 sq. ft. of floor space, and standard-size VR-1000-C console incorporating all latest improvements. Most impressive improvement was Inter-Sync, which permits great flexibility in combining outputs of 2 recorders or live camera & recorder for special effects, etc.

RCA's advanced TV tape-recorder incorporates transistorized processing amplifier, air-bearing recording head motors and other changes contributing to the excellent pictures shown.

Much industry energy has been devoted to improving editing techniques & devices for video tape—and some of the fruits of this labor were apparent at the NAB show. These are described, along with other TV-tape highlights, on p. 10.

Clean, crisp picture provided by 4½-in. image orthicon cameras was another hit of the show. Demonstrating its brand new TK-12 camera was RCA, while Marconi & EMI imports were shown by Ampex & Telechrome, respectively.

New GE-Eastman continuous-motion film camera, using new techniques to project steadier pictures, eliminate virtually all film scratches, attracted steady crowd, and there were reports that one network will change over all its 16-mm projection gear to the new type; Chicago's WBBM-TV ordered 3 of the first units, including the one displayed at the show.

In the "sheer fascination" category—as usual—were TV special-effects generators and station automation equipment. Telechrome & RCA had special-effects generators in constant action, while RCA & Visual Electronics offered punched-tape TV automation—RCA featuring a film of Taft's WKRC-TV Cincinnati, and Visual Electronics showing operational equipment on the display floor.

Radio gear may not be as glamorous as TV equipment—but it sells better because of the vastly bigger market. Featured in almost overwhelming quantities were radio-station automation tape systems, neat transistorized & modular audio equipment, new AM & FM transmitters. Interest in FM transmitters was at a new high—and almost every manufacturer showed new & higher-powered models.

For a more detailed description of broadcast-equipment advances, see p. 9.

WHAT HAPPENED IN CUBA: The frightening story of what is happening to mass communications in Cuba—as Castro's govt. prepares to seize the last privately-owned TV stations—stands as grim reminder of the free telecaster's almost overwhelming democratic responsibility as custodian of most powerful political medium ever known.

Personal bank accounts of leading Cuban broadcasters Goar & Abel Mestre have been frozen by the state, and their CMQ TV & radio networks are due to be taken over shortly. There is one report that the decree has already been signed, the Castro govt. now waiting for propitious moment to put it into effect.

Just a year ago, Cuban broadcasters welcomed Castro's victory as relief from Batista regime's odious censorship, enthusiastically taking new govt's. pledges of freedom at face value. Among staunchest supporters of new regime were the Mestre bros. (Vol. 15:3 p3). Today, in his organized campaign to stamp out all hints of opposition and even questioning, Castro has already taken over 75% of Cuba's radio stations and 80% of newspapers; is preparing to confiscate last 7 of Cuba's 26 privately owned TV stations. Here is chain of events leading up to latest seizures:

Cuba's dominant broadcasting service, CMQ, has a 7-station TV network and a radio network. Owned 100% by Goar & Abel Mestre, CMQ also owned 55% of the CMBF-TV Cadena Nacional, a 7-station TV network whose entire programming is on film. (Almost all of CMQ-TV's programming is live). CMQ owns 60%, CMBF 40% of Microondas Nacionales, 2-channel 17-hop microwave system connecting TV & radio stations of the 2 networks. CMQ acquired its interest in CMBF & CMBA-TV (Radio Nacional) in 1957 when they were in serious financial difficulty, merging them to form present CMBF network. Primary purpose of CMQ's acquisition was to keep the stations from falling into hands of Batista govt. Batista henchman contractor Alberto Vadia was permitted to acquire 29% of the newly merged CMBF-CMBA network primarily in order to keep Batista from the door. Vadia's interest in station was announced in press releases in Havana in March 1957, and was mentioned in Television Digest in both March & Sept. 1957 (Vol. 13:10 p14, 37 p8).

Several months ago Castro "discovered" Vadia's "secret" interest in CMBF network and took over his 29%, Vadia fleeing country. Castro also seized Telemundo network & CMBJ-TV (Vol. 16:9 p2).

Meauwhile, back at CMQ, Castro friend & strong supporter commentator Luis Conte Aguero, who had joined the network in Jan. 1959 shortly after Castro's victory, began questioning the increasing evidence of Communist infiltration in govt. Last month in his TV-radio broadcasts, he directed warnings of this danger to the govt. Immediate result was blast from Castro group at Conte Aguero and Mestre bros. as "reactionaries."

Climax came last month. Conte Aguero announced March 24 that he would make his farewell broadcast next day—an open letter to his former idol, Fidel Castro. He never made the broadcast. He was prevented from entering studio by organized mob of 800-900, who chanted in unison for govt. "intervention."

Castro fired warning shot at Mestre bros. same day—his govt. seized entire CMBF Cadena Nacional network. Two days later, Mestre bros.' personal bank accounts were frozen. Next step will be seizure of CMQ-TV & radio nets.

Conte Aguero is now in Miami, seeking asylum in U.S. Goar Mestre is in South America looking after his TV interests there, after a brief stop in the U.S. Abel Mestre, as we went to press, was still in Cuba, waiting for the axe to fall on CMQ.

FCC'S SHORT-LICENSE PLAN: Deadline comments by industry on FCC's rule-making proposal to keep a tighter rein on questionable TV & radio operators by shortening their 3-year licensing periods (Vol. 16:10 p5) failed to generate excitement last week.

Only outright opposition to the probation plan came from NAB, which saw a threat of "censorship" in it—since "it seems apparent that the Commission's proposal is aimed at programming." NAB said a grant limited to 6 months or a year (FCC hadn't indicated what period it had in mind) might prevent a station "from ever getting off the ground."

CBS "does not oppose the proposal," the network said, if it could be assumed that FCC doesn't have any ideas about "influencing or intruding into programming decisions of the broadcaster." But CBS saw little need for such a rule now, suggested "it could represent a step [toward] govt. control of radio & TV programs."

Westinghouse Bcstg. Co. came through with support for the less-than-3-year licensing period so long as it's "restricted to those cases which the FCC feels might not be in the public interest." Westinghouse also suggested that more-than-3-year periods should be applied at the other end of the good-behavior spectrum.

Radio WEJL Scranton (Scranton Times) said it "heartily approves" the proposal, "commends the Commission for this forward step." At the same time, WEJL said, FCC should take steps toward 5-year licenses.

• • • •

ALLOCATIONS PUZZLE UNSOLVED: White House negotiators (including OCDM & military representatives) and FCC so far have failed to come up with any agreement on TV's allocation problem, and there's little chance that Commission will win a 50-channel broadcasting system contiguous to vhf.

This was nub of a report filed by FCC Chmn. Ford with Senate Commerce Communications Subcommittee Chmn. Pastore (D-R.I.), who asked for it following allocations hearings in Feb. (Vol. 16:6 p2).

"Although this matter still is under study," Ford wrote, "the Commission's representatives received the impression that the executive branch representatives felt an exchange of spectrum space which would provide for such a 50-channel TV system could not be accomplished without jeopardizing national defense."

As an alternative plan requested by OCDM, FCC then submitted a specific 30-channel reallocation proposal which Commission thinks "represents the minimum number of channels required for TV broadcasting for the foreseeable future," Ford said. A 10-year implementing schedule was suggested by FCC for it.

"Thus far, no final decisions have been reached at policy level concerning either the 50-channel or the 30-channel proposal," Ford told Pastore, adding that they're still under "active study" by the White House, and that "Commission representatives were informed that an attempt would be made to reach a firm position on the Commission's proposals within the next 6 weeks."

Ford's less-than-optimistic report on the outlook for more vhf spectrum space for TV broadcasting concluded with this: "Comr. Lee is of the opinion that the course of action proposed in this letter has little chance of success and believes we should proceed with the full implementation of an all-uhf system."

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SAG-MAJORS STRIKE ENDS: Peace finally came on one important labor front in Hollywood Friday, when the Assn. of Motion Picture Producers and Screen Actors Guild reached a compromise settlement to end the SAG strike which began March 7. As a result, production can begin April 11 on the 8 movies which were suspended during production by the SAG strike.

Regarding sales to TV of movies begun after Jan. 31, 1960—the controversial post-1960 area—the producer will pay 6% of his receipts after deducting 40% for distribution expenses. In the event of outright sales to TV, the deduction is sliced to 10%. Actors will get no money from movies made between Aug. 1, 1948, and Jan. 31, 1960, which are sold to TV. (This represents a major gain in principle for the studios which were determined not to pay actors a share of post-1948 movies to TV revenue.) Producers, however, gave up their insistence that pictures which lost money in theatrical release be excluded from the post-1960 terms.

Producers gained a concession from actors in the area of pay TV. The new 3-year contract covers production of movies, including any made for pay TV. It stipulates, however, that "in the event that pay TV has become a reality and has had a material impact on the theatrical boxoffice, provision is made for reopening the contract on minimum wage rates only in the final year of the contract." (For more details, see p. 14.)

NAB

More about

NAB'S FCC PANEL: Some relief from the more onerous requirements of FCC's sponsor-identification ruling (Vol. 16:14 p2) apparently emerged from the Commission panel session at the NAB convention. The action was unusual—amounting to case-by-case, Commissioner-by-Commissioner decisions on the spot in answer to questions, many of them from the floor.

It really wasn't very satisfactory, because Commissioners differed and there was no way of telling what a majority vote would be in specific cases. In any event, broadcasters were eager to rely on those Commissioner comments that leaned towards leniency, particularly those of Chmn. Ford.

Most important, probably, was Chmn. Ford's statement: "It's difficult to determine a mixed library [of free & bought records]. I'm impressed with the sincere efforts which have been made. If you can't do it, you can't do it. There are an infinite number of problems. We've opened it up for comments. When we get the comments, there's got to be a practical answer. I'd guess we'll look at it in a practical way, not too much concerned with existing libraries." Another significant Ford pronouncement was that a broadcaster would have "no problem" if free records were announced once an hour.

Commissioners Differ with Each Other

But, as questions continued to flow, conflicts arose. Bartley said that sponsors must be identified "when the material is broadcast," but Craven sparked cheers & applause—the biggest demonstration of all—when he asserted: "We should not impose on the public by numerous announcements each time records are played."

Bartley said that due bills & tradeouts must be announced—and the audience murmured uncomfortably. Came the question: Suppose a station owns a music store; the station buys records and the store buys spots. Is any announcement required? "No," said Cross. Apparently, if cash is exchanged, FCC won't object—but bartering won't pass muster.

If a station newsman hops a ride with a police helicopter to cover a story, must the acceptance of the ride be announced? No, according to Ford.

How about free material from govt. sources? Hyde: "If you're using govt. material, you should be particularly sure to identify the source."

In a public-service announcement, from the Red Cross, etc., may name of source "speak for itself"—require no announcement? "Sounds okay to me," said Bartley.

How about Congressmen's free films & tapes "prepared at govt. expense, using franked mail?" Hyde: "You'll want your listeners to know who is paying for a political pitch."

And so it went. You never knew when a Commissioner spoke for the majority. Fact is, the Commissioners aren't sure either.

Broadcasters' attempts to comply with FCC's desires are as varied as the foregoing views of the Commissioners. Many are still sitting tight, making no changes in their practices pending FCC's study of the industry comments which are due May 2. Others have quit using free records. Some are bunching broadcasts of free & bought.

After May 2, the Commission may be able to change its mind gracefully. Otherwise, as Ford interjected at one point: "Maybe the statute has to be amended."

Other subjects discussed at the panel session:

(1) TV allocations. No final decision yet, said Ford, regarding availability of more vhf channels. (For FCC's report on negotiations with the military, see p. 4.) FCC's short-spaced vhf allocations will be decided on a case-by-case basis, said Craven. Ford plumped for FCC's proposed legislation which would require that all sets be able to receive all channels, saying that it would be good regardless of whether more vhf channels are procured or whether renewed attempts are made to implement uhf. Craven said that the future of uhf depends on economics, technical developments and "decisions of receiver manufacturers."

(2) Vhf boosters. Craven said he expects a decision by July 4 and that he would give existing operators time to meet Commission standards—unless they cause interference.

(3) Economic protection. Asked what FCC thinks about granting more than one station in a community of 10,000, Hyde said: "FCC has granted them. Protection invites strict regulation."

(4) Remote control of TV transmitters. Craven said he has no objection, particularly of lower-powered units.

(5) Stereo. Bartley: Doesn't approve of using 2 channels (AM & FM) for one service. Hopes to approve stereo on a single channel.

(6) Political time. Can a station give candidates no more than 5 min. each? Cross: "I think a station can limit the time."

(7) Self-regulation. Question: "In order to negate the possibility of all broadcasters being further regulated because of a few, would FCC be willing to judge stations by their adherence to the NAB standards?" Bartley: "I have endorsed self-regulation often, so I think the best source of having an industry of high stature is through self-regulation. I don't want to be misunderstood that the FCC has no responsibility in this area. But primarily it is the licensee's responsibility and should be endorsed."

(8) All-industry audience-reaction reporting service. Cross: "I see no objection to it."

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Short-spaced vhf drop-in petitions filed with FCC during the last year threaten the coverage of 44 stations, Lester W. Lindow, exec. dir. of the Assn. of Maximum Service Telecasters told AMST members in Chicago. Furthermore, he said, most of the petitions weren't even for markets with a "critical shortage" of facilities—as defined by FCC—and they were filed in spite of FCC's request that drop-in petitions be withheld until the completion of its short-spaced rule-making. The meeting was attended by 165 people representing AMST's 141 members. Engineering & legal reports were given by Howard T. Head & Ernest W. Jennes, respectively. Officers elected: Jack Harris, KPRC-TV Houston, pres.; Charles H. Crutchfield, WBTV, Charlotte, first vp; Donald W. Davis, KMBC-TV Kansas City, 2nd vp; Harold Essex, WSJS-TV Winston-Salem, secy.-treas.; Lester W. Lindow, AMST, asst. secy.-treas. The exec. committee, in addition to Harris, Crutchfield, Davis & Essex, includes: John H. DeWitt Jr., WSM-TV Nashville; John S. Hayes, WTOP-TV Washington; C. Wrede Petersmeyer, Corinthian stations. The technical committee: Henry E. Rhea, Triangle stations, chmn.; DeWitt; Joseph B. Epperson, WEWS Cleveland; Thomas E. Howard, WBTV Charlotte; Phillip B. Laeser, WTMJ-TV Milwaukee; Carl G. Nopper, WMAR-TV Baltimore; Orrin W. Towner, WHAS-TV Louisville; Wilson B. Wearn, WFBC-TV Greenville (alternate).

'FORD IN YOUR FUTURE': Concern over "excessive violence" in programming was the new theme launched by FCC Chmn. Frederick W. Ford in his maiden speech as Chairman to broadcasters at the NAB convention. Most of the rest of his talk recapitulated his well known views on broadcasters' responsibilities to their communities and FCC's role of keeping tabs on performance.

Broadcasters don't have Ford placed yet. They were wary. They liked parts of his speech, were uncertain about others—are waiting to see by his actions what his words mean. He got into the "violence" subject like this:

"In full recognition of the basic concept that it is the licensee's responsibility to select program material for broadcast in the public interest, I hesitate to speak to broadcasters about program content. I share with you the belief that neither the Commission, the Congress nor the public wants anyone in govt. to dictate what should or should not be broadcast." This produced vigorous applause, but what followed brought none:

"Public comment & complaints about excessive violence have, however, reached such proportions that I feel compelled to mention it to you today. A number of witnesses in the Commission's recent hearings on programming testified that in their opinion, action looking toward a solution to this problem was of the utmost urgency. Time will not permit even a summary of all such testimony but I would like to quote from one: '. . . In the fertile minds of children are implanted the seeds of violence, trickery & corruption and the idea that as long as justice triumphs in the end, the means used to attain it matters little, if at all. Surely to present a preponderance of crime & saccharine superficiality is to distort reality & truth.'

"That statement was given to the Commission on behalf of the National Congress of Parents & Teachers, an organization of nearly 12 million parents, teachers, and other citizens organized in more than 45,000 PTA's across the country. This is a formidable group."

'Just Follow Your Own Code'

Ford then stated that broadcasters need but follow their own Code, which reads: "Television and all who participate in it are jointly accountable to the American public for respect for the special needs of children . . ."

"It is the earnest hope of all concerned," Ford said, "that improvement in these matters can be accomplished by voluntary adherence to the TV Code by all stations rather than risk the imposition of restrictive measures which can only result in destroying originality & initiative."

On the "broadcasters' responsibilities" front, Ford asserted: "The Commission was created by Congress to insure that the obligations of the licensees are met. The Commission is required by law to review the broadcasters' performance at least every 3 years, not to determine whether he has made a profit, but to see whether he has faithfully carried out his obligations in the public interest.

"What are some of the obligations specifically? First, of course, is the obligation to determine what the needs of his public are. Requests for time by local groups to bring matters of importance to the attention of the community are certainly indications of public need. The broadcaster is charged with responding sympathetically to such requests and to make available a reasonable amount of broadcast time for these purposes. I fail to see how an operation can be in the interest of the public when such requests for time are consistently ignored or turned down because of disruption to the commercial schedule.

"Second, I believe further that the broadcaster has the affirmative duty to stimulate the community's use of his station as an outlet for local expression. He should take steps to alert local groups & organizations that his station stands ready to make its facilities available and to cooperate with them in . . . dealing with community problems."

Ford wasn't wholly hortatory, for he also commended industry for clearing up quiz-rigging & payola, asserting that the former is "a thing of the past" and there are assurances that the latter "will no longer be part of the broadcasting scene."

Preliminary analysis of FCC's payola question produced the following, he said:

(1) 2,757 stations (59%) reported finding no payola.

(2) 447 (9.5%) reported that "consideration other than cash" was received by the station and/or its employes, unaccompanied by proper announcements.

(3) 50 (1%) reported that cash had been received by employes—without announcement of the fact.

(4) 18 stations (0.4%) reported that the station itself had received cash without broadcasting source name.

(5) The remainder, 1,374 (29%) said that they had received free records and hadn't identified the donors.

The statement which won the most applause was this: "We can all agree on the principle that the least government is the best government, or in more modern terms, that the least regulation is the best regulation." But some misgivings were generated by: "In general, when the Commission is faced with a problem indicating the need for corrective action, the fundamental question in my mind is not whether the Commission has the authority to take corrective action, but it is to determine precisely what remedy is required and whether it is the Commission's responsibility to apply that remedy. If it should then appear that further statutory authority is needed before the remedy is applied, it becomes the Commission's obligation to inform the Congress . . . and propose the necessary legislation."

* * *

" 'It is sometimes amusing, sometimes irritating, the manner in which magazines keep chopping at television,' writes P. M. Clepper, *St. Paul Dispatch* TV columnist. 'In the latest issue of *McCall's*, Clare Boothe Luce goes all out in a plea for government control of television. She belabors John Doerfer, FCC chairman [then], because he won't play censor, although she admits that isn't his job. She also ridicules him for not being able to write some sort of law about violence on TV. I would love to see Mrs. Luce's attempts to put down in legal form that stabbings, suicide, and incest can be shown on TV in classics such as Oedipus Rex and Hamlet, but not in contemporary series.' Mr. Clepper considers, too, the case of Walter Kerr, theater critic writing in *Horizons* magazine, who bemoans the lack of originality on TV, yet accepts a fat TV fee to do a rehash of a moth-eaten play that has been done dozens of times."—Editorial presented over WCCO-TV Minneapolis.

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Harry S. Truman was in his usual snappy form, speaking at the Broadcast Pioneers banquet in conjunction with the NAB convention. He warned broadcasters to be alive to their responsibilities & power lest they induce more & more restrictive laws. During a news conference earlier, he said that the job of candidates was to get out among the people, not only to appear in carefully-arranged TV & radio broadcasts. Asked whether he watches TV, he said: "I do occasionally, when there's something I want to see —like Margaret."

SALVATION BY CODES: Some of the bluntest language heard by delegates to last week's NAB convention in Chicago came from fellow broadcasters who diagnosed the state of the industry's self-regulated health.

No words were minced by Chmn. Donald H. McGannon (Westinghouse stations) of the TV Code Review Board and Chmn. Cliff Gill (radio KEZY Anaheim, Cal.) of the Standards of Good Practice Committee in telling standing-room-only TV & radio assemblies that broadcasting must take more Code medicine—and in stronger doses.

"It is a matter of survival rather than a matter of whimsy," McGannon said, warning the industry against "status-quoism" and "suspicion & cynicism" in treating itself for ills exposed by quiz & payola scandals. It would be fatal to self-regulation, he said, if telecasters tried to comfort themselves with "relax and it will all blow over."

At the same time, in a packed room across the hall in the Conrad Hilton Hotel, Gill was laying it out to NAB's radio members: "On the matter of self-regulation, now its the time for the broadcasting industry to put up or shut up. And for some station operators it may be the time to put up or shut down."

McGannon & Gill noted—but didn't boast—that since NAB's 1959 convention the ranks of avowed supporters of industry's good-conduct rules have grown as never before.

'Only the First Step,' says McGannon

"Despite the progress that has been made, however, I am concerned," said McGannon. "I feel that the so-called first plateau has been reached and phase one of a several-phased ascent is complete. I'd be something less than candid if I didn't recognize & acknowledge that the many external pressures [in Congress & elsewhere] of the past year facilitated some elements of our progress. But it is imperative that this progress be continued and, hopefully, in an atmosphere that is far less pressurized than that which we have experienced in the last 8 or 10 months. Our future consists of the perfecting of the basic plan.

Observing that NAB's "crash program" to enlist more Code subscribers had succeeded in bringing in only 60% of radio members, Gill said his committee and NAB "have been alarmed" by: (1) "The serious threat of more rigid govt. regulation that confronts us." (2) "The apparent lack of interest or apathy on the part of too many broadcasters."

It was a swan-song report for McGannon, who under NAB rules couldn't continue as Review Board chmn. At the end of the convention he turned over his job (described by NAB TV vp Thad H. Brown Jr. as "excruciatingly sensitive & difficult") to E. K. Hartenbower (KCMO-TV Kansas City). New members of the Board, now expanded from 5 to 8, are Robert W. Ferguson (WTRF-TV Wheeling), James M. Gaines (WOAI-TV San Antonio), George Whitney (KFMB-TV San Diego).

McGannon's parting shots included these:

"We must prove to the Commissions, both the FCC & the FTC, as well as to Congress, that our sensitivity to protecting the public interest is second to none, and that we do possess the responsibility & integrity to fulfill this objective. To the advertisers & their agencies, we must demonstrate that while we are not censors, we do not propose to relieve them of their responsibility as corporate citizens & organizations bearing a substantial public trust. While we do not suggest pre-screening, pre-monitoring, or such similar practices which are destructive of the very concept of self-regulation, we do propose to hold them to their responsibility & yet join them in the fulfillment of a mutual obligation."

TIO Progress Report: The semi-autonomous TV Information Office, established in N.Y. under NAB auspices following last year's convention, now has 150 subscribing members, including the 3 networks & NAB itself—"but there ought to be at least double that number."

This was reported to a TV assembly at the NAB convention last week in Chicago by C. Wrede Petersmeyer (Corinthian stations), a member of the NAB committee which set up TIO. It operates on a $500,000 budget with a 14-member staff at 666 Fifth Ave. Calling for more widespread support of TIO, Petersmeyer said it should be an all-industry clearing house for facts & figures in reply to unwarranted attacks on TV. He also urged individual stations to defend themselves more vigorously in their home communities when TV is criticized. As it is, Petersmeyer said, "We wring our hands & say 'Isn't this awful?'"

Stronger backing for TIO also was urged by Willard E. Walbridge (KTRK-TV Houston), another NAB committee member, who said the new organization should function to "close the gap between [TV's] present performance & shiny potential" as a public-interest medium.

Louis Hausman, in an accounting of his first 6 months as TIO dir., said major undertakings have included promotion of "grassroots" projects to improve TV's "image" and work with groups "on the national level" to win a better understanding of TV's achievements & problems. As good examples of local enterprise, Hausman cited & sampled monthly bulletins being published jointly by Los Angeles' 7 stations & Chicago's 4 to inform their communities of TV's "continuing contribution in information, education and the arts."

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Lively political session on "Washington 1960—An Election Year" wound up the first TV assembly at last week's NAB convention in Chicago. It featured an analysis of national political trends by NBC's Washington commentator David Brinkley, who said there'd be no sharp policy changes no matter who is elected President. He also predicted that little "drastic" legislation on FCC or other federal regulatory agencies would be passed by this Congress or the next. Similar views were expressed by NAB's govt. relations mgr. Vincent T. Wasilewski, who appeared as a panelist at the session. He said Congressional elections will have little effect on present compositions of Senate & House Commerce Committees.

NAB's TV Board elected W. D. (Dub) Rogers, pres.-gen. mgr. of KDUB-TV Lubbock, Tex., as chmn. to succeed G. Richard Shafto, exec. vp of WIS-TV Columbia, S.C. Dwight W. Martin, chmn. of WAFB-TV Baton Rouge, was named vice chmn. of the Board, replacing Payson Hall of Meredith stations. Elected to 2-year terms on the Board at the NAB's Chicago convention were these new members: Joseph C. Drilling, KJEO Fresno; Eugene S. Thomas, KETV Omaha; Campbell Arnoux, WTAR-TV Norfolk; Henry B. Clay, KTHV Little Rock; William B. Quarton, WMT-TV Cedar Rapids; Joseph S. (Dody) Sinclair, WJAR-TV Providence.

NAB convention was swarming with "payola inspectors." They were identified by huge plastic badges—one of the few gags of a relatively gag-less convention. Other badges which blossomed forth on convention delegates: "Payola, Anyone?" "I Take Payola." Although there was no advertising matter on the badges, they were distributed by Mutual Broadcasting System,

CASH PREDICTS MORE CASH—& QUALITY: Now is the time for TV "to start thinking big"—and better—as an advertising medium if it hopes merely to keep pace with the nation's growth in the '60s, TvB Pres. Norman E. (Pete) Cash told the concluding TV assembly of NAB's 38th convention in Chicago last week.

In a major TvB presentation—"How Good Must We Be?"—Cash said TV will have to corral $600 million more in advertising by 1965 and add a total of $1.3 billion by 1970 "to merely maintain its present share" of 13.8%.

But that won't be good enough, Cash added, ticking off anticipated economic & industry developments which should help propel TV forward in "a great surge." He said TV's goal for 1970 should be 24% of all advertising expenditure and a total of more than $5 billion vs. the $1.5 billion of 1959. Noting that only 10 years earlier TV's take was a mere $38 million, Cash argued that "perhaps such a goal for 1970 is quite realistic."

In his 10-year look ahead for TV, Cash told the convention assembly: "We've got to be more effective, and above all we've got to work together. In quantity, we will probably need more newspapers, more magazines, more TV stations. But above all, in quality, we've got to be better."

The TvB leader's predictions for the '60s included these: (1) All advertising doubled to a $22 billion volume. (2) A 10-million increase in households. (3) TV penetration into 90% of households vs. 87% now. (4) Addition of 150 TV stations, "bringing 4-station service to at least the top 100 markets." (5) Growth of color TV—"a must." (6) A 20% increase in rates on TV—now "very much underpriced"—based only on increased circulation.

Cash's forecast was a sort of trailer introducing TvB's pride & joy—its color film "The Exponential," which was given its first general NAB showing at the convention. The TV assembly applauded the film long & loud.

Automation & TV Tape Panels

Other features of the TV session included a report by Roger Read (WKRC-TV Cincinnati) on "The Automated Station—a Case History" and a panel on "The Economics of Video Tape." The panelists were NAB's personnel & economics mgr. Charles H. Tower, Lawrence M. Carino (WWL-TV New Orleans), George Stevens (KOTV Tulsa), Frederick S. Houwink (WMAL-TV Washington), Russ Baker (Ampex), E. C. Tracy (RCA).

WKRC-TV's Read said that after 3 months in automated operation of a $145,000 system, the Taft station figured that the principal economy would be elimination of jobs of "8-2/5 engineers" this year. One disadvantage of automation, he reported, was the forced elimination of live remote telecasts in the Cincinnati area by WKRC-TV. Money-saving virtues of video tape, as noted at their stations, were lauded by panelists Carino & Stevens, supported by Baker & Tracy. Houwink said WMAL-TV is "all for video tape," but hasn't bought a machine yet because tape "has not yet come up to the point where it is the best way to use our money."

In an earlier NAB convention radio assembly, RAB Pres. Kevin B. Sweeney staged a presentation for that medium—complete with a costumed dramatization—on "The Nature of the Enemy." He said components of radio's enemy included TV, magazines, newspapers—and "radio itself." Deploring what he said was radio's tendency to sell against itself rather than against competing media, Sweeney called on radio stations to exhibit more "backbone" in fighting for their advertising shares.

Sweeney proposed a 5-point pledge for radio operators to keep: (1) "I will not stab other radio stations at any time in any way." (2) "I will use my facilities at least 20 times a day for the next 3 months, beginning this week, to improve radio's image & acceptance." (3) "I will develop my story vs. newspapers and my story vs. TV." (4) "I will each week attempt to do something to enlarge the audience." (5) "I will recognize that my backbone is what makes my station strong."

An extra added attraction at the radio session was bearded Mitch Miller, Columbia Records executive, who told the delegates what he would do "If I Were Your Program Director." One thing he wouldn't do with music programming, Miller said, would be to let "my business be run for me by a caucus of kids at the sweet shop or Joe's record store. I'm a professional & so are my staff. At my station, we hire professionals, not census takers, and we'd be foolish to let those sub-teens put their grimy little fingers in our till."

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FM Optimism: Biggest news from NAB's special "FM day" sessions Sun. April 3: Standing room only. As many as 500 at a time crowded into the Conrad Hilton's Waldorf Room—all the proof needed of FM's current resurgence.

NAB radio vp John F. Meagher supplied the vital statistics: FM sets-in-use, at least 15.5 million; stations operating March 1 this year, 696, up from 591 a year ago; CPs outstanding, 848, up from 725.

If the groundswell still hadn't produced profits for some FM stations, there was optimism nonetheless for the future—one important factor being the coming of FM stereo, for which FCC is due to set standards this year.

Three FM receiver manufacturers predicted increased FM set sales, and explained what they were doing to increase circulation for FM broadcasters.

Ebullient Henry Fogel, pres. of Granco Products, which rose in the radio firmament via cheap FM sets, flatly predicted that "within the decade AM radio will be relegated to the pages of history" in favor of FM. He predicted that FM radio-receiver sales, which exceeded one million last year, will climb to 4 million a year (including a million auto sets) by 1963, when 2,000 FM stations will be broadcasting in stereo. Granco sales dir. Herbert Frank outlined an upcoming promotion—in which Granco will give away 2,000 FM sets in honor of the 20th anniversary of the first FM station application next month.

Fogel told us later that Granco's FM auto radios will be introduced in July for marketing Sept. 1. They'll be priced at $75 for a complete FM-only radio, $50 for a tuner attachment for AM car radios.

Motorola auto radio sales mgr. C. J. (Red) Gentry described his company's new $125 hi-fi FM car radio, said public reaction has been good. Motorola, he added, will introduce a complete new line of FM sets May 16.

Zenith's Ted Leitzell showed his company's new AM-FM portable radio and outlined plans for a new FM-radio advertising-promotion campaign by his company.

Both Motorola & Zenith spokesmen aroused a bit of audible ire from the audience when they delineated their plans to advertise FM radios. The FM broadcasters were shocked to learn Motorola's plans to promote its FM car radio didn't include use of the FM medium, Leitzell was questioned from the floor as to why Zenith apparently discriminates against radio in cooperative ad allowances. Both spokesmen assured the broadcasters they'd bring these policy matters up with their companies.

TRIBUTES & KUDOS: Simplicity & great warmth characterized CBS Pres. Frank Stanton's tribute to the late pres. of NAB, Harold E. Fellows. With Clair McCollough's speech, it helped establish the calm, serious tone of the convention. Said Stanton:

"Broadcasting never had a more effective, more respected, or more diligent ambassador . . . I need not list his responsibilities & services. You are aware of them. . . . The broad influence of Hal Fellows came in part from the universal respect and affection in which he was held by men & women in radio & TV. He was not only liked—he was trusted. He could walk into a lion's cage of conflicting forces and come out unharmed—and often with a solution."

The NAB board issued a resolution paying tribute to Fellows' contributions, saying in part: "To this service he gave his highest effort—his hopes & his energy, his devotion to broadcasting, his loyalty . . . and finally his life."

Clair R. McCollough, of the Steinman stations, was given NAB's distinguished service award for 3 decades of "industry citizenship unique in the annals of broadcasting." His keynote address was in the nature of a fatherly admonition, particularly to newer & younger members.

"It is a truism," he said, "that elders in their wisdom frequently look upon the young with annoyance tempered by compassion . . . Their enthusiasm & their well-intended zeal has led, at times, to a certain amount of fretful grumbling among their fellow broadcasters." However, he went on, there has been an "emergence from this group of numerous highly intelligent, public spirited, successful broadcasters upon whom must rest the responsibility for the profession's future."

The principal thrust of his address was directed at shoddy business practices. "We have moved," he said, "from the enervating period of rate cutting to the far more dangerous situation where some radio stations do not have established rates. Indeed, manifestations of the same practice are now appearing in TV. Are we, in truth, such poor businessmen that we do not know how to price our product and stay with the decision? . . . Among the fundamental, underlying ills of broadcasting are rate manipulations, trade deals, downgrading the competition in our own media & kindred activities . . ."

As for NAB itself, McCollough said, members expect it to do things beyond its reach: "The NAB performs the most essential function of any organization in broadcasting. Yet, at times, the impossible is expected of it. There are those who would have the NAB negotiate their union contracts; try their cases before FCC; rebuke their competition & explain their audience ratings.

"Times have changed. The NAB cannot be all things to all people. It has a prescribed course and must be what it set out to be—an organization devoted to the advancement of its members' objectives and a protection for their interests. These objectives & these interests must exist in a climate untainted by program interference or any other kind of artificial intrusion."

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Assn. for Professional Bcstg. Education elects: Bruce A. Linton, U. Kan., pres.; Earl Dougherty, radio KXEO, Mexico, Mo., vp; Richard M. Brown, radio KPOJ, Portland, Ore., secy.-treas. The Assn. works toward producing better-prepared employes for TV-radio. Other board members: William Holm, radio WLPO, LaSalle, Ill.; John Jacobs Jr., radio WDUN, Gainesville, Ga.; William Swartley, WBC; Richard Goggin, NYU; Kenneth Harwood, USC; Leo Martin, Mich. State U.; Harold Niven, U. of Wash.

NEW BROADCAST EQUIPMENT: Better pictures, greater convenience, easier maintenance, lower power drain and compactness—these were the keys to new TV & radio gear shown in 49 different displays at the NAB convention in Chicago's Conrad Hilton last week (see p. 2).

More than a half-dozen new cameras made their formal debuts at the show—highlighted by 3 makes of cameras designed for the 4½-in. image orthicon tube. These had in common a clear picture with more resolution, virtually no warm-up time, elimination of halos. Particularly suited to the making of video tapes—because their sharper picture permits more generations of duplicate tapes—they were among the hottest TV attractions of the show.

RCA's strikingly designed TK-12 camera, Ampex's British Marconi Mark IV 4½-in. camera and Telechrome's British EMI Type 203 which can use interchangeable 4½- & 3-in. assemblies, were notable for their sharp pictures, simplicity of control and stability. Among other new cameras demonstrated, most of them reported previously in these pages: Telechrome-EMI 3-vidicon color camera, for industrial & broadcast use; GE low-light color camera; Dage all-transistorized broadcast portable vidicon camera with back-pack transmitter (CBS bought one for political convention coverage).

A new projector, the only one of its kind, was in constant operation at the GE display. The Eastman Model 350 continuous projector (Vol. 16:13 p14) eliminates the intermittent motion of conventional mechanical-shutter projectors. Unlike previous continuous projectors, this one uses a vidicon camera for pick-up. Among its features is a "skew-ray plate" between film and light source, which conceals all but the worst film scratches. The 16-mm projector is priced at $12,500 excluding vidicon camera.

Also shown by GE was a unique new studio monitor (TM-21-A), of modular design. It contains 7 component modules, each of which can be unplugged in seconds for replacement with a minimum of lost time.

Two punched-tape TV station automation systems were demonstrated. RCA announced the availability of systems similar to that installed at WKRC-TV Cincinnati, reportedly resulting in the reduction of the technical staff from 23 to 10 men. Visual Electronics' system was demonstrated, using a lightboard layout to represent the various functions of the equipment.

Telechrome's improved special-effects generator displayed a new feature—wipes with motion. An infinite variety of effects—including moving wipes shaped like flames, moving cog-wheels, etc.—were shown. Another new feature is the positioner, which permits moving inserts, pointers and other special effects anywhere on the screen. RCA's special effects system features plug-in selector cards which provide more than 150 basic effects.

Taking notice of FCC's willingness to look at less-than-minimum separations between TV stations, RCA displayed miniature models of traveling wave antennas with varying radiation patterns, and announced that it will tailor directional antennas to order for its customers.

Radio & audio gear was more compact, modularized and made widespread use of transistors. Radio program automation equipment was everywhere, ranging from automatically-keyed jukebox-type record-selection mechanisms to numerous automatic tape-cartridge-playing devices.

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American stations weren't the only ones which were making buying decisions at the NAB equipment show. Foreign operators were there, too, and most of them brought

money. An Argentine govt. purchasing commission was understood to be shopping at the show for $500,000 worth of equipment to revamp govt.-operated commercial Ch. 7, now facing its first competition from privately-owned Ch. 9 (with some NBC ownership) & Ch. 13 (reportedly planning tie-up with Goar Mestre-CBS-owned production studios), both due on the air in about 3 months.

Low-power TV transmitter designed for foreign stations was displayed by Visual Electronics. Made by Dynair Electronics Inc., San Diego, it is designed for video power of 600 watts or less and is similar to the one recently put into operation in Port au Prince, Haiti. The one shown at the convention was sold to Television Ecuatoriana, Guayaquil, Ecuador. Jose Rosembaum, gen. mgr. of the upcoming Ch. 4 commercial station, told us he hopes to have it on the air by May 15.

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Colorless Color: A Mexican TV engineer succeeded in producing color effects on an unmodified b&w TV screen in an impromptu demonstration at the NAB convention. "Amazing," said some observers. "Clever," said others. Then the crowd dispersed in search of aspirin tablets and/or dry martinis.

The engineer was Guillermo Gonzalez Camarena of Telesistema Mexicano, long-time veteran color-TV experimenter & inventor (Vol. 5:52 et seq.). He brought with him a reel of video tape which he'd recorded in Mexico, and obtained the use of a Videotape recorder at the Ampex display for his demonstration.

Recorded on the tape were a series of electronically-produced images looking like rapidly-moving stripes. These showed up to us, and to other observers, as pastel green, bluish and purplish red—although the picture was displayed on a standard monochrome monitor.

Although Gonzalez Camarena didn't explain what caused the color effect, other than to say it was subjective, another well-known color-TV engineer explained to us that the slow flicker rate of the stripes fatigues the rods & cones in the human visual mechanism, producing an "after-image" in color—such as the color image sometimes seen after viewing a bright object. Different flicker frequencies produce different color images. A 100-year-old principle, said the engineer.

Gonzalez Camarena said he would have this b&w color system perfected in about 6 months, for use in commercials. The British apparently have beaten him to it, however, having experimented with a similar "subjective color" system in 1956 (Vol. 12:43 p8) and later using the system for Oxo (bouillon cubes) commercials, in which the flickering Oxo carton was supposed to show up red. The Japanese are understood to have used the system for commercials.

It seems to have one insurmountable drawback. It depends for its effect on a low flicker rate which is fatiguing to the eye, causing headache. Nevertheless, it might have some commercial value, judging from the response of those witnessing the demonstration at the convention. It could sell aspirin & martinis like crazy.

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The late Merlin H. Aylesworth, first pres. of NBC (1926-36), was elected to the Broadcast Pioneers' Hall of Fame at the group's annual banquet in Chicago last week. His daughter, Mrs. Dorothy Gwyer, received a scroll honoring Aylesworth "whose contribution to public awareness & acceptance of broadcasting was beyond measure; whose daring innovations in programming brought the finest of music, culture, education and entertainment to the public."

TAPE AT NAB: Video-tape equipment and techniques again were among hottest subjects at last week's NAB convention—the 5th convention A.T. (after tape). Now that tape is an accepted & essential working telecasting tool, most engineering efforts are being aimed at overcoming its major shortcomings. High on this list is difficulty in editing—and the advances shown last week give promise that tape will be as easy to edit as film in just a couple of years.

New equipment at the NAB show was designed to assist in both electronic and mechanical editing (see p. 2). Most fascinating development was Ampex's Inter-Sync, offered for both old & new Ampex VTRs. It permits dissolves, wipes, split screens, etc., combining live & taped shows, also making possible the electronic editing of 2 tapes into a 3rd master tape—switching from one to the other (even using trick effects)—to produce a completely edited master tape without a single splice. Inter-Sync locks the VTR, vertical field-for-field and horizontal line-for-line, to all other signal sources, preventing rollover, picture jitter, etc.

RCA announced availability next summer of a "frame-lock" accessory at low cost ($895), which locks tape recorder frame-for-frame with other picture sources, permitting "electronic splicing" through switching, dissolving, etc., without roll-over. Ampex's line-for-line Inter-Sync costs $4,200. RCA's frame-lock is part of a complete electronic tape-editing system now under development.

Two electronic aids to mechanical cut-&-splice tape editing were disclosed at the NAB show. Telecasting engineers were fascinated by Conrac's new Video-Chek Multi-Frame Storage Unit—2 prototypes of which were shown. The $6,000 unit can display one to 4 still video picture images from the tape on any monitor. At the same time it "freezes" the picture, it puts an audible beep on the tape's cue track, so that the editor can find the exact frame he is viewing. Images can be stored up to 8 hours, opening another use for the storage unit—the televising of still images from a video tape; for instance, the exact moment of the knockout punch in a prizefight.

The other electronic aid to mechanical editing aims at eliminating the present practice of "developing" the tape to locate the sync pulse—the application of a chemical solution so that the exact space between frames may be located for proper cutting of the tape to prevent roll-over. The TapeEditor, announced by Telescript-CSP Inc., consists of a tape-editing block with a vibrating head topped by a one-inch oscilloscope display tube. When the sync pulse pip is visibly centered on a hairline on the scope, the tape is positioned for cutting. It will cost about $1,000.

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Ampex's new VR-1001-A compact Videotape recorder is small enough to fit easily in a Volkswagen bus or a tiny TV studio, requiring 11 sq. ft. of floor space vs. 19 sq. ft. for the console model. Weight of the compact model has been cut to about 500 lb. from 780 for the standard unit. The new unit has a basic price of $42,950 without accessories—varying up to $48,400 with Inter-Sync, monitors and other accessories.

Ampex has been quietly revising its price scales—and there's now a big reduction in cost of the color accessory. The new VR-1000-C with Inter-Sync costs $52,950; with both color & Inter-Sync, it's $59,950—a color differential of $7,000. The color accessory formerly cost $19,500.

First orders for the new standard-size VR-1000-C machines came from King Bcstg. Co. (KING-TV Seattle,

KGW-TV Portland, KREM-TV Spokane), which also bought the first production-model Ampex VTR in Nov. 1957. King ordered the first 4 new-model recorders (2 each for KING-TV & KGW-TV) and ordered accessories to convert KREM-TV's VR-1000-B machine into a VR-1000-C.

By the end of the 3-day convention, Ampex said it had signed sales contracts "in excess of $2 million" on Ampex Videotape systems (including cameras).

Foreign stations continue to be prime customers for TV-tape recorders. An RCA spokesman told us, on the convention's opening day, that his company has a backlog of 60 foreign TV-tape recorder orders for delivery between now and July 1. Included in this number are 8 machines for the 2 upcoming Buenos Aires outlets, in which CBS & NBC have ownership interests.

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"Videotape idea station of the year" is WWL-TV New Orleans. It was the winner in voting at Ampex's hospitality suite by conventioneers who were asked to choose between 10 stations depicted & described on wall placards (but unidentified as to call letters or location). The 10, in turn, had been selected from 50 nominees by a non-Ampex selection group. The first prize, a $2,000 home-music system, was accepted by WWL-TV gen. mgr. Lawrence M. Carino for the station. Runners-up in the "idea station" competition: KSL-TV Salt Lake City, WHO-TV Des Moines.

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Most significant space-TV achievement yet is weather photographing & recording system built into the RCA-developed Tiros satellite. The TV system consists of 2 tiny TV cameras (one wide-angle) with half-inch vidicon tubes, 2 small tape recorders using quarter-inch tape to store the still TV picture, and transmitting & receiving equipment. The TV is of the slow-scan variety, with bandwidth of only 150 kc, making possible picture storage on narrow tape. The tape-recorded TV picture can be fed to the transmitter when keyed from the ground, or the cameras can feed pictures directly into the transmitter upon radio command. A model of the Tiros satellite was featured at the RCA exhibit at last week's NAB convention in Chicago.

FCC Comr. Craven's work has been of "lasting benefit to the industry & his country," NAB said last week in a Chicago convention citation. Presenting Craven with NAB's 1960 Engineering Achievement Award at an April 6 luncheon, engineering dept. mgr. A. Prose Walker reviewed Craven's career since he started as a radio operator on the dreadnaught U.S.S. Delaware in 1912. High among his accomplishments, Walker said, have been his "successful, practical applications of directional antennas" when he was in private practice as an engineer and his work as leader of the U.S. delegation at last year's ITU sessions in Geneva.

Do-it-yourself AM transmitter kit was introduced at the NAB convention April 3 by Bauer Electronics Corp., Burlingame, Cal. The transmitter, designed to operate at 1 kw, 500 watts or 250 watts, can be assembled by a radio station's engineering staff in about 100 hours, according to Bauer best. div. gen. sales mgr. Paul Gregg. The kit price of $3,495 includes inspection & checkout following assembly. The same unit, factory-assembled, costs $4,495. Also introduced by Bauer was a new 5-kw AM transmitter.

Recent RCA equipment shipments include a color videotape recorder to NBC Burbank, 4 b&w recorders to Brazil, a b&w recorder to Graphic Pictures, Chicago, and a superturnstile antenna to KPHO-TV Phoenix (Ch. 5).

THE ABC PITCH: A powerful job of selling was unleashed by ABC to its TV affiliates in Chicago April 3, prior to the NAB convention, primarily to sell clearances for its upcoming Kaiser-sponsored *Hong Kong*.

The pitch had everything: Teen-age girl cheer-leaders, free footballs, cellomatic presentation, speeches by all the ABC brass. Then FCC Chmn. Ford was asked—much to his surprise, he said—to say a few words. And he did. AB-PT Pres. Leonard Goldenson announced that John Daly's public affairs budget was being enlarged 3-4 times. Edgar Kaiser stepped forward to introduce his father.

Whereupon the *piece de resistance* himself took the dais—Henry J. Kaiser, age 78, who had flown from Honolulu especially for the meeting and was to fly back immediately. His presentation was a dilly. Most men half his age couldn't have done it. It ran about 45 minutes, comprised a remarkably insistent & repetitious plea for clearances for his *Hong Kong*.

Affiliates also had the latest preview of the network's fall program lineup, which reflects a few changes since we reported it a few weeks back (Vol. 16:7 p14). Among key developments: *Surfside 6*, a 60-min. Warner Bros. private-eye series, will replace *Bourbon St. Beat* in the Mon.-night 8:30-9:30 p.m. slot. *Hong Kong*, the new part-Kaiser-sponsored entry will go into the Wed. 7:30-8:30 p.m. period to buck NBC-TV's *Wagon Train*. Another Warner Bros. entry, *The Roaring Twenties*, goes into the Sat.-night lineup before the new fight series. *The Yank*, a Goodson-Todman adventure package, will be housed in the Thur. 10:30-11 p.m. period. And *Expedition*, the new Ralston-sponsored education series (which will actually be seen in station-option time—see "Network Sales Activity," p. 13) will be in the Tues. 7-7:30 p.m. slot.

There was still more—description of the documentary-type *Expedition*, the story behind *Peter Gunn*'s switch from NBC (see below), etc. etc.—all in addition to presentation of ABC-TV's Nielsen rise against the other nets.

ABC's competitors reacted promptly & bitterly. One spokesman stated that he understood *Hong Kong* was being offered to affiliates at no compensation for a year. An ABC spokesman countered with: "It's a lie." Another network spokesman said: "I'm worried about all the excessive violence in ABC's shows. I hate to see it. I guess that's the way to get ratings. I don't know what we'll do about it. We certainly don't want to go in for more violence." ABC had hit hard—and it was hurting.

The affiliates later passed resolutions highly commending the network & its management. They elected as chmn. of the affiliates board of governors Brent H. Kirk, KUTV Salt Lake City; Howard Maschmeier, WNHC-TV New Haven, vice chmn.; John F. Dille Jr., WJSV Southbend-Elkhart, secy.; John T. Gelder Jr., WCHS-TV, Charleston, W. Va., treas.

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Peter Gunn will shift to ABC-TV this fall from its Mon.-night, 9-9:30 p.m. NBC-TV slot. Unlike the recent production hassles between producer Blake Edwards and CBS-TV (Vol. 16:14 p14), the move isn't being made because of trouble between Edwards and NBC-TV. The decision to move the show to a Mon.-night, 10:30-11 p.m. spot following TCF-TV's *Adventures in Paradise* was made, we're told, by sponsor Bristol-Myers on the basis of an attractive offer by ABC-TV. The network, however, denied a report that the offer included a 45% discount on time plus 26 free 60-sec. participations in *Cheyenne*.

NBC'S CHICAGO PEP RALLY: Affiliates of NBC-TV met in Chicago April 3 on the eve of the NAB meeting to hear the network's latest program & other plans from a battery of top executives. Highlights:

A total investment of $120 million has been allocated by NBC-TV for programming in the 1960-61 season, reported sales vp Don Durgin. On tap at the network are 23 new series ("far more than our fall schedule will be able to accommodate"). The network's nighttime lineup:

Mondays: 7:30-8:30, *Riverboat;* 8:30-9, *Tales of Wells Fargo;* 9-9:30, *Tall Man* (a new Western replacing *Peter Gunn*); 9:30-10, *Hollywood Angel* (a new private-eye show replacing *Alcoa-Goodyear Theater*); 10-11, various network specials (replacing *Steve Allen Show*).

Tuesdays: 7:30-8:30, *Laramie;* 8:30-9, *Alfred Hitchcock Presents;* 9-9:30, *Dante* (*Hitchcock* and *Dante* replace the faltering *Ford Startime* specials); 9:30-10, *The Westerner* (replacing *The Arthur Murray Party*); 10-11, *Thriller* (a Hubbell Robinson mystery series replacing *M Squad* and local syndication shows in the 10:30-11 period).

Wednesdays: 7:30-8:30 *Wagon Train;* 8:30-9, *The Price Is Right;* 9-10, Perry Como's *Kraft Music Hall*; 10-10:30, *Peter Loves Mary* (a new Peter Lind Hayes comedy replacing *This Is Your Life*, which shifts to Thursday); 10:30-11, *The Tab Hunter Show.*

Thursdays: 7:30-8:30, *Outlaws* (replacing *Law of the Plainsman* and *Bat Masterson*, which is moving its time period); 8:30-9, *Bat Masterson*; 9-9:30, *Bachelor Father*; 9:30-10, *Tennessee Ernie Ford*; 10-10:30, *You Bet Your Life*; 10:30-11, *This Is Your Life.*

Fridays: 7:30-8:30, *Raven* (a new detective series with a Hollywood setting, replacing *People Are Funny* and *Troubleshooters*); 8:30-9, *Hcadquarters* (another detective series); 9-10, AT&T musical-variety specials (the last 30-min. segment replaces *Masquerade Party*); 10-11, *Michael Shayne* (still another detective series, replacing Gillette's *Cavalcade of Sports* and Phillies *Jackpot Bowling*).

Saturdays: 7:30-8:30, *Bonanza;* 8:30-9, *Klondike* (an *Alaskans*-like Ziv-UA package, replacing *The Man & the Challenge*); 9-9:30, *The Deputy*; 9:30-10:30, *World Wide 60*; 10:30-11, returned to stations for local programming.

Sundays: 7-8, a 60-min. film show still to be selected; 8-8:30, *No Place Like Home*; 8:30-9, *One Happy Family* (both shows replacing 60-min. *Sunday Showcase* specials); 9-10, *Dinah Shore Chevy Show*; 10-10:30, *Loretta Young Show*; 10:30-11, *Barbara Stanwyck Theater* (anthology drama series recapturing 30-min. local time segment).

To backstop the new crop of NBC-TV fall shows, an expanded promotional campaign will be launched by the network, vp for public information Sydney H. Eiges told the affiliates. Among the new plans: "Station to station call" (a series of closed-circuit telecasts "devoted exclusively to audience-building plans & ideas"); "instant promos" (taped promotion spots sent the day of production by closed-circuit feed to affiliates for local playback the same day); and "all-night billboarding" (promotion of upcoming shows "by a new technique").

NBC Chmn. Robert W. Sarnoff and Pres. Robert E. Kintner, representing the network's top executive echelon at the meeting, made it clear to the affiliates that much of NBC-TV's programming this fall would be aimed at recapturing rating ground lost to ABC-TV (which was also holding a pre-NAB pep rally; see p. 11). However, the network heads made it clear that NBC-TV wasn't involved in a blind pursuit of ratings, and would still strike for "program balance."

Affiliates learned that NBC-TV is planning a counterattack on print-media attacks, particularly those that question the advertising effectiveness of the TV medium. NBC plans to make a series of agency-level presentations on the "inadequacies" of print media. In less than 25% of U. S. counties does *Life* magazine reach even a 10% county coverage level, while NBC-TV has an all-county coverage of at least 76%, pointed out an NBC preview of the presentation as one example of its planned counterattack.

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NBC-TV has tied with CBS-TV for national daytime rating honors, fulfilling a trend predicted in Nielsen's 24-city March measurements (Vol. 16:14 p9). In the latest (2nd March) Nielsen national study, average-audience standings are: NBC-TV—8.8; CBS-TV—8.8; ABC-TV—5.6. Because of coverage factors working in NBC's favor, NBC-TV is slightly ahead of CBS-TV in terms of audience share in the 10 a.m.-1 p.m., 2-5 p.m.: NBC-TV—37.9; CBS-TV—36.4; ABC-TV—21.5.

Canadian Pay-TV Report: It's too early to tell whether Telemeter's subscription-TV operation in Toronto's suburb Etobicoke (Vol. 16:14 p3) will be successful, but there's one thing sure: The people in charge of it are hep.

That was the word brought from Etobicoke to NAB's Chicago convention last week by NAB research mgr. Richard M. Allerton, who spent March 31 & April 1 in an on-the-scene inspection. In a report distributed to the convention delegates, he concluded: "It is my considered opinion that this Telemeter operation in Toronto is a professionally competent one, that they know just what they are doing, have planned well, and have a money-collecting device which works. There is just no comparison between this operation & the abortive one in Bartlesville, Okla. (Vol. 14:21 p20). Included in the facilities in operation is a studio, TV camera and Ampex tape recorder.

"It is much too early yet to judge whether pay TV as installed in Etobicoke will be a financially successful operation. In my opinion, it will be 6 months to a year before the Telemeter people themselves can begin to determine whether it is successful.

"From the point of view of subscribers to the service, the question arises whether after the novelty wears off, subscribers will be as eager to pay their money for what is offered. Here, of course, quality of pictures is important, and whether this quality can be maintained is a factor.

"The most important factor, of course, is whether income will be sufficient to return a satisfactory profit on the investment."

Auxiliary Services

BARTLESVILLE MAY RISE AGAIN: Just back from a first-hand look at Telemeter's Toronto pay-TV installation, Pres. Henry Griffing of Video Independent Theaters Corp.—whose firm operated the Bartlesville, Okla. experiment in 1957—waxed enthusiastic on the Toronto setup last week and indicated he was ready to revive his pay-TV plans on the basis of the Telemeter system.

"Telemeter is the most exciting & revolutionary entertainment innovation since the advent of talking pictures," said Griffing, adding that the cash-for-each-program-viewed system "completely solves the problems" he encountered in Bartlesville. Among things Griffing admired in the Telemeter method: "The customer selects & pays for only those programs desired, with prices scaled according to the attraction," "Telemeter plans to offer a wide variety of programming in addition to current motion pictures," and the fact that the Telemeter unit "makes a recording, identifying each program purchased by a subscriber."

Griffing, whose theatrical exhibition chain covers 200 movie houses in 3 states and 14 CATV systems in 5 states, now holds "municipal franchises for pay TV in 36 cities & towns in the Southwest." He strongly recommended that "my fellow exhibitors visit & study the Toronto operation." He did not, he said, consider the Bartlesville try a failure; it was "only unsuccessful financially," largely because of customer resistance to the idea of paying a flat price ($9.50 monthly) and the barrage of anti-pay-TV publicity launched against the experiment by the major networks and free-TV interests.

"I have felt in the past, and am more concerned than ever, that exhibitors have a great future in theater-in-the-home TV. As for me, I want to be in the vanguard, and am applying to Telemeter for a franchise in my area," stated Griffing.

Would Bartlesville rise again as a telemeter pay-TV town? There was a good chance that it might, Griffing admitted, since the wired circuits are still in existence and the town is included in his list of pay-TV franchises.

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Zenith-RKO General agreement for the Hartford pay-TV tests (Vol. 16:14 p3) provides that RKO or its franchiseholder will buy decoders from Zenith. RKO will bear the programming & operating costs. Zenith's commitment is to tool up for decoder manufacture, estimated at $1-1½ million, and to promote pay TV nationally. RKO will be permitted to use the Zenith system, if FCC eventually permits, in 5 cities: One in the top 3 markets, one in the 4th to 6th, one in 7th to 9th, the balance unrestricted. RKO can terminate its contract if it doesn't get a go-ahead for the test from FCC within 3 years or if it spends $2 million before the end of 3 years without getting FCC approval. It can also pull out from the agreement if it fails to sign up more than 50,000 subscribers by the end of the first year of operation or if it has spent $10 million within 3 years and decides that pay TV doesn't pay. RKO is buying Hartford uhf WHCT for approximately $900,000.

Stations, CATV & Duplication: "If CATV systems voluntarily stop duplicating programs carried by local stations, the whole problem will vanish." That's the position taken by William C. Grove, head of KFBC-TV Cheyenne & KSTF Scottsbluff, Neb. last week. Disclosing that his organization has filed for a CATV franchise in Scottsbluff in competition with one filed by Collier Electric Co., Denver, he stated:

"We have never contemplated destroying CATV. Both stations & CATV can prosper—if CATV doesn't duplicate our programs. We're willing to compete with their other programs. We don't like it, but we're willing to compete." In May, a city-wide vote will determine which company gets the franchise.

Grove showed copies of letters written by NBC vp David Adams & CBS vp Richard Salant to the mayor & council. Both emphasized their position that they have property rights in their programs and that CATV systems violate these rights when they relay signals without permission—and that permission has never been granted. They also pointed out conflicting public-interest aspects to CATV service: On one hand, the systems bring multiple service to those who can pay & are in reach of the cable. On the other hand, duplication of the local station's programs may weaken the station economically so that it will go dark—thus depriving outlying areas of any service & eliminating a means of local community expression. NBC has written a similar letter to the city council of Salisbury, Md., where an application for a franchise is pending.

Meanwhile, another competitive CATV situation has arisen—in Chippewa Falls, Wis., where WEAU-TV Eau Claire, local radio WAXX and theater owner Sheldon Grengs seek a franchise.

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Montana telecaster Ed Craney (KXLF-TV Butte) filed a petition requesting amendments to FCC's microwave rules to: (1) Prevent CATV duplication of local stations' programs. (2) Allow microwave grants to CATV operators only if "a grant of the application would not adversely affect the continued operation or establishment of the only available TV station which provides locally originated programs in the applicant's service area."

Networks

Network Television Billings

January 1960

(For Dec. report, see TELEVISION DIGEST, Vol. 16:8 p10)

Jan. 10.9% Ahead: Network TV opened 1960 on a rising curve as January gross-time billings climbed to $57,756,267—10.9% ahead of the Jan.-1959 volume of $52,076,179, TvB reported last week. CBS led the networks in dollar volume with billings in excess of $23.5 million. ABC, with a 24.2% gain, scored the most impressive percentage increase in Jan.-over-Jan.-1959 business.

Nighttime billings in January rose 20% to $40,496,983, vs. $33,754,900 in Jan. 1959. Daytime billings, however, sagged 5.8% to $17,259,284 from $18,321,279 in Jan. '59.

NETWORK TELEVISION

	Jan. 1960	Jan. 1959	% change
ABC	$13,227,680	$10,647,078	+24.2
CBS	23,578,557	22,129,248	+ 6.5
NBC	20,950,030	19,299,853	+ 8.6
Total	$57,756,267	$52,076,179	+10.9

Note: These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on basis of one-time network rates or before frequency or cash discounts.

NETWORK SALES ACTIVITY

ABC-TV

Daytime programming, participations eff. April 1.
Chesebrough-Ponds (J. Walter Thompson)

American Bandstand, 4-5:30 p.m., alt. quarter-hr. sponsorship, renewal.
Carter Products (Sullivan, Stauffer, Colwell & Bayles)

Hey Jeannie, eff. June 30, 9-930 p.m., reruns, full sponship.
Procter & Gamble (Grey)

Expedition, Tues. 9-9:30 p.m., 2 out of every 3 wks. Sponsorship (3rd wk. given to stations for local sponsorship).
Ralston Purina (Guild, Bascon & Bonfigli)

The Rebel, Sun. 9-9:30 p.m., renewal of co-sponsorship.
Procter & Gamble (Young & Rubicam)
Liggett & Myers (Dancer-Fitzg.-Sample)

CBS-TV

Bringing up Buddy, Mon. 8:30-9 p.m., eff. Sept. 1960, full sponsorship.
Scott Paper (J. Walter Thompson)

Rawhide, Fri. 7:30-8:30 p.m., one-third alt. wk. sponsorship.
Hamm Brewing Co. (Campbell-Mithun)

Baseball Game of the Week, Sat. & Sun. afts., eff. April 16, half sponsorship.
Falstaff Brewing (Dancer-Fitzg.-Sample)

Captain Kangaroo, 8:15-9 a.m., alt. wk. quarter-hr. sponsorship.
General Mills (Dancer-Fitzgerald-Sample)

NBC-TV

People Are Funny, Fri. 7:30-8 p.m. summer reruns, alt. wk. sponsorship.
Block Drug (Grey)

Laramie, Tues. 7:30-8:30 p.m., Riverboat, Mon. 7:30-8:30 p.m., one-third sponsorships in summer reruns.
California Packing Co. (McCann-Erickson)

The Lone Ranger, Sat., (time not set), pre-game sports programming, 26 quarter-hrs., daytime participations, 5 quarter-hrs. Mon.-Fri. all sponsorships eff. this fall.
General Mills (Knox-Reeves)

Film & Tape

More about

ONE DOWN, ONE TO GO: SAG membership will meet in Hollywood April 18 to vote on ratification and an end to the strike (see p. 4), and if it does—as is believed a certainty—production could resume full scale at all studios the next day. Other highlights of the SAG-AMPP 3-year agreement:

A pension plan is established for actors, producers paying $2,250,000 in 10 equal instalments over the next 10 years. (This is in lieu of post-1948-movies-to-TV payments, and the producer money actually gives actors a pension plan on a retroactive basis, since they have not been part of the industry pension plan in effect since 1953.)

A health & welfare fund for actors, producers making an initial payment of $375,000 to set up the fund. To maintain the pension, health & welfare funds, producers will pay on work done after Jan. 31, 1960, an amount equal to 5% of actors' salaries, up to a maximum of $100,000 per actor per picture.

Actors also received salary minimum hikes ranging from $10-a-day hikes for day players to $50 a week increases for weekly free-lance players. Negotiators on both sides termed the agreement "fair & equitable."

Meanwhile, despite numerous behind-the-scenes maneuvers aimed at bringing an end to the 3-months-old strike of Writers Guild of America against the Alliance of TV Film Producers, no progress was made in that area last week, and the outlook for peace was dim. Remarked one of the negotiators grimly: "Neither side is hurting enough."

WGA Stiffens on Foreign Residuals

WGA was dealing with intermediaries rather than with the Alliance in its efforts to find a solution to the problem. Both the William Morris Agency and Lew Wasserman, MCA's head man, were involved in the intricate moves. From a meeting between Alliance executives & producers and Wasserman emerged an informal peace bid to WGA—which was rejected. The plan was similar to the previously-rejected Alliance-Morris agency proposal, which had called for writers to get a 10% hike in minimums the first 2 years, another 5% the 3rd year and a 5% pension plan. The only difference was that the Alliance-Wasserman proposal tried to settle the difficult foreign residuals issue with language which noted the contrasting stands of WGA and the Alliance on the foreign issue and called for establishment of a joint fact-finding committee to explore the foreign field and report at the end of the contract period.

WGA, apparently encouraged by its membership's overwhelming rejection of the Alliance-Morris plan which also skirted payment to writers on foreign residuals and recognition of the foreign principle, stiffened its stand on this all-important issue. The Guild was reported preparing a new proposal which calls for payment of overseas residuals, and this proposal will be presented to the non-Alliance producers this week or next.

In its endeavor to get the foreign residuals, the Guild in its new plan will bypass the pension plan already offered in favor of the foreign.

WGA's strategy to tackle the non-Alliance group rather than the Alliance is motivated not only by the Alliance's refusal to pay foreign residuals, but by a desire to split the ranks of the producers. It feels that once some companies sign, the others will fall into line. The Alliance, aware of "split & splinter" tactics, has no intention of changing its policies because of such strategy.

However, it is known that one Alliance company made overtures on its own to WGA seeking peace, and even offering recognition of the foreign principle, but this was rejected. It was the first break in what heretofore has been solid unity within the Alliance ranks.

The Alliance holds the position that WGA can have a "reasonable" offer anytime it wants it, but there was no question that the various machinations of the past week engendered a bitterness among producer ranks. Said one producer-representative of the foreign issue: "They persist in playing language games in this area. We will not play. It they persist, we will go into the Directors Guild of America negotiations and the writers will fade into the background." DGA's contract with the Alliance expires April 30.

Remarked the same executive: "We have indicated to the Guild that if the language on the foreign issue isn't acceptable, we will change the language. WGA chooses to use our offer as a basis for further improvement. The writers are trying to use the foreign issue as a weapon to raise their demands. Nobody likes to be made a public fool of. There are labor problems in other areas and we will approach them instead."

The Alliance was perturbed at WGA approaches via intermediaries to raise the minimums from those terms offered to 11% the first 2 years and 4% the 3rd year, and also to 12% the first 2 years and 3% the 3rd year. WGA executives denied that these were anything more than feelers.

Another point at issue is the date of expiration of a new contract. The Alliance wants a deal for 3 years and 9 months, while WGA wants it for 3 years and 6 months, which was flatly refused by the Alliance. Importance of this issue is that the WGA date would mean expiration of the contract in Oct. of the final year, so that if any strike were pending then it would hit producers in mid-production season. The Alliance is aware of this, and producers point to the traditional labor pattern in which contracts expire in Jan.

WGA still prefers the Wasserman-WGA plan which called for 2.2% of the gross, domestic & foreign, although that's been rejected by the Alliance. The writers contend this formula represents a gamble, since if a TV series or show is a failure, its writers would obviously get less money. They say they are willing to gamble, but the producers aren't.

Further complicating an already complex situation, a division arose within the higher echelon of WGA last week over the foreign issue. One faction thinks a producer recognition of principle is sufficient, while the other wants money as well as words. The latter faction appears to be winning the intra-Guild dispute.

Both sides conceded the outlook is pessimistic. Meanwhile, producers are feeling the shortage of scripts, and there is concern about next season's product. There was some talk that permission will be sought from agencies and sponsors to show reruns next fall, and push back the actual start of the season to Jan.

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Pat Boone, on location in Europe to tape a quartet of shows for his Chevrolet-sponsored, Thur.-night ABC-TV series, admitted some of the budget hazards of such a venture to N.Y. *Daily News* TV reporter Kay Gardella in a Paris-to-N.Y. phone call last week. Each 30-min. show, Boone stated, was costing about $80,000. "We're even being charged for lighting the Eiffel Tower at night—when it's already lighted," complained Boone (see Vol. 16:7 p16).

POINT OF NO RETURN: TV film producers can wait 60 or 90 days to begin production on next season's product, but if WGA's strike hasn't been settled by then, there's apt to be a rash of fall reruns.

We checked a number of leading executives & producers to learn what they considered to be their "point of no return"—when changes in show plans could no longer be avoided. All agreed that normally they would now be working on scripts for next season, but with the strike preventing this, everything on the calendar is being pushed back. Some thought that if the strike continues for another month, quality next fall will suffer considerably, since this would necessitate hurried scripts once the strike ended, and there'd be no time for normal rewrites. Here's a sampling of comment:

Four Star Television Pres. Dick Powell: "We can start as late as July. We may wind up doing some of our shows live—if there is no strike against live TV."

Twentieth Century-Fox TV Pres. Peter Levathes: "July 1 is the latest. After that it's impossible."

A Revue executive: "It depends on the series, but July is the latest start date for most."

Desilu Productions exec. producer Bert Granet: "It depends on the series. We could start as late as July, but we should be working on scripts now for next season. We should be 10 scripts ahead on a series starting in July. Whether a series will be in trouble with a late start depends on how imaginative the producer is, how many writers he can get. The quality of shows will suffer because of the strike."

Screen Gems vp in charge of West Coast operations William Dozier: "July is the latest we could start."

Some series will begin reruns earlier than usual because of the strike—but not many, because a number have been interspersing first & 2nd runs. Several, such as *Maverick*, are 26-week deals. Consequently their reruns are following a normal seasonal pattern.

Reruns will begin earlier on *Father Knows Best*, which was short 5 scripts; *Dennis the Menace*, on which reruns will begin in mid-May instead of mid-June; *The Real McCoys*, 9 weeks earlier because 9 scripts short; *The Betty Hutton Show*, which begins reruns in April. Other decisions have still to be made.

N.Y. Trials Winding Up: Those 2 N.Y. TV film trials—the govt. anti-trust action for alleged block-booking practices against 6 feature distributors and a restraint-of-trade action against Screen Gems in the feature-film area—moved toward separate conclusions last week. But in both, the govt. was still as far as ever from having made its case (Vol. 16:14 p13&15).

On the block-booking legal front, the govt. wound up its case April 8, after spending most of the week submitting various types of documentary evidence (depositions, memos, recordings of conversations, etc.). This week (Monday) defense attorneys for the 6 film distributors are expected to make a motion for dismissal of the action. At orders of Federal District Court Judge Archie O. Dawson, court will be closed for the remainder of the week, because of Passover, Good Friday, and the fact that Judge Dawson has another case.

In the Screen Gems trial, the formal portion of the action was concluded last week. Federal District Court Judge William B. Herlands then set April 26 as the date for the filing of briefs & for summations from both sides. He is expected to render a decision soon thereafter.

NON-STRUCK TV FIRMS: Although Writers Guild of America has struck the Alliance of TV Film Producers, major-studio TV and network film, there is still a work-area for TV writers—the non-Alliance independents. WGA, mindful of possible confusion, has notified its members which companies are not being struck.

On this list are such companies as Brad-Jacey Productions, filming *Brothers Brannigan*. Cayuga Productions, *Twilight Zone*. Cypress Productions, *The Dennis O'Keefe Show*. Family Films, *This Is the Life* and *This Is the Answer*. Don Fedderson companies, *The Millionaire*. Goodson-Todman, *The Rebel*. Hennesey Productions, *Hennesey*. Hobart Productions, the Frank Sinatra specials. Hope Enterprises, the Bob Hope specials.

Also Sandy Howard Inc., *Police Station, Congressional Investigator*. Hutton Productions, *The Betty Hutton Show*. J&M Productions, *The Jack Benny Show*. Lewis-Sharpe companies, *Peter Gunn, Mr. Lucky*. The Mirisch Co., *Wichita Town*. One Step Beyond Productions, *One Step Beyond*. RonCom Productions, *Tate, Happy* and *The Perry Como Show*. Ross-Danzig Productions, *Danger Zone*. Schenck-Koch Enterprises, *Miami Undercover*. Teleworld Inc., *Hannibal Cobb*. Toreto Productions, *Loretta Young Show*.

Also these companies which will film or have filmed pilots: Walden Productions. John Payne's Window Productions. Davana Inc. Hampshire Associates Inc. Hollis Productions. Henry Jaffe Enterprises Inc. Le Mesa Productions. Jerry Lewis Enterprises Inc. Superman Inc. Westwood Productions Inc.

Tape's Strange Bedfellows: Network rivalries are blurred when it comes to custom-made tape commercials & shows, we've learned in a 3-network N.Y. checkup. Each network is developing a list of clients who come to the network for tape work, then use it on another network or in spot TV.

CBS leads the field in tape volume used elsewhere. By CBS-TV's estimate, "more than 50%" of its taped commercials, and even entire CBS-taped shows, are seen on the other 2 networks, in syndication, or transferred to film for spot campaigns. NBC-TV estimates that 43% of its current tape work is for non-NBC use, and ABC-TV puts its figure at "between 20 to 25%."

Backstage tape friendship creates TV paradoxes. CBS-TV actually handles physical production and video recording of *Dow Hour of Great Mysteries*, seen on NBC-TV and has produced Brown & Williamson commercials seen in ABC-TV's *Wednesday-Night Fights*, as well as spot-used tape commercials for accounts like Revlon, Liggett & Myers, Standard Oil, Colgate's Fab, Vick Chemical.

NBC-TV has done Allstate insurance commercials seen in CBS-TV's *Playhouse 90* specials and *Person to Person*, Chevrolet commercials seen in *Pat Boone's Chevy Showroom* on ABC-TV, and spot TV commercials for Cracker-jack, Joy, and American Motors.

ABC-TV is the most recent entry in this area, and doesn't keep accurate score (as yet) of where ABC-made tape commercials are used outside the network. However, we've learned that Mogen David wine commercials taped by ABC for *The Charley Weaver Show* have been purchased by the client for further TV use. And participation advertisers in daytime ABC-TV shows—such as Johnson & Johnson, Drackett Co., Beech-Nut, Simoniz and various General Foods accounts—are reported getting extra mileage from ABC-made tape commercials in other TV buys.

One reason for tape-fence-crossing is that many agencies develop a "favorite network" with which to do business, including commercials, network officials told us. Thus, much McCann-Erickson tape work is done at CBS-TV, Leo Burnett assignments at NBC-TV, and Young & Rubicam tape spots at ABC-TV, to name a few.

Enough features for 6-7 years are on hand in WCBS-TV N.Y.'s film library, vp & gen. mgr. Frank J. Shakespeare Jr. stated April 7 during a forum staged by the Academy of TV Arts & Sciences at ABC's N.Y. hq. "Feature films," he added," will be a basic portion of station programming for at least a decade."

NEW YORK ROUNDUP

MGM-TV has a new TV production head. He's Robert M. Weitman, who resigned April 7 as vp for independent production, CBS-TV, to become production vp for MGM's telefilm production. Weitman, now in N.Y., will shortly move to MGM's Culver City studios to take charge of production on such series as *The Islanders* (scheduled this fall by ABC-TV), *National Velvet* (which Rexall wants as a fall series) and *Asphalt Jungle* (still a potential network series for fall). The move gives MGM-TV two vps; the other, George Shupert, vp for TV (primarily a sales job), will continue to make his hq in N.Y. Shupert and Weitman are old friends. In the mid-1950s, Weitman was ABC-TV vp for network programming & talent, and Shupert is the former head of ABC Films.

Add syndication sales: WPIX N.Y.'s, station-produced 60-min. documentary "The Secret Life of Adolf Hitler" has been sold in syndication to 8 additional stations, bringing total U.S. station sales in 4 weeks to 28, reported vp & gen. mgr. Fred Thrower. The show's 49.7 Arbitron rating, highest ever achieved by a N.Y. documentary telecast, made recent rating history for the independent outlet . . . ITC's *Interpol Calling* (now also titled *World Crime Hunt* to avoid confusion with *Man from Interpol* on NBC-TV) has been sold in 83 markets in the first 10 weeks of selling. This is a gross sales level of $1,250,000, stated vp for syndication Alvin E. Unger.

CBS Films has sold first-year production (36 episodes) of *Twilight Zone* to the Australian Bcstg. Commission for telecasting, starting in Aug., on ABC's 6-station network . . . Ziv-UA reported sales of 3 syndicated series at the NAB convention: *Home Run Derby*, newest Ziv-UA release, is now scheduled for 112 markets in 49 states. *Tales of the Vikings*, UA's original syndicated series launched last year, signed 9 new markets to reach a new station total of 124. Reruns of *Highway Patrol*, sold through Economee TV, are now scheduled on 132 U.S. outlets.

David Susskind & Desi Arnaz have been named producers, in N.Y. and Hollywood respectively, of the 12th annual Emmy Awards telecast . . . Worthington (Tony) Miner has been appointed exec. producer of NTA's *The Play of the Week* Production Co. replacing David Susskind. The NTA offshoot will handle development & production of TV tape series. Miner produced *Studio One*, *Medic* and *Frontier* . . .Alwin D. L. Zecha has been appointed Asian sales mgr. of Screen Gems, working through local offices of parent Columbia Pictures International.

Film syndicators in N.Y., hq for most international sales operations, are generally delighted that Japan's Finance Ministry is planning to boost the $300 ceiling now existing on U.S.-made, 30-min. telefilm shows, even though the new ceiling may not top $600-$700. "It's ridiculous to think that Japan, with a thriving TV industry & several million sets, can only afford $300 per film episode," an ITC sales executive told us recently, adding that "the U.S. syndication market is becoming a 'tough sell,' and an overseas improvement is welcome." Japan, according to our forthcoming Spring-Summer TELEVISION FACTBOOK No. 30, now has 4,288,000 TV sets.

Telenews scored 8 new station sales last week of news & sports shows, including the daily newsfilm service *Weekly News Review* and *This Week in Sports*, reported gen. mgr. Robert H. Reid.

HOLLYWOOD ROUNDUP

Desilu's *Guestward Ho* series, starring Joanne Dru & J. Carroll Naish, is set for next season. ABC-TV sold half of it to Ralston-Purina, and will slot it at 7:30 p.m. Thurs. It's a comedy series. Desilu's *Harrigan and Son*, starring Pat O'Brien, has been sold by ABC to Reynolds Metals, and will replace *Man From Blackhawk*, the Screen Gems series. Desilu is also in negotiations for sale of a 60-min. series based on its "Six Guns for Donegan" segment of *Westinghouse Desilu Playhouse*. It has postponed until 1961 plans to sell its 60-min. series, *Crime Commission*, formerly called *The 10 Most Wanted Men*.

Revue Studios is planning to pilot *Detroit Police*, a crime series to be done in documentary style. Producer-dir. Richard Irving is now casting the pilot, which will probably go into production in Detroit in early May. The Detroit police will cooperate in filming of the series. The show will be aimed at the syndication market. Another Revue syndication pilot, *Texas State Trooper*, goes into production in Texas in June, with Irving producer-dir.

Screen Gems' *The Donna Reed Show* has finished production for this season. Producer Tony Owen and his wife, Miss Reed, plan to go to Europe in mid-April where a minimum of 4 segments will be produced for next season . . . Format Films will produce 100 *Popeye* shorts in color in association with King Features syndicate.

Sharpe-Lewis Productions has filmed a comedy pilot, *Three Wishes*, starring Diane Jergens, Gustavo Rojo and Wallace Ford. NBC-TV is partnered in the series. Bob Welch produced the pilot at Desilu Gower studios.

Goodson-Todman and Fen-Ker-Ada Productions have filmed a pilot, *The Earl of Durango*, which will be shown as a segment of its just-renewed *The Rebel* series. Production on next season's *Rebel*, which stars Nick Adams, is to begin May 1.

Musicians Guild of America has notified NLRB that it has withdrawn petitions for elections at a number of TV & movie companies, including Sherry TV Productions and the Mirisch Companies. Sherry is a subsidiary of MCA, as is Revue Studios, and AFM has jurisdiction at Revue.

Screen Gems has lined up a co-production deal with Walter Colmes of Chicago for a new series, *Championship Auto Races* . . . Desilu Productions has finished seasonal filming of its NTA series, *U.S. Marshal*, starring John Bromfield.

March movie attendance fell below the like 1959 period by 15%, according to Sindlinger & Co., which blamed drop on bad weather over most of the country. This is the first corresponding-month comparison drop since Feb., 1959.

Oscar telecast drew high ratings April 4, according to American Research Bureau Arbitron measurements, despite the late hour. In N.Y., the audience share level was a whooping 61.9; multi-city (7 markets) Arbitron was 51.0.

Jaguar Productions, owned by Alan Ladd, has signed Tom McAdoo as exec. producer of a new series, *Wanted—Next of Kin.*

Walden Productions' *Secret Life of James Thurber*, starring Arthur O'Connell, has been sold for half sponsorship to Alberto-Culver. A time slot for next season is now being set.

Advertising

WHEN THE VIEWERS WATCH: More people are watching sets between 9-9:30 p.m. than in any other half-hour time period on the average weekday night. At that time more than 6 of every 10 U.S. TV homes (60.4%) have one or more TV sets going in the house. The story is virtually the same on Sat. night, with the same time period producing a peak of 60.3%. But on Sun. night, the peak shifts earlier, hitting a level of 60.3% from 8:30-9 p.m. Daytime TV shows 2 daily peaks. During the 10 a.m.-5 p.m. stretch, set usage builds from the 10-10:30 a.m. low of 13.5% to a luncheon 22.9% (12:30-1 p.m.); drops back in mid-afternoon; then re-builds to a 24.6% high from 4:30-5 p.m.

These are the highlights of a new study shown to agencymen & clients last week by NBC-TV whose research dept. prepared it from Nielsen data for 1959. The detailed findings are summarized in these tables:

EVENING SETS-IN-USE*
MONDAY-FRIDAY 1959

Time Period	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.	Year's Average
7-7:30 P.M.	57.7	38.8	31.2	51.4	44.8
7:30-8 P.M.	64.3	46.1	35.9	57.4	50.9
8-8:30 P.M.	67.7	51.9	41.4	61.1	55.5
8:30-9 P.M.	70.1	57.4	46.6	63.3	59.4
9-9:30 P.M.	69.3	59.6	49.4	63.3	60.4
9:30-10 P.M.	66.3	59.2	49.6	61.2	59.1
10-10:30 P.M.	59.6	54.7	47.1	54.9	54.1
10:30-11 P.M.	49.7	46.3	41.6	45.6	45.8
7:30-11 P.M. Avg.	63.9	53.6	44.5	58.1	55.0

In daytime viewing, the Jan.-Mar. quarter, viewing hits 26.7% from 12:30-1 p.m. and rises again to 29.9 from 4:30-5 p.m.—almost as high as the early-evening level during the summer months:

DAYTIME SETS-IN-USE†
MONDAY-FRIDAY 10-5 P.M., 1959

Time Period	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.	Year's Average
10-10:30 A.M.	15.7	12.6	13.2	12.6	13.5
10:30-11 A.M.	18.4	14.6	15.2	14.3	15.6
11-11:30 A.M.	22.4	17.6	18.8	17.2	19.0
11:30-12 Noon	24.2	18.7	19.7	18.9	20.4
12-12:30 P.M.	26.3	20.6	20.4	20.8	22.0
12:30-1 P.M.	26.7	21.5	21.3	22.1	22.9
1-1:30 P.M.		(Not Available)			
1:30-2 P.M.		(Not Available)			
2-2:30 P.M.	20.9	16.5	18.8	19.6	19.0
2:30-3 P.M.	21.6	16.5	18.3	18.8	18.8
3-3:30 P.M.	21.4	16.7	17.7	18.5	18.6
3:30-4 P.M.	23.0	17.9	18.1	19.6	19.7
4-4:30 P.M.	27.1	19.8	19.5	20.7	21.8
4:30-5 P.M.	29.9	22.0	22.2	24.3	24.6

Findings for weekend evenings are printed below:

EVENING SETS-IN-USE*
SATURDAY 1959

Time Period	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.	Year's Average
7-7:30 P.M.	58.5	39.6	30.6	51.3	45.0
7:30-8 P.M.	67.7	50.0	36.4	59.8	53.5
8-8:30 P.M.	69.7	54.4	39.6	62.5	56.6
8:30-9 P.M.	70.4	57.2	44.2	63.1	58.7
9-9:30 P.M.	70.4	58.8	48.3	63.8	60.3
9:30-10 P.M.	69.3	60.4	51.2	63.7	61.2
10-10:30 P.M.	65.2	58.5	50.5	61.1	58.8
10:30-11 P.M.	55.9	49.5	45.1	51.6	50.5
7:30-11 Avg.	66.9	55.5	45.0	60.8	57.1

EVENING SETS-IN-USE*
SUNDAY 1959

Time Period	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.	Year's Average
7-7:30 P.M.	61.2	41.4	33.3	57.6	48.4
7:30-8 P.M.	67.3	48.2	38.0	63.1	54.2
8-8:30 P.M.	69.7	53.9	43.8	65.3	58.2
8:30-9 P.M.	70.7	56.9	47.7	65.9	60.3
9-9:30 P.M.	68.8	57.5	48.4	64.9	59.9
9:30-10 P.M.	64.6	55.2	48.0	62.0	57.5
10-10:30 P.M.	58.7	51.3	46.6	56.9	53.4
10:30-11 P.M.	50.1	45.1	42.5	47.4	46.3
7:30-11 P.M.	64.3	52.6	45.0	60.8	55.7

* Eastern & Central Time Zones: New York Time. Pacific Time Zone: local time. † Eastern & Central Time Zones: New York Time. Pacific Time one: 9 A.M.-3 P.M., local time.

Nielsen Goes North; TAR Bows: Moves by 2 audience-measurement firms, one old, the other new, made research news last week:

A. C. Nielsen is expanding its Canadian operations to provide coverage by the Nielsen Broadcast Index (as it's known in Canada) in 15 major markets covering 80% of Canadian TV homes. The same markets will "subsequently serve as the nucleus for national TV reports, a logical development from the 15-market measurement," said vp & bcst. div. mgr. George W. Ralph of A. C. Nielsen Co. of Canada Ltd. Montreal, Toronto, Vancouver and Winnipeg will be reported in Nielsen measurements this summer, and all markets will be actively measured by fall.

TV Audience Research (TAR), newest TV research firm in the field, has been officially launched. An offshoot of NTA Telestudios Ltd. (an NTA subsidiary which makes tape commercials), TAR was described by Telestudios Pres. George K. Gould as "a revolutionary in-home evaluation service developed to test the effectiveness of TV commercials & programming." Research for TAR will be conducted by Blankenship, Gruneau & Ostberg Inc., an independent qualitative research organization.

TAR's method: Test material will be included in the context of regular programming on WNTA-TV N.Y. Prior to a telecast, 200 households in the N.Y. area will be selected at random, contacted by phone, and alerted to watch a time segment that includes the test program. A small premium (as in many measurement processes, including Nielsen's) will be offered for cooperation.

Following a TAR telecast, viewers will be personally interviewed. Measurements will then include the degree to which the commercial creates "a memorable impression," the extent to which viewers are likely to buy the TV-sold item, a measurement of acceptance of ad claims, and an analysis of commercial recall.

TvB VIEWS 1959 ACTIVITY: A trio of new studies were issued by TvB last week charting activity by new-to-TV advertisers, TV spending by the auto industry, and the use of TV by insurance companies.

New network advertisers: TV is not a medium restricted only to giant-budget advertisers. Of the 59 advertisers which used network TV for the first time last year, 51 spent less than $200,000 apiece. The parade of new TV money was led by some major firms, of course. Drug Research Corp. spent $2.4 million, Massey-Ferguson $1.7 million, and Equitable Life Assurance Society $1.3 million. But the list also included such firms as F&F Labs. (cough remedies) with $7,126 and South Penn Oil Co. with $6,893.

Auto TV spending: TV expenditures by motor makers rose to new highs during 1959. Gross expenditures for network, and for national & regional spot TV, totaled $48.9 million—up 6.2% over 1958. Notable also was the increasing use of TV to sell imported autos, with the 1959 spending of Renault Inc. ($2,025,673 for network & spot) setting the pace. Heaviest auto advertiser (all divs.) was General Motors, with more than $17 million, followed closely by Ford Motor Co. with more than $16 million.

Insurance TV spending: Insurance companies showed a 44% increase in use of TV last year. The largest spender was Prudential Life Insurance Co. with a 1959 TV budget of $3.7 million (primarily for CBS-TV's *20th Century* series). Runner-up was Allstate Insurance Co., with $1.9 million, mostly for participations in *Playhouse 90*. Allstate, incidentally, may make a bid for top position in 1960, sponsoring *Person to Person & The Texans*.

Stations

Automated FM 'Network': A good-music service for FM stations, to provide 18 hours of programming daily for playing on automated equipment, is being spearheaded by veteran broadcaster Rogan Jones, pres. of radio KVOS Bellingham, Wash. He is also forming his own chain of 7 FM outlets on the West Coast.

Jones is offering his automated good-music programming to FM stations coast to coast—along with automation equipment to play the tapes and automatically key local commercials & announcements. Subscriber stations of his International Good Music Inc. (IGM) will receive 18 hours of good-music programming daily, recorded on tape for playing automatically, with special equipment to key local commercials, station breaks, etc. The system is designed for operation of the entire station with only a single full-time employe, Jones told us last week at NAB convention.

Musical dir. of IGM is famed musician Alfred Wallenstein, who will supervise the selection of records in N.Y. to be re-recorded on automatic tapes in Bellingham for distribution to subscriber stations. The complete station automation package, including Ampex reproduction equipment, costs $7,272—although stations may use other automation gear, if they wish. Rates for the program service vary from about $500 to $4,500 a month, depending on market. IGM will sell no time, provide no commercials, but provision is made for insertion of up to 6 commercials an hour. Jones estimates it will take a local station less than 30 minutes to record an entire day's commercials, station breaks & public-service announcements.

Jones will use the service for his 7-station chain, to be called the Heritage Group. His stations will accept no local commercials, being sold as a group only. His KGMI Bellingham is now on the air, KGMG Portland is ready to start broadcasting, his Seattle station will go on the air in a few weeks. In addition, Jones' group has applications with the FCC to take over CPs for KFMU Los Angeles & KFMW San Bernadino. It is in an FCC hearing for a San Diego station; is negotiating for an FM in San Francisco.

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Petry Public-Service Survey: Stations represented by Edward Petry & Co. in 55 major markets contributed a whopping $22,613,505 in public-service time & talent last year. This fact came to light in the survey released by the rep firm at the NAB convention. Said Pres. Edward E. Voynow: "We undertook [the survey] because we felt that too little recognition has been accorded to the manifold public-service endeavors of the broadcast industry."

Heading the list getting public-service support are various civic groups, which received more than $2.9 million in airtime. Runner-up was religion, with $2.7 million in announcements & programs, followed by Advertising Council projects with $2.5 million. Heavy support was also given to education, health & medicine, and community fund projects. The survey also showed that Petry-repped stations contributed "more than 1,000 announcements a day and broadcast and/or telecast 45,994 public-service programs last year." The TV public-service total was nearly $17.1 million, and radio's contribution was more than $5.5 million. (The dollar differential, said Petry, "closely reflects the difference in time costs between the 2 media.")

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Commercial Ch. 8, Waycross, Ga., granted to the Georgia State Board of Education (WEGS-TV), would be marked "reserved for education" under proposed FCC rule-making.

Congress

Celler Lauds N.Y. Stations: Unexpected compliments for broadcasters' public-service work came last week from one of the severest Congressional critics of TV & radio practices—House Judiciary Committee Chmn. Celler (D-N.Y.). Himself the author of 2 new bills banning payola and authorizing FCC to discipline offending stations (Vol. 16:14 p10), Celler took to the House floor to present a long statement urging Congress to take "a balanced view of the entire situation" in broadcasting.

In his own efforts to keep his views balanced, Celler said, he asked 2 N.Y. TV stations—WRCA-TV & WOR-TV—and 7 radio stations (WQXR, WMCA, WCBS, WNEW, WABC, WRCA and WOR) to tell him what kind of public-service programming they did in 1959. He specified 3 "areas of inquiry"—time given to civil defense, non-commercial spots for charities, community-service programming. Results of the survey of the 9 stations indicated the "sheer magnitude" of what broacasters do freely, Celler said. He reported that their non-commercial spot announcements alone "aggregated over 90,000 minutes, valued at more than $6.5 million, and provided more than 110,000 announcements to over 2,400 organizations."

"The facts which the study of the N.Y. stations [has] brought to light indicate that radio & TV have been utilized as an important instrument for the public good," Celler told the House. "These facts, I believe, deserve to take their place alongside some of the less creditable facts which have been developed in recent disclosures."

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Ethics-in-govt. hearings by the House Commerce Committee (Vol. 16:14 p10) droned through another week, producing little sharp testimony—and no banner headlines—on whether FCC & other agencies need more protection from ex-parte influences. Last week was lawyers' week on the stand. Biggest pitch for stiffer controls of backdoor contacts was made by American Bar Assn. witnesses Donald C. Beelar & Bryce Rea Jr., who argued for enactment of provisions of ABA's bill (HR-6774) barring ex-parte pressures. They said the agencies "have not been able to deal with the problem up to now." Other witnesses included Navy gen. counsel F. Trowbridge vom Baur, who appeared as an individual lawyer. He said that if Congress approves the ABA bill or another ethics measure (HR-4800) introduced by Committee Chmn. Harris (D-Ark.), the legislation should make it plain that members of Congress come under its ex-parte bans, too.

Anti-payola & quiz fraud bill (HR-11341) by House Commerce Committee Chmn. Harris (D-Ark.), introduced less than 3 weeks ago (Vol. 16:13 p3), will be given quickie hearings by his Communications & Power Subcommittee this week. Moving with unusual speed, Harris set April 12-13 for the hearings on the measure, which also would regulate pay-offs & swap-offs between license applicants and require public FCC hearings preliminary to licenses being granted. First scheduled witness is FCC Chmn. Ford, followed by CBS vp & gen. attorney Thomas K. Fisher—and probably other networks & NAB.

ABC-TV headliner Dick Clark's date with House payola investigators, first set tentatively for April 21 (Vol. 16:14 p10), was reset last week—again tentatively—for April 26. Chmn. Harris (D-Ark.) of the Commerce Legislative Oversight Subcommittee announced that order of appearance by Clark & other witnesses hadn't been fixed.

Television Digest

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Personals: Thomas F. O'Neil, RKO General pres., named to new post of vice chmn. of parent General Tires & Rubber; **Michael G. O'Neil** promoted from General Tire vp to pres., succeeding his father **William G. O'Neil** who remains chmn.; **John O'Neil** named finance committee chmn.; **L. A. McQueen** promoted from sales vp to exec. vp.

Tom Bostic promoted from vp & gen. mgr. to pres., Cascade Bcstg. Co. (KIMA-TV & KIMA Yakima, Wash.; KEPR-TV & KEPR Pasco, Wash.; KBAS-TV Ephrata, Wash.; KLEW-TV Lewiston, Ida.; and radio KWIQ Moses Lake, Wash.). **Jack Reber** promoted from asst. gen. mgr. to succeed Bostic. **A. W. Talbot** promoted from pres. to chmn. **Jim Nolan** promoted from TV program dir. to TV programs vp. **Bill Grogan** promoted from gen. TV sales mgr. to TV sales vp. **Joe Kendall** named radio vp. **Dick Glassaway** named KEPR-TV sales mgr.

Donald C. Kamin, ex-Katz Agency, named Storer Bcstg. Co. Midwest sales mgr., succeeding **George Lyons**, who is being transferred to Storer N.Y. office as head of national sales for Storer's WSPD-TV Toledo . . . **William V. Miller**, ex-WFLA-TV Tampa, named local sales mgr., WLOF-TV Orlando; **William T. Latham** named WLOF-TV regional & national sales mgr. . . . **Ernest Lee Jahnke**, NBC standards dir., elected to Society of TV Pioneers board.

John O. Downey, ex-KDKA-TV program mgr., named program dir., WCAU-TV Philadelphia, eff. May 1 . . . **James A. Gustafson** promoted to local sales mgr. of WTTG Washington, succeeding **Ernie Tannen**, resigned . . . **William N. Early**, ex-FTC trial attorney, joins Washington communications law firm of McKenna & Wilkinson . . . **C. W. (Jack) Jackson**, ex-KCMO-TV & KCMO Kansas City and 1954 National Assn. of TV & Radio Farm Directors pres., resigns May 1 as National Grange PR dir. to become exec. dir. of Agricultural Hall of Fame, Kansas City . . . **John Daly**, ABC news & public affairs vp, and his wife Margaret Neal Daly, were divorced last February, it was announced last week.

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Mary Jane Morris, secretary of the FCC, who resigned April 1, will go into private law practice in Washington & her hometown of Midland, Mich. She'll be associated with her brother John C., who is a member of the Mich. House of Representatives, in the firm of Bower & Morris.

The FCC

Two old cases terminated & denied by FCC recently: (1) Rule-making, started in 1950, intended to put a temporary limit on the number of hours of programming which a TV station could accept from one network. It was started during the freeze, when networks were jockeying for time on the few operating stations. It was designed to help ABC & Du Mont, primarily, and CBS to a lesser degree—because NBC held the dominant position (Vol. 6:40 p1). (2) FCC rule-making, started in 1955 at the request of a Miami uhf grantee, "to prohibit a TV station from broadcasting the programs of more than one network if another TV station in the same area is ready & willing to affiliate with & broadcast the programs of the second network." In denying the request, the Commission said that the uhf station "failed to indicate that the proposal was either necessary or appropriate and that the proposal was inconsistent with FCC rules designed to protect the freedom of stations affiliated with one network to broadcast programs of competing networks."

FCC's weathercasting-equal time decision involving KWTX-TV & KWTX Waco, Tex. (Vol. 16:12 p4) has been challenged in the 5th Circuit Court of Appeals. William H. Brigham, who is running for the Tex. House of Representatives against KWTX weathercaster Jack Woods, disputed FCC's interpretation of the amended Sec. 315 of the Communications Act. The Commission had concluded that Woods' broadcasts were "not political in nature" and that Brigham wasn't entitled to the same amount of broadcast time. Under expedited procedure because the primary is May 7, FCC's briefs are due April 15. As of now, no oral argument is scheduled, and the decision will be made on the basis of briefs.

Allocations petitions: By Penn Traffic Co., Johnstown, Pa. dept. store, to add either Ch. 3 or Ch. 8 there; by John R. Powley & Frank J. Hedrick of Austin, Tex., to switch city's educational assignment from Ch. 70 to Ch. 24, delete Ch. 70 and add Ch. 67.

Station CPs granted: Ch. 13, Hilo, Hawaii, to Kaiser Hawaiian Village TV; Ch. 19, educational, Kansas City, Mo., to school dist. of Kansas City; Educational Ch. 2, Vermillion, S.D., to State U. of S.D.; Ch. 76 translator, Libby, Mont., to Libby Video Club. CP for Ch. 9, Eugene, Ore. for Liberty TV Inc. was voted by FCC recently as it instructed the staff to write a decision favoring Liberty over KEED Inc., affirming the initial decision (Vol. 15:40 p5).

More FCC scrutiny: Radio KZUN Opportunity, Wash., had its March 16 license renewal set aside and was asked to supply "additional information concerning overall programming and policy with respect to spot announcements."

Ch. 13, Fargo, N.D., reserved for educators, has been dropped in by FCC in a final rule-making decision. At the same time, the Commission denied the petition of KFJZ-TV (Ch. 11) Ft. Worth which requested that Ch. 2 be switched from Denton to Ft. Worth, Ch. 11 to Denton.

Educators have Ch. 9 open for them in Evansville, Ind., now that FCC has ended the rule-making shifting it from Hatfield, Ind. The Commission dismissed the applications for the channel in Hatfield filed by radio WVJS & WOMI.

In TV allocations rule-making, the FCC: (1) Denied a proposal to add Ch. 13 to Mt. Vernon, Ill. (2) Proposed to add Ch. 32 to Louisville, Ch. 37 to Syracuse.

Trade Report . . . .

17- & 21-IN. TVs DIE HARD: Future of 17-in- & 21-in. TV may be bleak & short, but consensus of 10 industry leaders we interviewed last week is that 17s & 21s will lose sales ground slowly to newer 19s & 23s and remain sales factors for at leas another year or two. There's no evidence of mass abandonment.

Among majors, only Sylvania is completely out of 17 & 21 picture. Admiral has dropped 17 but is still going with 21. Conversely, Motorola & RCA gave oldies new life just last month (Vol. 16:13 p21) when former announced 6 new 21s and latter added four 17s. Most TV makers, we found, plan to include both 17s & 21s in upcoming lines, but primarily as price leaders.

"Death knell of 17s & 21s has been sounded," is way Westinghouse's forthright TV-radio div. mktg. mgr. Charles J. Urban sums situation. "In another year or possibly 2, they'll give way completely to 19s & 23s." As long as demand holds, Westinghouse will continue with 17s & 21s, at least into 1961 line.

Zenith also is staying with them, Sales Corp. Pres. Leonard Truesdell told us, but their place will be in "low-end tables & consoles." This price-leader role was echoed by GE's Herbert Riegelman: "As long as there's a difference in tube costs, 17 & 21 sets will have their definite place as price leaders. The 19s & 23s will serve as step-ups." Incidentally, Hoffman consumer products div. vp-gen. mgr Ray Cox told us we erred in earlier statement that Hoffman was planning to drop 17s & 21s (Vol. 16:13 p21). Motorola, of course, has made its position clear by recent introduction of new 17s & 21s. "We believe that there will be a strong demand for 17- & 21-in. sets for some time," we were told.

New-size TVs are making good sales progress, however, and could speed end of 17s & 21s. Philco told us "demand for 23-in. models has sold us out." Some 6 weeks ago, company laid off several hundred workers. Now it's rehiring, has added more than 100 to step up production of 23-in. TVs. Admiral told us its 19-in. business is "terrific," that 23-in. demand is "hot." March portable-TV distributor sales were 57% ahead of a year ago, and Admiral Sales Corp. Pres. Carl E. Lantz says most of the increase is attributable to "excellent acceptance" of the 19s. RCA, we understand, is cutting a real sales swath with its 23s, and all 19 & 23 makers we spoke with reported sets moving well.

Sylvania, Magnavox and Trav-Ler announced new-size TVs last week. Sylvania introduced industry's first TVs using 19-in. bonded tube—3 portables with suggested $199.95 lists. Each can be converted to consolette by adding matching legs. Magnavox is bringing out three 19-in. table models, ranging from $199.90 to $239.90, and three 23-in. models—a $249.90 consolette, $339.50 console, $575 stereo theatre. Magnavox is using non-bonded 19s & 23s. Trav-Ler is placing on the market a 19-in. non-bonded portable listing at $199.95.

JAPAN-TO-U.S. IMPORTS TRIPLE: Japanese electronics exports to U.S. increased more than threefold from 1958 to 1959, totaling $75.6 million last year. The biggest item by far was radio—accounting for $62.4 million.

These figures have just been compiled by the electronics div. of Commerce Dept.'s Business & Defense Services Administration from preliminary Japanese customs data. They show that radio receiver exports to the U.S. jumped from 2.5 million in 1958 to more than 6 million sets in 1959. Average export price of radios in 1959 was $10.33 per unit.

Nearly 4 million of the radios exported to the U.S. last year contained 3 or more transistors—slightly more than the number of transistor portable radios produced by U.S. radio makers last year, according to EIA figures (which include imports as well as domestic output under American radio-manufacturer labels). This indicates that Japanese exports of transistor portables handily outstripped U.S. production last year.

Electron tube & transistor exports to U.S. also showed big increases—tubes going from 1.2 million

units at $314,000 in 1958 to 7.9 million at $2.1 million. Transistors rose from virtually nil (11,000 units at $7,000) to 2.4 million at $1.6 million during the period.

Electronics exports constitute Japan's 2nd biggest dollar-earner, Commerce Dept. points out. No. 1 export to U.S. was clothing, valued at $111.7 million; followed by electronics at $75.6 million, and iron & steel at $74.4 million. Last year Japan exported $135.3 million in electronic products to all countries—of which Japan's best customer, the U.S., accounted for 56%.

In tabular form, here's the data on Japanese electronics exports to the U.S. for the last 4 years(1959 figures are preliminary):

(add 000)

	1956		1957		1958		1959	
Product	units	value	units	value	units	value	units	value
Total radio receivers	368	$2,646	641	$5,294	2,507	$17,904	6,052	$62,373
tube type	*	*	*	*	*	*	457	2,552
3 or more transistors	*	*	*	*	*	*	3,990	57,272
other	*	*	*	*	*	*	1,605	2,549
Radio-phonographs	—	—	1	7	2	59	21	547
Recorders & reproducers	†	5	1	109	8	449	41	1,617
Amplifiers	**	**	**	**	**	**	34	460
Microphones	33	73	137	276	80	177	161	321
Loudspeakers	40	75	113	293	129	420	455	1,155
Capacitors	281	26	1,974	169	6,166	288	8,925	533
Earphones	**	**	**	**	**	**	2,741	619
Electron tubes	3	7	14	8	1,238	314	7,911	2,088
Transistors	†	4	1	1	11	7	2,393	1,581
Other semiconductors	**	**	**	**	**	**	597	92
Phono parts, accessories		165		646		757		824
Other electronic products		298		779		1,400		3,432
TOTAL		$3,299		$7,582		$21,775		$75,642

* Not shown separately. ** Not reported separately; value included in "other electronic products."
† Less than 500 units. Conversion rate—360 yen = $1.00

TV-RADIO PRODUCTION: EIA statistics for week ended April 1 (13th week of 1960):

	Mar. 25-Apr. 1	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	121,039	104,233	111,563	1,572,685	1,390,550
Total radio	300,559	343,023	263,316	4,460,752	3,597,676
auto radio	103,680	126,041	104,090	1,862,963	1,363,822

To combat consumer confusion about tape cartridges (Vol. 16:13 p18), Magnetic Recording Industry Assn.'s board has recommended that its member manufacturers stamp on recorders & tape packages assurance to the customer that they "will continue to honor your requirements for 7½-in.-per-sec. on open reel as long as a market exists." The board also urged "caution in speaking of laboratory accomplishments before they are fully evaluated."

International standard recommendation for commercial stereo records has been published by International Electrotechnical Commission. It is IEC publication 98-1, a supplement to publication 98. Both are available from American Standards Assn., Dept. PR 135, 10 E. 40 St., N.Y.C. 16. Publication 98 is $4; publication 98-1 is $1.60.

TV bulb & electronics business of Owens-Illinois and its subsidiary Kimble Glass Co. are "having trouble keeping up with demand," Chmn. J. P. Levis said last week in a speech to the N.Y. Society of Security Analysts.

Ambitious color-TV promotion by pioneer colorcaster KMTV Omaha & RCA Victor distributor Sidles Co., scheduled for Palm Sunday, was slated to saturate the Omaha viewing area with 17 hours of continuous color programming, from the 8:30 a.m. sign-on to the 1:15 a.m. close. Tying in with the "Spring Into Color" promotion, some 120 RCA Victor TV dealers in Omaha & Lincoln, Neb., and Des Moines & Waterloo, Ia. were to open Sunday for color demonstrations. (WHO-TV Des Moines planned a 9-hour color schedule.)

Institute of High Fidelity Mfrs. Pres. Raymond V. Pepe has named 3 committees: Promotion committee, headed by Arthur Gasman, British Industries Corp., "to bring the component quality story to all America;" code of ethics committee, under Rudy Bozak, R. T. Bozak Mfg. Co., to establish a set of ethical standards for the component hi-fi industry; publicity & public relations committee, headed by Albert Forman, *Electronic Technician* magazine.

Electronic military gadgets have multiplied to such an extent that they may jam themselves out of action on a battlefield, according to Maj. Gen. Robert J. Wood of the Army's research & development office. Testifying at a closed session of a House appropriations subcommittee on an Army plan for a 2-year study of the problem, he said: "We know that if we go to war today, the Army Corps will have at least 20,000 electronic emitter devices in a square 60 miles on a side. This number does not include the devices of our sister services, the Air Force and the Navy, nor our allies. Nor does it include the contribution to the electronic environment caused by the enemy. In the presence of the electronic environment thus generated, we have no assurance that devices dependent on electromagnetic waves will operate properly." The "self-jamming" prospects, involving everything from handie-talkies to guided missile systems, are "of utmost importance to the national defense," said Gen. Wood. He urged Congressional approval of $8.7 million to finance the special study to find out what devices may go haywire under what conditions—and to find out how to reduce jamming.

Canadian TV sagged in Feb. as distributor sales to dealers descended to 28,564 TV sets—from 31,701 in Feb. 1959. Although the Feb.-1960 sales were an increase over the previous month's 24,817 volume, Jan.-Feb. cumulative sales trailed the year-ago total—53,381 TV sets vs. 63,442. The 2-month breakdown (corresponding 1959 figures in parentheses): portables, 7,681 (9,777); table models, 10,688 (20,363); consoles, 32,171 (30,083); combinations, 2,841 (3,219). For Feb. 1960 (vs. Feb. 1959): portables, 4,552 (5,482); table models, 5,692 (10,197); consoles, 17,028 (14,848); combinations, 1,292 (1,174).

C-E-I-R Inc., Arlington Va. commercial computer service, has bought Telecomputing Services Inc., Cal. subsidiary of Telecomputing Corp., for $940,000. C-E-I-R, largest independent commercial electronic computer service in the U.S., was incorporated in 1952 as the Council for Economic & Industry Research and changed its name in 1959. Telecomputing Services Inc. has a staff of 225 and had a $2,850,000 backlog at end of 1959.

Market research operates as "preventive medicine" in the development of effective marketing plans, RCA marketing research & development mgr. Wendell R. Smith told an EIA semiconductor marketing forum in N.Y. last week. As such, he said, the marketing research function is now beginning to take its proper place on the executive level of industry, as opposed to the "green-eyeshade factfinder" image that has prevailed in many companies. He predicted that this upgrading will continue during the 1960s, moving toward a more complete merger of market research & market planning.

Libel suit for $600,000 has been filed by Scope Inc., Fairfax, Va. electronics firm, against Melpar Inc., Fairfax, Va., which had accused Scope in a $500,000 damage action of misappropriating "proprietary data." The counter-action said Melpar had circulated "false & libelous matter" about Scope to suppliers, creditors, customers.

Retired military officers who take jobs with defense contractors within 2 years after they leave the services would be subject to court martial under amended "influence peddling" legislation (HR-10959) passed by the House.

Stromberg-Carlson names D'Arcy Advertising as its agency for commercial products & electronics divs. (hi fi, auto radios, intercoms, air navigation & communications systems, etc.).

Trade Personals: Laurence I. Wood named GE gen. counsel, effective May 1, succeeding Ray H. Luebbe, retiring . . . Marshall K. Evans elected Westinghouse vp, continuing as dir. of management services . . . George J. Saliba, vp of Bogen-Presto div. of Siegler Corp., retired April 1; duties of govt. contract administrator have been assumed by Theodore Karlin . . . William F. Conway, ex-Minneapolis-Honeywell, named production engineering mgr., Stromberg-Carlson commercial products div.

Harald T. Friis, retired high frequency & electronics research dir. of Bell Labs, named consultant to Wheeler Labs, a Hazeltine subsidiary . . . William I. Orr, editor of *Radio Handbook*, named amateur service dept. mgr., Eitel-McCullough, succeeding John Reinartz, retired . . . Varian patent dir. Paul B. Hunter, tube research & development mgr. Dr. Theodore Moreno, instrument div. field engineering mgr., Dr. Emery H. Rogers, named vps.

Walter O. Stanton, pres. of Pickering & Co., named vp of Institute of High Fidelity Mfrs., filing vacany created by elevation of Raymond V. Pepe to presidency . . . Dr. Clifford C. Furnas, U. of Buffalo chancellor and former asst. defense secy. for research & development, named chmn. of Army's Scientific Advisory Panel . . . Dr. Hector R. Skifter resigns as Pentagon's asst. dir. of defense research & engineering to return to Cutler-Hammer's Airborne Instruments Lab as pres.

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GPE's board is being reduced from 18 to 14 directors, effective at the April 26 annual meeting. Current directors not included among the 14 nominees for the new board are Daniel O. Hastings, who resigned last month; Earle G. Hines, who is retiring, and Joseph A. Zock & George T. Link, who are not seeking re-election.

New RCA line of magnetic tape for home sound-recording is being marketed by the electron tube div. through electronics & photographic outlets. The new line, named the Vibrant series, is available in 5-in. & 7-in. reel sizes, in lengths of 600, 900, 1,200 and 1,800 feet, according to distributor products mgr. H. F. Bersche.

Mail-order sales of pre-recorded tape cartridges have been initiated by RCA for the benefit of owners of cartridge-tape players who are unable to buy the cartridges from their dealers.

Packard Bell reported a 70% jump in distributor sales of its home products div. for the week ending Mar. 12, compared with the year-ago period. Vp Kenneth R. Johnson attributed the increase to the new stereophonic line.

New trade publication, *Industrial Electronics*, will be issued for the first time by Sutton Publishing Co., with an initial circulation guarantee of 20,000-25,000.

Bill to license TV technicians has been defeated by the Delaware House of Representatives.

Obituary

Frank Albin Hinners, radio & TV pioneer, died April 4 of cancer at the Nassau County Community Hospital, Rockville Centre, N.Y. President of the Hinners-Galanek Radio Corp. (Cavalier radios & phonos), Forest Hills, N.Y., since 1952, he had previously been engineering vp of Jewel Radio Corp. and of Air King Products Co., the TV-radio manufacturer which was later purchased by CBS. He was a founder of IRE in 1912 and a founder & first vp of De Forest Pioneers, an organization of former co-workers of Dr. Lee De Forest. Surviving are his wife, 2 daughters, a brother & 7 grandchildren.

Finance

Magnavox set new sales & earnings records in the last half of 1959 and kept right on going through the new year's first quarter. Pres. Frank Freimann reports that Jan.-Mar. 1960 sales were 22% ahead of the year-ago pace, earnings were even higher, and shipments of TVs, phonos and combos gained substantially. For March alone, he noted, "incoming orders for our TV sets were 100% greater than the orders we received in March 1959." March orders for phonos were up 80%. Freimann said Magnavox is shooting for 1960 sales of $150 million and earnings of $3 a share. It has changed its acounting period to a calendar year from a fiscal year ending June 30. In 1959 the company earned about $4.6 million (nearly $2) on sales of $107 million, compared with $2,433,000 ($1.06 adjusted) on sales of $78.5 million in 1958. In the table below, the 1958 figures are adjusted to reflect a 2-for-1 stock split in Nov. 1959, a 5% stock dividend in April 1959, and dividend payments on preferred stock then outstanding (all preferred shares were redeemed in Feb. 1959). For 6 months ended Dec. 31:

	1959	1958
Sales	$60,480,587	$45,113,798
Net income	3,539,902	2,221,940
Per common share	1.51	1.02
Common shares	2,351,602	975,523
For the quarter ended Dec. 31:		
Sales	$34,819,365	$27,741,814
Net income	2,295,989	1,500,055
Per common share	98¢	70¢

Wells-Gardner posted a 23% gain in earnings on a 22% sales rise in 1959. Pres. Robert S. Alexander made this statement to the 1,550 shareholders (up from 1,350 in 1958) in the annual report last week. The big private-label producer of TVs, radios, stereo-phonos and other electronic products derived more than 90% of its sales from civilian products, "in contrast to many companies in the electronics industry who are largely dependent upon defense business," Alexander pointed out. Wells-Gardner, he said, believes that "a preponderance of civilian business is a healthy condition, and we expect to maintain a favorable ratio of civilian to defense business." Alexander noted that a primary objective of the Chicago concern "is to continue to be the leading independent contract manufacturer of consumer-electronic products." Another major objective: "diversification into the industrial electronics field." This market, he added, "appears to be the most promising segment of the electronics industry for the future, and we can expect to observe its penetration into virtually all industries in the next decade." He said the company's program for "gaining entry into this segment of our industry [includes] studying the possibility of acquiring selected companies to provide proprietary products which can be distributed by Wells-Gardner." Alexander said that Wells-Gardner opened 1960 with a backlog totaling $6,265,000, vs. $4,369,000 a year ago, and forecast 1960-over-1959 sales & profit gains. For the 34th year ended Dec. 31:

	1959	1958
Sales	$24,259,901	$19,947,123
Earnings	747,728	608,515
Per common share	1.77	1.47
Common shares	421,800	414,300

A. C. Nielsen more than doubled profit in fiscal-1960's first half ended Feb. 29:

	1960	1959
Gross revenue	$15,007,038	$12,782,389
Net income	1,090,029	491,305
Per common share	1.91	86¢

Motorola's first-quarter sales & earnings topped the year-ago levels by "a little less than 10%," finance vp Edwin P. Vanderwicken told the Boston Society of Security Analysts last week. "So far 1960 is not living up to the earlier hopes of many people," he noted, "but Motorola is not too far away from our more conservative estimates. We have hopes that our TV business will exceed our good results last year, and already distributor sales to dealers of stereo hi-fi instruments & home radios are substantially ahead of 1959." Vanderwicken cautioned his audience "not to expect in 1960 anything like the 33% increase in Motorola sales that occurred in 1959." He foresees a 10% sales gain with "increased earnings," and will be "very much surprised" if Motorola does not become a $500-million company "sometime in the present decade." He said that Motorola will probably invest more than $10 million in additional plant facilities this year. The company is completing a new engineering & administration building in Franklin Park, Ill. for its "growing 2-way radio business & other industrial communcations products." Plans also are being drawn for a possible 200,000-sq.-ft. addition to Motorola's semiconductor facilities in Phoenix. The addition is needed, he added, "to realize a projected 5-fold increase in sales of transistors & other semiconductor devices in the next 2 years."

Hoffman Electronics had one of its best years in 1959, and the 1960 sales outlook is even more favorable, Pres. H. L. Hoffman confirmed in the annual report. Profit climbed 16% to a record $1,990,165 on a 17% sales rise to $46,359,832 (Vol. 16:11 p21). Principal contributors to the 1959 performance were the semiconductor div., which increased sales 60% & profits 44%, and the consumer products div., which tallied a 22% sales gain. The report notes that Hoffman "was the first in the industry to introduce the new 23-in. picture tube in 1959," that an expansion in distribution contributed to the overall increase in consumer sales, but that "sales of stereophonic high fidelity phonographs, on the whole, were disappointing." Other report items: Backlog of unfilled orders on Dec. 31, 1959 was at a record level, with military orders alone accounting for more than $65 million. A record $3,542,398 was spent for plants & equipment. Total cash dividends declared in 1959 amounted to $865,562.

Westinghouse sales are running 5-10% ahead of 1959's rate, Pres. Mark W. Cresap told the company's annual meeting last week, and first-quarter profits will be higher than the comparable 1959 period. "Westinghouse management," he said, "is dedicated to improving profit margins & return on assets, not modestly, but substantially—and to do this in the next 2 or 3 years." In reply to a stockholder question, he said Westinghouse spends about $39 million a year for advertising. As to its TV advertising plans, he said, *Desilu Playhouse* will be dropped and the company will specialize in political events "and other programs."

Webcor reported a decline in sales & earnings in the 6 months ended Dec. 31, 1959. Treas. Louis Garfinkle attributed the decrease to a drop in deliveries on govt. contracts, but noted that the dollar backlog on such contracts is about 20% higher than a year ago. He estimated that Webcor's phono div. sales were up some 3% over the July-Dec. 1958 performance. For the 6 months ended Dec. 31:

	1959	1958
Sales	$17,879,000	$18,239,000
Net earnings	302,000	372,000
Per common share	46¢	57¢

Republic Pictures celebrated rising earnings last week by putting its common stock on a regular dividend basis for the first time in the ex-film maker's 33-year history. The board voted a quarterly common dividend of 15¢ a share, payable May 16 to shareholders of record May 5. The dividend action followed the annual meeting during which Pres. Victor M. Carter reported that earnings had more than doubled in 1960's first fiscal quarter ended Jan. 31. "Our operating figures for Feb. & March," he added, "show that the 2nd quarter earnings will be the same or a little better than in the first quarter." Republic, which suspended picture-making several years ago, derives its revenues from distributing movies to TV, renting studios to movie producers, the production of plastics products and the processing of film. For the first fiscal quarter ended Jan. 31:

	1960	1959
Sales	$7,162,318	$6,450,683
Net earnings	488,084	202,850
Per com. share (after pfd.)	19¢	5¢
Common shares	2,004,100	2,004,190

WJR The Goodwill Station Inc. (WJRT Flint & radio WJR Detroit) reports 1959 sales of $3,966,000 up from $3,275,000. But net profit declined to 40¢ a share from 43¢, due to operating expenses of the new (Oct. 1958) TV station and lower radio revenues in the first quarter, the company said. For year ended Dec. 31:

	1959	1958
Operating revenues	$3,966,251	$3,275,315
Net income	256,098	271,984
Per common share	41¢	45¢
Common shares	632,143	600,614

Fairchild Camera & Instrument Corp., which is acquiring Allen B. Du Mont Labs (Vol. 16:14 p4), more than tripled profit to a record level on a strong sales increase in 1959, and Pres. John Carter forecast continued gains in both areas for 1960. In the table below, both the 1959 & 1958 per-share earnings are based on the 1,036,890 shares outstanding at the end of 1959. For the year ended Dec. 31:

	1959	1958
Sales & rentals	$43,443,000	$31,674,000
Net income	2,071,225	544,393
Per common share	2.00	53¢
Common shares	1,036,890	476,597

Avionics Investing Corp., 1000 16th St., Washington, incorporated in Oct. 1959 to supply equity capital & long-term loan funds to small firms specializing in avionics, has been licensed by the Small Business Administration. Operating in D.C., Md., Fla., Mass., and N.Y., it will begin operations with $305,000, of which $145,000 will come from SBA in exchange for subordinated debentures of the company. Andrew H. Bergeson, ex-vp of General Dynamics' Stromberg-Carlson div., is Avionics Investing pres. Pres. William F. Rust of Good Neighbor Stations (radios WKBR-FM Manchester, N.H.; WTSN Dover, N.H.; WKBK Keene, N.H.; WNOW York, Pa.; WAEB Allentown, Pa.) is exec. vp. Lawrence C. Moore, Washington attorney, is secy. One of 10 directors is Martin Codel, associate publisher of TELEVISION DIGEST.

NAFI Corp. stockholders last week approved the purchase for $40 million of boat-maker Chris-Craft Corp. (Vol. 16:12 p23) by the automotive-accessory & broadcast concern (KCOP Los Angeles, KPTV Portland, radio KXYZ Houston). NAFI will pay $11,990,000 in cash, the balance as a 6% note payable over 5 years.

Philco anticipates that first-quarter sales will rise moderately over the $95,558,000 level of Jan.-Mar. 1959, but earnings will be at about the same level of $1,495,000 (39¢ a share), Pres. James M. Skinner Jr. told stockholders last week. He forecast that Philco will "do more business & make more money" this year than in 1959. He noted that consumer products business has been below expectations in recent weeks, but is improving, and said "we are confident our consumer-products division will have a good year." He added: "Our components business is doing well, as is our transistor business, which doubled in 1959 and has a good chance to double again in 1960." Earlier in the week, a company official noted that Philco hopes to produce 40% of its 1960 sales volume from electronic items, up from about 34% (or $136 million) in 1959, and believes that computers will become an increasingly important source of earnings starting next year.

Skiatron TV & Electronics, in trouble with SEC for alleged stock registration misrepresentations (Vol. 16:14 p21), goes through another round with the market-policing agency in Washington this week. Counsel for SEC will submit proposed stipulations on Skiatron's business & financial dealings at a hearings April 13 in an effort to terminate the prolonged proceedings, which also involve Matty Fox & his Skiatron of America. If counsel for the pay-TV company agree to the stipulations, SEC will call no further witnesses and the hearings will be closed.

TelePrompTer earnings "have turned the corner [and] could be substantial" this year, Pres. Irving B. Kahn said last week. "This is guaranteed," he added, "1960 will be our best year in many ways." Final 1959 figures are expected to show gross revenue slightly ahead of 1958's $3,414,499 pace. However, unaudited earning figures would indicate a loss of $25,000-$75,000 as a result of acquisitions & start-up expenses. TelePrompTer reported 1958 earnings of $41,956 (12¢ a share).

Reeves Soundcraft Co. scored record sales in 1959 but turned in an operating loss of $336,110. The net loss was $136,625 after giving effect to a $135,000 tax credit and a special credit gain of $64,485 from a fire claim. Sales climbed 12% to $5,369,408 from $4,786,228 the preceding year. The 1958 profit was $105,829, after an income tax deduction of $100,000. Reeves common shares outstanding on Dec. 31, 1959 totaled 3,018,690.

Reports & comments available: Magnavox, comments, Walston & Co., 74 Wall St., N.Y. 5 . . . CBS, review, Fahnestock & Co., 65 Broadway, N.Y. 6 . . . Raytheon, discussion, Green, Ellis & Anderson, 61 Broadway, N.Y. 6 . . . United Artists, analysis, Francis I. du Pont & Co., One Wall St., N.Y. 5 . . . Crowell-Collier, analysis, Laird, Bissell & Meeds, 120 Broadway, N.Y. 5 . . . Wells-Gardner, report, Shearson, Hammill & Co., 14 Wall St., N.Y. 5 . . . National Standard Electronics, review. William Norton Co., 9 Maiden Lane, N.Y. . . . RCA, discussion, Josephthal & Co., 120 Broadway, N.Y. 5 . . . Britton Electronics Corp., offering circular, First Philadelphia Corp., 40 Exchange Place, N.Y. 5 . . . Transistor Specialties Inc., offering circular, Transistor Specialties Inc., Terminal Drive, Plainview, N.Y. . . . "The Golden Age of Electronics," profile in April 6 *Financial World*.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
A. C. Nielsen Co.	Q	$0.25	May 2	Apr. 11
EMI (U. S. share)	—	.04	Apr. 20	Apr. 12
Republic Pictures	Q	.15	May 16	May 5

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

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FCC

STRONG PROSPECTS FOR FCC UHF project emerge as House Appropriations Committee approves $2 million for N.Y. 2½-year 2 transmitter test (p. 2).

Auxiliary Services

TELEMETER SPORTS LAG in Toronto test because of free-TV competition, but movies have been "successful," according to report on first 6 weeks (p. 5).

Film & Tape

NETS' WGA PEACE BID: Major break in 13-week-old WGA telefilm strike seen as networks agree on live TV-radio terms, send first-team negotiators to West Coast to discuss film demands; Alliance, WGA still deadlocked (p. 7).

WHY PILOTS CRASH-LAND is a source of real concern to telefilm producers. Several top agencymen explain why many pilots fail, few succeed, in an exclusive Television Digest report (p. 20).

Foreign

WORLD TV COUNT soars to 91 million sets, as foreign set circulation increases 46% in year. Foreign TV stations total 1,220, as shown in new Television Factbook (pp. 3 & 13).

Manufacturing & Distribution

TV REMOTE CONTROL market is uncharted, but it probably amounts to 10% of TV set sales. Growth estimates are varied; high price seen limiting factor (p. 15).

RETAIL SALES HIGH for first 2 months of 1960, as TV sets sell at 6.5-million-a-year pace. Phono sales up 35%, home radios 20%, car radios 45% (pp. 16 & 17).

JAPAN'S SHRINKING HOME MARKET has set makers looking overseas; less than 20% of Nippon's 18 million households have TVs, but production is outrunning demand (p. 17).

Advertising

NO FTC LET-UP, KINTNER WARNS broadcasters & advertisers in Academy of TV Arts & Sciences speech. Anti-deception-&-payola drive just started, he says (p. 10).

MORE CREATIVITY, LESS 'ERSATZ' will be the challenge tossed to admen in an open letter this week from the head of Robert Lawrence Productions, a leading commercial-maker (p. 10).

FILTER-TIPS, BEERS, TOYS all increased 1959 TV spending . . . and sales, reports TvB in a trio of new industry-category studies released last week (p. 9).

Other Departments

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TV & RADIO BILLS BATTERED: Perplexing problems of legislating good vs. evil in broadcasting—especially when it comes to drawing firm lines of law on such questions as when payola isn't payola—were seldom better illustrated than in House Commerce Communications Subcommittee hearings last week.

Nothing was settled in 2 days of legislative inquiry into provisions of 7 broadcasting measures—including catch-all HR-11341—which Chmn. Harris (D-Ark.) had written himself and hopefully tagged for swift hearing run-through. (For details of the hearing, see p. 4.)

More questions were raised than answered by FCC & industry witnesses who took turns analyzing & objecting to proposals covering everything from TV quiz fixes to less-than-revocation discipline for wayward station license-holders. And Subcommittee colleagues did nothing to encourage Harris to think he could count on fast action on any TV & radio reforms. They posed nettlesome questions of their own. Do members of Congress commit payola sins when they send stations newsclips whose source isn't disclosed on air? Can license "pay-off" & "swap-off" conspiracies be defined legally?—and so on.

"It is one thing to uncover specific instances of wrongdoing," Harris himself said at outset of hearings. "It is quite another thing to write legislation which seeks to draw a clear line between conduct which should be outlawed & conduct which should be required in the public interest."

Harris statement stood unedited & underscored at end of hearings. Congressional session isn't over yet, and something could happen before Congress adjourns for July political conventions. But as of last week it looked as if Harris would go through another session without pushing through any legislation.

STRONG PROSPECTS FOR FCC UHF PROJECT: FCC Chmn. Lee's colleagues thought they were merely humoring him when they went along with his proposal that Commission seek $2,250,000 for a big 2½-year N.Y. City uhf research program (Vol. 16:10 p10).

But he surprised them and virtually everyone else because House Appropriations Committee last week recommended $2 million for project, and chances of final full Congressional approval are very strong.

Bill (HR-11776) goes on House floor April 19. If approved there, it should have easy sailing through Senate, because Sen. Magnuson (D-Wash.), chmn. of Commerce Committee who has long urged FCC to do more of its own research and rely less on industry, is also chairman of Appropriations Subcommittee with jurisdiction over FCC.

Magnuson & majority of his committee, including Communications Subcommittee Chmn. Pastore (D-R.I.), have been pro-uhf at times and are eager to determine uhf's big-city capabilities once & for all. They're particularly eager because TASO stated frankly that it didn't do complete research job on uhf after manufacturers said they feared collaboration would invite anti-trust charges.

Lee's success wasn't complete surprise. House committee is his old stamping ground, where he was top staff member before appointment to FCC. Delighted with news, he said:

"Results of the project should put to rest for all time the speculation about whether uhf will work in large metropolitan areas. If the appropriation is approved, our responsibility will be to do the job well."

William C. Boese, chief of FCC technical research div. and organizer of project, looks forward eagerly to start. "We're not trying to sell uhf," he said. "We're trying to make a thoroughly objective study of whether uhf can provide satisfactory service." He said he hopes for cooperation from all interested groups.

Project would be unique for FCC—first major research job in its history. Its technical div. & labs conduct research continuously, but only at about a $150,000-a-year clip, mainly for propagation analysis & transmitter type acceptance.

Commission proposes a megawatt or more transmission from Empire State Bldg., plus a 12-kw transmitter with 25-gain about 15 miles north, to test multicasting (use of multiple transmitters for one station).

FCC picked N.Y. because, as Comr. Craven told Appropriations Subcommittee Chmn. Thomas (D-Tex.): "If it works in New York City the chances are it will work any place else in the country."

Commission doesn't intend to do job itself. Rather, it would contract it out to competent research organization, seek cooperation of industry, educators, etc. It also proposes to give National Academy of Science $75,000 for advisory work by its members, which include nation's most distinguished scientists.

Educators are hepped up about program, and Lee is consulting with top N.Y. men. Municipal WNYC N.Y., which holds CP for Ch. 31, is also excited. Reports mgr. Seymour Siegel: "The FCC proposes to duplicate programs from N.Y. stations. We hope that we can supply additional material of educational & governmental nature. The supt. of schools says he'd be happy to have sets put in the schools for special programs. The police & fire depts. are interested, and WNYC would help transmit police lineups, firemen refresher courses, etc." He said there are some 66,000 vhf-uhf sets in N.Y., unbeknownst to their owners who bought them when dealers ran out of vhf-only last Christmas. In addition, he said, there are about 10,000 master antennas on apartments & hotels; each needs only one uhf converter for all sets—producing substantial audience quickly.

Commission intends project to be directed by a $20,000-a-year manager, secretary, transmitter consultant, advisory committee—with total personnel cost of $200,000. Plan is to lease transmitters from GE unless RCA comes up with better deal. Empire State equipment would run $369,000, its operation $131,500. Multicasting station equipment, $382,500; operation, $65,000. Receiver research & development, $341,500, includes hand-fabrication of 80 units using tunnel diodes, parametric amplifiers or other new devices, plus 20 sets employing low-noise German tuners. Receiver installation & observation, $167,000. Field intensity survey, $334,500. Analysis & report, $25,000. Reserve for contingencies, $234,000. That comes to $2,250,000, but committee sliced it to $2 million.

Commission might try even more than 1 megawatt. It noted that 100-kw uhf tubes have been developed for BMEWS program, that 8 of these, with proper antenna (not now available), could give 20 megawatts. Dr. Frank Kear, Empire State engineering consultant, said he believes room can be found on tower.

Total budget recommended for FCC was $12,935,000—less than the $13,500,000 sought by FCC but $2,385,000 more than was appropriated last year. Extra money is for 31 of 62 new jobs asked by Commission.

ENLARGED TELEVISION FACTBOOK OUT TODAY: More useful & convenient than ever, the new 1960 spring-summer Television Factbook is now off the presses and in the mail to all full-service and full-TV-service subscribers as part of their regular subscriptions to Television Digest.

This standard reference work of the industry—and incidentally the only complete data book wholly devoted to TV—is the 30th in a series which began in TV's infancy and since then has chronicled the growth of television. The new book is the biggest yet—500 pages—containing nearly 100 lists and tabulations of vital reference value to everyone in the TV, advertising, manufacturing and related industries.

Enhancing its usefulness are many new features, highlighted by an expanded marketing data section, which now includes a complete list of metropolitan county areas with area TV stations, TV homes, total retail sales and other information. Among other new items are market-by-market TV station financial data, a brief section on how to apply for a station, listings of stations whose programs are repeated on community antenna systems and translators, a table of govt. units exercising supervision over broadcasting operations, a college TV course directory, etc. Also bound into the Factbook for easy reference is the index to 1959 Television Digest newsletters, itself a departmentalized chronology of a crucial year in TV.

All the regular Factbook features have been revised & updated. To name a few: The big TV Station Directory, with complete data & rate digests of the 562 U.S. & 67 Canadian TV stations; video-tape & color-equipped stations; community antenna directory; TV station applications; communications attorneys & engineers; film & program source directory; station equipment manufacturers; allocations tables.

Of interest to the manufacturing and distribution trade are directories of U.S. & Canadian makers of TV, radios, phonos, tape recorders, picture & receiving tubes, transistors, and our expanded statistical section, with industry figures on production, sales, etc. Incidentally, many statistical tables have been put into graphic form this year for convenience and ease of comparison.

The Factbook's Foreign TV Directory has been expanded to 16 pages, listing licensee, power, channel and starting date of each station—operating or planned—in fast-growing overseas markets (see below).

Included with each Television Factbook is our updated 2-color Map of TV Stations & Network Routes, 23 x 25 in., suitable for wall hanging or framing. The Factbook is the only broadcasting reference work which is revised & updated twice yearly to keep pace with the fast-changing industry. Subscribers to our full services receive the 2 Factbooks yearly, plus weekly addenda to the applications & Station Directory sections. For newsletter-only subscribers, the Factbook is priced at $5, or $3.50 in quantities of 5 or more.

WORLD TV COUNT SOARS TO 91 MILLION: TV's overseas population explosion continues to increase in momentum each year, as more countries enter the "mushroom" stage of video growth. Analyzing the Foreign TV Directory section of our new spring-summer TV Factbook No. 30, we find that foreign TV sets zoomed 46% in 12 months to total 38,402,000 as of March 1. This is nearly 75% of the total of 52.6 million sets in the U.S. World total of TV sets stood at 91,002,800.

There are now 1,220 foreign stations, if you include boosters & satellites, compared with 562 regular U.S. stations. The foreign total is an increase of 60% in the 12 months to March 1. In sheer numbers, Italy ranks first in stations—counting 365—but 340 of these are satellites. West Germany has 182, Russia an estimated 137—both of these figures including many extremely low-powered repeaters. Outside of U.S., Japan has greatest number of regular stations, its total of 88 including few boosters & satellites.

Eight nations, in addition to U.S., now have more than a million sets each. After U.S., the top 10 TV countries are United Kingdom, 10 million sets; Canada, 5,534,000; Japan, 4,288,000; USSR, about 4 million; West Germany 3.5 million; Italy 1,666,400; France, 1.5 million; Brazil, 1 million; Australia, 825,000; Sweden, 678,100—followed closely by Mexico with 660,000 and the Netherlands with 650,000. (For tabulation of foreign stations & sets, see p. 13.)

Most impressive growth occurred in Japan, which just a year ago had only 1,660,000 sets, 2 years ago had less than a million. Sweden is new to the top 10, its sets-in-use more than tripling in 12 months.

TV is now reaching into smaller countries. Among areas where picture screens were put in use for first time during the past year are Haiti, Honduras, India, New Zealand, Nigeria, Okinawa, Panama. These & other countries are scheduled to start TV service during 1960: Costa Rica, Nationalist China (Formosa), Republic of Ireland, Kuwait, Malta, Netherlands Antilles (Aruba & Curacao), United Arab Republic.

Congress

More about

PAYOLA, PAY-OFFS & PENALTIES: Everybody who spoke up on the subjects at House Commerce Communications Subcommittee hearings last week was against all sins of the broadcasting industry & shortcomings of FCC (see p. 1). But as Chmn. Harris (D-Ark.) put it wrathfully, getting definitions of them—let alone corrective legislation—was something else again.

It got so frustrating for Harris, midway through the 2nd day of 2-day quickie hearings on 7 TV-radio-FCC reform bills, that he exploded: "I get the impression that the industry is simply opposed to any legislation designed to close up loopholes which have been exposed."

NAB govt. relations mgr. Vincent T. Wasilewski was on the witness stand, NAB chief counsel Douglas A. Anello beside him, when the outburst came. "You think the industry ought to be left wide open," Harris said accusingly to Wasilewski, who had presented a 9-page statement analyzing the measures & finding faults in many provisions.

"You ought to be up here helping to work something out," Harris went on sternly. "I'd think the industry would recognize the facts of life & come forward."

Wasilewski squirmed uncomfortably in his chair, but stuck to his testimony, in which he had said: (1) "The overwhelming majority of this industry has been as greatly disturbed as you are about the misdeeds of the few." (2) "We stand ready to cooperate in every possible way to maintain this great & free system of American broadcasting which has no peer." (3) There are no legislative cure-alls for broadcasting or FCC.

Harris Bill Stirs Wide Objections

Main target of criticism by Wasilewski—and by Chmn. Ford who preceded him, and by CBS vp & gen. attorney Thomas K. Fisher who followed him to the stand—was an omnibus measure by Harris himself. It would ban quiz fixes under penalty of $10,000 fines & 2-year jail sentences, forbid payola, require FCC to hold local license hearings, strictly regulate "pay-offs" & "swap-offs," permit FCC to discipline errant stations by suspending their licenses.

Also called up by Harris for the hearings were: (1) Bills (HR-10241 & 10242) by Rep. Bennett (R-Mich.) to prohibit deceit on the air and permit conditional renewals & suspensions of licenses. (2) Bills (HR-11397 & 11398) by Rep. Celler (D-N.Y.) to ban payola as "commercial bribery" and authorize probationary license renewals. (3) Bills (HR-7017 & S-1898) drafted by the Federal Communications Bar Assn. to substitute pre-grant procedures for protests.

Ranking minority member of the Commerce Legislative Oversight Subcommittee, Bennett made a pitch at the hearings for his 2 measures—and urged Harris to give "early consideration" to another of his bills (HR-5042) which puts networks under FCC regulation. Harris has a similar network-control bill (HR-11340). At week's end Harris had scheduled no hearings on these measures.

Ex-FCC gen. counsel Warren Baker, the week's concluding witness, testified in behalf of the FCBA pre-grant plan, which already has passed the Senate. There was no time before the Congressional Easter recess for Harris to call other witnesses. But he left the hearing record open until April 19 for filing of additional statements on the batch of bills by NBC, ABC, other interested parties.

Ticking off NAB's objections to Harris bill provisions, Wasilewski said the industry: (1) Isn't "opposed to the substantive idea" of making quiz rigging & payola illegal, but thinks the measure's terms are too broad & vague. (2) Opposes mandatory local public hearings as unnecessary. (3) Sees no need for additional authority to FCC to deal with "pay-offs" & "swap-offs" which "might be contrary to the public interest." (4) Opposes giving FCC power to suspend station licenses, believing that "death-penalty" revocations & threats of them are more effective than "the lifted-eyebrow technique of govt. regulation & supervision."

Similar testimony came from CBS's Fisher, who submitted a 31-page critical breakdown of the wide-ranging legislative proposals. He was accompanied to the hearings by asst. CBS gen. attorney Leon R. Brooks & network vp Geraldine B. Zorbaugh, gen. attorney for CBS Radio.

FCC Chmn. Ford had a 26-page statement plus an 8-page appendix which made many of the same points stressed by Wasilewski & Fisher—with one notable exception. Ford said FCC would welcome authority provided in the Harris bill to discipline licensees with less-than-revocation penalties, permitting 10-day suspensions.

Questioning of Ford by Harris & other Subcommitteemen about payola problems & what FCC proposed to do about them turned the hearing session into something resembling the FCC panel session at NAB's Chicago convention (Vol. 16:15 p 1).

"I think you can get to the point of being impractical about this business," Harris conceded after Ford had discussed varied interpretations of anti-payola Sec. 317 of the Federal Communications Act, which has been on the law books, virtually unchanged, since 1927.

Rep. Avery (R-Kan.) wanted to know if recordings offered by members of Congress to local TV & radio stations would have to be identified, under a strict reading of Sec. 317, as supplied by politicians.

"I hesitate to give an off-the-cuff answer," Ford said cautiously.

FCC to Submit Payola Law Proposal

After caucusing with other FCC members, Ford said Commission would submit to the subcommittee a draft of legislative recommendations on payola—and that FCC woudn't wait until all comments are in from the broadcasting field on its payola inquiry.

Ford's testimony brought one of the few laudatory things Harris had to say in the hearings: "I believe this Commission is dedicated—now—to doing the right thing."

As for the outlook for Congressional action this session on his bill or any of the others, Harris told reporters after the hearings that he didn't expect "too much trouble," that Subcommittee members thought they should get "some legislation." He made no predictions of action, however.

Meanwhile, Harris was faced with a revolt with his Commerce Committee on another front—an FPC investigation by the Legislative Oversight Subcommittee which is scheduled to be resumed May 2. Harris acknowledged that he gave advance approval to a flight by 3 FPC members to a Shreveport funeral in a plane owned by United Gas Pipeline, which seeks a multi-million-dollar rate hike.

The free flight was assailed by Reps. Moss (D-Cal.) & Dingell (D-Mich.), the latter protesting that Harris "had no right" to give "absolution" to the FPC members. Pointing out that ex-FCC Chmn. Doerfer lost his job under similar "influence" circumstances (Vol. 16:11 p2), the *Washington Post* observed tartly: "No one has empowered Mr. Harris to issue permits for impropriety."

TV & radio watchdog work by the Senate Commerce Committee would be financed by a separate $45,000 budget under terms of a proposal submitted by Chmn. Magnuson (D-Wash.) to the Rules & Administration Committee headed by Sen. Hennings (D-Mo.). The Commerce Committee, whose Communications Subcommittee absorbed a special Freedom-of-Communications Subcommittee in March (Vol. 16:10 p10), adopted a resolution authorizing the fund for a "study [of] all information & complaints containing dissemination of news" on the air. Areas covered: "Political opinions, news, advertising, and presentation of political candidates." Sen. Yarborough (D-Tex.), who headed the original watchdog subcommittee set up to see how amended equal-political-time Sec. 315 of the Communications Act worked, probably will get an assignment to carry on with a subcommittee of the Communications Subcommittee, headed by Sen. Pastore (D-R.I.).

FCC nomination hearings for Edward K. Mills, picked by President Eisenhower to fill out ex-Chmn. John C. Doerfer's term to June 30, 1961 (Vol. 16:13 p2), and Comr. Robert E. Lee, named to another 7-year term (Vol. 16:9 p3), have been set for April 27 by the Senate Commerce Committee. At the same time, the Committee headed by Sen. Magnuson (D-Wash.) will question FTC Chmn. Earl W. Kintner, nominated for a full 7-year term starting in Sept. (Vol. 16:8 p15). All 3 nominees are Republicans. Committee sources told us that no open objections to them have been raised so far within the Committee. But confirmations could be delayed or blocked if Democrats in the Senate decide to wait out the Presidential election.

Pay-TV position of Rep. Harris (D-Ark.), chmn. of House Commerce Committee, hasn't changed from that of a year ago—in light of the Zenith-RKO General announcement of plans to test in Hartford (Vol. 16:14 p3). "I've never opposed the test of a new service," he told us last week. "I do not believe in stopping research. On the other hand, I'm not for blanketing the nation on the basis of a test." Last year (Vol. 15:13 p3), after FCC announced the conditions under which it would approve tests, Harris said that "it would seem unwise to prevent the conduct of test operations of any new developments."

Congressional communications with FCC & other regulatory agencies about pending cases would have to be recorded in a special public file under terms of a bill (S-3359) by Sen. Proxmire (D-Wis.). A witness last month in House Commerce Legislative Oversight Subcommittee hearings on ethics-in-govt. bills (Vol. 16:12 p1), Proxmire said it was time to bring members of Congress under anti-ex-parte rules, along with lawyers & lobbyists. Other pending legislation isn't aimed specifically at Senators & Representatives who intervene in regulatory cases, he told the Senate, and "there are those who feel that this is a case of the pot calling the kettle black." Similar sentiments were expressed in the House by Rep. Barr (D-Ind.). He said members of Congress should "work in a fishbowl" when they contact govt. agencies.

TV summit conference between the Senate Commerce Committee and industry spokesmen, postponed last month because of the floor debate on civil rights (Vol. 16:10 p10), may be called before the end of April by Chmn. Magnuson (D-Wash.) Not date for the meeting with representatives of NAB, networks and advertising agencies was set when the Committee met April 13 in closed session to catch up on piled-up business. But Magnuson indicated then that he planned to send out invitations to the parley soon.

Auxiliary Services

TELEMETER SPORTS LAG: Pay-TV sports are losing money—due to competition on free TV—Trans-Canada Telemeter reports after the first 6 weeks of operation of wired coinbox TV in Toronto suburb Etobicoke. Movies, however, have been "successful," Trans-Canada Pres. Eugene Fitzgibbons says, although it is too early to determine when the over-all system might be operating at a profit. First month's gross was said to exceed $120,000.

The Telemeter system has been featuring hockey games, but they've also been shown simultaneously on free TV. The coin system's only advantage—besides a commercial-less game—has been that it carried all 3 periods, while commercial stations televised only 2. However, in this year's Stanley Cup playoff series between the Toronto Maple Leafs and the Montreal Canadiens, commercial TV showed all 3 periods.

The result: Thrifty pay-TV subscribers are "suffering" commercials to save a buck.

William Crampton, gen. mgr. of the pay-TV installation, conceded the firm lost money on the hockey matches, but he said the first 6 weeks operation of the new medium was a success.

Meanwhile, bad weather has hampered wiring of sets in the test area—southeastern suburban Etobicoke having suffered its heaviest snowfall of the century this year.

Only 2,100 installations have been made to date, but 20 crews are now working to clean up the backlog of more than 1,500 orders.

On the basis of the first 6 weeks of operation, Fitzgibbons estimates Telemeter subscribers deposit coins in their sets on an average of twice a week. Films have been the biggest attraction—"The 10 Commandments" scheduled as the Easter-week drawing card.

Although Canada does not yet permit colorcasting, those Telemeter subscribers with color sets (there are some because of the availability of colorcasts from across the U.S. border) will be able to see the Biblical epic in color. Telemeter, being a closed-circuit system, isn't subject to the Canadian govt. rules for TV broadcast stations.

Officials of Zenith inspected the Etobicoke closed-circuit installation last week, taking a look-see in preparation for the Zenith-RKO General broadcast pay-TV test in Hartford, Conn. (Vol. 16:14 p3).

* * *

Telemeter is now planning to invade the live drama production area to deliver new shows to its home-TV market. First project is a N.Y.-taped production of Gian-Carlo Menotti's musical drama, "The Consul," for which Telemeter outbid NTA's *The Play of the Week* for TV rights.

Jean Dalrymple, ex-dir. of the N.Y. City Center Light Opera & Theater companies, has been named producer of the Menotti work, which will be recorded in N.Y. (with kinescope copies made for distribution overseas and in theatrical showings) next month. "The Consul," she told us, will be shown as the first live pay-TV drama production in Toronto, and possibly later used as a TV attraction in a planned Telemeter operation in the N.Y. area.

Miss Dalrymple, who described the Toronto situation to us as "fantastic in response and acclaim," hopes to include Broadway hit "Thurber Carnival" on her Telemeter production agenda.

Hartford Phonevision Co., newly organized by RKO General to conduct pay-TV tests in Hartford (Vol. 16:14 p3), filed for the purchase of WHCT (Ch. 18) last week. The agreement provides that an application for pay TV won't be filed until the FCC approves the transfer and the deal has been closed. If the sale isn't approved within 12 months, either party may cancel the agreement. The purchaser is paying $150,000 for non-fixed, non-tangible assets of the station, and has agreed to a leasing arrangement which would bring the total cost to about $900,000 in 10 years. The present owners of WHCT, Edward Taddei & his associates, have an option to acquire 10% of Hartford Phonevision for $5,000. In the programming plans, 3 movie programs are listed daily—but it isn't specified whether they're toll TV or not.

TelePrompTer's $500,000 bid for all ancillary rights to a Johansson-Patterson heavyweight title re-match hasn't been accepted by the sellers, Roy Cohn's Feature Sports Inc. A 2nd bid was also made by TelePrompTer for the closed-circuit TV rights only. Rights to the much-publicized bout had been abandoned 2 months ago by TelePrompTer when it ran into govt. trouble with an anti-trust suit. TelePrompTer anticipates no problems over its closed-circuit bid (particularly from rival Theater Network TV), and told us that it was virtually a certainty that the bid was "the highest." Late last week, however, Telescript CSP Inc., apparently was challenging TelePrompTer's position by requesting a set of written "ground rules" covering exactly what was being bid for in the heavyweight fight rights. Telescript Pres. Robert P. Swanson said that without such rules it was virtually impossible for his firm to come up with a firm bid. Like TelePrompTer, Telescript makes prompting devices.

The FCC

Networks must eschew TV rep field, FCC insisted last week as it turned down petitions for reconsideration of last year's decision (Vol. 15:41 p1). NBC, one of the petitioners, promptly indicated that it would appeal to the courts. NBC had offered FCC an alternative to the flat interdiction, suggesting that the Commission could prohibit network repping whenever "such representation resulted from any threat to terminate or to refuse to enter into an affiliation agreement with the stations so represented . . ." Not good enough, FCC said: "It clearly would not eliminate the inherent conflict of interest which results when an organization operating a TV network also engages in direct competition with itself by functioning as a national spot sales representative for stations affiliated with its own network. It also would not lessen the incentive for the networks to subordinate the less significant spot sales operations to the primary network operations, or the likelihood that such subordination would take place."

FCC was sustained by the Court of Appeals in its denials of a petition by CP-holder WSLA (Ch. 8) Selma, Ala., for permission to modify specifications in its permit —including construction of a record-high 2,000-foot tower (Vol. 15:24 p6). With Judge Warren E. Burger dissenting, the court held that Commission had valid reasons for rejecting the proposals on grounds that WSLA hadn't arranged proper financing for the tower and that there was no showing that it would be structurally sound. Burger said WSLA's case "is admittedly not a strong one" but that he would remand it to FCC for further proceedings "to shed light on the total subject" of high towers.

Echoes of Lar Daly case were heard last week in the U.S. Court of Appeals, New Orleans, as FCC & Justice Dept. argued that weathercasting isn't politicking under amended equal-time Sec. 315 of the Communications Act. In briefs filed with the court, which agreed to expedite a decision without hearing oral arguments, Commission & Justice urged rejection of an appeal by William H. Brigham from FCC's ruling that he isn't entitled to equal time on KWTX-TV & KWTX Waco, Tex. (Vol. 16:15 p19). An opponent of the stations' weathercaster Jack Woods in the May 7 primary election for the Tex. Legislature, Brigham held that the Lar Daly amendments didn't provide equal-time exemptions for candidates who also are regularly-employed broadcasters. He argued that the exemptions applied only to candidates who appear in and as the subject of legitimate newscasts. Such an interpretation of the law would "disrupt *bona fide* news operations which Congress intended to protect," FCC retorted. Pointing out that Woods is only identified on the air as the "TX Weatherman" and makes no political spiels, FCC said that if the court upholds Brigham the practical effect would be that no broadcaster could run for public office. The Justice Dept. supported FCC's brief with additional legal arguments that as a station employe Woods hadn't sought air time for political purposes and had no control over the subject matter of his broadcasts—weather.

CPs granted: Ch. 11, Santa Fe, to Santa Fe Telecasting Co.; Ch. 11, Grand Island, Neb., to Electron Corp.; Ch. 72, 78 & 82 translators to Miami Translator System Inc., Miami, Tex., to relay KGNC-TV, KVII & KFDA-TV Amarillo; Ch. 70, 77 & 83 translators to Windom Area TV Inc., Windom, Minn., to relay WCCO-TV & KSTP-TV Minneapolis, and KELO-TV Sioux Falls, S.D. Earlier, the FCC granted Ch. 8 CP, Jonesboro, Ark., to George T. Hernreich, finalizing initial decision.

FCC has granted protest filed by WBOY-TV Clarksburg W.Va. against the transfer of control of WJPB-TV Weston, W.Va., from J. Patrick Beacom to Thomas P. Johnson & George W. Eby (Vol. 16:13 p15). The effectiveness of the grant of transfer is postponed pending a hearing.

Payola & plugola bills in Congress, along with legislative proposals to ban ex-parte contacts with and insure ethical standards in FCC & other federal agencies, are on the Washington agenda of the Federal Communications Bar Assn. for a luncheon meeting April 22. Members of the FCBA's legislation committee will participate in a panel discussion in the Willard Hotel.

James B. Sheridan, asst. chief of FCC's economics div., was officially named last week as special asst. to Chmn. Ford. As reported earlier (Vol. 16:14), Sheridan's job is to keep Ford "informed on the progress of major projects of the Commission for the purpose of expediting them."

Pompano Beach Club near Hamilton, Bermuda, is the site of the May 9-10 annual meeting of the Assn. of Federal Communications Consulting Engineers. Members of the Federal Communications Bar Assn. have also been invited to attend.

Fifth application for Ch. 12, Wilmington, Del., filed last week, was by National Telefilm Associates. Total applications now on file number 103 (17 uhf).

Comr. Rosel Hyde will address the National Assn. of Educational Bcstrs. Region II conference inspirational luncheon in Atlanta, April 23, at the Atlanta Biltmore Hotel.

Film & Tape

NETS' WGA PEACE BID: From a totally unexpected source—the networks—has come what may be a major development in Writers' Guild of America's 13-week-old strike against the Alliance of TV Film Producers, the networks' TV film operations and the TV operations at the majors. In the midst of getting-nowhere-fast talks between WGA and the Alliance, deadlocked over the issue of foreign residuals, the networks notified WGA it sought a resumption of negotiations and specifically would discuss the foreign area.

The networks' move followed immediately an agreement between the webs and WGA on a live TV-radio contract, the first WGA deal reached in the 13-week-old labor strife, although there has been no strike by writers against live TV. The pact includes a pension plan.

The intervention in the film strike was the first such approach by the networks since the strike began Jan. 16. As a result, full-scale negotiations between WGA officials in Hollywood and first-team negotiators flying there from N.Y. were scheduled to begin Monday (18).

WGA will resume negotiations with the Assn. of Motion Picture Producers (AMPP) earlier Monday seeking to end the writers' strike against the major studios which also began Jan. 16. AMPP called the talks, and is expected to offer WGA a deal akin to the Screen Actors Guild contract, which avoided the question of payment for post-1948 movies sold to TV via a pension plan. The post-1948 issue was the principal factor which prompted the WGA strike against the majors.

All in all, it was a week of frenetic labor activity in Hollywood, with Directors Guild of America also beginning negotiations—joint discussions with AMPP and the Alliance. DGA's pact with each group expires April 30.

Request Boosts WGA Morale

The networks' request for a resumption of talks with WGA jolted the Alliance, in the midst of negotiations with WGA, and boosted WGA morale. There was guarded optimism from WGA. The network request had swift behind-the-scenes repercussions, and caught a dissident WGA faction in dismay and surprise.

"There have been too many self-appointed negotiators. Too many on both sides are talking deals which they are not empowered to make," commented one insider acidly of the weird behind-the-scenes maneuvering.

Here's a blow-by-blow account of last week's events:

WGA met with the Alliance, and offered it a 3-year contract, giving writers a 10% hike in minimums the first 2 years and 5% more the 3rd year, plus 2% of the foreign gross. (New WGA plan bypassed a pension in favor of the foreign, as we noted here exclusively last week). Alliance executives rejected it, and told WGA negotiators they had been "led astray" by others in the Guild. WGA was asked if it would reconsider its proposal, and substitute for its demand for 2% of foreign gross a clause recognizing the "foreign principle."

Meanwhile, behind the scenes, a dissident group led by writer Marion Parsonnet was collecting names of members on petitions, seeking to force WGA's negotiating committee to settle for a moderate stand on the foreign issue. The group claimed it had 100-150 signatures and demanded the negotiating committee be overruled and the Alliance offer accepted. Writers were told Guild negotiators were "irresponsible" and holding up a settlement.

In the midst of this campaign, the Alliance called for another negotiation session with WGA April 13, the day after WGA's proposal had been rejected. Just before this meeting, WGA received the network bid for a resumption of negotiations.

Aware of this and of the dissident group's campaign, the WGA negotiating committee, headed by Sam Newman, took the latest Alliance proposal "under advisement," instead of rejecting it outright. The only new aspect of the Alliance bid was that aside from noting the contrasting stands of each party in the foreign residuals area, it called for establishment of a study committee to study the entire industry residuals program. It would have been a 4-year deal.

The TV board of WGAW met the same evening and the dissidents presented their petitions protesting the stand of the Guild's negotiators. They were told they were defeating the purposes of the Guild with "irresponsible talk" and giving producers an erroneous impression of "a house divided." One WGA executive said the Parsonnet group had closer to 35 names than the 100-150 it claimed. Its move to override the negotiating committee failed.

Meanwhile, the negotiating committee presented to non-Alliance independent producers April 15 the proposals it had given the Alliance earlier in the week, the principal feature of which was its demand for 2% of the foreign gross.

'Peace Feelers' From Independents

Confusing the picture were "informal" feelers and offers from a number of individuals, including producer-writer Cy Gomberg who said he represented Four Star Television, and Parsonnet. Just who Parsonnet represented was unknown.

WGA executives said the networks had been prepared to submit a package proposal, including the foreign residuals issue, last Jan., but didn't because of "certain pressures." The new network package plan will call for a raise in minimums, a pension plan and a slight concession in the foreign residuals area, it's believed.

Meanwhile, series such as *The Donna Reed Show*, *The Ann Sothern Show*, *The Untouchables* and *Rescue 8* were ending production earlier than usual due to a script shortage.

No major problems were anticipated on another front, the negotiations between the Directors Guild of America and AMPP, because DGA will not press for any post-1948 payments.

DGA is putting most of its eggs into a pension plan conceived by exec. dir. Joe Youngerman, which calls for the producers to contribute 5% and directors another 2½% of their earnings into such a pension fund.

George Stevens, chairman of DGA's negotiating committee, explained to us: "We need a good pension plan more than anything else. We've missed the boat on that. What existed was reasonable and a step in the right direction. We must credit the position the actors took in making such a pension plan possible."

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Screen Gems has established two $1,500 fellowships for theater arts students at UCLA in Los Angeles. They will include a 5-months stay at the SG studios to observe and take part in all phases of telefilm production. The two winners will be named this spring, the first to begin at SG next fall. The students' studio programs will be supervised by West Coast vp William Dozier.

Madison Ave. Film Festival: More than 1,000 filmed or taped commercials have been entered as candidates in the forthcoming (May 18-20) American TV Commercials Festival in N.Y., festival dir. Wallace Ross stated last week. Deadline for entries, April 18.

From this pool of films, tapes & kinescopes, selections for the festival will be made by members of the 50-man "TV commercials council," a group of admen representing leading agencies, advertisers and broadcasting outlets. Films will be screened for festival events on standard portable projectors. Tapes will not be transferred to film and then screened, since "major network & independent tape producers will provide a closed-circuit feed of black-&-white video tape to 21-in. monitors" at a cost of $25 per commercial for festival showings.

The festival will be the first such event in U.S. TV history, Ross told us. An additional attraction will be screenings of "a collection of commercial classics culled from the infant days of the medium to the present."

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More overseas film headaches lie ahead, syndicators tell us, even though the $300 ceiling in Japan on U.S. telefilm imports may soon be lifted (Vol. 16:15 p16). Two trouble spots on the horizon: (1) The Cuban market, from which some $300 per Spanish-dubbed episode could be made before the Castro regime began its "counter-revolutionary" crackdowns, has dwindled to little or nothing for U.S. syndicators. (2) Australian Actors Equity, alarmed at the number of U.S. telefilm shows (enough to program the average U.S. network at night for a full season) already bought by Australian telecasters, is pressuring for a 40%-Australian telefilm quota during prime viewing hours.

Bob Banner Associates, in a co-production deal with Garry Moore's Redwing Productions, will shortly start N.Y. filming of a new 60-min. series, *Diagnosis Homicide*, scheduled as summer replacement for *The Garry Moore Show*. Premiere date is July 5, 10-11 p.m. The show, one of the few N.Y.-produced filmed drama series due on the networks this season, will be produced for Banner by Leo Davis, whose credits include *GE Theater, You Are There* and *Suspense*. The series revolves around the head pathologist of a large N.Y. hospital who aids the police in solving crimes by the use of medical lab techniques.

Lancer Productions, owned by producer Herbert B. Leonard, and writer Sterling Silliphant's Edling Productions, will jointly produce *Route 66*, 60-min. series which has been bought by CBS-TV for next season . . . Anthony George has been signed to star in *Headquarters*, new series produced by Franklin Schaffner, to be filmed in N.Y.

Production has resumed on next season's segments of *The Rebel*, starring Nick Adams. Fen-Ker-Ada, in association with Goodson-Todman, produces the series, which is being filmed at Paramount Studios . . . NBC-TV has purchased Rexall's interest in MGM-TV's *National Velvet* series, and is planning to slot the series next season at 8 p.m. Sun. Rexall, which paid for the pilot, will be an alternate sponsor.

Another "robot music" bill, banning background use by TV & movies of foreign-made recordings, has been introduced by Rep. Holt (R-Cal.). The AFM-backed measure (HR-11658) is similar to one submitted earlier by Rep. Pelly (R-Wash.), who holds honorary membership in the musicians' union (Vol. 16:12 p13).

Doubles in Donahues: Hollywood's time-tested TV trick of using a dramatic anthology series as a showcase for potential pilot films is likely to produce some red faces for Screen Gems executives on the night of April 25. On that night, thanks to a coincidence of scheduling, Screen Gems will be doing a remarkably similar story with the same star on 2 shows within a period of 2 hours. Here's the lineup:

Father Knows Best, CBS-TV, 8:30-9 p.m. Episode title: "Betty's Career Problem." Chief star: Elinor Donahue. Storyline: Miss Donahue, as Betty Anderson, decides to get a job, prior to college graduation, as the asst. merchandising buyer at Gorman's dept. store. Working with her is a handsome fellow student, with whom she's secretly in love. The pair are drafted as models in a wedding scene; Betty decides she really just wants to be a bride.

Goodyear Theatre, NBC-TV, 9:30-10 p.m. Episode title: "Marked Down for Connie." (Potential series title: *Calling Miss Peters.*) Chief star: Elinor Donahue. Storyline: This time, Miss Donahue, as Connie Peters, already has a job as a salesgirl in Cook's dept. store. Working with her is handsome salesman, to whom she's secretly engaged. Connie dreams up a sales stunt, it's successful, and she lets her boyfriend take the credit, for she really just wants to be a bride.

We called the N.Y. office of Screen Gems for a reaction to the situation. Reaction from one SG executive, who hadn't noticed the look-alike scheduling: "Oh my God!"

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Warner Bros., which previously filed suit against James Garner to prevent the star of *Maverick* from working elsewhere, has filed a similar suit against Jack Kelly, co-star of the Western series. Kelly and Garner claimed when WB exercised *force majeure* and took them off the payroll March 3, allegedly because of the writers' strike, this constituted a breach of contract. Warners insists the 2 are still under contract, but they say they are free agents as a result of the alleged breach. After WB filed its suit against Garner, he told us he intended to proceed with his plans to work elsewhere regardless. Last week Garner filed a cross-complaint against the Burbank studio, asking $341,000 damages for alleged breach of contract and alleged interference with prospective contractual relations. He also sought an injunction enjoining WB from claiming he was under exclusive contract. Garner charged that Warners had interfered with his negotiations for a contract with NBC-TV.

Add syndication sales: Official Film's *Almanac* is apparently living up to predictions that it would bring a sale a day. Five more stations bought the 5-min. syndicated series last week, bringing the current market total to 57

Film People: CBS Films made 3 executive appointments last week: James T. Victory was named syndication sales dir., and James H. McCormick became Eastern sales mgr., both positions newly-created. David Sontag, who resigned from NBC-TV program dept., was appointed mgr. programs, N.Y. . . . Jerry Franken has been named to ad-publicity-promotion exec. dir. at NT&T, reported company Pres. Gerald Cantor. Additional appointments include: Fay S. Reeder, ad-publicity-promotion dir., Martin Roberts, TV ad-promotion dir.; and Pete Latsis, theatrical ad-publicity dir. . . . Fremantle International has appointed Robert Lapthorne to handle sales & services in the company's Australian accounts . . . Robert Seidelman named Screen Gems vp for syndication sales; Charles W. Fries named exec. vp . . . Kenneth E. Brighton appointed production mgr. of Newsfilm Inc., a Marathon TV Newsreel affiliate.

NEW YORK ROUNDUP

David Dietz, who recently purchased a package of some 400 old silent-movie comedies from Hal Roach Sr., is preparing a syndication package of 78 *Our Gang* shorts to be launched in about 10 weeks through Dietz' National Telepix Inc. The Roach films will go through an "updating & streamlining" process at N.Y.'s Titra sound studios which involves addition of a new musical score by Jack Saunders (who supervised music for "Scent of Mystery") and the elimination of old printed dialog titles.

Allen Funt's *Candid Camera* segments in CBS-TV's *The Garry Moore Show* are due this fall as a 10 p.m. Sun.-night series on their own. Last week, Jerry Lewis volunteered to cancel a $7,000 *Hidden Camera* segment on his Timex-sponsored April 15 special on NBC-TV "in order not to embarrass Mr. Funt with his present contract." Funt, according to Lewis, had called his producer and asked that the film not be used "as a personal favor."

MCA-TV's 3 new mystery-adventure series gained additional market exposures this past week: *Johnny Midnight* scored 10 sales, *Shotgun Slade* added 5 stations to its syndication list and *Coronado 9* trailed with 2 station sales . . . **Tel Ra Productions** added 69 new markets to its sales of *Telesports Digest*, a syndicated sports show now in its 10th year on the air . . . **ABC Films** reported sales increases of 176.5% in domestic markets and 238.5% in foreign markets in the first quarter of 1960, compared with the similar period a year ago . . . **Screen Gems'** *Ivanhoe* series has now been sold in 25 major markets, the latest sale being to WABC-TV N.Y.

HOLLYWOOD ROUNDUP

Hal Hudson has resigned as producer & exec. vp of *Zane Grey Theatre*, and has formed a new production company, which is negotiating a joint series-production venture with Paramount . . . **Frank Pierson**, named producer of CBS-TV's *Have Gun—Will Travel* series, succeeding Ben Brady, now heading his own telefilm company, Davana Productions. Pierson is succeeded by Howard Joslin as associate producer on the series.

Carma Productions has been formed by TV actor John Smith . . . **Ray Anthony Enterprises Inc.** has been formed for production of movies, plays and TV . . . **Edmond Chevie** plans a taped series, *International Playhouse*, with Pasadena Playhouse and International Literary Services.

Jonsan Productions has been formed by John Vivyan, star of the *Mr. Lucky* series, for production of TV films. Vivyan is pres.; Murray Lerzman, vp; Sandy Comora, secy.; Merrill Bernbrock, treas. . . . **Dave Tytherleigh** named asst. to AFTRA exec. secy. Claude McCue, replacing Harvey Palash, who joined business affairs dept. at ABC-TV.

Screen Gems begins production May 15 of its syndicated series, *Two Faces West*, starring Charles Bateman. Mathew Rapf is producer. SG will resume production on *Manhunt* as soon as the WGA strike is settled. Jerry Briskin is producer.

Advertising

FILTER-TIPS, BEERS, TOYS ON TV: Another round of "category studies" was issued by TvB last week, summing up spending in 3 important categories:

Filter-tip cigarets: These now account for slightly more than half (50.5%) of the domestic cigaret market, and their rapid rise coincides with bigger spending on TV. They account for 3 out of 4 cigaret dollars spent for TV gross time in 1959. Tobacco TV spending is huge. In 1959 the industry racked up network & spot TV time billings (not including talent, production, commercials) of $106.6 million compared with $93.4 million in 1958. Leading network-&-spot cigaret spender last year was Lorillard's filter-tip Kent with nearly $10.2 million. Brown & Williamson's Viceroy was runner-up with an estimated $8.4 million. R. J. Reynolds' Camel (6th place spender) was far more heavily in network TV than in spot ($5.3 million vs. $809,000) but Philip Morris-owned Parliament, a filter brand, split its TV spending between the two ($2.3 million for spot; $2.7 million for network) as 8th-place spender among the top cigaret brands.

Brewers: TV was the leading medium used by beer-&-ale advertisers last year. Inasmuch as few beers are nationally distributed, most spending is in spot TV for syndicated shows, sports events, participations in feature films, and announcements. Gross time billings in spot for brewers was $42.9 million against the 1958 level of $40.3 million. In network, brewers spent $6.0 million compared with $5.8 million in 1958. Said TvB Pres. Norman E. Cash, citing a prime example of brewery spending: "The marketing ability of TV is illustrated by the case of Anheuser-Busch which tailored its distribution pattern for Busch Bavarian to the reach of the TV signal."

Toys: Having done considerable TV missionary work among leading toy manufacturers in the past few seasons, TvB reported with some pride that network-&-spot TV billings for the toy industry increased 77% during 1959 ($6.2 million as against $3.5 million in 1958). "Households with children under 10 account for 69% of all toys & games purchased, with the pre-school group the most important. And our TV homes are primarily in the younger age groups where toys are sold most often," stated Cash. As an instance of how TV can sell toys year-round, he cited Mattel Inc., whose ad budget prior to 1955 was seldom more than $50,000. In that year, Mattel entered TV with $500,000 and, by 1959, increased it to $853,000. During this 5-yr. period, Mattel's gross sales increased 315%—mostly on a steady, non-seasonal basis. Top toy spenders in network-&-spot TV: Mattel ($853,000), Remco Industries ($765,175), Louis Marx & Co. ($676,535).

The TvB studies were based on figures supplied by Leading National Advertisers, Broadcast Advertisers Reports, and N. C. Rorabaugh Co.

New reps: KWTX-TV Waco, Tex. and satellite KBTX-TV Bryan, Tex. to Venard Rintoul & McConnell March 16 from Raymer. KXII Ardmore, Okla. and Sherman & Denison, Tex. to Venard, Rintoul & McConnell April 10 from Pearson. WSIL-TV Harrisburg, Ill. to Meeker Feb. 1 from Walker-Rawalt. KIMA-TV Yakima, KBAS-TV Ephrata, KEPR-TV Pasco, Wash. and KLEW-TV Lewiston, Ida. to Young April 1 from Hollingbery. WXIX-TV Milwaukee to Young April 15 from Gill-Perna. WIMA-TV Lima, O. to McGavren April 1 from H-R Television.

NO FTC LET-UP—KINTNER: It would be a big mistake for broadcasters & advertisers to think that FTC's "crash program" against deception & payola on the air is "a storm that would soon blow over," Chmn. Earl W. Kintner warned last week.

Noting signs of a "blitheness of spirit on Madison Ave." and press reports (notably by John Crosby in the *N.Y. Herald Tribune*) that the industry is getting back to business as usual as TV quiz scandals die down, Kintner said FTC has just started.

In a speech to the Baltimore chapter of the Academy of TV Arts & Sciences, he said he's not surprised that "the writing of epitaphs to the TV scandals has begun," but:

"I would like to put at rest any false hopes that the Commission will become less aggressive in its policing of false advertising. The contrary is true. What started out as a 'crash program' to meet a particular emergency—namely, the payola disgrace—has not only been made permanent but is being so coordinated with other phases of the Commission's anti-deceptive work that far more effective policing can be expected . . .

"Consequently, if the cynics are correct in saying that 'it's business as usual all over Madison Ave.' (with implications of illegal corner cutting), then I would be forced to the opinion that Madison Ave. has more audacity than judgment.

"I have a strong hunch, however, that the cynics may be unduly pessimistic insofar as improved advertising is concerned. I would be very much surprised if legal counsel for advertisers & for advertising agencies were not being consulted on the more breathless claims for products. Certainly, our monitors are encountering fewer objectionable claims in national advertising."

How to Spot 'Verboten' Commercials

Kintner also drew a "conspicuous guiding line" for advertisers who complain that they can't tell from FTC's rules which broadcast commercials are legitimate.

"In the first place," he said, "any advertising claim on TV that the Commission would question would have to be a substantive claim that would go to the merits of the product or the competing product used for comparison.

"In addition—as a general rule of thumb—if an advertisement on TV gives to a product material virtues that it lacks, or if the advertisement falsely disparages—by picture or by word—a competing product, then the ad is illegally deceptive.

"On the other hand, simply to present a product's virtues in their most favorable light would not be objectionable—unless, at the same time, competing products are shown at an unfair disadvantage."

At the same time Kintner said FTC rejects proposals that it play "the role of a censor of advertising copy" by previewing it so that objectionable commercials could be stopped "without the need for a formal complaint & the attendant bad publicity."

There's "considerable merit" in this idea, Kintner conceded, but he argued: (1) Complaints & threats of them are needed to keep offenders in line. (2) FTC's staff "could be entirely occupied" with previews. (3) "Such a system represents an abdication of the advertiser's responsibility for self-policing." (4) Advertisers "are perfectly capable of abiding by the law without any hand-holding" by FTC.

Meanwhile in Washington FTC reported these developments on its payola case front:

Duke Records Inc., 2809 Erastus St., Houston, and Pres. Don D. Robey and Marnel Distributing Co. Inc., 1622 Fairmount Ave., Philadelphia and Pres. Nelson Verbit signed consent orders forbidding them to make under-the-table payments to anybody to broadcast their records.

Robert's Record Distributing Co., 1906 Washington Ave., St. Louis, and its officers Robert L. Hausfater & Sam Rosenblatt conceded they have engaged in payola practices, but in a formal answer to an FTC complaint they said they did nothing illegal.

Ace Record Co. Inc. and Record Sales Inc., Millsaps Bldg., Jackson, Miss., asked FTC to dismiss its complaint against them. They said they "are not currently participating in any programs, 'payola' or otherwise, the outcome of which might be construed as a violation of law."

Chess Record Corp., 2120 S. Michigan Ave., Chicago, and its affiliated Argo Record Co., Argo Record Corp. and Checker Record Co. entered a general denial of charges.

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More Creativity, Less 'Ersatz': Commercials are only getting about 7¢ out of every $1 spent by advertisers for TV, but even this would be enough if more of the commercial dollar was "channelled in the right direction—into production creativity." So will state Robert Lawrence, independent N.Y. commercial producer whose 1960 billings will be in the $5 million bracket, in an open letter being sent by his firm this week to 2,500 ad mgrs. and agency executives.

It's Lawrence's belief that creativity, in the producer-level execution of ad-agency commercial concepts, is "too often replaced by *ersatz* ingredients" and "too often subordinated to a glitter that does not sell." The result, says Lawrence, is that "commercials are bigger than ever, more slick and spectacular, but hardly as effective as they should be at this stage of their development."

Instead of buying production gimmicks which can help a good commercial but "cannot resuscitate a dud," advertisers should aim more money toward "the utilization of top creative talent." The masterful commercial, says Lawrence, stands out sharply "amidst a plethora of pap."

One major drawback to production creativity, in Lawrence's opinion, is the widely practiced system of competitive commercial bidding which often puts an expensive agency storyboard creation in the hands of "the producer who will do it more cheaply than anyone else," ignoring the fact that "superior directors, cameramen, art directors rate greater remuneration than their less experienced and less talented counterparts."

Lawrence, who speaks his mind as few commercial producers usually dare in a business which depends on agency goodwill for existence, has recently become something of a celluloid Cecil Rhodes. There are now 5 Robert Lawrence companies (Robert Lawrence Productions, N.Y.; Robert Lawrence Animation Inc., N.Y.; Robert Lawrence Productions, Hollywood; Grantray-Lawrence Animation Inc., Hollywood; Robert Lawrence Productions, Canada Ltd., Toronto) in the commercial film industry, and his Canadian offshoot is planning to add RCA video-tape equipment in the near future. He also is affiliated with RKO General.

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Ad People: George B. Park, Farish A. Jenkins, Neal Gilliatt promoted to senior vps, McCann-Erickson . . . William Siegel, ex-Revlon ad mgr., named to similar post at Schick . . . John Anderson, Henry Muller, John L. Southard Jr. named Benton & Bowles vps . . . C. James Fleming Jr., ex-Compton, and Kerry F. Sheeran named Ted Bates vps . . . Robert Betts, ex-William Esty, named Kudner vp.

Networks

CBS Blueprints 'Culture' Plans: This season, it was NBC-TV, with about one out of 10 shows in its roster of 200 specials devoted to "cultural" TV fare, that spearheaded the more "arty" brand of TV at the network level. Next season, it will be CBS-TV's turn to go in for culture in a big way.

Nearly $2.5 million has been budgeted by CBS-TV for a dozen cultural projects for the 1960-61 season in which the network virtually assumes a role of patron of the arts. Due to be slotted as periodic specials in prime time, shows in the series will be 60-min. length and will be under the supervision of program vp Oscar Katz.

Included in the CBS-TV projects: (1) A commissioned modern ballet, by Igor Stravinsky and George Balanchine, based on the "Noah" story. (2) A commissioned "drama with music," on a subject not yet selected, by Gian-Carlo Menotti, who has previously been considered a favorite entry in NBC-TV's cultural sweepstakes. (3) A Leonard Bernstein-Jerome Robbins ballet based on the Yiddish folk classic, "The Dybbuk." (4) A series of filmed-on-location art specials based on the lives and paintings of Picasso, Braque and Chagall. (5) An Orson Welles-produced, modern-dress version of "Julius Caesar," to be taped in London. (6) An opera by ace Hollywood composer ("Streetcar Named Desire," etc.) Alex North.

As soon as the project reaches a blueprint stage, CBS-TV expects to open a special sales campaign on it, seeking sponsors of the nature of American Machine & Foundry or Du Pont, we've learned.

At week's end, CBS Inc. Chmn. William S. Paley announced still another move by the network in the culture realm—a financial grant (amount unspecified, but said to be "large") to the N.Y. Philharmonic to support a 7-week, 26-city tour in the U.S., Hawaii & Canada. Conducting the 37-concert tour will be Leonard Bernstein, who's due to be showcased in the new CBS cultural series (see above). The tour opens Ang. 11 in Cleveland, and ends in Washington on Sept. 25.

NBC-TV will continue old, inaugurate new cultural offerings, we're told by officials there. Such weighty series as *American Heritage*, *Hallmark Hall of Fame*, and the *NBC Opera* will be back this fall. And although specials are being trimmed back for fall, the heaviest NBC trimming is being done on purely entertainment specials, with a number of serious-minded specials on music, art, dance and the theater planned. Among NBC-TV's longhair projects, we've learned, are 60-min. specials on the origins of American music, a study of jazz as an art form, the Pablo Casals festival in Puerto Rico, a 4-part series on modern art, a 4-part series on such scientific fields as meteorology and seismology, a report on new methods to improve the U.S. educational system, and a documentary on "cultural impressions made by the American theater at home and abroad."

The late William Golden of CBS-TV, ad-sales promotion creative dir. who died last Oct., was awarded a commemorative medal by the Art Directors Club of N.Y. April 12 at a luncheon held in conjunction with the 39th annual national exhibition of advertising & editorial art & design. The posthumous award was "in recognition of a lifetime of devotion to highest principles of creative design."

NETWORK SALES ACTIVITY

ABC-TV

American Bandstand, 4-5:50 p.m., participations beginning April 6.
Positan Corp. (Kastor, Hilton, Chesley, Clifford & Atherton)
General Foods (Foote, Cone & Belding)

Guestward Ho, Thurs. 7:30-8 p.m., 1960-1961 season, co-sponsorship.
Ralston Purina (Guild, Bascom & Bonfigli)
Seven-Up Co. (J. Walter Thompson)

The Jeannie Carson Show, Thurs. 9-9:30 p.m. eff. June 30, full sponsorship.
Procter & Gamble (Grey)

CBS-TV

The Jack Benny Show, Sun. 9:30-10 p.m. eff. Oct., co-sponsorship.
State Farm Mutual Insurance (Needham, Louis, & Brorby)
Lever Bros. (J. Walter Thompson)

NBC-TV

World Wide 60, three 60-min. specials eff. April and May, full sponsorship.
Longines-Wittnauer Watch Co. (Victor A. Bennett)

Esther Williams at Cypress Gardens, one-shot special during Aug., full sponsorship.
U.S. Brewers Foundation (J. Walter Thompson)

The Chevy Show, Sun. 9-10 p.m., eff. Oct., full sponsorship renewal.
Chevrolet (Campbell-Ewald)

National Velvet, Sun. 8-8:30 p.m., eff. 1960-61 season, alt. wk. sponsorship.
Rexall Drugs (BBDO)

Programming

"Executives on Camera," a new organization formed to coach businessmen for TV appearances, has been established in N.Y. by John F. McCarthy. Convinced that corporate images make unattractive pictures (due to such executive mannerisms as head bobbing, teetering and excessive gesticulation), McCarthy will offer top corporation executives due to make TV appearances a series of special on-camera tutorial sessions.

Final telecast-date for programs eligible for the 1960 Emmy Awards of the Academy of TV Arts & Sciences was March 31, making this Emmy award "year" March 1, 1959 through March 31, 1960. Nomination ballots will be mailed by Price Waterhouse & Co. to more than 6,000 TV Academy members on April 22. Deadline for return of nominations is May 6. Nominees will be announced on May 23. The final ballot will be mailed on May 30 and must be returned to the Academy by June 10. Presentations will be made June 20.

Bob Hope hasn't yet signed a new contract with NBC-TV, although his pact with Buick has been renewed for 8 specials next season on the network. His NBC contract expires at the end of this season, and Hope tells us that his agent, James Saphier, is still negotiating for a new 5-year agreement.

Educational Television

Electronic Baccalaureate: A 4-year college education, by means of TV lectures and a tutoring system modelled on those employed by British universities, is being explored by NYU. The project, directed by Washington Sq. College dean Dr. Thomas C. Pollack, is being conducted under a $30,000 grant from the Ford Fund for the Advancement of Education.

Although the project bears the working title of "College for Independent Study at NYU," it won't be a new college on the university's campus. And after 8 months of study, Dr. Pollack still isn't sure whether a full recommendation will be given to the project.

Under the plan, students would watch TV lectures, such as those on NYU's *Sunrise Semester* series. Then, tutorial groups would meet in the N.Y. area to extend the lecture work. Science students would do lab work on the campus. Faculty supervisors would assign projects.

The study project is due to be completed in Aug. So far, there is no ETV station in the N.Y. area. ETV programs are telecast by commercial outlets.

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Shift to video tape has been initiated by NET with the distribution to its 44 network affiliates of a taped series on the Presidential nominating process. The series, *Hats in the Ring*, was prepared by & features Malcolm Moos, White House speech writer & Johns Hopkins U. political science prof. It embraces seven 30-min. investigations of the U.S. political system, from the primaries through nominating conventions. In announcing the series, NET said it marks "the beginning of national distribution of ETV programs on video tape. Beginning with this series, the 8 hours of cultural programming distributed by NET will gradually shift to video tape."

Vigorous support of ETV by California Teachers Assn. was pledged by Frank O. McIntyre, at a recent UCLA panel discussion. The organization's PR dir. denied that CTA opposes ETV. Performer Steve Allen said criticism of ETV would be valid only if there were to be no teachers in the classroom. Ralph Richardson of the Los Angeles Board of Education said he had been subjected "candidly & regrettably" to tremendous faculty reluctance for & hostility against the entire idea of ETV. He added: "I do not think [this] is completely a manifestation of teachers' fear of being replaced. They have a concern for the quality of education." Also a panelist was Rudy Bretz, head of ETV at UCLA. Moderator was Syd Cassyd.

Grants-in-aid program for producers of educational radio material has been set up by the National ETV & Radio Center. The program will be administered by the National Assn. of Educational Bcstrs., on whose recommendation NET will pay part of the production costs of approved series. Applications from any accredited educational institution or NAEB member must be submitted before May 1. Announcement of grants will be made by June 15. Additional information is obtainable from NAEB, 14 Gregory Hall, Urbana, Ill.

ETV is good antidote for TV's "mindless fare of murder & whodunits," Rep. McDowell (D-Del.) told the House. Urging enactment of a $39-million federal-aid-to-ETV bill (HR-10609) by Rep. Roberts (D-Ala.), which won House Commerce Committee approval last month (Vol. 16:13 p4), McDowell said parents in particular should be "immensely heartened" by the Committee's action.

Stations

TvB sales clinics, relating to improved TV usage by retail stores, have been scheduled for May & June. They begin in Greensboro, N.C. May 3. The clinics, 17 in all, will treat with the problems of department & specialty stores in TV advertising. They will emphasize the best local advertising prospects; how a station should study the prospect and create a TV plan; and how to prepare the TV presentation & follow through. The schedule:

Date	City	Hotel
May 3	Greensboro	King Cotton Hotel
May 5	Atlanta	Dinkler Plaza
May 10	Miami	McAllister Hotel
May 12	Houston	Shamrock-Hilton
May 17	Minneapolis-St. Paul	Hotel Leamington
May 17	Kansas City	Muehlebach Towers
May 19	Chicago	Ambassador-East
May 19	Oklahoma City	Skirvin Hotel
May 24	Rochester	Sheraton
May 24	Baltimore	Sheraton-Belvedere
May 26	Boston	Sheraton-Plaza
May 26	Louisville	Sheraton
June 2	Detroit	Statler-Hilton
June 7	Denver	Cosmopolitan Western
June 9	Los Angeles	Sheraton West
June 14	San Francisco	St. Francis
June 16	Seattle, Washington	Olympic

Timebuyers like public-service shows, and nearly 3 out of 4 agency buyers (72%) would recommend locally-produced public-service shows in national spot campaigns if they were supplied with more qualitative information. So stated the 6th and latest "NBC Spot Sales Timebuyer Opinion Panel Report" released by the network's rep offshoot late last week. Other highlights of a nationwide study of 225 ad agencies: 76% of timebuyers believe the quality of TV public-service programming "has increased over the past few years." Two out of 3 panelists (65%) believe that a station having a strong public-service image provides "greater sales effectiveness for advertisers." Panelists were virtually unanimous (95%) in the opinion that public service "is effective in molding a corporate image."

Search for successor to late NAB Pres. Harold E. Fellows (Vol. 16:15 p1) reached an "exploratory interview" stage last week, Chmn. C. Howard Lane (KOIN-TV Portland, Ore.) of NAB's selection committee told us. He said he & other members of the 8-man committee had taken on assignments to talk with some possible candidates for the job and report on their qualifications & availability. But Lane declined to name any of those interviewed, stressing that the field—narrowed to 60-70 names from 100-odd suggestions received from NAB members earlier —was still wide open. He said his committee, which has set no date for a formal post-NAB convention meeting on the succession problem, still wanted more suggestions.

NAB's field staff has been doubled from 2 to 4 full-time membership-recruiting representatives by the appointments of Robert W. Jonscher & James T. McKnight. Jonscher, assigned to the West, to be based in San Francisco, comes from radio WONN Lakeland, Fla., where he was gen. mgr. Earlier he was mgr. of radio WMAL Washington and a salesman at radio WTOP Washington. McKnight, assigned to the East, has been in radio 15 years, including 6 with WDAY Fargo, N.D.

Record series of RAB area sales clinics, embracing 52 meetings in 35 U.S. & Canadian cities, gets under way in N.Y. this week (20). RAB vp & member service dir. Warren J. Boorom said that the series of one-day clinics for salesmen & management executives of RAB's 1200 member stations will include a new radio presentation, new methods for meeting newspaper competition, other elements.

Foreign

More about

FOREIGN TV GROWTH: Set circulation in foreign countries could well equal that of the U.S. in about a year—if growth continues at nearly the same pace of the last 12 months (see p. 3). However, there could be some leveling-off in numerical growth as most of the "have" nations build up closer to saturation of homes which can afford TV sets.

The tabulation below, excerpted from our just-published spring-summer TELEVISION FACTBOOK No. 30, summarizes the data on existing TV stations & sets in the FACTBOOK's Foreign TV Directory section:

Country	Stations	Sets	Country	Stations	Sets
Algeria	3	38,100	Luxembourg	1	4,000
Argentina	1	400,000	Malta[6]	—	7,000
Australia	12	825,000	Mexico	20	660,000
Austria	16	111,000	Monaco	1	11,000
Belgium	5	350,000	Netherlands	5	650,000
Bermuda	1	8,500	Nicaragua	1	5,000
Brazil	19	1,000,000	Nigeria	2	1,000
Bulgaria	1	3,000	Norway	1	9,000
Canada	62	5,534,000	Okinawa[1]	1	—
Chile[1]	2	—	Panama[4]	1	9,000
China (Mainld.)	4	5,000	Peru	5	33,200
Colombia	13	150,000	Philippines	3	30,000
Cuba	27	365,000	Poland	9	250,000
Cyprus	1	3,000	Portugal	5	35,000
Czechoslovakia	7	492,900	Rumania	2	20,000
Denmark	8	420,000	Saudia Arabia	1	4,000
Dominican Rep.	4	13,000	Spain	4	150,000
El Salvador	3	20,000	Sweden	32	678,100
Finland	11	50,000	Switzerland	15	85,000
France	56	1,500,000	Thailand	2	42,000
E. Germany	11	503,000	Turkey	1	1,000
W. Germany	182	3,500,000	United K'dom	34	10,000,000
Guatemala	2	20,000	Uruguay	1	15,000
Haiti	1	5,000	USSR	137	4,000,000
Honduras	1	3,800	Venezuela	13	200,000
Hong Kong[3]	1	4,500	Yugoslavia	5	15,000
Hungary	4	65,000			
India	1	300	FOREIGN TOTAL	1,220	38,402,800
Iran	2	22,000			
Iraq	1	35,000	U.S.	561	52,600,000
Ireland[2]	—	70,000	U.S. Military[1]	34	—
Italy	365[5]	1,666,400			
Japan	88	4,288,000	GRAND TOTAL	1,815	91,002,800
Korea	1	7,000			
Lebanon	2	8,000			

[1] Sets-in-use estimate unavailable. [2] Viewers tune to British stations. [3] Closed-circuit cable system. [4] Viewers tune to Armed Forces stations. [5] Includes 340 satellite stations. [6] Viewers tune to Italian stations.

Third Asian Broadcasters' Conference will be held in Tokyo for 3 days beginning May 19 under the auspices of the Japan Bcstg. Corp., and in cooperation with the Ministries of Postal Services and Foreign Affairs. (The previous meetings also were held in Tokyo.) One goal: to encourage more exchanges of programs & materials among Asian stations. JBC has exchanged 60% more programs since the first conference in 1957. Invited to attend this year's meeting are Afghanistan, Laos, Burma, Lebanon, Cambodia, Malaya, Ceylon, Nepal, Nationalist China, Pakistan, India, the Philippines, Indonesia, Saudi Arabia, Iran, Thailand, Iraq, Turkey, Israel, the United Arab Republic, Jordan, and South Vietnam. UNESCO has also been invited.

Asahi Art Film Co. plans to turn out short musical & other cultural films for Japan's 87 stations and distribution to world TV stations. The new company is headed by Iwao Takahashi, veteran promoter in ballet & music. Asahi expects to have in excess of 100 films ready before the end of 1960. Its first, already distributed to Japanese stations, features xylophone virtuoso Yoichi Hiraoka. U.S. stations wishing to know more about these films may write Iwao Takahashi, Kizan Building, 17, Doho-cho, Mita Shiba, Minatoku, Tokyo, Japan.

TV in Ireland has been approved by the Parliament. The govt. authorized telecasting to start within a year.

Expansion in international TV-radio field is planned by Harry M. Engel's Intercontinental Services Ltd., through a new affiliate, International Services Ltd. The new company has established offices & agencies in Beirut, Bangkok, Hong Kong, Manila, Tokyo & Mexico City, Engel said. It will offer services in management, program, sales & technical facets of broadcasting, and is negotiating for station licenses "in various markets throughout the world." Engel owns KUAM-TV & KUAM Guam and his ISL represents several overseas stations in the U.S.

Deluge of American films on British TV has aroused the ire of the UK's leading movie & TV union. The Assn. of Cinematograph, TV and Allied Technicians has adopted a resolution calling for control of film imports. Gen. secy. George Elvin, who introduced the resolution, said the aim is to limit to about 30% the ratio of foreign films on British TV. "We are not being anti-American, but we think that British TV should be basically pro-British," it noted.

Greek TV system is planned by the govt. in Athens, with relays charted to Thesalonika & Patras and later to other points in the country at an initial cost of $1.7 million. Installation bids will be called for soon, according to the Commerce Dept.'s *Foreign Commerce Weekly*, which said specifications may require that foreign firms accept Greek products in exchange for TV equipment and set up a TV-radio assembly plant in Greece.

Israeli govt. radio is sampling spot commercials in a 6-month test limited to forty 15-sec. announcements daily. Voice of Israel dir. Harry Zinder reports virtually all April ad time sold out and less than half the schedule for the 6-month period still available. Although there had been some public opposition to commercializing the radio system, the test has the approval of the Israeli Cabinet.

"Free Berlin" TV station has received the go-ahead on a giant TV antenna tower which will increase appreciably the penetration of East Germany by West German TV programming. The proposed 700-ft. mast is not expected to be in operation before next year. Site is still unsettled.

Technology

Description of the Toshiba TV tape recorder by 5 engineers of Tokyo Shibaura Electric Co. will be a feature of the SMPTE convention May 1-6 at Los Angeles' Ambassador Hotel. The 14 other papers on TV recording will include presentations on thermoplastic recording by its inventor, GE's W. E. Glenn, and on an improved Ampex device for splicing video tape employing special flux-sensitive heads and eliminating the use of "tape developer" to locate sync pulses. Another full session will be devoted to training personnel for TV & motion pictures.

Electronic recording products dept. has been formed by RCA to keep pace with "growing needs" for magnetic tape recording devices in TV broadcasting, business data processing, remote control telemetering, other fields. RCA veteran M. A. Trainer will manage the new activity. The dept. will function within the RCA broadcast & TV equipment div. Other staffers appointed: J. L. Grever, mktg. mgr.; Henry H. (Chip) Klerx, merchandising mgr.; G. F. Rester, sales mgr.; A. H. (Tony) Lind, engineering mgr.

"World's smallest color TV camera," using an RCA image orthicon tube, was displayed by Nippon Electric Co. at the recent International Trade Fair in Osaka.

Television Digest

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Personals: Edward J. DeGray has resigned as pres. of ABC Radio, eff. April 29. He's being replaced by Robert R. Pauley, now Eastern sales mgr., who'll have the title of vp for ABC Radio . . . Carl Lindemann Jr. promoted from NBC-TV daytime programs vp to program sales vp . . . Felix Jackson named NBC-TV West Coast programs vp . . . John P. Taylor named to new post of mktg. administration mgr., RCA broadcast & TV equipment div.

Carl Burkland, TIO consultant, ex-CBS Spot Sales & WAVY-TV Portsmouth, Va., named TIO gen. mgr.; Louis Hausman continues as dir. . . . Otis Chandler named publisher of the *Los Angeles Times*, succeeding his father, Norman Chandler, who remains as pres. of the Times-Mirror Co., owner of KTTV Los Angeles . . . David E. Eschelbacher named studio services mgr., ABC-TV production services dept., succeeded as studio effects & properties supervisor by Howard Citron . . . Edwin W. Pfeiffer, commercial mgr. of KOTV Tulsa, named sales mgr., WGR-TV Buffalo, N.Y. . . . Eugene McCurdy named local sales dir., WBAL-TV Baltimore . . . Mary Lynn Herrick, ex-KBMB-TV Bismarck, N.D., joins WTOP-TV Washington as sales promotion dir., replacing Twila Walker, who transferred to radio WTOP.

Maurice E. McMurray, Storer national sales dir., named sales vp; Terry H. Lee, managing dir., WAGA-TV Atlanta, named vp. Other new Storer vps: Reginald B. Martin, managing dir., radio WSPD Toledo; Ben Wickham, managing dir., WJW-TV Cleveland; Bernard E. Neary, managing dir., radio WGBS Miami . . . Elected to Storer board: Stanley L. Willis, pres.-gen. mgr. of Storer affiliate Standard Tube Co. Other new dirs.: James P. Storer, national sales mgr., radio WIBG Philadelphia; Peter Storer, managing dir., WSPD-TV Toledo; Bill Michaels, Storer vp & managing dir. of WJBK-TV Detroit; Lionel F. Baxter, vp & national radio dir.; Hugh Parks Rusk, vp & publisher of wholly-owned Miami Beach Sun Publishing Co.

Mark Evans, ex-WTOP Washington, named public affairs vp, Metropolitan Bcstg. Corp. . . . William V. Sargent named TelePrompTer exec. vp . . . Waldemar (Wally) Erickson, farm dir. of KFRE-TV & KFRE Fresno, Cal., and National Assn. of Radio & TV Farm Dirs. pres., named farm dir., Triangle Publications radio & TV div. . . . Elena Nelson promoted to publicity mgr., WPIX N.Y. . . . Dale Clark named news & public affairs dir., WAGA-TV Atlanta.

NAB's future book for board meetings & fall conferences, as set up following its April 3-6 Chicago convention: Board—June 13-17, Statler-Hilton, Washington; Feb. 6-10, 1961, El Mirador, Palm Springs, Cal.; June 12-16, 1961, Statler-Hilton, Washington; Feb. 5-9, 1962, Hollywood Beach, Hollywood, Fla. Conferences this year—Oct. 13-14, Biltmore, Atlanta; Oct. 18-19, Sheraton-Dallas, Dallas; Oct. 20-21, Mark Hopkins, San Francisco; Oct. 24-25, Denver-Hilton, Denver; Oct. 27-28, Fontenelle, Omaha; Nov. 14-15, Statler-Hilton, Washington; Nov. 17-18, Biltmore, N.Y.; Nov. 21-22, Edgewater Beach, Chicago. Conferences next year—Oct. 9-10, Jefferson, St. Louis; Oct. 12-13, Sheraton Dallas, Dallas; Oct. 16-17, Utah, Salt Lake City; Oct. 19-20, Sheraton Palace, San Francisco; Oct. 30-31, Robert Meyer, Jacksonville; Nov. 9-10, Somerset, Boston; Nov. 13-14, Pittsburgh-Hilton, Pittsburgh; Nov. 16-17, Leamington, Minneapolis. NAB's 1961 convention will be held May 7-11 in the Shoreham & Sheraton Park, Washington. NAB will return to the Conrad Hilton, Chicago, for its next 3 conventions—Apr. 1-5, 1962; Mar. 31-Apr. 4, 1963; Apr. 5-9, 1964.

National Assn. of FM Bcstrs. re-elected its slate of officers, headed by Pres. Fred Rabell, KITT San Diego. Other re-elected officers: T. Mitchell Hastings, Concert Network, exec. vp.; Frank Knorr, WPKM Tampa, secy.; William Tomberlin, KMLA Los Angeles, treas.

Meetings next week: RTES roundtable luncheon on "How to Report a Political Convention" (April 27). Speakers: J. Gilbert Baird, Westinghouse major-appliance div. sales promotion mgr.; Paul Levitan, CBS News special-events dir., Hotel Roosevelt, N.Y. . . . Southern Cal. Bcstrs. Assn. luncheon meeting (28), Hollywood Knickerbocker, Los Angeles . . . Ohio Bcstrs. Assn. annual meeting (28-29), Pick-Ohio Hotel, Youngstown . . . Ala. Bcstrs. Assn. annual convention (28-30), Miramar East Hotel, Ft. Walton Beach, Fla.

Prime Minister Diefenbaker denied in the Canadian House of Commons that political influence had won the Toronto TV license for Baton Aldred Rogers Bcstg. Ltd., (controlled by the *Toronto Telegram*). When the *Telegram* received the license in competition with 8 other applicants, political gossip called it a payoff for the newspaper's support of the Progressive Conservative government. The question came to a head in the Commons when Socialist member Douglas Fisher asked if the Prime Minister had influenced the Board of Broadcast Governors or any BBG member in favor of the *Telegram*. Said Mr. Diefenbaker: "May I say with all emphasis, no."

N.Y. realtor William Zeckendorf has filed an $8-million damage suit against the trustees of The Outlet Co., owner of WJAR-TV & WJAR Providence. This is a postscript to a long legal battle brought by station mgr. Joseph S. (Dody) Sinclair which resulted in cancellation of sale of the dept. store & stations to Zeckendorf's group (Vol. 14:51 et seq.).

John C. Cohan, who recently sold KSBW-TV (Ch. 8) & KSBW Salinas-Monterey, Cal. and affiliated KSBY-TV (Ch. 6) San Luis Obispo for $3.1 million (Vol. 16:13), has purchased radio KNGS Hanford, Cal. for $360,000 in transaction handled by Hamilton-Landis & Associates. Sellers are A. J. Krisik & Ellsworth Peck.

Obituary

Harold Day, 52, ABC-TV daytime TV sales dir., died April 15 of a heart attack in N.Y. He is survived by his wife and a son.

Trade Report . . . .

APRIL 18, 1960

TV REMOTE CONTROLS & CONFUSION: The most popular TV "accessory"—remote control—is gaining in popularity, industry leaders tell us. But nobody knows how much it's gaining, or how many are sold annually. Consensus of 10 top TV makers we interviewed last week is remotes are here to stay and will account for an increasing percentage of set sales—and ulcers.

What should a remote control do? That's a question that perplexes both set makers and customers. Lack of standardization sometimes has buyer, dealer & manufacturer talking completely different languages when discussing price, function & type. Motorola told us that its research showed that one out of 3 TV buyers is interested in remote control, but only one out of 18 actually buys—because of high price, lack of dealer interest and confusion about what kind of controls should be on a remote.

Because remotes are wireless today, they are complex & expensive. They work either on radio or ultrasonic principle, both requiring a hefty (usually 8-tube) remote-receiving chassis in the TV set. Some hand-held remote units have battery & transistor circuits, others tuning forks to key the various responses in the receiver. The receiver must actuate motors to turn knobs, and the fine tuning must be accurately pre-set.

Most manufacturers have 2 models of remotes—a "limited function" unit and a "deluxe function," controlling various activities of the TV set, such as picture-on-off, volume, channel, sometimes contrast, in one case (RCA) "complete-off," in another (Admiral) complete on & off (except for a transistorized receiver chassis which is always on). There's no standardization of prices, but generally a set with "deluxe function" remote sells for approximately $100 more than a comparable manual set, and the "limited remote" differential is priced at about $50 more. The latter is finding increasing use in step-up portables.

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How big is the remote TV market? Nobody really knows, and estimates obtained from industry leaders range all over the lot. Motorola says its research indicates only 350,000 of the 5.75 million TVs sold last year had remotes. Emerson Pres. Benjamin Abrams, who takes fairly dim view of remote business, estimates that no more than 15% have it—but even this estimate is higher than most. Averaging out estimates we obtained—including 2 reflecting concerted research by major manufacturers—we would guess that remotes account for perhaps 10% of sales right now.

Few manufacturers are willing to say how big their own remote business is—but they generally concede that Zenith is the leader in the field, many expressing the opinion that it is responsible for the majority of remote units sold. Zenith itself is silent on its percentage of remotes vs. non-remotes, Sales Co. Pres. Leonard C. Truesdell merely telling us that remote control is "very important in the price brackets where it applies—and we are glad to have it."

A couple of others were willing to answer the percentage question. Packard Bell estimates that fully one-third of its receivers are sold with remotes. One of the larger set makers, which has been featuring remotes for less than a year, tells us that less than 5% of its big-screen table models & consoles are sold with remotes, while the figure for consoles alone still comes "between 5 & 10%."

All manufacturers agreed on one point: Remote controls introduce no particular service problems. In fact, remote chassis and hand unit—for all their complexity—generally outlast the TV chassis in life tests.

The wireless remote control principle, as developed for TV (and already being used in some stereo sets), opens some intriguing new prospects in home electronics. Using similar circuitry, controls could be developed for such other household appliances as electric ovens, self-propelled vacuum cleaners, etc. And you can be sure somebody's working on this.

As for TV, there's no doubt the remote market will grow—but there's disagreement as to how much and how fast. Take these 2 opposing views, for example: GE radio & TV div. gen. mgr. Herbert Riegelman compares remote control with power brakes & power steering on automobiles, and says the public eventually will demand it on most sets. Emerson Pres. Abrams comments: "The remote has not been worked out to the point where it can be a big item. It will take hold when we have complete-function control at perhaps $25-$30 more than a non-remote set. Then we'll have a remote business."

Further comments of manufacturers on remote control will be printed next week.

RETAIL TV-RADIO-STEREO SALES HIGH: Dealers sold TV sets to the public at a better than 6.5-million-set-a-year clip during the first 2 months of 1960. On the basis of just-finalized 2-month EIA statistics, retail TV sales were 15% ahead of the same period last year.

All segments of consumer electronics shared in uplift. Phono retail sales (stereo & monaural) were 35% ahead of Jan.-Feb. 1959, and radio sales to consumers (excluding car radios) were 20% above the same year-ago period. Apace with this year's good auto sales volume, factory production of car radios climbed 44% above comparable period of 1959.

There appear to be no major inventory problems. In both TV and phonos, factory production was substantially below retail sales for the first 2 months. In radio, production was higher than sales, in a normal buildup for the spring season.

TV retail sales for first 2 months of this year were 1,098,540, nearly 150,000 more than the 949,877 registered in the same 1959 period. Historically, some 16.7% of the year's total TV sales are made in Jan. & Feb., indicating 6.5-million set pace on annual basis. Radio retail sales of 1,414,867 were nearly 240,000 ahead of last year, while phono sales totaled 967,780, almost 250,000 more than the 1959 period. Detailed tables of production & sales, with 1959 comparisons, will be found on p. 17.

TV-RADIO PRODUCTION: EIA statistics for week ended April 8 (14th week of 1960):

	April 1-8	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	106,149	121,039	106,691	1,678,834	1,496,649
Total radio	301,196	300,559	254,390	4,761,948	3,851,196
auto radio	104,946	103,680	99,188	1,967,909	1,462,886

Low-Noise Tuner: A transistorized TV tuner with extremely low noise level—designed to sell at prices low enough for use in commercial TV sets—has been developed by Philco's Lansdale div. and General Instrument's F. W. Sickles div.

The new tuner has a maximum noise level of 4.6 db on high channels and 3.3 db on low channels—said to be superior to the noise levels of the best TV tuners now available. The power gain varies from 32 to 45 db—similar to that of conventional tuners. The low noise level would make the new tuner highly sensitive to weak signals.

The new tuner was made possible through the development of extremely-low-noise Micro Alloy Diffused Base (MADT) germanium transistors, which can be mass-produced on Philco's automatic production lines at 350 per hour. They are of a new type, developed especially for the tuner, which is a modification of a standard Sickles Mark 6 tuner. Philco said the new transistors would be available "in the near future at prices competitive with those of existing transistor devices utilized in entertainment equipment."

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Home sound-movie projector, to record & play back magnetic soundtracks on 8-mm films, has been announced by Eastman Kodak, to list at $345. Earlier this year, Fairchild Camera & Instrument Co. announced a home sound camera & projector to sell at $479, the projector alone at $240.50 (Vol. 16:5 p21).

New plants & expansions: Motorola is building a $5-million, 3-story addition to its Phoenix semiconductor facility which will add 307,000 sq. ft. of manufacturing space to the present 214,000-sq.-ft. The addition is scheduled for completion in April 1961. It will add 3,400 employes to increase the present Phoenix roster to more than 7,000 . . . RCA has dedicated at Van Nuys, Cal., a $6-million electronics center which embraces 6 buildings & 240,000 sq. ft. of floor space for engineering & producing defense electronics . . . Sylvania has expanded transistor & diode manufacturing operations at its Hillsboro, N.H. semiconductor plant by enlarging the existing facility and leasing lab & production space at nearby North Branch.

RCA used closed-circuit TV for national introduction last week of 2 new electronic data-processing systems to audiences in 13 cities from N.Y. to L.A. The special telecast was produced by NBC Telesales and carried via TNT's TV projection facilities. Program narrator was NBC News's Chet Huntley. RCA Pres. John L. Burns introduced the small 301 & giant 601 systems, announced that 35 orders already were booked for the smaller one (designed for firms with as few as 300 employes) and 2 for the 601, and declared: "Our ascendancy in the field has been rapid and we expect to augment our growth in electronic data processing so that within the next decade the volume of our data-processing business will equal all of RCA's total business today." Some 3,000 persons reportedly viewed the 60-min. closed-circuit telecast.

More about

RETAIL SALES UP: Increase in both retail sales & factory output of principal consumer electronic products is delineated in the just-released EIA figures for Jan. & Feb. 1960 (see p. 16). Here are the tables for 1960 and comparable 1959 months in TV, radio & phonos:

TELEVISION

	Production		Retail Sales	
	1960	1959	1960	1959
January	526,494	437,026	590,867	501,704
February	503,453	459,492	507,673	448,173
Jan.-Feb.	1,029,947	896,518	1,098,540	949,877

RADIO

	Total Production		Auto Radio Production		Retail Sales (excl. auto)	
	1960	1959	1960	1959	1960	1959
January	1,355,788	1,124,737	632,461	420,052	803,388	700,490
February	1,442,368	1,125,385	596,872	432,551	611,479	474,888
Jan.-Feb.	2,798,156	2,250,122	1,229,333	852,603	1,414,867	1,175,378

PHONO (1960)

	Factory Sales		Retail Sales	
	Monaural	Stereo	Monaural	Stereo
January	118,400	341,329	150,688	368,964
February	90,854	324,666	100,268	347,860
Jan.-Feb. 1960	209,254	665,995	250,956	716,824
Jan.-Feb. 1959	349,020	366,086	402,556	315,691

* * *

TV picture tube sales for the first 2 months of 1960 were slightly ahead of the same months of 1959, while factory sales of receiving tubes declined during the same period. Here are the EIA figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	795,250	*$15,831,430	31,367,000	$26,872,000
February	741,233	14,495,480	32,734,000	27,881,000
Jan.-Feb. 1960	1,536,483	30,326,910	64,101,000	54,753,000
Jan.-Feb. 1959	1,523,242	29,294,818	64,305,000	55,438,000

* Revised

U.S. TV makers muddy their own sales waters by hitting consumers too soon & too often with new products, reports Britain's *Wireless and Electrical Trader*. These manufacturers, the magazine comments, "are finding that they will have to move fast to sort out the tangle that new products are causing. For some time the industry has been looking around for a 'lifesaver' to pull the sales picture together. Last year came the 23-in. bonded tube. Then came the 19-in. bonded picture tube. Between these two innovations, manufacturers were confident that the poor showing of TV receiver sales in very recent years could be rectified. However, there is a snag. Before the 23-in. picture tube development, producers had thought of the 17-in. portable as a means of salvation. Last summer it was promoted vigorously. Main emphasis was on the value of the portable as a second set in the home. Generally, these models have luggage-type cabinets and can be moved around with ease. With multi-channel reception available to most householders, the portable seemed a good way to ensure that members of the family saw the shows they wanted to see, even if all were not in agreement. Now, in some areas, the ball has bounced back. A number of manufacturers are discovering that portables are being bought as a family's first set. Reason given is that the buying public is fed up with innovations; it wants to wait until the product confusion has settled down before deciding on a more expensive purchase. Meanwhile, the portables save space and money. It's almost a case of being hoist with their own petard, as far as manufacturers are concerned."

Japanese TV Pattern: Although less than 20% of Japan's 18 million households have TVs, Nippon's set makers are casting about for new markets to conquer. The consensus is that the end of the domestic sales boom is in sight, that saturation is approaching although not many more than 4 million sets are now in use (see p. 3). In 1953 there were less than 1,000 registered TV sets in Japan. During the boom period, the nation's production capacity increased nearly 200-fold, from 15,000 sets in 1953 to 2,860,000 in 1959. With the major cities boasting upwards of 40% TV concentration and production gaining tempo, Japan seemingly is running out of its own home market.

Japan's top TV producer in 1959 was Matsushita, with 18.3% of total. Giant Toshiba was a close 2nd with 16.8%. Runners up: Hayakawa 13.9%, Sanyo 10.4%, Hitachi 9.5%, Yaou 9.2%, Mitsubishi 8%, Nippon Columbia 4.5%, Victor Co. of Japan (Nippon Victor) 3.9%. (Incidentally, RCA informs us that Nippon Victor is not an affiliate, as reported in our Vol. 16:14 p20 item; it's a licensee.)

Domestic prices of Japanese TV sets have dropped drastically (20-30%) in the past few years. The current price range: $117-128 for a 14-in. set, average $197 for 17-in., $314 for 21-in. It should be pointed out, however, that Japanese TV prices include excise taxes and other charges not reflected in the pricing of export models.

Emertron Inc. is new wholly-owned Emerson subsidiary, formed to operate & expand its govt., commercial and industrial electronics businesses. The new company, based in Silver Spring, Md., is headed by Adm. John D. Small (ret.) as chairman. It is capitalized with 250,000 authorized preferred shares (no par value) and 5 million authorized common shares ($1 par value). Two million common shares were issued to Emerson for transferred assets. The new company acquires all facilities & assets of Emerson's electronics div., except for consumer products, plus its order backlog of more than $20 million in military & industrial business. The Emerson subsidiary will design & produce communications & navigation equipment, radar systems, aircraft & missile devices, other electronic products. Emerson last week signed a long-term lease for a 15-acre site in the Washington (D.C.) National Pike Industrial Park. The lease plan includes plant facilities to be constructed by the Park owners.

Arvin Industries reports a 30%-plus increase in total sales of its private-label & house-brand radios in the first 9 weeks of 1960. Electronics & appliances div. sales dir. Themio Plakos said that sales of Arvin brand sets jumped 43% during the period. He attributed the rise to "customer reception of our American-made vest-pocket" transistor portable, a new AM-FM stereo radio, and the giveaway by dealers of a $4.95 aluminum chair to each customer buying portable. Newest Arvin set: FM radio at $29.95.

Sylvania has introduced a remote-control high-end version of its 17-in. Dualette portable TV at $229.95—in addition to its early American and contemporary 19-in. furniture-fashioned table models, which use the reflection-free etched bonded-shield tube, at $199.95 (Vol. 16:15 p20). Sylvania Home Electronics Pres. Robert L. Shaw told us that his company foresees a good future for the 17-in. tube in portable TV. Last week we erroneously reported that Sylvania had dropped the 17-in. size. Sylvania discontinued 21-in. sets last year, but its 17-in. portable line is still very much alive.

Trade Personals: William B. Clemmens, ex-room air conditioner national sales mgr., appointed GE radio receiver dept. mktg. mgr., succeeding S. M. Fassler, recently named TV receiver dept. mktg. mgr.

John P. Gleason, sales mgr. of Kimble Glass Co.'s electronic products div., named asst. dir. for mobilization planning of Commerce Dept's containers & packaging div. . . . William Hall named to new post of national distributor sales mgr., United Stereo Tapes, music tape distributor owned by Ampex Audio, headquartering in Bloomfield, N.J. . . . William K. Carlson, ex-Raytheon, named planning & controls mgr., General Instrument semiconductor div.; William J. Feldman appointed chief industrial engineer for the div.; Eric J. W. Evans named chief germanium diode process engineer . . . Marvin C. Lewis promoted from Raytheon commercial product planner to new post of commercial mktg. research mgr.

Stephen L. Levy promoted from commercial engineering mgr. to new post of asst. to the vp-gen. mgr., Philco Lansdale div. Other div. appointsments (all new posts): H. Kenneth Ishler, from engineering production mgr. to semiconductor operations gen. mgr. Raymond M. Cotter, from operations mgr. to semiconductor operations manufacturing dir. George W. Pratt, from tube operations mgr. to engineering service dir. John M. Palmer, from Spring City plant mgr. to tube operations gen. mgr. Charles Lupton, from special services mgr. to industrial relations dir. Cyrus H. Warshaw, from gen. sales mgr. to mktg. dir. William F. Maher, from military industrial sales mgr. to semiconductor operations sales mgr.

Robert T. Sperry named personnel supervisor, Sylvania Electronic Systems field engineering organization . . . William S. Marks Jr., ex-Radiation Inc., named Zenith consultant for military communications-electronics . . . Alfred S. Buyer named Raytheon microwave cooking dept. ad & sales promotion mgr. . . . George E. Althouse named customer service mgr., Heath Co. . . . G. Leonard Werner named mkt. research dir., Astatic Corp. He continues temporarily as sales dir. . . . O. F. Henning appointed Texas Instruments mktg. mgr. for instrumentation product group of the geosciences instrumentation div.

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Another blow at "3-channel stereo" claims may result from the recent agreement between the National Better Business Bureau and Magnetic Recording Industry Assn. on standard stereo terminology. Among the standards, a channel is defined as "a complete electrical transmission path." Further, the standards note that "in a multi-channel system, the number of channels cannot exceed the number of tracks." Last year, in letters to about 100 stereo manufacturers, BBB questioned the practice of claiming "3-channel stereo" in their ads.

National Stereo Radio Committee Panel 5 on field testing will hold its organizational meeting 10 a.m., April 29, at EIA's N.Y. hq, 11 W. 42nd St. Chmn. A. Prose Walker, NAB engineering mgr., urges all interested parties to attend.

Japanese tape decks will be used in 15% of the tape recorders made by Concertone div. of American Electronics, Culver City, Cal. About 2,000 tape decks will be supplied to Concertone this year by Nippon Sound Equipment Co. and Tokyo Electro Acoustic Co.

Curtis Mathes Mfg. Co., Dallas TV-stereo manufacturer, has opened new warehouses in Boston and N.Y.

Finance

GE sales & earnings slipped slightly during the first quarter ended March 31, but Chmn. Ralph J. Cordiner described the outlook for the balance of the year as "potentially favorable." Orders received during the period were 9% ahead of the year-ago volume. He attributed the first-quarter decline to sags in sales of heavy equipment and to a drop in defense business. In the table below, the per-share earnings are based on the average number of shares outstanding during the period. For the quarter ended March 31:

	1960	1959
Sales & services	$957,433,000	$976,568,000
Net income	52,614,000	52,778,000
Per common share	60¢	60¢
Avg. common shares	88,332,778	87,719,255

Standard Coil Products' 1959 sales ($73.8 million) were the 2nd highest in the company's history. They produced nearly triple ($1.5 million) the preceding year's profits (Vol. 16:11 p22), the annual report to stockholders confirmed recently. Pres. James O. Burke, commenting on highlights of the year, noted: "Over the past few years a number of important TV manufacturers have been added to the company's roster of customers. In 1959 RCA made initial purchases, while the company continued to supply, among others, such leading manufacturers as Zenith, Magnavox, Admiral, Emerson, Packard Bell and Wells-Gardner." Burke pointed out that Standard's miniaturized "Guided Grid" vhf TV tuner, which went into production during the year, "was purchased in large quantities by a number of leading set manufacturers. A new transistorized vhf TV tuner, also developed by our research, is now in full-scale production." Looking ahead, he told stockholders: "We are actively negotiating for the acquisition of other businesses which should substantially diversify our product lines & markets . . . Without taking into account the impact of acquisitions under negotiation, we anticipate an increase in sales for 1960 in the neighborhood of $10 million, or about 15%, with a substantial increase in profits."

Transitron sales & earnings in the 3rd fiscal quarter ended March 31 were the highest for any 3 months in the company's history, Pres. David Bakalar reports. The outlook for the 4th quarter is even better, he added. For the 1960 fiscal year, he said, "we definitely expect sales to be the best in the company's history, with sales between $45 million & $50 million and earnings between $1.10 & $1.20 a share" (vs. Transitron's earnings of $6,456,138—86¢ a share—on sales of $30,913,376 in fiscal 1959). Commenting on Transitron's high profit margin—more than 17% in the current fiscal half and 20.8% in fiscal 1959—Bakalar said the company has been "extremely cost conscious" and avoids areas of the semiconductor business that don't have a high profit margin.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Allied Radio	—	$0.08	May 20	May 6
AB-PT	Q	.25	Jun. 15	May 20
Canadian GE	Q	2.00	Jul. 4	Jun. 15
Dominion Electrohome.	SA	.10	May 31	May 16
Electronic Investment .	Q	.02	May 31	May 2
Electronic Investment .	YE	.51	May 31	May 2
Paramount Pictures ...	Q	.50	Jun. 10	May 23
United Artists	Q	.40	Jun. 24	Jun. 10
Wometco "A"	Q	.17½	Jun. 15	Jun. 1
Wometco "B"	Q	.06½	Jun. 15	Jun. 1

Officers-&-Directors stock transactions as reported to SEC for March:

Allied Artists. Albert Zugsmith bought 100, held 144,200.
American Bosch Arma. William P. Smith bought 400, held 1900.
AT&T. William C. Bolenius bought 405, held 1,1005.
Ampex. Joseph R. McMicking acquired 300,000 and 160,000 more for trust in 3-for-1 stock split, received 60,000 as gift for trust, disposed of 60,000 as gift, sold 65,000 from trust, held 450,000 personally, 195,000 in trust.
Amphenol Borg. Harold R. Egenes sold 300, held 1,333. Lester M. Grether sold 1,100, held none.
Collins Radio. M. L. Doelz bought 500, held 504. J. G. Flynn Jr. bought 500, held 1,508.
Corning Glass. Paul T. Clark sold 1,965, held none. John L. Hanigan sold 1,400, held 181.
Desilu Productions. Bernard Weitzman sold 500, held 500.
Electronic Specialty. Richard H. DeLano sold 500, held 7,563.
Filmways. Lee Goodman sold 3,000, held 7,784. Howard Magwood received 150 as bonus, held 170.
GE. William S. Ginn sold 2,000, held 6,168 personally, 407 as trustee. William Allen Mann sold 1,011, held 1,252. Clarence C. Walker sold 750, held 6,923.
General Precision Equipment. Joel Dean sold 200, held 1,400.
General Telephone & Electronics. Leon C. Guest Jr. bought 658, held 1,473.
General Transistor. Frank Fenmucci sold 4,000, held 26,400.
Hoffman Electronics. I. J. Kaar exercised option to buy 2,000, held 2,000.
IBM. John G. Phillips sold 100, held 15,104. Albert L. Williams exercised option to buy 745, held 3,745.
International Resistance. Walter H. Powell exercised option to buy 500, held 1,120.
ITT. Henry H. Scudder sold 230, held 2,200. Paul P. Swantee received 30 as bonus, sold 300, held 4,364.
Lear. Paul Moore sold 939, held none. Joseph M. Walsh received 222 as incentive bonus, sold 523, held none.
Litton Industries. Charles R. Abrams Jr. sold 300, held 5,700.
Loral Electronics. Edward J. Garrett bought 400, held 11,000.
Magnavox. Gerard M. Ungaro sold 500, held 13,141.
Microwave Associates: Julian Pathe sold 500, held 10,300.
National Theatres & TV. B. Gerald Cantor sold 4,000 through Cantor Fitzgerald & Co. and 20 more through First Nevada Corp., held 11,300 in Cantor Fitzgerald & Co., 1,000 in First Nevada Corp., 5,100 in Cantor & Son Inc., 106,080 personally. Burt Kleiner sold 4,000 through Cantor Fitzgerald & Co. and 20 more through First Nevada Corp., held 11,300 in Cantor Fitzgerald & Co., 1,000 in First Nevada Corp., 5,100 in Cantor & Son Inc., 15,300 personally. Jack M. Ostrow sold 6,900 through corporation, held 72,600 in corporation, 7,500 personally.
Raytheon. David D. Coffin exercised option to buy 945, held 3,631. Ivan A. Getting exercised option to buy 5,014, held 5,394.
Reeves Soundcraft. Milton F. Untermeyer sold 100, held 500.
Servomechanisms. Ernest A. Wester bought 290 and exercised option to buy 2,660 more, held 25,000.
Siegler. John J. Burke bought 1,030, held 5,047.
Standard Coil. Robert C. A. Eland sold 1,000, held 3,150.
Storer. John E. McCoy bought 100, held 5,600.
TelePrompTer. Fred H. Barkau acquired 257 in exchange, held 40,641. Paul Garrett acquired 257 in exchange, held 7,757 personally, 3,150 in partnership. Milton H. Hendler acquired 257 in exchange, exercised option to buy 1,900, held 2,757. Irving B. Kahn acquired 257 in exchange, held 60,305 personally, 3,150 in partnership. Hubert J. Schlafly Jr. acquired 257 in exchange, held 34,656.
Texas Instruments. W. D. Coursey sold 810, held 5,945. W. F. Joyce sold 800, held 11,262. C. J. Thomsen sold 475, held 12,138.
Thompson Ramo Wooldridge. James H. Coolidge bought 1,500, held 15,000. Harold R. George sold 1,300, held 33,935. John H. Kerr bought 100, held 200.
Trans Lux. Harry Brandt bought 500 and 400 more for foundations, sold 300, held 160,930 personally, 34,380 in foundations, 17,000 for wife, 2,000 in Brapick Corp., 100 in Marathon Pictures, 400 in Bilpam Corp., 400 in Pamela Amusement, 100 in Barvic Theatres Corp.
Transitron Electronic. David Bakalar bought 100, held 3,176,325. Leo Bakalar bought 100, held 3,221,375 personally, 75,000 in trust.
20th Century-Fox. Robert Lehman sold 1,700, held 8,000.
Varian Associates. Clifford V. Heimbucher sold 1,600, held 32,878. Decker G. McAllister sold 1,200, held 25,680. Sigurd F. Varian sold 60, held 8 personally, 5,000 as trustee, 81,248 in community property.
Westinghouse. John A. Hutcheson bought 5,750, held 6,620. O. O. Rae exercised option to buy 2,810, held 5,382.

Muntz TV anticipates a sharp jump in earnings to about $1 million (84¢ a share) on a sales gain to $10 million in the 1960 fiscal year ending Aug. 31, Pres. Wallace A. Keil reports. In the 1959 fiscal, Muntz TV had earnings of $420,894 (36¢) on $6,728,906 sales. Keil noted that Muntz still owes some $2.3 million in promissory notes, arising from the 1953 bankruptcy, which mature Jan. 9, 1964. The final instalment of $1.5 million in taxes owed at the time of the bankruptcy is slated to be paid this week. The 790,759 preferred shares ($1 par) issued to creditors at the time of reorganization will be repurchased at par value after the promissory notes are paid. Secy.-treas. Dan Domin said the first payment of $400,000 on the notes is expected to be made this June. He also noted that Muntz TV production of 24-in. models has increased to 24% of total, compared with 7-8% a year ago.

Admiral expects a 7% sales gain in the first quarter ended March 31, compared with a year ago, Pres. Ross D. Siragusa told the annual meeting last week. Distributor sales of TV alone were up 33%—vs. an industry gain of only 16%—he added. "If our operations continue to grow during the balance of the year as we believe they will," Siragusa announced, Admiral "will give serious consideration to the resumption of dividends by the year end." The company has not paid a dividend since Dec. 31, 1956. Reviewing the sales picture, Siragusa noted: "Color TV has been moving at an excellent rate and we expect to double our color sales this year. There has been an upswing in movement of top-of-the-line products such as color TV and TV-stereo-high-fidelity instruments. With the increased popularity of stereo reproduction we anticipate a much larger market for 3-way combinations." Noting that half of the 5 million transistor radios sold in the U.S., in 1959 were Japanese-made or used Japanese components, he said: "This constitutes a serious threat not only to American manufacturers but to labor as well." Admiral unveiled a new electronic room-status-control system for hotels which coordinates communications among front desk, cashier and housekeeper. The first system will be installed in the new 250-room Hyatt House Hotel, now building in Seattle.

P. R. Mallory registered healthy sales & profit gains in the quarter ended March 31 (per-share earnings are based on stock currently outstanding):

	1960	1959
Net sales	$22,410,026	$20,511,471
Net income	1,073,068	978,518
Per com. share (after pfd.)	71¢	64¢
Common shares	1,442,178	1,410,044

Audio Devices Inc. (recording tape & discs) reports a net loss in 1959, on higher sales than 1958. For the year ended Dec. 31:

	1959	1958
Net sales	$6,166,344	$6,015,845
Net loss (profit in '58)	(195,445)	18,284
Per common share	—	2¢

Storer Bcstg. Co. posted a 39% gain in earnings on a 15% sales increase during 1960's first quarter, Chmn.-Pres. George B. Storer reported to the stockholders meeting last week. He said that prospects for a successful year are bright, that the company is in a sound financial position, that several of the Storer stations likely will top 1959's earnings. He told stockholders that the company is keeping a close watch on the progress of pay TV. For the quarter ended March 31:

	1960	1959
Net income	$1,423,079	$1,024,183
Per common share	57¢	41¢
Common shares	2,474,750	2,474,750

MGM Inc. net income declined to $3,739,000 ($1.47 a share) in the first 28-week period of fiscal 1960, ended March 17, compared with $4,798,000 ($1.80 on a higher number of shares) in the year-ago period. Pres. Joseph R. Vogel noted, however, that MGM earned 76¢ a share in the quarter ended March 17, despite the strikes which affected production, tallying its 6th consecutive profitable period.

Paramount Pictures reports a sag in operating net income to $4,410,000 in 1959 from $4,567,000 the preceding year. In 1959's final quarter, however, the operating net rose to $766,000 (45¢) from $760,000 (43¢) in the year-earlier period.

Why Telefilm Pilots Crash-Land

IN RECENT SEASONS, telefilm producers, talent agencies, networks, independent star-name production companies and Hollywood majors have made the hopeful round of top advertising agencies armed with 200 or more telefilm pilots bearing the "available-for-fall" label. The production investment is enormous; as much as $10 million in hard-earned cash, bank loans, and even notes from factors or Swiss banks is at stake.

Current Hollywood talent strikes, coupled with one of the earliest program buying seasons on record, have made the crop of 1960-61 season hopefuls smaller than usual; agencymen estimate it at somewhere between 140 and 170 show offerings. Although the field may be narrower, new pilots are facing the same grim set of odds as last year.

"We screened 220 pilots last season," C. Terence (Terry) Clyne, McCann-Erickson sr. vp and the agency's top TV executive, told us in N.Y. recently. "Of those, about 40 actually got on the air, because we bought them or someone else did. Of that 40, only about 20 were renewed the following season. That means that only about 10% of all new pilots actually become TV shows that are renewed at the network level."

No producer in his right mind ever makes a pilot that he knows will fail. Not a few producers, therefore, are bewildered by such statistics, and ask—with much justification—"what did I do wrong?"

Five Principal Reasons for Failure

We put what amounts to the same question to a number of top agencymen in N.Y. representing everything from the very largest agencies to the smallest, and various agency TV philosophies ranging from the hardest of "hard sell" to ad shops noted for their low-pressure persuasion. This was the consensus on why so many pilots crash-land:

1. Over-produced pilot; too lavish to be sustained in a TV series.

2. Failure on the producer's part to guarantee delivery of the same production team that filmed a good pilot.

3. Carbon-copy production, in which shows riding in the Nielsen "top 10" are slavishly imitated in new pilots.

4. Lack of "point of view" in the pilot, so that it's impossible to project the series mentally from one episode.

5. Lack of "memory value" in the show's stars, story, or production gimmicks.

Agency TV executives, who have to screen as many as 9 pilots a day, 5 days a week during the height of the program buying season, have developed, almost as a defense mechanism, some short-cuts to pilot judgment. A typical agency formula was offered to us by Lewis H. Titterton, Mayfair-accented vp & dir. of TV-radio programming for Compton: "I always ask myself—if I were an average viewer, would I want to tune this show in again? Too often, the answer is 'no.'"

Producer-level inability to see TV through the eyes of the "average viewer" was stated by most agencymen we contacted as being perhaps the most common fault seen among new pilots—and one that has nothing whatever to do with technical perfection, or lack of it, in production.

"My whole program philosophy is based on 2 things—that most people live humdrum lives and look to TV for escape, and that most nighttime program viewing decisions are made by women," stated TV-radio broadcast operations senior vp Richard A. R. Pinkham of Ted Bates. "I have therefore developed certain basic attitudes toward shows offered to me: I don't want shows starring women in a continuing lead role, on the order of the *June Allyson Show*. I don't like ultra-realism or neo-realism, because a show that's too uncomfortably close to real life won't attain widespread TV success. I prefer shows about beautiful people in beautiful places doing glamorous things."

Adman Pinkham, whose agency has a pronounced fondness for buying alt.-wk. or one-third sponsorships in prime-time action-adventure film packages, also has a strong viewpoint about telefilm star talent that's shared by many N.Y. agencies.

"We see a lot of pilots each year with truly competent leads," he told us. "I mean actors like Lee J. Cobb or James Whitmore. It's wonderful to watch people like these work—if you enjoy theater. But for national TV consumption, I'd rather have a sexy male like Efrem Zimbalist Jr. or Rory Calhoun. If he has sex appeal, women will watch, and women buy most of the household products."

Among Bates' buys in network TV this season (most are participations) are *The Texan, Mr. Lucky, 77 Sunset Strip, Adventures in Paradise, Perry Mason, Bourbon St. Beat, Hawaiian Eye, Bachelor Father, The Untouchables.*

More Than a Pilot Is Needed

Even if a pilot's general theme and cast are likely to go over well with viewers, producers often innocently make a glaring mistake in giving the pilot no particular point of view. As Ted Bergmann, ex-Du Mont network head who's now pres. of the fast-growing Parkson agency, put it to us: "I've seen too many pilots where the producer tried to project the whole series through a single pilot film. It just can't be done. The general outline of a series should be in a presentation, not in a pilot, and the pilot should be representative of a single show in the series, nothing more." Bergmann's major new dramatic buy this season is the Russell Rouse-Clarence Greene *Tightrope* series on CBS-TV, which Pharmaceuticals Inc. co-sponsors with American Tobacco. Other Parkson shows include Groucho Marx's *You Bet Your Life* and *Original Amateur Hour.*

Good writing, although seldom noticed by TV audiences (unless there's a pronounced lack of it in a show), is a major touchstone in telefilm pilots among major agencies. McCann-Erickson's standard demand, according to sr. vp Clyne, is to see "at least 3 scripts and 6 storylines, in addition to the pilot, on any show in which we're seriously interested." Added Clyne: "You'd be surprised how many producers flunk this test." (And many producers would be surprised to find how many agencies share the McCann-Erickson 10-story viewpoint. A few we've spotted in our own researching: Young & Rubicam, J. Walter Thompson, Benton & Bowles, BBDO, Fuller & Smith & Ross, Dancer-Fitzgerald-Sample, among others.)

Also important in pilot judgment, many agencymen told us, is a producer's ability to come up with memorable running production gimmicks (or "schticks," as they were once known in vaudeville). Such production touches as the fast-shooting Winchester in the *Rifleman*, Kookie's comb in *77 Sunset Strip*, the trick bullwhip business in the forthcoming *Stagecoach West*, or the Rodin "Thinker" scenes in *The Many Loves of Dobie Gillis* are memorable when integrated into the characterizations.

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WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

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"WHO IS TO BLAME?" asks FTC Comr. Tait, reviewing scandals in broadcasting. Nobody in TV, radio & advertising can escape responsibility, he answers (pp. 2 & 6).

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3M BUYS MUTUAL for about $1.3 million in move which industry speculators feel will give leading tape-maker a "test tube" operation for new tape-recording equipment (p. 8).

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SIGNS & PORTENTS indicate good year, as clouds disperse from economic horizon with coming of spring. Increase in new housing starts seen encouraging (p. 14).

2.4 MILLION TVs were scrapped last year, Mansfield estimates. One-third of 1959's junked sets were 21-in.; figure expected to jump this year because of new 23-in. sets (p. 14).

BATTERY-OPERATED TV, direct-view transistorized model at $250, goes into production at Emerson within a few weeks. Other manufacturers may show "true portables" soon (p. 15).

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DICK CLARK ON STAGE for windup hearings by House payola probers, who'll call score of other witnesses. NBC, ABC file comments on broadcasting bills (p. 9).

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WGA IS SPLIT OVER NETWORK OFFER: Proposal to end 14-week-old strike includes recognition of foreign residuals principle, pension plan (p. 11).

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BIGGER 1960 FOR TV & RADIO: Total broadcasting revenues in both TV & radio will be higher this year than they were in 1959, NAB predicted last week on the basis of its annual financial survey of stations undertaken by broadcast personnel & economics mgr. Charles H. Tower.

Summing up 1960 estimates projected from first-quarter business trends, NAB reported: (1) Telecasters "expect an increase in total revenues but they do not anticipate as great an increase as they did last year." (2) "Radio broadcasters are more optimistic this year than last."

Across the country, TV stations filed returns in the survey, averaging out to a forecast that their revenues this year would be up 6.8% from 1959. Last year they had figured on a 7.2% increase over 1958 (Vol. 15:18 p9). On the same nationwide basis, radio stations predicted a median increase of 3.2% in 1960 vs. 2.5% in 1959, for the biggest jump in business since NAB started its surveys 4 years ago.

In TV, 85.3% of 250 stations participating in the annual guessing game said their 1960 business would be better, 1.5% reported it would go down, 13.2% settled for "no change." In radio, 69.3% of 750 stations expected revenue increases, 7.3% decreases, 23.4% "no change."

"Most hopeful group" in TV, according to NAB, was market category No. 5 (25,000-100,000), in which 93.1% of the stations anticipated better business, none expected it to be poorer, and 6.9% estimated that it would be about the same this year as last.

Market category No. 1 in TV (1,000,000 & more) figured on a 6.1% increase in 1960 vs. 9.7% in 1959; Category No. 4 (100,000-250,000) 8.8% vs. 6%; category No. 2 (500,000-1,000,000) 5.8% this year. In radio, market category No. 2 (1,000,000-2,500,000) was most optimistic—90% expecting better 1960 business.

FCC ASKS NEW POWERS: FCC last week urged Congress to amend the Federal Communications Act in a manner that would allow the Commission to invoke 90-day suspensions of licenses, impose forfeitures and seek restraining orders in the courts as disciplinary measures against recalcitrant broadcasters.

In another followup to April 12-13 hearings on new broadcasting legislation by the House Commerce Communications & Power Subcommittee (Vol. 16:6 p1), FCC Chmn. Ford also wrote Chmn. Harris (D-Ark.) to propose a new subsection for the existing law's anti-payola Sec. 317. This would give Commission discretionary authority to waive mandatory announcement requirements—covering free records, etc.

The less-than-revocation penalties for offending stations—including $1,000-per-day forfeitures by stations for continuing violations of rules—are needed as extra enforcement weapons, FCC said in legislative drafts prepared for the House & Senate.

"Current problems which have recently come to light in broadcasting make it apparent that some less drastic but effective deterring sanctions should be available to the Commission," a statement of "justification" accompanying the drafts said.

As for court injunctions to stop "an offending practice" by a station, FCC said it needed permission to apply for them in federal courts because mere cease-&-desist orders, already authorized but rarely invoked, may not be fast enough. FCC told Congress "a more expeditious means of dealing with an undesirable situation appears to us to be in the public interest."

Ford's letter to Harris on Sec. 317 was in response to pleas by Harris for help in drafting legislative language which would proscribe payola but recognize that black-&-white rules would be unenforceable. In effect, FCC suggested that Congress acknowledge that Commission will know best what to do.

For texts of FCC's proposed Communications Act amendments, see p. 3.

ANALYSIS OF CATV GROWTH: Steady but unspectacular increase in number of homes served by CATV may be noted by analyzing up-to-date CATV directory section of our new spring-summer Television Factbook No. 30 now in mails. Worth observing, too, is substantial percentage increase in Canadian TV—though industry there is quite small compared with ours.

Included in Factbook for first time is special 20-page list of specific CATV systems carrying each station's signal. In a few cases, list runs to 50-60 systems representing tens of thousands of homes. Herewith are significant figures derived from CATV directory:

(1) 660 U.S. systems operating, compared with 597 six months ago. In Canada, figure is 164 vs. 150.

(2) Total homes served in U.S.: 669,921 vs. 605,607 last Oct. Canadian figures: 105,841 vs. 84,622.

(3) U.S. potential is 1,180,351, this being sum of figures supplied by those giving estimates. In Canada, estimate is 253,570. In each case, figure represents potential of existing systems only.

(4) Average number of subscribers per system: 1,218 vs. 1,219. Canada: 962 vs. 846. In U.S., 549 operators supplied figures; in Canada, 110.

(5) Average potential indicated by U.S. operators: 2,223 vs. 2,248. Canada: 2,243 vs. 1,487. Estimates were given by 531 U.S. systems, 113 Canadian.

Directory spans 30 pages of Factbook, includes name of company, address, phone, number of subscribers, potential, date of start, make of equipment, principal officer, stations received, and a separate list of firms or individuals owning 2 or more systems.

'WHO IS TO BLAME?' One of FTC's least-heard-from members—Republican lawyer Edward T. Tait—last week came out from his corner swinging at those in broadcasting who have looked elsewhere to find "who is to blame" for industry's troubles.

It's futile to hunt for scapegoats, Tait said in speech to Pittsburgh's Radio & TV Club (see p. 6), calling on broadcasters & admen for sterner "self-discipline & self-policing" to rescue themselves from "dilemma" brought on by quiz & payola scandals.

"It would be a mistake to rationalize that the current furor is spurious, that it has been brought on by critics or politics," warned Tait, who was on President Eisenhower's White House staff as special asst. when

he was assigned to ad-policing agency in 1956. "Even leaders of your industry have admitted that at least some of the uproar is legitimate. Also, it would be most unwise to consider these various matters as being of passing interest or to believe that the unfair trade winds will blow out to sea. Only the naive can offer such false hope."

There's no escape from individual responsibility for curing industry's ills, Tait said. He scorned those who have: (1) "Looked at each other." (2) "Believed that the situation would have stayed under control if there had not been interference by some newspaper critics in the audience and some prompting by Congressional investigators in the wings." (3) Deceived themselves into figuring that "this nightmare would go away" if they just hid their heads & kept quiet.

No "national catastrophe" is involved, however, Tait added: "As is often the case, the machinations of a few can taint the whole in the eyes of many. Those involved, and the industry, will not soon forget the lesson they learned. No one wants to take this course again. But an over-all indictment of an entire industry should not be the order of the day."

Tait had praise for leaders of the industry who are "trying hard to sweep up the dust from the corners of [their] house." At same time, he cautioned that "expressions of good intentions, pious promises and the tendering of olive branches" won't be enough to clean up deceptive programming & advertising practices. "Platitudes alone will not suffice. Constructive efforts must be undertaken with sincerity & with vigor—and they must be pursued around the clock, not to beat the clock."

FCC $2-MILLION UHF PROGRAM NEARER: FCC's $2-million uhf research project (Vol. 16:16 p2) is almost a sure thing, now that House has approved it. It now awaits Senate action & Presidential signature—both considered about as certain as you could expect of any legislation at this stage.

FCC can't start spending money until it's actually in hand—which would be July 1—but plans are cooking. Sparkplug Comr. Lee hopes Commission will soon begin discussing details, begin selecting top-grade $20,000-a-year man to run the 2½-year show. No decision has been made on whether to employ an industry engineer or to detach an FCC man. At any rate, there's determination at Commission that project shouldn't degenerate into a bureaucratic boondoggle.

Transmitter & receiver manufacturers are beginning to jockey, meanwhile, angling for slice of the $2 million and potential public-relations fringe benefits. There's talk of Commission turning all equipment over to N.Y. educators at end of project. There's an amusing sidelight, too: Some N.Y. viewers with conked-out receivers have impression Commission is going to spot special sets in man-in-the-street's homes—and they're writing in to get at head of list.

The FCC

More about

FCC'S REQUEST OF CONGRESS: Following is the wording of the amendments which FCC proposes that Congress make to the Communications Act (see p. 2):

On license suspensions:

"Sec. 312. (A) Any station license or construction permit may be revoked or suspended for a period not to exceed 90 days, and any such license or construction permit may be revoked or suspended:

"(1) For false statements knowingly made either in the application or in any statement of fact which may be required pursuant to Section 308;
"(2) Because of conditions coming to the attention of the Commission which would warrant it in refusing to grant a license or permit on an original application;
"(3) For willful or repeated failure to operate substantially as set forth in the license;
"(4) For willful or repeated violation of, or willful or repeated failure to observe, any provision of this Act or any rule or regulation of the Commission authorized by this Act or by a treaty ratified by the United States;
"(5) For violation of or failure to observe any cease-and-desist order issued by the Commission under this section.

"(B) Where any person (1) has failed to operate substantially as set forth in a license, or (2) has violated or has failed to observe any of the provisions of this Act, or (3) has violated or failed to observe any rule or regulation of the Commission authorized by this Act or by a treaty ratified by the United States, the Commission may order such person to cease & desist from such action.

"(C) Before revoking or suspending a license or a permit pursuant to Subsection (A), or issuing a cease-&-desist order pursuant to Subsection (B), the Commission shall serve upon the licensee, permittee, or person involved, an order to show cause why an order of revocation or suspension or a cease-&-desist order should not be issued. Any such order to show cause shall contain a statement of the matters with respect to which the Commission is inquiring and shall call upon said licensee, permittee, or person to appear before the Commission at a time & place stated in the order, but in no event less than 30 days after the receipt of such order, and give evidence upon the matter specified therein; except that where safety of life or property is involved, the Commission may provide in the order for a shorter period. If after hearing, or a waiver thereof, the Commission determines that an order of revocation or suspension or a cease-&-desist order should issue, it shall issue such order, which shall include a statement of the findings of the Commission and the grounds & reasons therefor and specify the effective date of the order, and shall cause the same to be served on said licensee, per-

mittee, or person.

"(D) In any case where a hearing is conducted pursuant to the provisions of this section, both the burden of proceedings with the introduction of evidence and burdens of proof shall be upon the Commission.

"(E) The provisions of Section 9(B) of the Administrative Procedure Act which apply with respect to the institution of any proceeding for the revocation of a license or permit shall apply also with respect to the institution, under this section, of any proceeding for the issuance of a cease-&-desist order."

●

On forfeitures, a new Sec. 313:

"In any case where the licensee or permittee of a broadcast station has willfully or repeatedly failed to operate his station substantially as set forth in his license; or has willfully or repeatedly violated or failed to observe any of the provisions of this Act or of any rule or regulation of this Commission authorized by this Act or by any treaty ratified by the United States; or has willfully or repeatedly violated or failed to observe any cease-&-desist orders issued by this Commission; the Commission may order such licensee or permittee to forfeit to the United States a sum not to exceed $1,000 for each day during which the Commission finds that such violation or offense has occurred."

On restraining order, a new section added to Title V—"Whenever the Commission has reason to believe:

"A. That any person or station licensee is engaged in, or is about to engage in, any willful violation of this Act or failure to observe any of the provisions of this Act or any rule or regulation of the Commission authorized by this Act or by a treaty ratified by the United States, or for repeated failure to operate substantially as set forth in the licensee's instrument of authorization, and

"B. That the enjoining thereof pending the invoking of the provisions of Section 312 of this Act and until a show-cause order shall have been dismissed by the Commission or set aside by the court on review, or the order of the Commission to cease-&-desist made thereon has become final, would be in the public interest, convenience, or necessity, the Commission may, by any of the attorneys designated by it for such purpose, bring suit in a district court of the United States or in the United States court of any territory to enjoin such offense or violation. Upon proper showing, a temporary restraining order and preliminary injunction shall be granted without bond. Any such suit shall be brought in the district in which such person or licensee resides or transacts business."

●

On announcements, a new Sec. 317 subsection:

"(B) The Commission may promulgate rules providing for the waiver of the announcements required by Subsection (A) a finding that the public interest would be served thereby."

———■———

Miami Ch. 10 conspiracy retrial, delayed by hospitalization of co-defendant ex-FCC Comr. Richard A. Mack (Vol. 16:12 p4), is scheduled to start April 25 before Judge Alexander Holtzoff in U.S. District Court, Washington. The first trial of Mack & Thurman A. Whiteside, accused of plotting to rig FCC's grant for National Airlines' WPST-TV, ended in a hung jury last year.

Weather isn't politics, the U.S. Court of Appeals in New Orleans agreed last week, upholding FCC in its rejection of an equal-time complaint involving KWTX-TV & KWTX Waco, Tex. (Vol. 16:16 p6). In a swift decision handed down to clear the case in advance of the May 7 primary election in Texas, the court held that William H. Brigham isn't entitled to match appearances on the air by the stations' weathercaster Jack Woods. Both are candidates for the Tex. state legislature. Supporting FCC's ruling that equal-time Sec. 315 of the Communications Act couldn't be invoked by Woods, the court said: "There is not the slightest hint in the undisputed facts that this weathercaster's appearance involved anything but a bona fide effort to present the news. The weathercaster is not even identified by name, but only as the 'TX weatherman,' and his employment, is a 'regular job.' Certainly the facts do not indicate any favoritism on the part of the station licensee or intent to discriminate among candidates."

Short-spaced vhf proposal pending before the FCC (Vol. 16:2 p1, et seq.) was endorsed last week by the city of Akron, through Mayor Leo Berg who said that the city is one of the largest in the nation without its own vhf assignments. The Akron VFW council seconded his views. Two aviation groups also supported the proposal, hoping that it would produce fewer tall towers. The Aircraft Owners & Pilots Assn. stated: "With a reasonable limitation of the coverage area, the need for higher towers would be eliminated. The present trend towards erection of tall towers, which is producing an increasingly serious hazard for aviation, would cease." A similar opinion was offered by the National Aviation Trades Assn.

Equal-time rules don't apply to primary election candidates in different parties, FCC pointed out in rejecting a complaint involving WBNS-TV & WBNS Columbus, O. Robert J. Dieli, a candidate for the Democratic nomination for Congress, had protested refusal of the stations to give him equal time after Rep. Devine (R-O.), unopposed for renomination, had participated in a *Columbus Town Meeting of the Air* panel show. But FCC held "it does not have before it a situation involving 'opposing candidates' for the same office in the same party's primary." There's nothing in amended Sec. 315 of the Communications Act which changes its long-standing interpretation of the meaning of "opposing candidates," the Commission said.

Renewal of WTHI-TV (Ch. 10) Terre Haute, which has operated since 1954, and denial of an application by Livesay Bcstg. Co., Terre Haute, for a CP for Ch. 10 have been recommended in an initial decision by FCC examiner Herbert Sharfman. Livesay (radios WLBH Mattoon, Ill. & WHOW Clinton, Ill.) had argued—among other things—that its proposed new station would provide more TV service than WTHI-TV gives in the Terre Haute area. But Sharfman said this factor wasn't "controlling." He said more coverage "should not be permitted to deprive Terre Haute & environs of the service of a licensee which has otherwise demonstrated its superiority & claim to a renewal of its license." WTHI-TV holds initial decision to move to Ch. 2.

New FCC rule-making proposal would relieve TV & radio stations from the requirement of notifying the Commission when they leave the air for short periods because of technical difficulties—as long as they operate the minimum number of hours specified in the rules. Also proposed is a rule to eliminate the requirement that daytime-only AM stations request a waiver of the rules when they want to sign off at 6 p.m. Comments are due May 20.

Stations

Justice Dept. Studies KTVU Sale: Justice Dept.'s investigation of the sale of KTVU San Francisco to NBC (Vol. 16:9 p1) produced a flurry in the press last week after NBC officially notified Justice of the deal on April 8. Justice is required to examine the purchase, under terms of the consent decree which forced NBC to divest itself of WRCV-TV & WRCV Philadelphia (Vol. 15:39 p3). The decree provides that Justice must, within 30 days after notification of proposed purchase, be given an opportunity "to request a court determination (1) that no coercion has been exerted through use of NBC network affiliation power and (2) that no conduct has been engaged in which unreasonably restrains trade." Justice must decide whether to object by May 9.

KRON-TV San Francisco, due to lose the NBC-TV affiliation in the purchase, complained to Justice Dept., as it had indicated it would (Vol. 16:9 p1); and filed through Washington attorney Lloyd Cutler. NBC had offered $8 million for KRON-TV, then bought KTVU when KRON-TV refused to sell. KRON-TV complained that the offer was too low. If KRON-TV refused to sell at NBC's price, it said, NBC left hanging an implied threat to buy KTVU and take the affiliation away from KRON-TV.

Justice is also studying whether the San Francisco purchase is an illegal "tie-in" deal, part of the station-swap arrangement between NBC & RKO General (Vol. 16:4 p13). NBC & RKO have agreed to exchange the Philadelphia & Boston TV-radio stations, with RKO also buying NBC's WRC-TV & WRC Washington for $11.5 million. The NBC-RKO agreement was conditioned on NBC's acquisition of a station in a "suitable" market.

Also under Justice Dept. scrutiny is the question of whether RKO did anything—or anything wrong—to help NBC get KTVU; some of KTVU's principals were formerly associated with RKO.

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Purchase of WRDW-TV (Ch. 12) Augusta, Ga. by the Friendly Group for $1.475 million from Southeastern Newspapers Inc. (Vol. 16:6 p9) has been approved by FCC. Meanwhile, an SEC stock registration statement (File 2-16488) filed by Savannah Newspapers Inc. (*Savannah News & Press*) disclosed that Southeastern Newspapers will buy 192,000 shares (40%) for $1,008,000.

Beaumont, Tex. Ch. 12 decision, in which the FCC awarded the channel to off-air uhf KBMT (Ch. 31) and denied Brown Telecasters (Vol. 15:45 p11), has been challenged in the Court of Appeals by Brown.

Lease of off-air WBPZ-TV (Ch. 32) Lock Haven, Pa. by WDAU-TV Scranton (Ch. 22) is proposed in an application filed with the FCC. WDAU-TV plans to operate the station as an unattended satellite. It would lease it for 3 years for a total of $19,800—and it has an option to buy the equipment for $56,700.

Deintermixture of Bakersfield, Cal. to all-uhf, the same as Fresno (Vol. 16:13 p4), is sought by KBAK-TV (Ch. 29), which petitioned FCC to shift KERO-TV from Ch. 10 to Ch. 45 and move Ch. 10 to Santa Barbara or the Lompoc-Santa Maria area.

FCC allocations actions: (1) Added Ch. 2 & educational Ch. 5 to Reno, Nev., making Ch. 21 commercial. (2) Proposed adding Ch. 26 to Hanover, N.H., Ch. 20 to Waterbury, Conn.

NEW & UPCOMING: Two Puerto Rican TV stations began programming last week, raising the U.S. operating total to 564 (87 uhf), including 47 non-commercial educational outlets (13 uhf). They are WKBM-TV (Ch. 11) Caguas, which began programming April 22 and WOLE-TV (Ch. 12) Aguadilla, which received program-test authorization that day for start over the weekend. In Canada, CBC's French-language CBWFT (Ch. 6) Winnipeg, Man. began April 24 as companion to English-language CBWT (Ch. 3) there, also a CBC o&o outlet. The Canadian on-air total now is 68.

WKBM-TV has a 5-kw DuMont transmitter and 200-ft. Lehigh tower with 6-bay RCA antenna on Cerro Marquessa Mt. Studios are at 656 Condado St., San Juan. Owner & chief engineer is Ralph Perez Perry, who is also operator of WSUR-TV (Ch. 9) Ponce & radio WKVM San Juan. Base hour is $265. Rep is Pan American Bcstg.

WOLE-TV has RCA transmitter and Alford antenna on 60-ft. Utility tower at Pico Atalay, about 4 mi. NW of Anasco. Studios are at 17 Munoz Rivera St., Aguadilla. Owners, each with ⅓ interest, are Hector Reichard (also owner of radio WABA Aguadilla); Winston-Salem Bcstg. Co. (also 80% of WAPA-TV San Juan, 100% of radios WTOB Winston-Salem & WSGN Birmingham, Ala.); and partnership of Jose A. Bechera (also owner of radio WKJB Mayaguez), A. Giminez Aguayo (pres. & 41.4% of radio WPAB Ponce) & Raynald Barletta. John G. Johnson, WOLE-TV exec. vp, also is pres. & gen. mgr. of WAPA-TV and 13% stockholder in Winston-Salem Bcstg. Mariano Angelet, ex-WSUR-TV Ponce, is operations mgr. Base hour is $180. Rep is Caribbean Networks.

CBWFT has 500-watt RCA transmitter installed in the same building with CBWT and is multiplexing Ch. 3 & 6 signals into CBWT RCA superturnstile antenna on a 200-ft. tower. As it doesn't have live microwave hookup with CBC French Network, programming will be with TV tape & film recordings, shown one week after release in East. J. R. Finlay, CBC Prairie Provinces dir., is in charge of gen. admin.; R. D. Cahoon, Prairie Provinces regional engineer; Leo Remillard, from CBWT, CBWFT program dir.; Yves Savignac, TV tape technician. Base hour is $100.

* * *

In our continuing survey of upcoming stations, these are the latest reports from principals:

WGTV (Ch. 8, educational) Athens, Ga. has changed programming target to May 23, reports chief engineer Edward Graham Jr. for owner U. of Ga. It expects to have 25-kw transmitter installed by end of April. RCA 10-kw driver and 931-ft. Stainless tower with 18-section superturnstile antenna are ready for use. Microwave connecting studios (in use for closed-circuit programming since April 1957) to transmitter on Jacks Creek Mt. is also scheduled for completion by month's end. The station will be part of the University's Center for Continuing Education.

Kansas City, Mo., School Dist., holder of CP for Ch. 19, had equipment bids due April 21 and is shooting for Sept. 1960 target, reports J. Glenn Travis, admin, asst. to supt. of schools. Studios are to be in new board of education building, transmitter in City Hall, with antenna on roof.

KVOG-TV (Ch. 9) Ogden, Utah, hasn't a definite target date as yet, but has 5-kw Gates transmitter scheduled to arrive in Aug., reports David B. Affleck, asst. mgr. of radio KVOG & sales mgr. of KVOG-TV. It has studio-transmitter building ready, and RCA 6-bay antenna has been installed on 400-ft. Utility tower. Sales rep is Grant Webb.

Advertising

More about

TART WORDS FROM TAIT—AND KINTNER: "You will lose your audience and thereby your revenue" if the broadcasting industry defies public opinion by failing to clean up deceptive advertising practices itself, FTC Comr. Edward T. Tait told members of the Pittsburgh Radio & TV Club last week.

"You must eliminate advertising copy which is false or deceptive," Tait said in a slashing speech which called on all broadcasters to accept responsibility for the industry's faults (see p. 2). "You should not approve copy which is so close to the borderline of legality as to risk FTC action or as to risk offending the public."

While Tait was speaking in Pittsburgh, FTC Chmn. Earl W. Kintner was similarly laying down the law to advertisers in Springfield, Ill. in an address to the Ill. Retail Merchants Assn. Kintner said honest businessmen must protect the public from "competitors whose bargains are as rotten as their morals"— or the govt. will.

"Some legislation may be enacted," Tait warned the Pittsburgh broadcasters, reminding them of "what happened in an earlier era when the public, with good reason, lost confidence in the promotion & sale of securities following the crash of 1929."

Tait said that if Congress does pass broadcasting reform laws, their "extent will depend upon the effectiveness of your industry in convincing the Congress that self-regulation or self-discipline will work, and that you are resolute to make it work."

As did Kintner in Springfield, Tait promised no let-up meanwhile in FTC's campaign of "ferreting out & putting an end to those illegal practices which fall within our jurisdiction."

Suggests Broadcasting Ad Guide

At the same time Tait proffered a helping hand to the broadcasting industry, proposing preparation by FTC—as a "possibility"—of a TV advertising guide similar to those already issued to cover cigaret & tire industries and pricing & bait advertising practices generally.

He said such a TV manual could draw lines between legal & illegal demonstrations in commercials which don't prove that "a product is, for example, waterproof or fireproof." Tait said "a 2-fold benefit might accrue" to advertisers & broadcasters: (1) "Improve content of advertising demonstrations." (2) Guidance "to judge the advertising offered for dissemination."

In Washington, acting FTC exec. dir. Basil J. Mezines reported that as of April 19 FTC had issued 69 payola complaints since the drive against offending record manufacturers & distributors started last Dec. (Vol. 15:49 p12 et seq.). Cease-&-desist consent orders were obtained by FTC in 17 of the cases, including 2 in which cited firms first denied payola charges. Among the rest of the cases, 7 complaints were formally protested by the companies involved. Still pending on FTC's payola investigation docket: 100 cases. Latest payola consent orders approved by FTC were signed by:

Edward S. Barsky Inc., 2522 N. Broad St., Philadelphia, and Pres. Edward S. Barsky, vp Manuel Barsky and secy. Delaine Ginchoff. Edward S. Barsky has been identified by Rep. Bennett (R-Mich.) as co-owner of a record-carrier manufacturing firm with ABC-TV's Dick Clark, who is scheduled as a star witness in payola hearings by the House Commerce Legislative Oversight Subcommittee this week.

Bernard Lowe Enterprises Inc., 1405 Locust St., Philadelphia, and Pres.-treas. Bernard Lowe.

Action Records Inc., 452 W. 46th St., N.Y., and Pres. Louis Klayman, treas. Morris Price and secy. Herbert Cohen.

Gasoline, Pet Food, Candy on TV: TvB's "category studies" of TV spending (Vol. 16:16 p9) continued last week with reports on 3 more:

Gasoline & lubricants: A 17.3% increase in petroleum-industry TV billings was registered last year. TV spending topped all other ad media. Gross time billings rose to $32 million from $27 million in 1958. Gas-&-oil spot TV exceeded $22 million in 1959, and network TV was close to $10 million. "Service station sales rose 6.4% in 1959 for a record $16.7 billion," TvB reported. Highlights of the year's oil industry activity on TV: Texaco sponsorship of NBC-TV's *Huntley-Brinkley Report*, Standard Oil of N.J.'s sponsorship of *Play of the Week* on WNTA-TV N.Y. & WTOP-TV Washington. (Gasoline & lubricant network TV spending for Jan. 1960 increased to $1.1 million compared with $263,000 in Jan. 1958.)

Pet products: Gross TV billings by pet-food makers last year were $14 million, a 23.4% increase over 1958's $11.6 million. Spot TV gross billings accounted for $6.7 million in 1959 against $4.4 million in 1958; network billings last year were $7.7 million, up from $7.2 million. Purina Dog Chow was top gross-time 1959 TV spender with billings exceeding $2.5 million.

Confectionery: Among candy makers, TV was the leading national ad medium in 1959, reported TvB. Total gross time billings exceeded $26 million (an increase of 23.6% over 1958) which were split about 50-50 between spot & network. Leading TV advertisers in this classification: Beech Nut-Life Savers; American Chicle Co., William Wrigley Jr. Co., Sweets Co. of America, Mars Inc.

In Other Media: Consumer magazine circulation gained 5% in 1959's 2nd half—to 166,157,651 from 158,208,134 in July-Dec. 1958—notes *The Gallagher Report* in an analysis of 167 A.B.C. publications with circulations of 100,000 & up. Subscriptions increased 6.8%, single-copy sales 3.7%. *TV Guide* scored the biggest jump in subscriptions among the top-10 magazines with a 14.7% (230,723) gain. Among those in this group, only leader *Reader's Digest* was down, a scant 0.1%, from the year-ago period . . . Longest TV-oriented feature in a national magazine could be May *Coronet*'s 35-page picture story, "The Golden Age of Mark Twain," which has its basis in NBC-TV's *Project 20* documentary, "Mark Twain's America," telecast April 22.

Westinghouse Bcstg. Co. vp for sales A. W. Dannenbaum Jr. launched last week the first of a series of agency presentations—"optional Equation Plan," a rearrangement of the station group's summertime discount structure to produce "efficiencies equal to those available at other times of the year." Under the plan, spot advertisers can buy at a 35% discount for the 13-wk. period starting June 5. If they do, they forfeit the right to WBC's regular 52-wk. "consecutive weeks" discount, earning 15% instead of the usual WBC 20% for the non-summer months, if they remain on the air all year. Full-term advertisers won't lose on such a deal, however; the arrangement works out to be the same 52-wk. billing as under the over-all 20% discount, although favoring clients who want to concentrate heavily in the summer months.

Obituary

Jules Dion Parent, 44, a Young & Rubicam vp, died April 16 of a heart attack in Darien, Conn. He is survived by his wife, son, daughter, parents, a brother, 2 sisters.

4-As in Boca Raton: "There has been considerable progress in elevating truth & taste in advertising," Robert E. Allen, pres. of Fuller & Smith & Ross, told 700 agency & advertising executives at the 4-As annual meeting at Boca Raton last week. Failure to get various "clean-up campaigns" off the ground, however, is due to "too much parochial selfishness," Allen charged. "We seem to be more concerned with who, or which group, is the spokesman or the great savior of advertising. We have had all the talk needed on this subject. What you need now is wrapped up in a simple word—action," said Allen.

In other 4-A business, Harry Harding, exec. vp, Young & Rubicam, N.Y., was elected chmn. New vice chmn. is Edwin Cox, chmn. of Kenyon & Eckhardt. Arthur G. Rippey, managing partner of Rippey, Henderson, Bucknum & Co., Denver was elected secy.-treas. All 3 are on the new 4-A operations committee. The Kudner award went to Geraldt Pat Steel, Young & Rubicam, for "excellence in creative writing for institutional advertising."

* * *

TV revenue goal of $3 billion by 1964, or double the 1959 total, was set by TvB's board at the Boca Raton meeting April 22. The industry's total advertising share will jump from its current 14% to 19%, should the goal be reached. Top-100 advertisers will be spending at least 25% more, TvB Pres. Norman E. Cash predicted. "Other advertisers will increase TV spending by a third, while retail advertising on TV will double," he estimated. Bureau membership for accredited colleges & universities on an associate basis also was approved. The bureau set its membership goal at 300 by 1961. Current membership totals 262 stations, networks & station reps.

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Trial of a $1.2-million cancer test-case damage suit, filed in Pittsburgh's federal court by a lung-cancer victim against Liggett & Myers, involves big TV names. Counsel for plaintiff Otto Pritchard said "deceitful advertising" was used in commercials delivered by Arthur Godfrey, Perry Como and Bing Crosby for Chesterfield cigarets. Pritchard contended that he contracted cancer after smoking Chesterfields and that the commercials indicated the TV personalities "smoked as many as 2 packs" per day. Link between smoking & cancer was emphasized by a medical witness, Dr. William F. Kremer, who testified his opinion that the cause of Pritchard's lung cancer "was his continued & heavy smoking over many years." Godfrey stated in a deposition that he had broadcast commercials which said that Chesterfield cigarets caused no irritation to the nose or throat. Under an arrangement with the sponsor, Godfrey explained, he read the commercials his own way, after studying the copy. "I changed the words but not the facts," the deposition quoted him.

Profile of Monday viewers has been offered by Sindlinger & Co., on the basis of a study of 13 Mon. evenings in the 1st quarter of 1960. Reported Sindlinger: 72% of all people 12 & older in the U.S. watch evening TV on Mon. The 35-44-yr. group (75%) and the 65-&-older group (76.3%) lead the field. Slightly more women than men watch TV (48 vs. 44.5 million). Heaviest viewing by occupation category is among "craftsmen, foremen and kindred" skilled labor (90.5%). High-school graduates (76.2%) & college graduates (73.6%) were the top categories by educational classification.

Networks

Stanton Talks Turkey to Press: TV executives generally talk softly before large gatherings of newspaper editors. Not so CBS Inc. Pres. Dr. Frank Stanton, who minced few words in telling an American Society of Newspaper Editors meeting in Washington April 22 that the U.S. press was only doing part of its job, and not very well at that.

Stanton set the critical tone from the start. "Some of the most righteous indignation about violence on TV, for example, has come from newspapers which assign whole teams of reporters to uxoricides of sufficient thermal qualities while disposing pretty summarily of the latest disarmament proposal."

Replying to newspaper criticism that much of TV culture is buried on Sundays, Stanton noted that most papers contain "book reviews, art news and other cultural features that are lucky to get half a column in the weekday editions." Added Stanton slyly: "I am reluctant to conclude that this great gap between what you would wish of us and what many of you practice for yourselves results from a good, hard, practical concern for circulation."

Journalism, both electronic & print, shares an "important single problem," Stanton said. The problem: "freedom of access to the information that it is absolutely essential for the American people to have if this democracy, and democracy everywhere, is not to go under."

Increasing restrictions on information are making U.S. journalism "half-free & half-slave," Stanton continued, since journalism "is free to give out information; it is not free to take in information." There's a growing trend toward "journalism by handout," said Stanton, who cited a rise in "general release of pre-digested news, carefully controlled in both matter & manner, or . . . the device of admitting to a story one newsman who acts as an agent for all the others. This slow atrophy of journalism must be more actively resisted, or we will drift into habits of acceptance that will in another decade make journalism by handout the only journalism that we have."

Govt. news sources also came in for some Stanton criticism. "There is a corrosive tendency for govt. agencies to think that the availability of information to the people should be limited by such extraneous matters as whether its release would cause the public to support or question our foreign or defense policy," said the CBS Inc. president.

* * *

Mass-coverage news committee should be organized to prevent "mob coverage" scenes, such as those during Khrushchev's U.S. visit last summer, urged John F. Day, CBS News vp, in Washington April 23. Day, who made his proposal during a panel discussion at the ASNE, stated that such a committee "should be available to any press officer, whether govt. or private, in organizing press facilities for any major event." He was not suggesting, he added, pool coverage, which he termed "a substitute for careful planning by press officers."

* * *

TV does a better job than newspapers in performing "the vital service of informing the public," *Reporter* critic Marya Mannes asserted to the members of the American Society of Newspaper Editors. Sharing the speakers' table with Clare Boothe Luce at a Women's National Press Club dinner in honor of the ASNE in Washington, Miss Mannes said network TV doesn't give enough time to public affairs, but "it does a better job in that little time than the

nation's press as a whole." Mrs. Luce was critical of the press, too, scoring what she termed "its failure to educate & elevate the public taste rather than following that taste like a blind-wallowing dinosaur." Their joint subject at the dinner was "What's Wrong With The Press?" Miss Mannes suggested that one answer might be: "TV may not have a Lippmann or a Reston, but then, what papers in America can claim a Sevareid & Murrow & a Huntley & a Brinkley & Edward Morgan?"

* * *

NBC News commentators Chet Huntley & David Brinkley were awarded Missouri U. honor medals for "distinguished service in journalism" last week, marking the 30th year for the Dean Walter Williams awards.

Showcase For Candidates: Democratic & Republican nominees will be invited to appear on 6 telecasts of NBC-TV's *Meet the Press* prior to Election Day. The Presidential hopefuls will have "an equal chance to reply to well-informed questions by impartial, trained journalists," NBC Chmn. Robert W. Sarnoff last week told the Academy of TV Arts & Sciences in N.Y. All telecasts will be 60 min.

NBC has also decided to accept the offer of a televised, face-to-face debate between Democratic Sens. John F. Kennedy and Hubert H. Humphrey to be staged on or about May 5 by WTRF-TV Wheeling, W. Va. The occasion will be, said Sarnoff, "probably the last time in the campaign that any network will be able to afford the luxury of presenting a debate between candidates," under present interpretations of Sec. 315. CBS said it too has offered its TV facilities for a Humphrey-Kennedy debate in W. Va. The 2 Democratic hopefuls reportedly have accepted the CBS offer in principle, with a debate date still to be set. The network also is planning nine 30-min. fall shows which will be available for candidates.

By Sarnoff's reckoning, NBC-TV would have to offer "over 50 hours of evening time to the minor-party candidates" if NBC permitted on-the-air debates between Democratic and Republican candidates following the conventions. "The way to make such televised debates possible as a regular feature of our political life is simply to free such programs from the equal-time penalty of Sec. 315."

In his ATAS address, Sarnoff viewed the post-quiz-scandal criticism of TV as "a classic case of guilt by association." Ironically, he said, the criticism is coming "at a time when, in most respects, TV has gone further than ever in raising its sights." As for the quiz-show disclosures themselves, the TV industry has "faced up to the sins of omission that helped make them possible. We have long since taken vigorous & thorough measures to clean out house, and to keep it clean." Broadcasting's trial has "not been without its lighter side," he noted. "For example, the popular pastime of deploring TV has made some strange bedfellows: David Susskind & Jack O'Brian; Walter Winchell & Walter Lippmann; James Hoffa & the Attorney General of the U.S.; Henry Luce & Clare."

Although he credited the Harris House Subcommittee anti-payola probe with having performed "a genuine service," Sarnoff viewed with misgivings "legislative proposals ranging far afield from these ethical issues." He was hopeful, he said, that "responsible legislators will discard the type of bill that threatens to create far more serious problems (i.e., regulation-by-censorship or decree) than it seeks to solve."

WHAT WILL 3M DO WITH MUTUAL? Industry speculation varies widely about last week's purchase of MBS —the 5th in 3 years. Minnesota Mining & Mfg. Co. bought the oft-faltering network for $1.3 million. And Robert F. Hurleigh, MBS pres. since last July when he took over all MBS stock and placed the company in bankruptcy under Chapter XI (Vol. 15:27 p7), will continue in that post.

One school of opinion holds that 3M is "currently girding for a battle with RCA for dominance in the recording tape field," while others believe the purchase will "give 3M an ideal 'test-tube operation' for trying out new tape-recording equipment and electronic innovations."

Officials of 3M, when we called them, termed the above speculations "interesting." And the market value of 3M common stock has risen 5¾ points since the purchase.

Mutual had been owned since last July by Albert G. McCarthy Jr., realtor-builder; Chester H. Ferguson, Tampa, Fla. attorney; and Albert G. McCarthy 3rd. The network presently has 458 affiliates and basically provides a news & music service. Under the reins of Hurleigh, Ferguson & McCarthy, Mutual came out of bankruptcy in N.Y. District Court Dec. 23, 1959. Since then the network has added 14 new-to-Mutual advertisers including American Machine & Foundry, Chrysler Corp. & GM.

At the April 20 CBS stockholders meeting, the question of how the 3M purchase will affect CBS was posed to CBS Inc. Pres. Dr. Frank Stanton from the floor. Dr. Stanton replied that the purchase "added new enthusiasm to the medium and would probably make MBS more competitive to CBS Radio." When asked whether CBS would now continue to buy tape products from 3M, Dr. Stanton said: "We buy our tape on the recommendation of our engineers and on the basis of quality, and we will continue to do so."

Recently-formed Central American TV Network (Vol. 16:8 p9) and ABC's international div. will play host to agency & advertiser personnel at presentations in Mexico City & Chicago this month. On April 27 a CATVN Spanish-language presentation will be held in Mexico City with Kevin Corrigan, ABC international div. account exec., and William Campbell of TG-BOL-TV Guatemala as hosts. The Chicago presentation will be delivered April 29 with Bert Briller, ABC-TV dir. of sales development, at the helm. The Mexico City meeting according to Donald W. Coyle, ABC vp for international div., "is a further indication of the growing business bond between the U.S., Mexico & Central America."

Direct regulation of networks by FCC, proposed in a pending bill (HR-11340), will be discussed by the Commission this week as it prepares to give its views to the House Commerce Committee (Vol. 16:16 p4). Also due for discussion is the question of ex parte contacts in rule-making cases—which kinds should be taboo, which not.

ABC-TV has optioned exclusive rights to games of the newly-formed American Football League for $125,000 per game (up to 17 games). The deal, however, is contingent upon ABC-TV's reaching a 60% sales level for the package. Deadline is May 15. This would bring the network's time-&-talent sports investment for next season to $15 million, of which the recently-signed agreement with Gillette Inc., involving weekly boxing & other sports events, represents around $8 million revenue to the network.

NETWORK SALES ACTIVITY

ABC-TV

My Three Sons, Thurs. 9-9:30 p.m., eff. Sept. 29.
Chevrolet (Campbell-Ewald)

Coke Time, Mon. 9:30-10:30 p.m., June 27th.
Coca-Cola (McCann-Erickson)

Adventures in Paradise, Mon. 9:30-10:30 p.m., participations eff. April 18.
Procter & Gamble (Young & Rubicam)

Sugarfoot/Bronco, Tue. 7:30-8:30 p.m., partics. eff. May 3.
Procter & Gamble (Young & Rubicam)

The Alaskans, Sun. 9:30-10:30 p.m., partics. eff. Apr. 17.
Procter & Gamble (Young & Rubicam)

N.C.A.A. Football, Sat. afternoons eff. fall 1960, one-thirds.
Humble Oil & Refining (McCann Erickson)
Liggett & Myers (Dancer-Fitz.-Sample)

The Alaskans, Sun. 9:30-10:30 p.m., partics. eff. Aug. 3.
General Foods (Benton & Bowles)

CBS-TV

Route 66, Fri. 8:30-9:30 p.m., eff. fall 1960, half sponsorship.
Chevrolet (Campbell-Ewald)

Candid Camera, Sun. 10-10:30 p.m., eff. Oct., co-sponsors.
Bristol-Myers (Young & Rubicam)
Lever Brothers (J. Walter Thompson)

Baseball Game of the Week, Sun. afternoons, one-quarter.
Colgate Palmolive (Ted Bates)

Daytime programming, quarter-hr. alt. wk. sponsorships in total of 6 shows.
Standard Brands (Ted Bates)

NBC-TV

Tab Hunter Show, Sun. 8:30-9 p.m., eff. fall, alt.-wk.
P. Lorrillard (Lennen & Newell)

Wagon Train, Wed. 7:30-8:30 p.m., eff. 1960-1961 season. Participation sponsorship renewal.
R. J. Reynolds Tobacco (William Esty)

This Is Your Life, Wed. 10:30-11 p.m., eff. 1960-1961 season, full sponsorship.
Alberto-Culver (Wade)

MD USA, Fri. 8:30-9:30 p.m. May 27, full sponsorship.
Smith Kline & French Labs (Doremus-Eshleman)

Barbara Stanwyck Theater, Mon. 10-10:30 p.m., eff. fall 1960, full sponsorship.
Alberto-Culver (Wade)

Bonanza, Sat. 7:30-8:30 p.m., eff. 1960-61 season, one-third.
American Tobacco Co. (BBDO)

Untitled bowling show, Mon. 10:30-11 p.m., eff. fall 1960, full sponsorship.
Bayuk Cigars (Wermer & Schorr)

"TV is giving the people a darn sight better than what they deserve," declared Bennett Cerf in opening the April 19 presentation of the annual George Foster Peabody Awards in N.Y. But producer David Susskind, in his acceptance speech (TV entertainment non-musical, for NBC-TV's *The Moon & Sixpence*) rebutted: "It is not the mission of TV to give the people what they want. We must give them what we think is good." President Eisenhower sent congratulations to Dr. Frank Stanton (Peabody Special Service Award) in a letter to Cerf, chmn. of the Peabody Awards advisory board. Other winners:

TV news: *Khrushchev Abroad*, ABC. **TV entertainment (non-musical):** *The Play of the Week*, WNTA-TV Newark. **TV entertainment (musical):** *The Bell Telephone Hour*, NBC and *Great Music from Chicago*, WGN-TV Chicago. **TV education:** *The Population Explosion*, CBS and *Decisions*, WGBH-TV Boston. **TV contribution to international understanding:** *The Ed Sullivan Show* and *Small World*, both CBS. **Local TV public service:** WDSU-TV New Orleans. **Radio news:** *The World Tonight*, CBS. **Radio public service:** *Family Living '59*, NBC. **Local radio public service:** WCCO-TV Minneapolis.

Congress

DICK CLARK ON STAGE: ABC-TV's Dick Clark, the country's foremost disc jockey, takes the center stage on Capitol Hill this week in what the House Commerce Legislative Oversight Subcommittee bills as the climactic windup of this session's headline-making payola probes (Vol. 16:15 p18).

"We ought to rent the National Guard armory for it," one Subcommittee source told us. Instead, Chmn. Harris (D-Ark.) & his Oversighters will move into the big, high-ceilinged caucus room in the Old House Office Bldg.

S.R.O. crowds of spectators, lining up for a chance to see the star of ABC-TV's *American Bandstand* & *The Dick Clark Show* in person, are expected for public hearings opening at 10 a.m. April 26. The Subcommittee's script calls for a 4-day run, with morning & afternoon sessions, ending April 29.

At last week's end, the order of appearance by Clark and up to 20 other witnesses hadn't been set by Harris, but it was unlikely that Clark himself would be the lead-off man. The Oversighters & their counsel Robert W. Lishman planned to build up the Clark case with other performers before putting the star on the stand.

Identities of the full cast were withheld by Harris, and Subcommittee staffers were under instructions not to disclose the list in advance of the hearings. But it was learned that AB-PT & ABC Pres. Leonard H. Goldenson was high on the prospective list as a voluntary witness. Others: (1) Production associates of Clark. (2) Officials of companies he organized in connection with on-&-off-air enterprises. (3) Employes. (4) Officers of record distributing companies—including Philadelphia's Edward R. Barsky Inc.—which have been accused by FTC of practicing payola (see p. 6).

Philadelphia Area Probe Put Off

"I think it will be a very informative proceeding," we were told by a Subcommittee staffer who has been working for weeks on Clark hearing preliminaries. The Oversighters at first intended to center the week's spotlight on the general payola picture in the Philadelphia area, where Clark got his start. But the subcommittee's operational plan was changed to make Clark's activities the main subject after Rep. Bennett (R-Mich.) demanded that he be subjected to a full-dress investigation.

Early in the Harris unit's payola investigations (so far they have swept through Cleveland & Boston, leaving stations damaged and disc jockeys out of work), ABC-TV publicly announced that Clark had quit music-publishing firms in which he had interests (Vol. 15:47 p5). And Clark himself had denied that he took payola.

Meanwhile, payola and how to prevent it figured largely in statements submitted by NBC & ABC to Harris in connection with April 12-13 hearings by his Communications & Power Subcommittee on a half-dozen bills to reform broadcasting & FCC (Vol. 16:16 p1). FCC last week also followed up the legislative hearings by sending Congress drafts of proposed Communications Act amendments (see pp. 2 & 4).

Supplementing Communications Subcommittee testimony from the stand a week earlier by CBS vp & gen. attorney Thomas K. Fisher—and echoing much of it—NBC & ABC agreed in memoranda that the professed objectives of the proposed measures were estimable, but challenged many of their provisions.

As ABC put it in a 30-page analysis: "With the aims & purposes of a number of legislative proposals contained in these bills [HR-11341, 10241, 10242, 11397, 11398 & 7017 and S-1898], ABC is in complete agreement. With respect to certain other provisions, ABC questions the need or wisdom of rigid legislation of the character proposed, and with respect to still other provisions it questions the adequacy or desirability of the particular language there used."

The bills ranged wide over the broadcasting industry lot, from banning payola to requiring mandatory local public license hearings by FCC; from making quiz-fixing illegal to permitting FCC to suspend instead of to revoke station licenses for infractions of rules.

On payola, NBC said in a 29-page document that the "need for corrective legislation has been clearly established." The network expressed preference for broad payola bans in a bill (HR-11341) by Harris himself to an anti-payola "commercial bribery" measure (HR-11397) by House Judiciary Committee Chmn. Celler (D-N.Y.), who submitted a statement backing his proposals.

But NBC said it had doubts about both the Harris & Celler bills, pointing to "the difficulty of preparing a statute which will outlaw what is wrongful without also barring legitimate procedures in complex program production processes of broadcasting."

NBC tried its hand at drafting payola-corrective legislation, filing 2 suggested bills with Harris. One covered "announcement that matter is paid for," tightening the Communication Act's Sec. 317. The other constituted a new "commercial bribery statute" making paying & accepting payola a criminal offense.

ABC offered no legislation. "However," the network said, "ABC stands ready, in any way that its services may be thought helpful, to assist the Subcommittee & its staff in drafting language to carry out such policies as the Subcommittee concludes should be covered at this time by express legislation."

The full Commerce Committee met April 21 in closed session to discuss pending bills, including those in the TV-radio-FCC area, but did nothing about the broadcasting measures. This inaction made it likely that none of the TV-radio-FCC bills will come up again on the committee's agenda until mid-May, at least. This week's payola hearings will be followed next week by FPC hearings, and Harris wasn't expected to call the full committee into another executive session on legislation until the public proceedings have been concluded. And after that, adjournment of Congress will be little more than a month away.

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Monroney TV-debate bill goes to hearings May 12 before Senate Commerce Communications Subcommittee under Sen. Pastore (D-R.I.). The bill (S-3171) would require each network to give 2 hours weekly—for 8 weeks—to discussions of campaign issues by major Presidential candidates (Vol. 16:12 p17). Witnesses are expected to include heads of the Republican & Democratic national committees, heads of networks, FCC members.

FCC-requested legislation amending the Communications Act to authorize Commission regulation of CATV receiving towers (Vol. 16:14 p11) has been introduced by Senate Commerce Committee Chmn. Magnuson (D-Wash.). Accompanying the bill (S-3343) was a letter from FCC Chmn. Ford pointing out that FCC now lacks control over installation, height and location of receiving towers unless they are component parts of licensed transmitting facilities.

Music-copyright royalties which represent more than 50% of publishers' income are excluded from application of personal holding-company taxes, under an amended House-approved bill (HR-7588), passed without debate by the Senate. It was sent back to the House for concurrence in new language to make it clear that copyright royalties don't include income from leasing of movies to TV & theaters. Under existing law, such income is defined as rents—not royalties. The House bill was amended by the Senate Finance Committee after independent Hollywood TV & theatrical producers formed a committee to point out that, under the original House bill, they might be subjected to personal holding-company taxes on royalties. The House passed the revised measure and sent it to the White House.

Case of ex-FCC Chmn. Doerfer, who was forced out of his job after he accepted plane-&-yacht hospitality from broadcaster George B. Storer (Vol. 16:11 p2), was cited in the Senate's confirmation fight over appointment of CAB Chmn. James R. Durfee to the U.S. Court of Claims. Sen. Proxmire (D-Wis.), leading floor opposition to Durfee, pointed out that Storer "did not have any cases" before FCC when he entertained Doerfer, but that Doerfer "was denounced, and had to resign." Durfee accepted plane rides & entertainment from airlines which had cases pending before CAB, and should be refused confirmation, Proxmire argued. Durfee was confirmed 69-15.

TV won't clean itself up, chief counsel Robert W. Lishman of the House Commerce Legislative Oversight Subcommittee predicted in a speech to the Savannah Civitan Club. He said he doubted that network & station officials "can or will do their own housecleaning." Reviewing the Subcommittee's exposes of quiz shows last year, Lishman told Civitan members that "it is unlikely that TV officials, who appear to be so thoroughly amazed about the rigged shows that went on under their noses, will suddenly climb down from their ivory tower and become alert guardians of the public interest."

Technology

'TV Relay' to Orbit: The forerunner of a planned group of satellites which would serve as TV-radio space relays will be fired May 5 from Cape Canaveral in an attempt to place it in a 1,000-mi. orbit above the earth. The firing will be another in a series of experiments with passive satellites conducted by the National Aeronautics & Space Administration and Bell Labs under the name of "Project Echo."

The satellite will be an aluminized balloon 100 ft. in diameter—by far the largest object to be orbited. No TV experiments are planned with the first shot, although they may be tried in the next 2 scheduled in the series, NASA tells us. Voice & continuous-wave signals will be bounced from this first satellite.

Senate majority leader Lyndon Johnson (D-Tex.) waxed enthusiastic about the project in a speech April 21 in Houston. "The day will come," he said, "when one program can be seen & heard simultaneously in every living-room in the world."

The Army was active last week in video rocketry, meanwhile. A Redstone ballistic missile carrying a TV camera & transmitter was successfully fired at White Sands Missile Range, the Army announced. The system is designed to show actual target damage inflicted by a missile. The TV gear was developed by RCA, while Chrysler Corp. supplied the missile.

Film & Tape

NETWORK OFFER SPLITS WGA: Network negotiators offered outright recognition of the principle of foreign residuals last week in contract talks with the striking Writers Guild of America—a concession WGA had failed to gain in long negotiations with the Alliance of TV Film Producers and TV operations at major movie studios. But WGA's negotiating committee was divided in its reaction to the network proposals, because the offer contained fewer concessions than expected in other areas.

In addition to recognition of the controversial foreign principle, the network package provided that any showings abroad would be regarded as a second run in what is known as a "one-world concept."

The network package also offered WGA a 10% hike in minimums the first 2 years and a 1% hike the 3rd year, less than the 10 & 5 offered previously by the Alliance. The package also provided for a pension plan, with the Guild to receive 5% of minimum the first 2 years and 5% of initial compensation (not to exceed double minimum) the next 2 years.

Whether the 2nd longest strike in Guild history (longest was a 105-day strike against the Alliance in 1952) will end next week depends on the intra-Guild hassling. One group wants a set of counter-proposals to be made to the networks to forestall a membership vote which could result in acceptance; the other likes the network package, wants a membership vote on it Thurs. (28).

Alliance Expected to Go Along

Developments in the network-Guild negotiations created consternation among Hollywood producers both within & without the Alliance fold. They complained that while they had held firm against WGA demands for foreign recognition, the networks had pulled the rug from under them by bowing to this demand. Producers we checked admitted frankly that if a WGA-network deal is made, they will have no alternative but to go along with a similar deal, even though they don't relish it.

One result of such a deal would be to slow down sales of U.S. telefilms abroad, because producers will be reluctant to sell in areas where the market can provide only limited returns—if the Guilds are to be cut in on reruns—a number of executives said.

Alliance producers said their offer of a 10% hike the first 2 years with 5% the 3rd year, a 5% pension plan and language recognizing the contrasting stands of the groups in the foreign areas was a better deal than the network package, and they made no attempt to conceal their bitterness over the network maneuvering. Also in the network package was a proposal calling for establishment of a committee to study the entire residuals situation, and WGA told the nets it had no objection to such a committee so long as its findings were not binding. Alliance producers pointed out that when they offered a similar plan to WGA, it had been rejected.

Said one independent film executive harshly: "They [WGA] will claim a victory which is unjustified. If the writers persist in this spurious bias for network proposals as against others, they will lead to their own destruction. They have an emotional attitude which blinds them to favorable offers from one group, in favor of another which offers a less favorable settlement."

Actually, the network offer of recognition of the foreign principle did represent a victory for WGA, since this has been the single controversial point which prolonged the strike for over 3 months. Hollywood producers had steadfastly refused outright recognition, and this was not achieved until the networks granted it last week. Equally true, however, was the complaint of producers in Hollywood that, had the networks not intervened, such recognition probably would not have been forthcoming.

Transcending all the bitterness and even the intra-WGA infighting was a feeling in Hollywood that the lengthy strike was finally near its end. Once the network-WGA deal is made, and there was every evidence it would be, most of the other employer groups will sign with the Guild and producers will be able to get down to the business of buying stories for next season's product—something long delayed by the walkout. There were reports that the only employer group which may not sign would be the TV operations at the majors.

* * *

Other strike developments:

Directors Guild of America and the Alliance held a negotiation session Fri., and there was every indication an agreement will be reached.

Screen Actors Guild-Alliance negotiations on a TV film contract will begin early in May. Guild's extended contract expires May 31. Meanwhile, SAG board members and executives from N.Y. and Chicago met in Hollywood last weekend to discuss terms to be presented telefilm producers.

SAG's membership overwhelmingly ratified the new movie contract with the Assn. of Motion Picture Producers, thereby formally ending the strike which began March 7. Aside from previously disclosed terms, such as a pension fund in lieu of post-1948 payments, it was revealed raises in some categories are as high as 81%.

WGA, having resumed negotiations with AMPP, which it has been striking since Jan. 16, was believed ready to drop its demands for payments for post-1948 movies sold to TV, in view of SAG's inability to win such revenue. However, WGA does not want to give in on pay-TV demands, it was reported.

American Federation of Musicians petitioned the NLRB for an election of musicians employed in the major studios in an attempt to decertify the contract of Musicians Guild of America, which expires Dec. 31, 1961.

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Jet-transported tape Olympics coverage will be a feature of CBS News telecasts of the Rome-originated games, allowing U.S. audiences to see events on the same day they are recorded. CBS News Pres. Sig Mickelson announced a team-up with RAI, the Italian state network, for the tape coverage. An on-the-spot production team, headed by CBS sports dir. William C. MacPhail, will be flown to Rome. RAI facilities available to CBS News include permanent TV lines, installations in the various stadiums & amphitheaters, 10 mobile units, 39 cameras and other technical gear, Mickelson reported.

Movie fans stayed home to watch the Academy Awards telecast April 4, reports Sindlinger & Co., Philadelphia-based business analysts. Movie attendance that evening was off 20% from the average of the 4 previous Mondays. Sets-in-use figures showed 82.6% tuned in on the show for 5 or more mins.; 67.5 million people watching; and 87% of these viewing the entire 90-min. program.

NEW YORK ROUNDUP

Film-industry defense witnesses took the stand last week in the govt.'s block booking prosecution in N.Y. Federal District Court before Judge Archie O. Dawson. Main contention of leading defense witness Charles C. (Bud) Barry, vp for talent & programming, Young & Rubicam, and formerly vp, MGM-TV, was that "stations didn't have to buy the features in packages if they didn't want to." Other witnesses included Richard Harper, assistant to Barry at MGM-TV; Arnold Stream, vp & gen. counsel, C&C Super Corp.; Irwin H. Ezzes, vp & gen. sales mgr., C&C; and Robert W. Norvet, MGM-TV. Defense counsel Louis Nizer apparently called them in an effort to challenge a govt. contention that stations had to buy feature films they didn't want in order to get features they wanted. The govt. rested its case 2 weeks ago, and Judge Dawson anticipates the trial will continue for at least 3 more weeks.

UAA has prepared a new package of 6-min. cartoons for TV distribution. Produced on the West Coast by Bob Clampett, they are titled *Mel-O-Toons* and are based on already-in-distribution children's records. Supervising production for UAA will be Albert G. Hartigan, who last week was named dir. of program development.

Allied Artists has formed a commercial films div., for production of TV commercials, industrial and educational films and named Jack L. Copeland its exec. producer. Roy M. Brewer will be its Eastern rep., stationed in N.Y.

HOLLYWOOD ROUNDUP

TV editing device—the "TVola"—claimed to make tape editing as simple as film editing, has been developed by Paramount TV Productions' KTLA Los Angeles and will be manufactured by Paramount subsidiary Autometric Corp. for marketing in about 6 months. Heart of the TVola is a portable 200-transistor console coupled to 4 Hughes memory tubes, which freeze a single TV frame for up to 20 minutes. The device helps the editor to locate accurately the position of any single TV frame and marks the tape for editing at the desired frame pulse on the tape. The TVola's principle is similar to that of Conrac's Video-Chek Multi-Frame Storage Unit, demonstrated earlier this month at the NAB convention in Chicago (Vol. 16:15 p10).

Production of next season's *Gunsmoke* series begins this week (25) at Paramount-Sunset studios. Jim Arness stars in the CBS-TV series . . . Production began last week at Metro on another CBS-TV series, *Rawhide*, produced by Charles Marquis Warren.

Screen Gems is launching another package of *Three Stooges* comedy shorts in syndication. The newest group, 72 episodes, brings to 190 the number of slapstick comedies in the SG-distributed TV series. Currently, 165 stations are airing the package.

ITC will produce at least 6 new series during the next 2 years on outside-U.S. locations. "Each series will have a large budget and will be aimed at getting a mass audience," said ITC-ATV British heads Val Parnell & Lew Grade.

Stripping Danny Thomas: Danny Thomas, who began his TV series on ABC-TV 7 years ago, then moved to CBS-TV, last week completed the circle. Reruns of 218 Thomas films were sold to NBC-TV for $5,450,000 by his agents (William Morris). Packeger is Louis Edelman. In what may be the most productive rerun deal ever consummated, NBC-TV agreed to pay Thomas $25,000 per episode for 4 network runs, and to buy reruns of next season's episodes yet to be filmed. CBS-TV had a chance to buy the reruns, but passed it up.

NBC-TV will daytime-strip the Thomas series, beginning next Oct. Already cutting into CBS-TV's hold on the afternoon audience with reruns of NBC-TV's nighttime *Loretta Young Show*, NBC-TV plans to schedule the 251-episode (33 yet to be produced) package of Thomas repeats in a Mon.-Fri. 4 p.m. slot, against CBS-TV's *The Brighter Day*, this fall. The network expects to run the series over a 4-yr. span, and will sell availabilities on a participation basis. Recently, ABC-TV closed a similar long-range deal for reruns of the Rodney-Young *Father Knows Best* series, and CBS-TV has done well with morning reruns of the old *I Love Lucy* series.

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How Skelton Will Use Chaplin Studio: Red Skelton, like Lucille Ball & Desi Arnaz, now owns his own studio, having bought the old Charles Chaplin lot last week from Security Pictures for $1.5 million. The deal is in escrow and Skelton and his business manager, Charles Luftig, will take possession May 6. For Skelton the deal has a sentimental value. Chaplin has long been his idol, and Orson Welles once described Red as "the greatest comic since Chaplin."

Luftig told us he & Skelton plan to produce movies, telefilm series and taped TV shows. Already definite on their schedule are 3 specials Skelton will do for CBS-TV next season. The new ownership team takes over a compact 3 sound-stage studio in the heart of Hollywood. Observed Luftig: "It's a perfect studio for TV. Chaplin was 30 years ahead of his times."

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Warners Mending Fences: Warner Bros., which holds the dubious distinction of having more TV star walkouts than any other studio in Hollywood (Edd Byrnes, James Garner, Jack Kelly), last week was trying to rope the mavericks back into the corral one by one. Byrnes, the popular "Kookie" of *77 Sunset Strip* who has been away from the series since Nov. (when he walked out in a demand for more than $400 a week), was back at the Burbank plant finally. Both sides declined to discuss terms, merely using the Hollywood cliche that the agreement was "amicable."

Warners then began negotiations with Kelly, co-star with Garner in *Maverick*. Kelly had termed himself a free agent after WB cited the writers strike to exercise *force majeure* and take him off its payroll March 3. WB sued Kelly to keep him under contract, but now is pursuing more diplomatic tactics to avoid a court fight. There have been conversations between Jack M. Warner and Kelly, and there appears to be a possibility for peace.

As for Garner, Warners hasn't approached him as yet, its tactics apparently being to woo each walkout singly. WB had also sued Garner after he declared himself a free agent following Warners' invocation of *force majeure*. Garner counter-sued, claiming breach of contract.

Television Digest

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Personals: Malcolm C. (Mal) Klein resigns as vp-gen. mgr. of NT&T's WNTA-TV & WNTA Newark-N.Y. to become vp-gen. mgr. of RKO General's KHJ-TV Los Angeles . . . **Oliver Treyz**, ABC-TV pres., has been nominated to AB-PT board, to succeed the late **H. Hugh McConnell** . . . **Joseph S. (Dody) Sinclair**, vp-mgr. of WJAR-TV & WJAR Providence, elected pres. of parent Outlet Co. dept. store (also continuing temporarily as station mgr.), succeeding **Alfred Darby**, who becomes chmn.; **Bruce Sundlum**, attorney who represented Sinclair in his successful court battle to block sale of the Outlet Co., elected secy.

Orville Shugg, ex-ad & PR dir. for Dairy Farmers of Canada, named CBC sales planning & promotion dir. . . . **Gideon Klein**, ex-KCMT Alexandria, Minn., named sales mgr., KWWL-TV Waterloo, Ia. . . . **Jules C. Stein**, MCA chmn. and a former practicing ophthalmologist, will head a new national organization called Research to Prevent Blindness Inc., 598 Madison Ave., N.Y.

Andrew Heiskell named Time Inc. chmn., succeeding **Maurice T. Moore**; **James A. Linen** appointed pres., replacing **Roy E. Larsen**, who becomes chmn. of the exec. committee; **David Brumbaugh** named exec. vp . . . **Ralph de Toledano**, ex-*Newsweek*, named dir. of new Taft Bcstg. Co. Washington news bureau, 512 Munsey Bldg., assisted by **John Chambers**, ex-*Washington Daily News*. He also starts column for King Features Syndicate . . . **Louis J. Riggio** named sales development dir., CBC Radio.

Charles L. Glett, NT&T vp, has resigned to form his own broadcasting company; he is also pres. and a dir. of NT&T subsidiaries National TV Investments Inc., and National-Missouri T.V. Inc. He will continue in those offices until June 29, effective date of his resignation . . . **Dale Hart**, KOTV (Tulsa) program dir., named acting station commercial mgr.; **Sid Lasher**, weatherman & staff announcer, appointed acting program dir.

David Shuirman, ex-CBS-TV, named gen. mgr. of radio KSFE Needles, Cal., and Frank Strauss, also ex-CBS-TV, will be news and prog. dir. They are officers of S. H. S. Bcstg. A vp of the company is KNXT Los Angeles news reporter **Grant Holcomb** . . . **Lillian Brown**, TV-radio dept. dir., George Washington U., Washington receives *McCall's* magazine "Golden Mike" award for production of Classroom 9: Russian series on WTOP-TV (Ch. 9) Washington.

Thad Brown, NAB TV vp, resigns as of June 17 to enter private law practice & acquire interests in stations. No successor has been selected; consideration is being given to members of the NAB staff. Clair R. McCollough, chmn. of the NAB policy committee, accepted the resignation "with regret," saying: "He has been connected with TV since its infancy and has served the NAB & the medium well." Before joining NAB in 1951, Brown was associated with the Washington firm of Roberts & McInnis, counsel for the old TV Broadcasters Assn. and the DuMont net.

Obituary

William J. Norfleet, 74, retired FCC chief accountant, died April 14 of complications following a broken hip. Native of Amelia Courthouse, Va., he started with the govt. in 1917, working for ICC. In 1935, he joined FCC as chief of the accounting & tax dept., became chief accountant the following year and held the position until he retired in 1955. Surviving are his widow & 2 daughters.

Auxiliary Services

CATV affects some stations more than others, according to William C. Grove, operator of KFBC-TV Cheyenne & KSTF Scottsbluff, who recently discussed the problems raised when CATVs duplicate the programs of local stations (Vol. 16:15 p13). Although he believes his stations can compete with big-city signals brought in by CATV, he writes, CATVs may prevent the construction of stations in smaller communities—even if there is no duplication. "Even with non-duplication," he says, "the advent & existence of some CATV systems is undoubtedly having the effect of preventing the construction of additional small-town free-TV stations." Some towns are so small, he says, that a local station could survive only if it had little or no competition from signals brought in by CATV. He concludes: "This, of course, presents the question of whether it is more in the over-all public interest that a few have a multiple choice of TV programs for pay than a larger number have one program service for free. There is undoubtedly considerable disagreement as to which of the 2 is in the public interest, with broadcasters generally of the view that the free service to all is preferable to the multiple choice of service to the few for pay."

Biggest closed-circuit network ever—that's TelePrompTer Pres. Irving B. Kahn's prediction for the June 20 Johansson-Patterson championship rematch. TPT emerged last week as top bidder with a $700,000 minimum guarantee for ancillary rights to Feature Sports Inc., promoters of the fight. Kahn's bid shut out his closest contender, Theatre Network TV, and topped by $200,000 TPT's earlier contract with the fighters. Because fight rights were secured by competitive bidding, Kahn stated his belief that TPT was now "fully vindicated" in its position vis-a-vis N.Y. state anti-trust actions brought in Feb. Kahn also stated that he anticipates "high financial returns" from the event. Sale of motion picture [newsreel] and radio rights "will be announced soon."

Vhf booster rules are still blocked by FCC's inability to muster a majority vote for a course of action. It's understood that the Commission stands 3-3—Comrs. Ford, Hyde & Craven for the adoption of rules similar to those originally proposed (Vol. 15:49 p4); Lee & Bartley for requiring all new boosters to be uhf-only; Cross for waiting until Congress acts on pending booster legislation.

Trade Report . . . .

APRIL 25, 1960

SIGNS & PORTENTS FOR A GOOD YEAR: Economic outlook for rest of year—from consumer buying standpoint—is picking up. The feeling of guarded optimism which prevailed during first quarter is giving way to more positive expectations of continued good business.

While March TV-radio-stereo sales at retail probably didn't quite sustain sharp rise from 1959 shown by Jan.-Feb. figures (Vol. 16:16 p16), preliminary first-quarter figures still show TV retail sales sustaining a 6.4-million-set pace on annual basis, with radio sales about 400,000 units ahead of first-quarter 1959.

TV inventories were slightly over the 2-million level as of April 1, some 400,000 sets higher than the year-ago figure, which was considered too low and over-cautious. Industry statisticians call 2 million "safe."

One particularly encouraging sign with coming of spring is that a dark spot on the home furnishings horizon seems to be brightening—the home-building outlook. An important factor in TV-set purchases as well as indicator of economic health, new housing starts rose to 93,800 in March from February's 74,400.

Number of new housing starts still trails last year—but March's pick-up came in spite of unusually bad weather over most of country. Really encouraging are signs of expansion in home-loan commitments for first time since last summer, along with first indications of slight lowering of mortgage rates in some areas. United Business Service predicts at least 1.2 million new housing starts this year—only a modest decline from 1959's total of a little over 1.3 million.

Almost all economic research services—which we scan weekly for trends—are now forecasting excellent retail business this year. Most of them see further gains in personal income, and outlook still is for all-time record retail sales.

Wall Street Journal joined the spreaders of cheer this week, reporting in its April 22 issue on its own survey of more than 300 middle-income consumers in 15 cities. Journal found few signs of any slowdown in current heavy spending rate. Slightly more than 44% of individuals, it found, plan to make a major purchase (more than $150) during 2nd quarter; 43% made such purchases a year ago. "Consumers in the main," said the Journal, "seem almost unaffected by the prevailing uncertainties" (listless stock market, increased unemployment, lower steel output, etc.).

Coming of spring, after a rough winter, seems to be reflected everywhere by strong consumer confidence. This climate is as pleasing to industry marketers as the first week of real sunny spring weather.

2.4 MILLION TV SETS SCRAPPED LAST YEAR: Gone, but certainly not lamented: 2,439,000 old TV sets in 1959—replaced by new ones. It's estimated that another 3.4 million will fade away next year.

Last year's scrappage figures—as estimated by Sylvania research dir. Frank W. Mansfield, chairman of EIA's statistical committee—dramatizes the value of the new-size 23-in. tube. For the first time, 21-in. sets account for fully one-third of all sets scrapped last year.

Considering that about two-thirds of the 53.3 million sets-in-use now are 21-in. sets, it's good bet that the 23-in. size will be big factor this year in inducing 21-in. set owners to replace their big-screen sets—for it's axiomatic that the public likes to "trade up" to a bigger size.

Breakdown of 1959 scrappage figures: 15-in. & less, 446,000; 16-18-in. 1,156,000; 19-21-in., 814,000; 22-in. & over, 23,000. In 1958 only 526,000 of the 2,010,000 sets scrapped were 19-21-in. (predominantly 21-in.).

Last year's scrappage didn't quite set a record. In 1957, when 6,560,000 sets were sold at retail, a high of 2,750,000 old sets were junked. But percentagewise, 1959 was best replacement year—the scrappage figure indicating that about 42% of the sets sold at retail were for replacement.

Replacement rates and average life of TV sets are intriguing subjects, which haven't yet fallen into any set pattern. Mansfield estimates that average set life currently is about 10 years—same figure as last year. In 1954, the average set was replaced after 7 years, and the average life has been increasing since then. Mansfield sees it continuing to rise, leveling off at 11 years by 1963.

Obsolescence, in terms of valuable innovations in new sets, can shorten life-span of old ones, of course. Potential of replacement market is indicated by estimate that 1.3 million sets sold to the public in 1950 are still in use, as are 2.7 million sets sold in 1951, 4.1 million in 1952 and 5.9 million in 1953.

The American TV industry, as of Jan. 1, 1960, had produced a cumulative total of 70,480,000 sets, had sold 67,145,000 to the public, of which 14,238,000 had been scrapped—leaving a total of 53,290,000 sets in use. Of the sets currently in use, 66.4% have screens of 19-in. or greater, 26.6% are 16-18-in., 7% are 15-in. or smaller. (Distributor sales in 1959 were 65.4% 19-in. & bigger, 26.6% 16-18-in., 7% 15-in. or less). As of the beginning of this year, 5,509,000 sets with screens 15-in. or less had been scrapped, plus 6,176,000 of 16-18-in. size, 2,516,000 measuring 19-21-in. and 37,000 of 22-in. and over.

Most of these figures estimated by Mansfield, along with EIA statistical data, are printed in tabular form in our new spring-summer Television Factbook, just published.

TV-RADIO PRODUCTION: EIA statistics for week ended April 15 (15th week of 1960):

	April 8-15	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	105,251	106,149	95,023	1,784,085	1,591,081
Total radio	311,974	301,196	270,658	5,073,922	4,120,886
auto radio	91,642	104,946	98,141	2,059,551	1,560,904

DIRECT-VIEW BATTERY TV: Emerson announced its long-awaited direct-view battery-operated transistor TV last week—but didn't show the set or disclose many details. More than a year ago (Vol. 15:13 p19, March 28, 1959) we reported that Emerson had a "true portable" in the works.

The new Emerson set, which goes into production "in a few weeks," will retail at around $250, according to Pres. Benjamin Abrams. Significantly, its screen size will be 10 in.—already a bigger screen than the promised 8-in. Japanese imports, slated to sell here at somewhat above $200 (Vol. 16:4 p15). While the Emerson set will have the advantage of bigger screen size, it also is more than twice as heavy as the tiny Sony portable we saw at the IRE convention—28 lb. vs. 13 lb.

Emerson's portable will be housed in a luggage-type cabinet, and like the Sony set will use rechargeable batteries and operate either from line power or from its own self-contained battery pack. No details have been released on number of transistors, characteristics of the picture tube, battery life, etc.

Philco actually was the first—by perhaps as much as a year—with a battery-operated set. Its Safari, which uses a mirror-projection system to give a large apparent picture from a 2-in. picture tube, came out last summer. Though Philco officials won't comment, there seems to be a possibility that Philco may introduce another transistor portable this year with a direct-view tube. Philco is understood to have developed—with Kimble Glass Co.—an 18-in. direct-view tube suitable for transistor operation, but the design is believed to have been dropped (Vol. 16:9 p16). What other designs are in the works is a tight secret.

Other set makers may have transistor TVs scheduled for this year, but they're playing their cards close to the chest. Last July we predicted that Motorola would introduce a battery portable this spring (Vol. 15:28 p16)—and we know of no development since then to change this estimate. At any rate, the next 2 months should tell the story.

8-in. Import at $85? A 28-tube portable TV with 8-in. screen will be imported by Star Lite Merchandise Co., N.Y. beginning next month, to retail for "somewhat less than $89." So we were told at week's end by Star Lite co-owner Al Dayon, just returned from Tokyo.

Star Lite, he said, has entered a partnership deal with Riken Television Industry Co., which will ship about 1,000 sets monthly. The Riken-made set replaces the receiver announced earlier by Star Lite to list at $69.95 (Vol. 16:11 p17). This receiver, which was shown at last month's Variety Merchandise Fair in N.Y., generated much interest—but the new set is "a much better set," according to Dayon. It was understood, too, that the receiver shown last month was a one-of-a-kind item, and it was impossible to arrange for mass deliveries at the stated price.

Dayon said Star Lite & Riken are also working on 2 battery-powered transistorized sets to be priced "much lower than Sony." Sony has stated that its 8-in. battery set will be priced "somewhat above $200" in the U.S.

The Star Lite 8-in. portable, which weighs 18½ lb., will be shown at the NAMM Music Show July 10-14 at Chicago's Palmer House, at the Housewares Show the same dates in Atlantic City, at the Jewelry Shows in Chicago July 17-21 and in N.Y. Aug. 14-18.

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RCA & the Italian govt. have joined in a $25-million project to establish an electronics manufacturing complex in Southern Italy. Under a 5 to 10 year contract with the Instituto per la Ricostruzione Industriale, which will furnish the funds, Montreal-based RCA International Ltd. will direct the project to expand existing facilities & build new ones for the production of tubes, semiconductors and other electronic components & equipment. The first step will be the expansion of a tube-producing plant at Aquila. The large-scale electronic industrialization is aimed at a poor & predominantly agricultural area. Italy's $200-million-a-year electronics industry is concentrated principally in the industrial north.

REMOTE CONFUSION: How big is the market for remote-control TV? Our industry roundup last week indicated there's no general agreement on how many are being sold today but that most manufacturers think it's a market well worth pursuing (Vol. 16:16 p15). A good guesstimate is that perhaps 10% of sets now being sold have some form of wireless remote TV. Few manufacturers were willing to be quoted on details of their own experience with remotes, or even on their size-up of the industry. Here, however, is a summary of quotable comments & facts from those set makers willing to talk on the record:

Admiral: The low-end "limited function" remote control set is priced $50 higher than non-remote sets in the 19-in. portable line. In the 21- & 23-in. lines, the deluxe Sonar-equipped sets run $120 to $200 more than non-remote receivers, although the sets aren't directly comparable—the remote sets having other extra deluxe features.

Emerson: Pres. Benjamin Abrams believes that price is the major barrier to consumer acceptance of remote controls. The variety of different types of controls, he says, is misleading to the public. When the all-function remote comes down from its $100 perch to a mere $25-$30 premium, he adds, "then we'll have a remote business." Emerson's full-function remote unit adds $100 to the price of a set; its partial-function unit with 2-step sound is less.

GE: TV receiver dept. gen. mgr. Herbert Riegelman tells us he has "no reservations" about saying that remote tuning will become extremely important in the future. He says the public eventually will demand remotes, as it does certain extra-cost features (such as power steering) on medium- & high-priced cars.

Hoffman: "The public likes remote controls and they are becoming increasingly popular," says consumer products vp Ray B. Cox. "I expect more sets to be sold with remote units." Hoffman's remote units add about $50 to the retail price of a TV set.

Motorola: Research estimates indicate that some 350,000 sets were sold last year with remote control. While one out of 3 potential TV buyers is interested in remote, only one of 18 ends up buying it. The main reason, Motorola believes, is the higher cost ($50 to $100 extra in the Motorola line), but there are 2 other reasons: (1) Failure of dealers to carry remotes or a sufficient stock of them. (2) No two consumers seem to want the same features in a remote; lack of standardization of remote functions. "We are very optimistic about the future of remote-control TV," says TV sales mgr. Charles P. (Chuck) Lloyd, "and we are now confident that our Golden Satellite remote TV is as reliable as it is humanly possible to make it."

Packard Bell: Consumer products vp K. R. Johnson says that one-third of Packard Bell's sets are now sold with remote units. Industry-wide, he believes that eventually remotes will account for 30% of the market. His company's price differential for remotes runs $40-60.

Zenith: Generally conceded to be the far-&-away leader in remote tuning, the company would give no estimate of its remote volume or percentage. Indicating the belief that remote tuning will always be a limited-appeal high-end item, Zenith Sales Corp. Pres. Leonard C. Truesdell tells us: "In the price brackets where it applies, remote tuning is very important to us and we are glad to have it. But it doesn't apply to the whole line. A remote tuning control must be a highly engineered & well-developed unit. Any shortcuts will reduce the performance."

Color Sales Up 40%: RCA color-TV set sales for the first quarter of 1960 were up "more than 40%" over the same 1959 period, consumer products exec. vp P. J. Casella announced last week. This was the biggest quarterly upturn in the 6-year history of color set sales, he said.

He added that plans are now under way to start up a 2nd color-set production line at the TV-receiver plant in Bloomington, Ind.; that the RCA tube div. is now producing twice as many color picture-tubes as it did a year ago; and that a further tube output increase will be necessary this summer. Color set inventories, he said, are "very low." He added that dealers in Boston, N.Y. & Indianapolis report doubling of color sales in some months of this quarter.

RCA Sales Corp. Pres. J. S. Beldon predicted to us last week that RCA's color-set sales for the full year will be 50% higher than 1959.

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Every TV-appliance dealer should have the opportunity to "service what he sells"—including the availability of warranty allowances and parts—NARDA said in a statement aimed at encouraging dealers to "take a positive attitude toward service." The existence of manufacturers' centralized service operations, or independent centralized service, "is not reason in itself to withdraw servicing dealer privileges or to withhold these privileges," NARDA declared, adding that a dealer's franchise conditioned on his using centralized service "tends to create a monopoly and is not in the public interest." Centralized service, said NARDA, "must be recognized as a major competitive threat in increasingly large areas of the U.S., challenging the ability of dealers to remain in the service business." When manufacturers "elect to sell a commodity direct to consumers, they do so in competition with their own dealers in every sense of the word, and dealers must prepare to meet this competition in order to hold their position in the marketplace."

Philco introduced three 19-in. sets in special showings to distributors, ending last week. Featuring a "new design concept," the sets are equipped with their own decorator-styled "tele-stands" as standard equipment. Two of the stands have wheels for easy mobility. The 19-in. sets, only 13¼-in. deep, use a tube with a new Philco-developed electron gun and 114-degree deflection. The tubes are "forward-mounted" and have a "wraparound non-glare safety filter lens," but Philco did not announce whether the safety glass actually is bonded to the tube. The basic models, available in 6 different color styles, are priced at $189.95, $199.95 & $209.95.

Fair trade legislation, stalled in the Senate since last July (Vol. 15:30 p19), has struck a roadblock in the House. The traffic-controlling House Rules Committee voted to ditch a bill (HR-1253) by Rep. Harris (D-Ark.) giving Federal sanction to minimum retail price-fixing by manufacturers. Endorsed by NARDA & other retail organizations, the Harris measure was approved last May by the House Commerce Committee (Vol. 15:20 p21), but faced stiff floor opposition. The Rules Committee's rejection of the bill probably doomed it.

Prices of most capacitors were increased 10% by Sangamo Electric Co. because of "steadily increasing costs of labor & material." Included in the boost, effective April 25, are paper & plastic film, mica and electrolytic capacitors.

Electro-Voice Inc. enters the electronic organ field with 2 home models, at $445 & $545.

Trade Personals: Richard E. Krafve promoted from exec. vp to pres., Raytheon, succeeding Charles F. Adams, elected to new post of chmn. . . . Roy Sambrook named ad mgr., Philco of Canada . . . Dr. Sidney J. Stein, International Resistance research & engineering dir., elected a vp . . . D. Joseph Donahue named advanced development mgr., RCA semiconductor & materials div., succeeding E. O. Johnson, recently named chief engineer; George J. Feder named Somerville operation services mgr. for the div. . . . John H. Hutchings, pres. of National Electronics, Eitel-McCullough subsidiary, named to board of the parent company . . . A. Donald Arsem, ex-GE and ex-Stewart-Warner engineering mgr., elected a Wurlitzer vp, continuing as engineering & research mgr. . . . Richard W. Couch named mgr. of Sylvania Electronic Systems' new systems engineering & management operation.

Peter J. Morahan, ex-eastern regional mgr., named acting sales mgr., Andrea Radio, replacing J. M. Dierkes, now on leave . . . Dell A. Love, ex-cathode ray tube finance mgr., named mgr.-replacement tube operations, GE cathode ray tube dept. . . . Jack Kuhner, gen.-mgr. of Hoffman Electronics military products div., named vp; Dr. John J. Myers, senior scientist at Hoffman Electronics Science Center, promoted to dir. of engineering, military products div. . . . Glenn W. Bailey, ex-Chrysler, and Paul G. Richards, ex-IBM, named mgr. of mfg. administration and mgr. of mfg. facilities, respectively, at ITT . . . William D. Dixon promoted by FTC to legal advisor on industry guides covering fictitious pricing & bait advertising practices.

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Shortage of management men "who understand change and can adapt themselves effectively to it" was cited last week by RCA Pres. John L. Burns as a potential shortage more serious than that of engineers. The great challenge to the manager of the future, he said, is to adjust to the changing world imposed by the "3 Cs—computers, controls & communications—while at the same time never losing sight of the need for working effectively with & through people." Addressing the 50th anniversary celebration of the cooperative education plan at Northeastern U., Boston, he declared that the most far-reaching change in the business system is "the broadening role of science & technology."

First overseas promotion by EIA membership will be launched this month (29) in Lima, Peru and San Juan, Puerto Rico to promote TV, radio & hi-fi as Mother's Day gifts. The 2-week push, developed by the foreign promotions committee of EIA's international dept., debuts with full-page newspaper ads in major markets. Local distributors of participating U.S. manufacturers will follow with tie-in ads. EIA's promotional assistance to distributors in the 2 markets includes window streamers, suggested copy & layout for dealer ads, scripts for radio spots.

Industrial TV equipment will be featured at the 2nd Industrial Photographic & TV Exhibition in London Nov. 21-25. Brochures describing the fair are available from the Trade Development Div., Bureau of Foreign Commerce, Commerce Dept., Washington 25. Inquiries may be addressed to Industrial & Trade Fairs Ltd., Drury House, Russell St., London W. C. 2.

Pentron Electronics is making its first departure from tape-recorder manufacturing with a portable air purifier, scheduled for introduction around mid-June. The unit, named PentronAire, will sell for $79.95.

New plants & expansions: Motorola has earmarked a $1 million, 2-year expansion program for its auto-radio tuner production plant at Arcade, N.Y. Construction begins soon, for late-summer completion, of a 30,000-sq.-ft. addition to the 80,000-sq.-ft. plant . . . Hoffman Electronics is building a $1-million, 15,000-sq.-ft. science center at Santa Barbara, Cal. "to step up its product-oriented research in all areas of electronics, particularly in solid-state electronics." The center is slated for July completion and will employ some 50 scientists & supporting personnel . . . Ling-Altec Electronics has announced a $500,000 plant expansion & remodeling program for its Dallas-based subsidiary Continental Electronics Mfg. Co. . . . Sylvania will break ground next year for a campus-type electronic data-processing center on a 180-acre site at Newton, Mass. The center's initial structure, a 200,000-sq.-ft. research & engineering building, will be completed early in 1962 and will employ 1,000 scientists, engineers and technicians.

Philco will have independent distribution in N.Y. for the first time in 27 years when its Philadelphia distributor, John M. Otter Co., acquires the company's N.Y. & northern N.J. branches on June 1. Otter, onetime Philco exec. vp, emphasized: "Philco has no interest in the distributorships, financial or otherwise. We are not a branch or a satellite, but a completely independent distributorship." Otter's new N.Y. & N.J. functions, together with the Philadelphia operation, will be incorporated & operated as autonomous organizations. The only activity slated to be centralized in Philadelphia is accounting.

British TV-radio dealers have little to learn from their U.S. & Canadian counterparts, in the opinion of Midlands TV dealer Alex Owen. Commenting in Britain's *Wireless & Electrical Trader* on his recent trip to N.Y. & Ontario, Owen declared: "Dealers across the Atlantic would find much to learn in Britain. In some ways, dealers in general in the places my wife & I visited are well behind the more progressive dealers in Britain. I was surprised at the number of displays, which we would consider poor, and the dusty & scratched cabinets on display. But the trip was worthwhile if only to learn what not to do."

Webcor is importing Japanese transistor radios, and anticipates quantity delivery of its first 2 units by month's end. The sets will be market tested under the Webcor Citation brand in N.Y., L.A. and Chicago. The initial line comprises a 6-transistor pocket radio with a suggested list of $34.95 and an AM-shortwave unit at $44.95. Both prices include batteries & carrying case.

Sonic Industries Inc., Lynbrook, N.Y. manufacturer of phonographs and other electronic products, has filed a Chapter XI bankruptcy petition in Brooklyn federal court, listing liabilities at $475,000, assets at $250,000.

Columbia phonograph dept. has named Donahue & Coe as its ad agency, switching the $500,000 account from McCann-Erickson.

Prototype production of tunnel diodes is now under way at Philco's Lansdale div. The first unit is priced at $10.

Hazeltine Corp. has opened a new office in Washington, at 1710 H St., N.W. (EXecutive 3-4966), headed by electronic div. vp V. A. Radom.

"Microwave Components—Production & Related Data, 1958," compiled by the electronics div. of Commerce Dept.'s Business & Defense Services Administration, is available for 10¢ from the U.S. Govt. Printing Office, Washington.

Finance

Texas Instruments At Peak: "With every division showing a gain in both sales & earnings over its record pace a year ago," Texas Instruments rolled to record first-quarter volume & profit in 1960's initial 3 months, Pres. Patrick E. Haggerty informed the annual meeting in Dallas last week.

Sales & earnings climbed 32% to get the new year off to a healthy start. Haggerty forecast that 1960 sales would jump 25-30% over record 1959 (to $240-250 million from $193.2 million) and produce a record profit as high as $18,750,000 vs. 1959's $14,142,788 earnings.

Transistor costs are "coming down about as expected," Haggerty noted. However, he added: "New technology slows the overall downtrend because we keep adding entirely new devices," and it takes time for innovations to develop the wide usage needed for mass production.

Haggerty conceded that imports of Japanese-made semiconductors represent "serious competition" in the area of "entertainment" products, but emphasized that "we have been able to meet this competition." He also pointed out that entertainment products comprise the smallest segment of TI's electronic market. He said transistors & other semiconductors are penetrating consumer-goods fields at an increasing pace, and forecast that semiconductors will begin to take over many functions in automotive circuitry in 1961-62. He also pointed to increasing use of transistors by TV-radio manufacturers.

In the table below, the 1959 report reflects a pro forma adjustment to include the results of Metals & Controls Corp. which was merged into TI in April 1959; per-share earnings are based on stock now outstanding. For the quarter ended March 31:

	1960	1959
Net sales	$56,198,000	$42,731,000
Net income	3,930,000	2,983,000
Per common shares	99¢	76¢
Common shares	3,916,921	3,934,441

Westinghouse chalked up its most profitable first quarter since 1954, its net rising 35% above the year-ago period on a 4% sales increase, Chmn. Gwilym A. Price & Pres. Mark W. Cresap Jr. announced. Each of the company's product groups shared in the gain, which was led by atomic equipment, general industrial products and apparatus products. Billings of consumer products, Cresap stated, "compared favorably with a year ago despite adverse marketing conditions, and prospects for consumer products appear to be encouraging for the remainder of the year." For the quarter ended March 31: (1959 shares & earnings per share adjusted for 1960 stock split):

	1960	1959
Net sales	$458,817,000	$440,072,000
Net income	19,496,000	14,409,000
Per com. share (after pfd.)	55¢	41¢
Common shares	34,706,577	34,387,216

Wells-Gardner & Co. changed its name to Wells-Gardner Electronics Corp. last week following an approving vote by stockholders at the annual meeting. Pres. Robert S. Alexander reported that first-quarter sales & earnings dropped markedly (to 5¢ a share on $3,801,337 sales from 17¢ on a $4,804,264 volume a year ago), but forecast that sales & earnings for the first half will be "close to the 1959 figures." He attributed the first-quarter decline to shipments withheld at the request of customers who wanted to reduce inventories. The private-label manufacturer produces TVs, radios and other products to order.

Motorola's export volume jumped 40% in 1959 over 1958, reported Thomas P. Collier, pres. of wholly-owned subsidiaries Motorola International S.A. and Motorola Overseas Corp. "Motorola's income last year from products exported or manufactured overseas was based on sales of about $15 million," he said. "This year we expect a 20% increase in sales of Motorola brand products which are either made in this country for export or manufactured abroad for foreign markets." The 2 relatively new subsidiaries (Vol. 16:3 p17) reflect Motorola's plans to increase its penetration of foreign markets through export sales and overseas manufacturing & licensing arrangements. Motorola International, based in Zurich, Switzerland, will extend the company's foreign business through licensing & manufacturing abroad. It "will be in a position to take advantage of the rapidly growing opportunities in the European Common Market & the 'Outer Seven,' in addition to markets elsewhere in the free world," Collier explained. The 2nd subsidiary, Motorola Overseas Corp., will conduct the direct export sale of consumer products, semiconductor products, 2-way radio and other communications systems to authorized Motorola distributors in 60 foreign countries. Heretofore, Motorola's export business had been conducted through independent export firms.

Du Mont Labs turned the profit corner in 1959, with earnings of $1,315,904 in its first profitable year since 1954. The company, whose sale to Fairchild Camera & Instrument Corp. awaits approval by directors & stockholders (Vol. 16:14 p4), realized a gain of $1,532,929 from the sale of its East Paterson (N.J.) plant, which was partially offset by an operating deficit of $217,025. The company has tax-loss carry-forward & future tax benefits totaling $8.5 million. Pres. D. T. Schultz reported "further substantial improvement" in the company's financial condition in 1959—current liabilities were reduced by $6.7 million, working capital at year's end amounting to $8,392,000. For the fiscal year ended Jan. 3:

	1959	1958
Gross income	$19,467,469	$30,165,988
Profit (loss in '58)	1,315,904	(9,503,698)

Standard Coil Products scored a 47% profit gain on a 32% sales increase in the first quarter of 1960, Pres. James O. Burke reports. "Based on incoming orders and outlook for some of the company's new products," he adds, "results for the balance of this year should not only keep pace with the first quarter increases, but exceed them. Last year I predicted a 1960 sales increase of about 15% for the year, but our current projections show my estimates have been on the conservative side." In the table below, per-share earnings are based on 1,983,533 shares outstanding at the end of the quarter. For the quarter ended March 31:

	1960	1959
Net sales	$21,871,820	$16,591,852
Net income	572,125	390,397
Per common share	29¢	20¢
Common shares	1,983,533	1,849,779

Skiatron TV & Electronics hearings before SEC examiner Robert N. Hislop on charges that it filed a misleading stock registration statement (Vol. 16:15 p24) may wind up April 28. That date for resumption of the proceedings was set April 13 at a brief session at which no witnesses were heard. SEC attorneys reported more time was needed to try to reach agreement with company counsel on stipulations covering Skiatron's business which has not been explored in testimony.

ITT's 39th annual report paints in interesting detail the 1959 performance which produced record revenue, sales and profit (Vol. 16:13 p23). A diversity of products contributed to the total gross revenue of more than $765 million, ranging from air conditioners to zener diodes—with TVs, radios, hearing aids and a host of electronic components, equipment and systems in between. The report spotlights ITT as a world-wide manufacturer & seller of TVs, via such affiliates as Bell Telephone Mfg. Co. in Belgium; the Schaub div. of Standard Elektrik Lorenz Aktiengesellschaft (Germany), which increased total TV-radio sales 18% in 1959; Kolster-Brandes Ltd., England, which produced more than 100,000 TVs last year and is also emphasizing production & marketing of transistor radios; Companhia Telefonica Nacional in Brazil; Standard Telephones & Cables Pty., Australia; others. ITT is also a partner in Japan's growing electronics industry, having a 22% interest in Nippon Electric Co. Ltd. and about 13% of Sumitomo Electric Industries Ltd. Domestically, ITT's components div. at Clifton, N.J. "introduced new rectifier products for the TV-radio distributor market and expanded production of industrial power tubes." More than 100 new semiconductor products went into pilot production and, the report noted, "our labs in England & the U.S. have done further research on the tunnel-diode principle originated by the Japanese scientist Esaki."

Dominion Electrohome Ltd. profit fell 31% in 1959 (to $381,794 from $551,957) despite record sales of $15.4 million (Vol. 16:9 p19), the Toronto-based TV-radio-appliance-furniture manufacturer confirmed in the annual report last week. Pres. Carl A. Pollock said that TV sales were below the 1958 level, that "importations of transistor radios from Japan captured a large part of the Canadian market," that sales of stereo hi-fis "improved most satisfactorily" but failed to attain anticipated volume. Pollock said Electrohome plans a substantial invasion of the U.S. hi-fi market this year, and "some shipments" of stereos already have been made. The Canadian concern "looks forward to good business in 1960," Pollock reported, but forecast a further decline in b&w TV sales. Re color TV: "Color sets will be offered by more manufacturers and there will be pressure on broadcasters to offer color to Canadian viewers. Total units sold should increase in 1961." He termed stereo phonos "a bright spot" for 1960 business, explaining: "The confusion in the minds of both dealers & public regarding stereo is slowly being resolved."

Indiana General Corp. stockholders have approved an increase in the authorized capital stock to 1.5 million shares from 700,000, opening the way to a possible 2-for-1 stock split. Chmn. Paul R. Doelz told the annual meeting last week that discussions have been held with the NYSE for a possible listing of the stock and that Indiana's board would consider issuing an additional share for each share now outstanding to meet NYSE requirements. Pres. Robert F. Smith reported that first-quarter sales & earnings were records—"about 15% ahead of the comparable period last year." He added: "We anticipate that 1960 sales will meet or exceed our 1959 record [Vol. 16:11 p23], providing, of course, that general business conditions continue at their present level." Indiana General was formed last year by the merger of Indiana Steel Products Co. (permanent magnets) and General Ceramics Corp. (magnetic materials.)

Zenith has submitted an SEC registration (File 2-16449) for 180,000 common stock shares issuable under its employe stock purchase Plan 1.

GT&E posted the best quarter in its history as sales & revenues and profit increased sharply in the Jan.-March period, Chmn. Donald C. Power notified the annual meeting last week. He attributed much of the improved profit picture to efficiencies resulting from the merger of GT&E and Sylvania last year (Vol. 15:7 p13). Based on the first quarter performance, he added, there is "every indication that the year will bring further gains in sales & revenues and in earnings" over the 1959 levels. Stockholders paved the way for a 3-for-1 split of common stock by authorizing an increase to 90 million shares ($3.33⅓ par value) from the current 30 million ($10 par value). They also approved a proposal to authorize the issue & sale of up to $100 million principal amount of convertible debentures. The debentures will be used to finance construction & expansion, but Power said there are no current plans to issue them. For the quarter ended March 31:

	1960	1959
Sales & revenues	$277,009,000	$246,679,000
Net income	17,427,000	14,811,000
Per common share	78¢	75¢

Muter Co. reported a sharp decline in net income as sales sagged in 1960's first quarter. Pres. Leslie F. Muter attributed the poor performance largely to a slackening in the automotive field & a drop in demand for auto-radio speakers. But he forecast that 1960 sales & earnings of the Chicago-based TV-radio parts manufacturer would be "considerably" ahead of 1959's levels. In the table below, the 1959 shares & per-share earnings are adjusted to reflect payment of a 5% stock dividend in Jan. 1960. For 3 months ended March 31:

	1960	1959
Net sales	$3,076,944	$3,318,701
Net income	41,154	119,374
Per common share	5¢	14¢
Common shares	839,523	840,329

Clevite Corp. has acquired Shockley Transistor Corp., Palo Alto, Cal., from Beckman Instruments for an undisclosed cash sum. Clevite Pres. William G. Laffer told the recent annual meeting that the acquisition will "materially increase Clevite's semiconductor research & development capability and add new products." Laffer said Cleveland-based Clevite expects to report a record first quarter with earnings of $1.15 a share on sales of more than $25 million (vs. 1959's first quarter profit of 76¢ on approximately $20 million sales). For 1960, he forecast profits per share equal to $3.75 or more on sales of $95 million (vs. 1959's $3.36 profit on $84.6 million sales).

Allied Radio Corp., Chicago distributor of electronic parts & equipment, is acquiring closely held components distributor Electronic Supply Corp of Pasadena & Long Beach, Cal. The acquisition will be made through an exchange of stock, with value to be determined after completion of inventory, according to Allied Radio Pres. A. D. Davis. Electronic Supply, which has an annual volume of several million dollars in distribution of industrial electronic components, will be a wholly-owned Allied subsidiary.

Roller Derby TV Inc., 125 W. 14th St., N.Y. organized last July to market TV tapes & films of Roller Derby contests, has asked SEC to register 277,000 common stock shares, 117,000 to be offered for public sale. The rest of the shares are held now by 26 persons who may put them up for sale following termination of the company's offering. Terms of the proposed offer were to be supplied in an amended SEC statement.

CBS INC. NET DIPS: First-quarter earnings of CBS Inc. were slightly below those of the same 1959 period, Pres. Frank Stanton told the company's annual meeting in N.Y. last week. However, he said, the drop was less than expected, and he predicted that the year as a whole would show higher sales & earnings than 1959's all-time record (Vol. 16:12 p24). Last year's first-quarter profit was more than $7 million (87¢ a share). Other highlights of the meeting:

1. CBS-TV network plans new & broader public-affairs programs this fall, including 2 new series (*Face the Nation*, Mon. 10:30-11 p.m., 2 out of 3 weeks; a Fri. 10:30-11 p.m. news-in-depth show) and expansion of an old one (*CBS Reports*, semi-monthly in prime time).

2. CBS-TV stations div. outlets lead their markets in 4 out of 5 cases, with the 5th (WCAU-TV Philadelphia) in "a close competitive struggle."

3. CBS radio div. has "justified our confidence" with the CBS radio network averaging "18 of the most popular 25 sponsored programs" during 1960's first 3 months.

4. Columbia Records boosted its dollar volume by 25% last year, now does 20% of the business in the recorded-music field, Stanton said. He said Columbia is planning a new mail-order consumer service—offering slide projectors & slides in the same way the Columbia Record Club now distributes records. Columbia Records, he added, will market the new Minnesota Mining-CBS Labs-developed pre-recorded tape cartridge (Vol. 16:13 p18).

5. More diversification is in store for CBS Electronics div. in areas of semiconductors, industrial & military tubes, and micro-circuitry & memory systems. In June, the div. will launch a new line of packaged phonos with prices ranging from $19.95 to $450.

6. CBS Labs div. has a new contract to produce 4 "vidiacs"—"high-speed precision character generators"—for Thompson Ramo Wooldridge Inc.

7. CBS International div.'s future won't lie in product sales, but rather "from foreign factories & licensing arrangements" because of tighter competition, better credit terms of foreign rivals, said Stanton.

8. Even oilwells loom on CBS horizon, with drilling now starting at CBS-TV's "Television City" in Los Angeles in a 27-acre CBS area within 100-acre potential oilfield.

Now-familiar minority stockholder ruckus was caused by music-industry team of Gloria Parker & Barney Young (who are still suing CBS for total of $9.6 million for alleged music-rights damages). Snapped Chmn. William S. Paley: "They're hoping to get a settlement this way. They won't get one penny unless it's through the courts."

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Reports & comments available: Polarad Electronics, study, Herbert E. Stern & Co., 52 Wall St., N.Y. 5 . . . **Control Electronics Co. Inc.**, prospectus, Milton D. Blauner & Co., 115 Broadway, N.Y. 6 . . . **Philco**, review, Green, Ellis & Anderson, 61 Broadway, N.Y. 6 . . . **Raytheon**, analysis, Oppenheimer & Co., 25 Broad St., N.Y. 4 . . . **ITT**, report, Robert Garrett & Sons, South & Redwood Sts., Baltimore 3 . . . **AB-PT** and **United Artists**, reports, Hayden, Stone & Co., 25 Broad St., N.Y. 4 . . . **Leeds & Northrup**, analysis, Ingalls & Snyder, 100 Broadway, N.Y. 5 . . . **Metropolitan Bcstg. Corp.**, prospectus, Kuhn, Loeb & Co., 30 Wall St., N.Y. 5 . . . **Sunair Electronics Inc.**, prospectus, Aetna Securities Corp., 111 Broadway, N.Y. 6.

RCA has registered 706,616 common stock shares with SEC (File 2-16494) for use under its stock option plan.

Record Quarter for AB-PT: American Broadcasting-Paramount Theatres' net operating earnings for first-quarter 1960 soared 44% over the 1959 period to a record $3,336,000 (80¢ a share), Pres. Leonard H. Goldenson estimated last week in a report to stockholders. The comparable figure for first-quarter 1959 was $2,313,000 (54¢). Operating income (before taxes) was up $2,250,000.

Goldenson said that ABC's improvement was the principal factor in the increased profits, although over-all results of other operations were also ahead. ABC-TV network gross time sales, he added, were 20% higher than first-quarter 1959. For the 1960-61 season, he said, "sales to advertisers are already substantially ahead of last year's levels at this time." For 3 months ended April 2:

	1960	1959
Operating income	$7,275,000	$5,025,000
Net income	3,336,000	2,313,000
Per com. share (after pfd.)	80¢	54¢
Common shares	4,149,362	4,149,362

United Artists Corp. worldwide gross revenues & earnings set records in 1959 for the 9th successive year, reports Pres. Arthur B. Krim. "Returns for the first quarter of 1960 are ahead of the comparable period of 1959," Krim added, "and we are confident that our world gross for 1960 will exceed the gross for all previous years." In the table below, per-share earnings are based on 1,664,218 shares outstanding at the end of 1959. For the year ended Dec. 31:

	1959	1958
Gross revenues	$95,068,285	$84,072,467
Net earnings	4,111,004	3,701,963
Per common share	2.47	2.22

Times-Mirror Co. (KTTV Los Angeles, *Los Angeles Times, Los Angeles Mirror*) sharply increased its net income in the 12 weeks ended March 20 to $857,000 (71¢ a share) from $578,000 (50¢) in the same 1959 period. A special meeting of stockholders has been scheduled for May 3 to vote on a proposal to increase the authorized common to 5,907,000 shares from 4,407,000 and to create a new issue of preferred, totaling 100,000 shares of $100 par value. Pres. Norman Chandler said there are "no present commitments for the issuance of any of the proposed new shares." He noted that the authorization would enable the company "to take better advantage" of future diversification opportunities.

Crowell-Collier Publishing Co. (radios KFWB Los Angeles, KDWB Minneapolis-St. Paul, KEWB San Francisco-Oakland) estimates increases of 39% in sales & 41% in pre-tax profits in the first quarter ended March 31. Chmn. Wilton D. Cole noted that radio div. sales were up 60.8%. However, in 1959's first quarter, Crowell-Collier owned only one station. The 3 radio stations accounted for some 10% of the first-quarter sales increase to $9.1 million from $6.5 million a year ago.

Liberty Records Inc., Los Angeles record maker & distributor, seeks SEC registration (File 2-16423) of 130,000 common stock shares to be offered for public sale by an underwriting group headed by Crowell, Weedon & Co.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Federal Pacific Elec...	Q	$0.20	Jun. 15	Jun. 1
GT&E (new)	—	.19	Jun. 30	May 31
Magnavox	Q	.25	Jun. 15	May 25
TV Shares M'g'm't....	SA	.20	May 31	May 6

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

MAY 2 1960

SUMMARY-INDEX OF WEEK'S NEWS

WITH THIS ISSUE: Special Supplement—Financial Data on TV-Electronics Companies

Networks

NET FALL SALES LEVELS ARE AHEAD of last year with all 3 networks reporting near-80%-sell-outs last week. Most significant budget shifts are from specials to bread-&-butter shows (pp. 2 & 5). **FEB. AHEAD 13.7%** as network TV gross-time billings gain to $55,598,975, TvB reports. Jan.-Feb. cumulative billings totaled $113.3 million, or 12.2% ahead of year ago's $100.9 million (p. 6).

Congress

"THE UNIVERSE OF DICK CLARK" is explored by House probers who learn ABC-TV star makes big money but fail to shake his denials that he's taken payola (p. 2).

SENATORS AIR GRIPES AT LEE HEARING, complaining about political-time policy, public-service programs, vhf boosters, etc., but Lee's chances still good. Mills held up by technicality (p. 3).

HARRIS REVIVES SPECTRUM CONTROL, reiterating belief that Congress must act to put all allocations under one group (p. 11).

Advertising

NET TV GAINED 11% as the national ad volume jumped 17% in Feb. over Feb. 1959, the latest Printers' Ink index shows (p. 7). **1959 TV EXPENDITURES** by product classification, embracing network & spot combined, compiled by TvB (p. 8).

Stations

MAGNUSON'S ETV TAX would levy 1% federal excise on time sales, funds to go to ETV stations through FCC & HEW (p. 11).

Manufacturing & Distribution

AUTO-TV PARALLEL: Analogy between TV & auto sales continues to show striking similarity of sales patterns (p. 16).

NEW-LINE CALENDAR gives dates & locations of showings of 1961 TV-radio-stereo lines by a score of major manufacturers (p. 17).

SHAKY TV PRICES as result of liquidations of 17- & 21-in. models reported by some large manufacturers, who agree sales are high, see improvment by summer (p. 18 & 20).

WORLD MARKET FIGHT: IGE foreign-trade expert warns U.S. must hold & expand its share of world markets or face danger of losing domestic trade as well to foreign competition (p. 19).

Film & Tape

WGAW REJECTS NEW OFFER while WGAE accepts same offer. National referendum may be held as result; outlook dim for end of 15-week-old writers strike vs. TV film producers (p. 12).

ETV

AIRBORNE ETV REPORT: Midwest Program on Airborne TV Instruction enlists 18 colleges & universities and equal number of "ground crews" to administer programs in 6-state area (p. 14).

Finance

SKIATRON PROSPECTS DIM as outlined by lawyers for pay-TV firm & Matty Fox in stipulation ending SEC hearings (p. 21).

Other Departments

AUXILIARY SERVICES (p. 10). **FCC** (p. 14). **PERSONALS** (p. 15).

FINANCIAL DATA ON ELECTRONICS FIRMS: Apace with the rapid growth of TV-electronics industry in 1960, our annually updated tabulation of financial data on leading publicly-owned companies in the field—included with this issue—has been vastly expanded, now detailing 152 companies.

Whatever your interest in the TV-electronics field, we believe you'll find our Special Supplement No. 5 of great use and continue to refer to it throughout the year. It's compiled for us by Greenebaum & Associates, financial consultant firm specializing in electronics, headed by Edgar N. Greenebaum Jr. It gives a capsule financial history of each company from 1950 through 1959 or first-quarter 1960.

Tabulations include all top publicly-owned companies in broadcasting & consumer electronics fields as well as those in components, industrial & military electronics. In addition, we've included in the new Supplement electronics companies recommended by financial researcher George Edgar (of Carl M. Loeb, Rhoades & Co.) in our Special Supplement of Feb. 15, 1960, "Investing in Applied Science." The Feb. Supplement, incidentally, has been one of most popular we've ever printed—and we've already serviced requests for more than 35,000 extra reprints.

Extra copies of this week's Supplement are available at $1 each, 10 for $7.50, and 25 for $12.50. We have ordered another press run of the Feb. 15 Supplement, "Investing in Applied Science," and can supply reprints of this analysis of electronics stocks at 50c each, 10 copies for $3, 25 for $5.

BOOM IN FALL NETWORK SALES: It's the earliest fall sales season on record, all 3 networks tell us. Although situation is still changing, four-fifths of prime-time network programs & time slots were locked up by last week.

Various reasons underlie spring sales rush, network executives explain. A few: There's the normal fear on the part of major advertisers of being left out of fall program-&-time selections. All 3 networks are much more in driver's seat on program control this year, and lined up their schedules early amidst major sales push. Several advertisers are making important TV program & budget shifts this year, and agencies wanted to put them into fast action.

Unsold time periods & shows are becoming scarce. ABC-TV has only three 30-min. periods open, although still on its unsold list are a sprinkling of participations in 60-min. shows. CBS-TV has four 30-min. open slots, and a few availabilities in CBS-controlled or produced packages. NBC-TV has largest number of unsold time periods (4.5 hours altogether), a few participation slots, but is currently in a strong sales spurt and hopes to close the gaps soon.

Usual inter-network "raiding" for sponsors is going on at a brisk pace. ABC-TV has already bagged nearly $8 million in Gillette TV sports budgets, largely from NBC-TV, for the coming season. CBS-TV persuaded Plymouth to shift a sizable budget over from NBC-TV. And NBC-TV sold Pittsburgh Plate Glass Co. on a shift from CBS-TV's "Garry Moore Show" to participations in "Laramie" and "Michael Shayne." And so on.

Program strategies are also changing, with a significant trend developing in shifts from entertainment specials & big-budget variety shows to mass-appeal filmed fare. Examples: A.C. spark plugs, a sponsor this season of Art Carney specials on NBC-TV, is shifting to ABC-TV buys in "Cheyenne," "The Islanders" and other film shows. Chevrolet is dropping "The Pat Boone Show" on ABC-TV and adding a half-sponsorship of a new Screen Gems adventure series, "Route 66," on CBS-TV. Rexall, one of the pioneer sponsors of NBC specials, is shifting to alternate-week sponsorship of a 30-min. film show.

'THE UNIVERSE OF DICK CLARK': Audience ratings for House payola investigators' big Dick Clark special didn't come up to their expectations (Vol. 16:17 p9) last week—but it was a fast-paced show which included spectacular demonstrations of at least 2 things: TV world of ABC-TV's Clark is big and it has glittered with money.

Evidence that Clark also has been biggest payola practitioner of all U. S. dics jockeys—which Commerce Legislative Oversight Subcommittee tried hard to establish in 4 days of public & private hearings —was something else again. Proof of payola payments depended on definition of payola—and Subcommittee, baffled by semantics, never settled on one.

"I have never taken payola," young (31) Clark himself said at outset of 34-page statement when he finally got chance to make personal appearance at week's end in big House Caucus Room, where spectators' seats went unfilled all week. He complained he had been "convicted, condemned and denounced" during proceedings, but: "I have never agreed to play a record or have an artist perform on a radio or TV show in return for a payment in cash or any other consideration."

It was the word "agreed" that split Clark & Subcommittee on meaning of payola. Subcommittee counsel Robert W. Lishman protested impatiently that word had been similarly invoked in earlier hearings by score of other jockeys. They denied they got payola, contending payments they did receive from record firms was for "consultation" & other services—not for any deal for playing firms' products. There just seems to be "some kind of telepathic understanding" between jockeys & record promoters, Lishman said. He suggested that star of ABC-TV's "American Bandstand" & "The Dick Clark Show" was no different from other suspect jockeys—except in his corporate set-up & size of income.

"I think the crime I have committed, if any, is that I made a lot of money with very little investment," Clark retorted. "The music industry," he explained at one point, "is the only business I have any personal knowledge of where a man can invest less than $500 and profit by as much as $50,000 to $100,000 from one single record. And anyone in any walk of life has this opportunity whether they are a broadcaster or not. I think this explains why there are over 2,000 record companies in existence." Clark didn't question earlier testimony by co-owner Harry Finfer that in one enterprise alone—Jamie Record Co.—he invested $125 in 1957, came out with total of $31,575 when he sold his interest late last year. That was when ABC-TV issued ultimatum that Clark get off network or out of music publishing business. But Clark said he had no knowledge of about $15,000 which Finfer admitted had been disbursed by Jamie to jockeys across country.

Clark also acknowledged financial accuracy of one Subcommittee document showing that in 1957-59 alone he: (1) Invested $53,773 in various music & other firms (he himself listed 33 separate companies in which he had had interests). (2) Increased his corporate equity over investments to $409,020. (3) Was listed for $165,570 in salary above & beyond his network job. (4) Received $236,604 cash in royalties, etc.

"All I can say," cut in Rep. Derounian (R-N.Y.), who said Clark also grossed $12 million annually for ABC-TV, "is that you say you didn't get payola but you did get an awful lot of royola."

Basis of Subcommittee payola case against Clark was provided by Clark himself. It was elaborate "analysis of record plays" on "American Bandstand" prepared at Clark's order by Computech, N.Y. data-processing firm, to show whether show's programming favored records in which Clark had financial stake. It didn't, Computech reported. And Computech vp Bernard Goldstein, who presented elaborate colored charts, complete with mathematical equations, boasted that 300 pounds of records accumulated for study represented "the universe of Dick Clark, the complete census of everything that took place on that program."

Computech's study quickly boomeranged. Brashly confident when he took stand early in hearings, Goldstein testified that analysis (including IBM processing of 15,000 file cards) showed that from Aug. 5, 1957 to Nov. 30, 1959 Clark could have profited from no more than 27% of records played on his show. And in any event, Goldstein said, "playing of interest records was consistent with the popularity of these records based upon independent & authoritative popularity ratings." But Subcommittee brought on statisticians from Census Bureau and Bureau of Labor Statistics who said Computech's findings weren't supported by its own facts. And Georgetown U. instructer Joseph L. Tryon, hired by Subcommittee to make "independent" analysis of Computech's statistics, testified that Clark played "interest" records twice as often as others.

Clark also was challenged on no-payola affidavit he submitted to ABC-TV last November when he was forced to divest himself of interests in music firms. Lishman & Derounian, in particular, contended that Clark's affidavit was looser than standard form required by network from other jockeys. And Rep. Bennett (R-Mich.) suggested Clark document was "cooked up by you & ABC as a public-relations operation."

Courtesy was shown Clark by Subcommittee Chmn. Harris (D-Ark.), however. Clark was protected from public gaze in office next to big hearing room before he was called to stand. At lunch recess April 29, Harris ordered everybody else in room to stay put while Capitol policeman escorted Clark & his counsel ex-FCC Chmn. Paul Porter out through back door—away from TV cameramen massed just outside main door.

Clark was ordered back for more testimony May 2. He'll be followed May 3 by AB-PT & ABC Pres. Leonard H. Goldenson & gen. mgr. Ben Hoberman of ABC's radio WABC N.Y. Payola hearings had been scheduled to wind up last week, making way for now-postponed FPC hearings by Subcommittee this week. But preliminaries to appearance of headliner Clark—who had asked to be heard first—took up too much time. They included testimony by Billboard music editor Paul Ackerman, who said payola has long tradition in music business, that it's time industry itself did something about it.

SENATORS AIR GRIPES AT LEE HEARING: FCC Comr. Robert E. Lee's chances for Senate confirmation of another 7-year term are still excellent after his hearing before Commerce Committee April 27, although he had the tough luck of serving as a handy sounding board for various Senatorial gripes.

Prospects of nominee Edward K. Mills, on other hand, are somewhat uncertain at the moment because of a legal technicality. He's beneficiary of a trust, over which he has no control, and trustees have refused to sell trust's GE & Westinghouse stock. Mills said he doesn't know whether this disqualifies him because of restrictions in Communications Act. Chmn. Magnuson (D-Wash.) said Committee doesn't know either, excused Mills and said he'd ask Attorney General for opinion. It's good guess that impediment will be removed, one way or another. Earl Kintner, up for reappointment as FTC chairman, will be examined May 4. He was scheduled last week but Committee didn't get to him.

Lee's quiz was surprisingly vigorous, ran about 1½ hours. Consensus was that he handled himself well. Major topics covered:

(1) Political time. Sen. Yarborough (D-Tex.), chmn. of political "watchdog" subcommittee designed primarily to give candidates fair shake (Vol. 15:38 p3), complained at great length about FCC policy. When he ran for governor in Texas, he said, station-owning newspapers boosted his opponent. He stated that one offered to sell each candidate only 15 minutes during campaign. "Is that fair? Is that enough time?", he asked Lee. "Sounds like too little to me," Lee said. He then said Commission should, at renewal time, judge

whether stations have offered too little or too much political time. Several Senators, particularly Pastore (D-R.I.), were dissatisfied, indicated they'd like FCC to act immediately, start revocation proceedings, etc.

Yarborough was upset by Waco weathercaster case, in which FCC said KWTX-TV didn't need to give time to opponent of its weathercaster (Vol. 16:17 p4). He brushed aside Lee's statement that "it's the law" because court upheld Commission, saying: "Do you think that's what Congress meant? I'm sure this Committee doesn't." Caught in switches, Lee volunteered view that weathercaster does get "important exposure." Sen. Schoeppel (R-Kan.) said it looks as if KWTX engaged in a "subterfuge."

Second member of watchdog group, Sen. McGee (D-Wyo.), was worked up about Comr. Cross's statement at NAB convention to effect that stations can limit candidates to mere 5 min., said problem is one for Congress to consider but that he'd give stations discretion, then examine their performance over a period of time. Minority watchdog Sen. Scott (R-Pa.) said he first had misgivings about establishing the Subcommittee but now considers it "important." Sen. Cotton (R-N.H.) complained that one telecaster in his state refuses to sell or give political time. Yarborough wound up by saying he had hoped FCC would watch such matters for Congress but that it now "looks like we've got to watch the FCC."

(2) Public-service programs. There was much discussion of "public-service" broadcasts, but during hearing, no Senator ever attempted to define the expression. Magnuson wanted to know "what percentage" of time FCC requires a station to give to public service, how much it "monitors" such programs. Lee reported that Commission examines renewal forms every 3 years, doesn't physically monitor or have a fixed formula.

Magnuson complained that Commission never asks for money for monitoring. Said Lee: "It's obvious that more attention should be given. We're thinking about it." He said he believes that Commission should ask stations how they plan to serve their communities, shouldn't lay down any "arbitrary figures."

Monroney (D-Okla.) complained that FCC gives stations no public-service guide, that "Blue Book" is out of print. Yarborough urged Commission to set up public-service "standards."

(3) Vhf boosters. Yarborough & Pastore tried repeatedly to get Lee to commit himself to break FCC's 3-3 deadlock in vote in favor of letting new boosters be built. Lee insisted that uhf translators can do job for new service but that he'd favor "registering" existing vhfs and letting them be. However, he said he'll meet booster operators in Butte this month, make on-the-spot study. Pastore still wouldn't let up. Finally, Lee said with a laugh: "Senator, in my particularly delicate position, if you asked me to jump, I'd just ask 'how high?' Maybe they'll change my mind in Butte."

(4) Educational TV. Magnuson uncorked a surprise—saying he plans to introduce bill to levy 1% excise tax on TV advertising, proceeds to go to ETV stations (for details, see p. 11). He's sitting back now and waiting for an industry storm. Yarborough & Cotton commended Commission for not yielding to demand that educational channels be turned over to commercial use.

(5) Allocations. Lee reiterated his view that more vhf channels won't come from military, that uhf must be implemented, that he hopes Senate will join House in voting for the $2 million FCC N.Y. uhf project (Vol. 16:17 p3). Said Pastore: "Lee may be wrong about uhf. I don't know. But he's pushing it with vigor."

Whole hearing was a complaint session, by & large, with assertions that FCC has let things "drift & drift" on payola, quiz-rigging, political time, public-service programming, boosters. When & if Senators get to questioning Mills, he should be able to deflect the tough ones by pleading lack of detailed knowledge and by voicing an acceptable set of moral concepts. Newcomers always do. He made good start by giving his financial picture, was commended for "frankness."

Networks

CBS-TV's Coastal Cutback: CBS-TV, drastically reducing its quantity of live TV from Television City in Hollywood, is quietly pink-slipping personnel at its huge Beverly-Fairfax plant. The center which once housed such series as *Playhouse 90*, *Climax* and *Studio One*, will have for next season only Jack Benny and Red Skelton in prime time and even these live shows will have film segments. Benny plans to film 18 and Skelton may tape some of his at the Charles Chaplin lot he recently acquired. As a result of this virtual demise of live TV in prime time, CBS-TV has dismissed 20 IBEW technicians, and ordered personnel cutbacks in a number of departments, but spokesmen for the network told us it would absorb as many as possible into other operations.

Although the outlook for nighttime live TV is bleak, the network plans to hypo the live daytime schedule. Jack Linkletter's *On the Go* show may not return next season, but discussions are being held to move *The Verdict Is Yours* from N.Y. and to originate a pair of soapers. Also there will be *The Art Linkletter Show*, *For Better or For Worse* and *The Red Rowe Show*.

NETWORK SALES ACTIVITY

ABC-TV

Lawrence Welk Show, Sat. 9-10 p.m.; The Islanders, Sun. 9:30-10.30 p.m.; Adventures in Paradise, Mon. 9:30-10:30 p.m.; eff. fall 1960, co-sponsorships.
J. B. Williams (Parkson)

American Bandstand, Mon.-Fri. 4-5:30 p.m., Aug., partics.
Jantzen (Hockaday Associates)
Blue Bell (N. W. Ayer)

Black Saddle, Fri. 10:30-11 p.m., eff. July 1, participations.
Carter (Ted Bates)

CBS-TV

Triple Crown Races, Sat. afternoon specials, eff. May-June 1960, co-sponsorship.
Joseph Schlitz (J. Walter Thompson)

For Pete's Sake, Mon. 8-8:30 p.m., eff. fall 1960, alt. wk. sponsorships.
Goodyear (Young & Rubicam)
Carnation (Erwin Wasey, R&R)

Route 66, Fri. 8:30-9:30 p.m., fall, alt. wk. sponsorships.
Sterling Drug (Dancer-Fitzg.-Sample)
Philip Morris (Leo Burnett)

Ann Sothern Show, Thurs. 9:30-10 p.m., fall, renewal.
General Foods (Benton & Bowles)
New sponsorship.
S. C. Johnson (Benton & Bowles)

I Love Lucy, daily 11-11:30 a.m., partics. now in effect.
Eastman Chemical Products (Doherty, Clifford, Steers & Shenfield)

Tom Ewell Show, Tues. 8:30-9 p.m., eff. fall 1960, alt. wk.
Quaker Oats (J. Walter Thompson)

PGA Golf Tournament, July 23, 24, half sponsorship.
Williamson Dickie Mfg. (Fuller & Smith & Ross)

Mrs. America Contest, July, half-sponsorship.
RCA Whirlpool (Kenyon & Eckhardt)

Rawhide, Fri. 7:30-8:30 p.m., eff. June, one-thirds.
Mutual of Omaha (Bozell & Jacobs)
Chicken of the Sea (Erwin Wasey, R&R)

Daytime programming, eff. June, alt. wk. quarter-hrs.
Toni (Tatham-Laird)

Reckoning, Wed. 7:30-8:30 p.m., eff. June, alt. one-third sponsorship; various daytime programming.
Esso (McCann-Erickson)

Checkmate, Sat. 8:30-9:30 p.m., eff. fall 1960, one-thirds.
Brown & Williamson Tobacco (Ted Bates)
Lever Bros. (product undecided)
Kimberly Clark (product undecided)

NBC-TV

The Tall Man, Sat. eve., eff. fall 1960, alt. wk. sponsorship.
R. J. Reynolds Tobacco (William Esty)

Bachelor Father, Thurs. 9-9:30 p.m., eff. 1960-1961 season, sponsorship renewals.
American Tobacco (Lawrence Gumbinner)
Whitehall Labs (Ted Bates)

Tales of Wells Fargo, Mon. 8:30-9 p.m., eff. 1960-1961 season, alt. wk. sponsorship renewal.
American Tobacco (SSC&B)

Klondike, Mon. 9-9:30 p.m., fall 1960, alt. wk. sponsorship.
R. J. Reynolds (William Esty)

Tab Hunter Show, Sun. 8:30-9 p.m., fall, half sponsorship.
Westclox (BBDO)

Peter Loves Mary, Wed. 10-10:30 p.m., eff. fall 1960, full sponsorship.
Procter & Gamble (Benton & Bowles)

More about

ALL NETS CLOSE TO SELL-OUT: Network sales executives reported to us last week the details of TV's unusual selling season—unusual, that is, for the early success it is achieving (see p. 2). Highlights:

ABC-TV: "We're slightly over 80% sold out at night and expect to be 90% by mid-May," reported sales vp William Mullen. "We are way ahead in sales over this time last year, and we have no intention of slowing up our effort until we are SRO."

Still available in ABC-TV's fall nighttime schedule are minutes in 7 of the 14 hour shows, including *The Islanders, Naked City, Walt Disney Presents, Cheyenne, Surfside 6, Roaring 20s,* and *Adventures in Paradise.* Half-hours open include *Bugs Bunny, Room for One More* and *The Churchill Memoirs.* An untitled Warner Bros. anthology, Thurs. 10:30-11 p.m., is also available. *The Dick Clark Show,* Sat. 7-7:30 p.m., hasn't as yet been renewed by sponsor Beechnut Lifesavers, but "we see no reason for Beechnut dropping Clark," Mullen said.

New-to-ABC sponsors next fall will include J. B. Williams, United Motors Service, A. C. spark plugs, Gillette, Bristol-Myers and Du Pont.

●

CBS-TV: With just 4 half-hours open and a few 60-min. participation shows available, CBS-TV came closest last week to hanging up the "sold out" shingle. The network's sales dept. expects to reach a sell-out "in 10 days," said CBS-TV vp for network sales Tom Dawson.

Open time periods in CBS-TV prime hours are Thurs. 7:30-8 p.m. & 10-10:30 p.m. Both prime-time news & public affairs series, *Face the Nation,* Mon. 10:30-11 p.m. and an untitled news-in-depth program Fri. 10:30-11 p.m., are still unsponsored. Pencilled-in for Fri. 9:30-10 p.m., but without a backer, is *Danger Man,* an ITC adventure series.

Significant new CBS-TV buys for next season include 2 leading auto firms, Chevrolet and Plymouth. Chevy, which dropped ABC-TV's *Pat Boone Show,* has bought half of the 60-min. *Route 66* series, Fri. 8:30-9:30 p.m. Plymouth has moved its billing from NBC-TV's *Steve Allen Show* and into Garry Moore's Tue. 10-11 p.m. variety series. Plymouth will be back on CBS after 6 years' absence (1954, *That's My Boy*) and Chevrolet's current purchase follows a one-shot Red Skelton special last Nov. Also returning to CBS-TV's nighttime list is Quaker Oats, with a Tue. 8:30-9 p.m. Tom Ewell series. Quaker had *Sgt. Preston of the Yukon* on CBS-TV, dropped it in 1958.

●

NBC-TV: Also in the 80%-sold-out bracket last week, NBC-TV is "40% ahead in nighttime sales this year over last," we were told by sales vp Don Durgin. Two 30-min. periods (Wed. 10:30-11 p.m. and Sun. 10:30-11 p.m.) remain unprogrammed, and NBC-TV is looking for sponsorship of *The Groucho Marx Show,* Thurs. 10-10:30 p.m.; *Dante,* Fri. 8:30-9 p.m.; *World Wide 60,* Sat. 9:30-10:30 p.m.; and *The Loretta Young Show,* Sun. 10-10:30 p.m. There is also a tentative series of cultural specials scheduled for Tue., 10-11 p.m., with no sponsor interest as yet.

Two significant budget shifts by Westclox and Rexall are in line with the network's cutback in entertainment specials. Westclox, sponsor of "Miracle on 34th St." (SSC&B) and "The Philadelphia Story" earlier this year, has bought alt. wks. of *Tab Hunter Show,* Sun. 8:30-9 p.m.

Rexall, which also had scattered variety & dramatic specials, has bought alt. wks. of *National Velvet*, Sun., 8-8:30.

Pittsburgh Plate Glass, previously with CBS-TV on *The Garry Moore Show*, has bought thirds in *Laramie* (Tue. 7:30-8:30 p.m.) and *Michael Shayne*, Sat. 10-11 p.m.) Alberto-Culver, at one time a small participating sponsor, is taking its biggest TV plunge with alt. wks. of *This Is Your Life*, Thur. 10:30-11 p.m. and *Barbara Stanwyck Theatre*, Mon. 10-10:30 p.m. A-C reportedly is seeking still another half-hour show.

* * *

Recession may hit TV in '61, stated a special forecast distributed last week by TV-Radio Management Corp. Pres. Richard P. Doherty to client stations of H-R rep firm. Doherty warned stations to develop "a solid market position" and to build up "strong financial reserves" in anticipation of 1961 ad-spending cutbacks. Meanwhile, Doherty saw no such problems for 1960, predicting an 8-10% rise in network TV revenue, an 11-13% increase in national-regional spot TV, and a gain of 5-8% in local TV sales.

■

Hollywood thieves robbed CBS-TV of $24,000 worth of camera equipment. They broke into a locked station wagon and took equipment stored there by Charles Mack, chief cameraman of Edward R. Murrow CBS productions. He is in Cal. for a series of Murrow TV documentaries.

Longer daytime breaks will be granted May 9 by CBS-TV to affiliates. Station breaks will be 70-sec. instead of the usual 30-sec. length and will be adjacent to "selected sustaining quarter-hours in the Mon.-Fri. schedule."

Network Television Billings

February 1960 and January-February 1960

For Jan. report, see TELEVISION DIGEST, Vol. 16:15 p13

Feb. Ahead by 13.7% Network TV continued spiraling in young 1960 as February gross-time billings climbed to $55,598,975. This was a healthy 13.7% ahead of Feb.-1959's $48,884,508 volume, reported TvB. Billings for the first 2 months of 1960 totaled $113,317,240—12.2% ahead of the corresponding $100,906,687 volume in 1959.

CBS led the networks in dollar volume, both in Feb. ($22,998,153) and year-to-date ($46,475,511). ABC continued its pattern of registering the largest percentage gains: 26.5% for Feb.-over-Feb. billings, 25.5% for 1960-over-1959 cumulative. Feb. nighttime billings for the 3 networks increased 20.4% to $38,850,935 from $32,272,681 in Feb. 1959 Daytime billings inched ahead .8% to $16,748,040 from $16,611,827 a year ago.

NETWORK TELEVISION

	Feb. 1960	Feb. 1959	% change	Jan.-Feb. 1960	Jan.-Feb. 1959	% change
ABC	$12,677,110	$10,024,460	+25.6	$ 25,937,120	$ 20,671,538	+25.5
CBS	22,998,153	20,806,220	+10.5	46,475,511	42,935,468	+ 8.2
NBC	19,923,712	18,053,828	+10.4	40,904,609	37,353,681	+ 9.5
Total	$55,598,975	$48,884,508	+13.7	$113,317,240	$100,960,687	+12.2

1960 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	$13,260,010	$23,477,358	$20,980,897	$57,718,256
February	12,677,110	22,998,153	19,923,712	55,598,975

Note: Figures revised as of April 13, 1960. These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on basis of one-time network rates or before frequency or cash discounts.

That Humphrey-Kennedy Debate: There's still no guarantee U.S. viewers will be treated to a networked Lincoln-Douglas debate between Democratic Sens. John F. Kennedy & Hubert H. Humphrey on the eve of the W.Va. primary election, although all 3 networks last week were trying to snare the political pair for TV appearances. Network by network, the situation shapes like this:

ABC-TV: News & public affairs vp John Daly offered the candidates an opportunity to appear on the network's Sun. 3-4 p.m. *Open Hearing* series in what would be a special news interview, rather than a straight debate (thus avoiding equal-time claims from other Democrats under Sec. 315; the series is scheduled regularly, and its format is under ABC's control). At week's end, neither candidate had accepted, but ABC's offer was still open.

CBS-TV: CBS news vp Robert E. Lang, also concerned with Sec. 315, notified the Charleston (W. Va.) *Gazette*, which had volunteered to feed CBS a 60-min. interview-debate telecast with Humphrey & Kennedy, that CBS was politely declining. It would be "impractical," Lang wired the newspaper, for CBS to carry the show as a debate because "it is not exempt under Sec. 315 from equal-time requirements." As an interview (with *Gazette* newsmen firing the questions) the show was "also not exempt," CBS felt, because "content & format" are "not determined by the broadcaster." CBS-TV, however, offered Humphrey & Kennedy May 8 guest shots on *Face the Nation* to be interviewed by CBS newsmen. At week's end, Humphrey had accepted, but Kennedy had not.

NBC-TV: Taking the boldest approach of any network, NBC is willing to chance Sec. 315's equal-time requirements for a 2-man debate, and has already gone on record with such an offer (Vol. 16:17 p8). Last week, however, NBC was changing its mind about taking a debate feed offered by WTRF-TV Wheeling, W.Va., feeling that the station's proposed show would be more of an interview than a debate, and made its own firm offer of a May 4 prime-time hour for an NBC-produced 2-man political clash. The offer was accepted by the Senatorial rivals but on condition that the NBC-TV affiliates in the area be blacked out. To this, NBC said "no," and things were back where they started, with prospects for an NBC debate fairly dim.

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State of Convention Sponsorship: CBS-TV convention coverage will use a 312-page direction plan, evolved from 2 years of research, dir. of special events Paul Levitan told RTES last week. Nearly 22 tons of equipment will be installed in CBS News convention hq, the convention halls, and in rear-echelon control centers. A combined 6-camera network pool will cover convention floor activity, employing hand-held TV camera-transmitters and 2-way communication equipment.

Sponsor Westinghouse plans to use live TV & radio commercials where possible, not on a fixed schedule, said J. Gilbert Baird, major appliances sales promotion mgr. Saleslady Betty Furness will interject, where possible, timely ad libs and changes in plan when a commercial subject "might be inappropriate to the subject under discussion." Tape & film selling also will be employed. "We will do a commercial only when convention inactivity permits," Declared Baird: "Convention coverage is good for you because you are a living part of mass political education [and] because people see & hear your story, [and] take action at the retail level."

Late last week neither ABC nor NBC had as yet lined up convention sponsorship.

Advertising

Net TV Up 11% in Feb: The nation's ad volume spurted to a 17% gain in Feb. over Feb. 1959. All major media except network radio shared in the increase according to the latest *Printers' Ink* index. It also shows network TV ahead across the board—11% above a year ago; 5% above the preceding month; 10% ahead for year-to-date. Network radio was down 7% from Feb. 1959, down 21% cumulatively—but it topped all other media in Feb.-over-Jan. gains with a 24% increase. Total magazines led all major media in Feb.-over-Feb. gains—up 14%. They tied with newspapers at 13% for cumulative leadership.

Medium	Index Feb. 1960	Index Feb. 1959	% Change from 1 month ago	% Change from 1 year ago	% Cumulative Change
General Index	239	214	+ 5	+17	+10
Total Magazines	189	165	+ 4	+14	+13
Weekly	218	173	+12	+26	+19
Women's	131	137	— 7	— 4	+ 4
General Monthly	224	217	— 2	+ 3	+ 7
Farm	110	94	—10	+17	+14
Newspapers	207	185	+ 2	+12	+13
Network Television	495	446	+ 5	+11	+10
Network Radio	26	28	+24	— 7	—21
Business Papers	246	222	+ 9	+ 8	+ 5
Outdoor	164	147	+11	+12	+10
	4th Qtr. '59	4th Qtr. '58	3rd Qtr. '59	1 year ago	
Spot Television	742	683	+ 2	+ 9	.....

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-1949 except for the TV base, which covers the years 1950-52. Spot TV is not reflected in the general index.

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6 Steps to Success: Top-selling TV commercials have been analyzed for *Television* magazine by Gallup & Robinson, research firm, which finds that successful TV campaigns answer "yes" to the following 6 questions: (1) Does the lead-in provide an important reason for the viewer to attend? (2) Does the execution establish viewer focus on the key concepts? (3) Does the commercial demonstrate a competitive brand advantage? (4) Has the commercial time been allocated in relation to the complexity of each concept? (5) Does the commercial translate the key concept in terms of the viewer's benefit? (6) Is enough of the commercial's story communicated from the video? G&R's survey compares the sales efficiency of TV campaigns—"the sales-per-dollar invested per campaign"—to find the top sellers, and analyses a commercial's ingredients by measuring the viewer's "pattern of recall" 24 hours after seeing the commercial.

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TV-sold U.S. compact cars have made quick strides in gaining strong consumer recognition, a recent study of more than 10,000 American adults by R. H. Bruskin Associates reveals. Last July, only 27% of potential buyers had heard of Chevrolet's Corvair, and only 5% could identify it correctly. In Jan. 1960, Corvair awareness had soared to 77%, and 71% gave the correct identification. A comparable jump in awareness (from 23% to 75%) and identification (from 3% to 68%) was scored by Ford's Falcon, also pushed heavily on TV. Chrysler's Valiant, not promoted as heavily on TV as the other 2 compacts, made smaller gains in awareness (from 12% to 56%) and in identification (from 1% to 45%).

Wesley I. Nunn, retired after more than 23 years as Standard Oil (Ind.) ad mgr., received a citation for "dynamic service to one of the country's major advertisers" from the Best. Advertising Club of Chicago.

Coffee, Cameras & Camisoles: From TvB's supply of industry-category reports on 1959 TV spending came another trio last week:

Coffee: TV will spur "new increases" in coffee drinking during the next decade, said TvB Pres. Norman E. Cash, citing the fact that "company after company utilizes TV for the big selling job" among coffee firms. Gross TV time billings in this industry stood at $34.9 million last year (spot exceeding $24.9 & network topping $9.9 million). General Foods was the year's category leader, with gross TV time billings of over $13.3 million—including an 8-wk. spot campaign in Seattle for new Western Blend Maxwell House coffee which boosted brand awareness more than 50%, purchasing by 98%. Runner-up was Standard Brands, with $4 million for TV time for Chase & Sanborn, followed by spot-using J. A. Folger with $3.7 million.

Photo supplies: Top ad medium for cameras & photo gear was TV, with gross time billing of $10.2 million. This represented an 11.5% increase over 1958. Sample success story: Polaroid Corp., which spent only $200,000 for TV time 5 years ago, but used $1.7 million for gross time in 1959 to merchandise its fast-selling picture-in-a-minute cameras. Category leader is Eastman Kodak, with gross-time spending exceeding $5.2 million. Other TV-active firms: Bell & Howell, Ansco, Revere, and GE Flash Bulb Div. Expected 1960 U.S. consumer spending for cameras & photo supplies: $2.3 billion—up nearly 10% from 1959.

Soft goods, apparel: Clothing, footwear & hosiery companies poured $22.8 million into gross TV time—mostly in spot—an increase of 33% over 1958. Not included in this total: "many millions of dollars" spent by retail stores in TV for their own campaigns, or in co-op drives with national apparel advertisers. Biggest national TV spender in the soft-goods field was International Latex Co., with 100%-spot gross time billings of $4.9 million. Not far behind was United Merchants & Mfrs. Inc. with $3.8 million in spot TV to provide umbrella-like coverage within retail trading areas for its chain of Robert Hall stores. Network leader in the field was DuPont, with $1.7 million of its $2 million TV spending going for network, rest for spot.

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Anti-TV, pro-print campaigns continued on 2 media fronts last week. At the Assn. of Newspaper Publishers' Bureau of Advertising meeting in N.Y. April 27 outgoing Chmn. Louis A. Wil Jr., stated: "Our 1960 armament & weapons look different than those of 1950, because we are fighting another kind of war." A new phase of ANPA's promotion program, "target account selling" will soon get underway, he said. "The bureau's plans committee will go in and see specific advertisers & agencies with specific uses of our medium," he explained. Meanwhile, the Magazine Advertising Bureau sent advertisers, agencies and membership a hard-cover, 227-page edition of its "profitable difference," presentation (Vol. 15:41 p13).

"Agencymen think that stations are passing up a cogent argument when they fail to emphasize the number of spots they can buy for the price of a full page ad in a local newspaper. If stations, say these agency people, think that retailers, or even regional advertisers, are fully aware of this, they're much mistaken. Their point: the newspaper-oriented advertiser should be approached from the viewpoint of unit comparison: that for the cost of a page he can get, say 10 TV spots or 20 minute commercials in radio."—*Sponsor.*

TV Expenditures by Product Classifications

Network & Spot—1959

TvB's 2nd annual compilation of time buys by product classification in network & spot TV shows food & grocery products far & away the 1959 leader. This category increased its 1959-over-1958 spending by 13% (to $275.1 million from $243.5 million) to account for more than 22% of the gross-time estimates. This compares with the 14.3% jump to a record $1.2 billion in total TV-time spending in 1959—up from slightly more than $1 billion the preceding year.

The estimates, based on figures of N.C. Rorabaugh and Leading National Advertisers-Broadcast Advertiser Reports, also show that 3 other product classifications each accounted for more than $100 million of gross-time spending: cosmetics & toiletries, up 4% over 1958 to $131 million; drug products, up 26% to $123.4 million; tobacco products & supplies, up 14% to $106.6 million. In all, 28 of 32 major advertising classifications in network & spot TV boosted gross-time 1959 spending.

TvB also points out—in its 4th annual spot-TV advertising expenditures report, also issued last week—that 1959's time buying included 1,381 national & regional spot TV advertisers who spent $20,000 or more.

The complete list of 1959 TV expenditures by product classifications:

	Total TV	Spot TV	Network TV
Agriculture	$ 3,574,871	$ 1,782,000	$ 1,792,871
Feeds, Meals	1,021,894	1,005,000	16,894
Miscellaneous	2,552,977	777,000	1,775,977
Ale, Beer & Wine	54,555,256	47,840,000	6,715,256
Beer & Ale	48,966,026	42,945,000	6,021,026
Wine	5,589,230	4,895,000	694,230
Amusements, Entertainment	1,363,393	1,019,000	344,393
Automotive	65,031,388	18,175,000	46,856,388
Anti-Freeze	1,498,405	158,000	1,340405
Batteries	866,337	449,000	417,337
Cars	49,635,882	12,143,000	37,492,882
Tires & Tubes	3,488,319	1,715,000	1,773,319
Trucks & Trailers	2,127,746	303,000	1,824,746
Misc. Accessories & Supplies	5,300,036	3,407,000	1,893,036
Auto. Institutional	2,114,663	—	2,114,663
Building Material, Equipment, Fixtures, Paints	19,081,057	2,827,000	16,254,057
Fixtures, Plumb. Supplies	539,379	503,000	36,379
Materials	7,431,378	746,000	6,685,378
Paints	2,177,508	1,012,000	1,165,508
Power Tools	232,620	231,000	1,620
Miscellaneous	450,075	335,000	115,075
Industrial Materials Instit.	8,250,097	—	8,250,097
Chemicals Institutional	928,864	—	928,864
Clothing, Furnishings, Accessories	22,896,159	16,273,000	6,623,159
Clothing	16,732,727	12,206,000	4,526,727
Footwesr	3,497,189	2,911,000	586,189
Hosiery	1,621,558	803,000	818,558
Miscellaneous	1,044,685	353,000	691,685
Confections & Soft Drinks	45,584,990	28,192,000	17,392,990
Confections	26,201,966	13,427,000	12,774,966
Soft Drinks	19,383,024	14,765,000	4,618,024
Consumer Services	35,705,326	17,531,000	18,174,326
Dry Cleaning & Laundries	35,000	35,000	—
Financial	3,130,167	2,975,000	155,167
Insurance	14,040,755	3,770,000	10,270,755
Medical & Dental	197,000	197,000	—
Moving, Hauling, Storage	892,807	488,000	404,807
Public Utilities	11,651,969	7,861,000	3,790,969
Relig., Political, Unions	1,424,935	969,000	455,935
Schools & Colleges	185,000	185,000	—
Miscellaneous Services	4,147,693	1,051,000	3,096,693
Cosmetics & Toiletries	131,096,620	52,512,000	78,584,620
Cosmetics	15,748,491	11,844,000	3,904,491
Deodorants	11,485,383	5,870,000	5,615,383
Depilatories	375,428	152,000	223,428
Hair Tonics & Shampoos	29,880,648	10,982,000	18,898,648
Hand, Face, Lotions	9,220,640	3,982,000	5,238,640
Home Perm. & Coloring	13,756,800	5,326,000	8,430,800
Perfumes, Toilet Waters	2,283,669	1,822,000	461,669
Razors, Blades	11,582,976	2,412,000	9,170,976
Shaving Creams, Lotions	9,153,554	1,488,000	7,655,554
Toilet Soaps	24,606,857	7,193,000	17,503,857
Miscellaneous	3,002,174	1,531,000	1,471,174
Dental Products	38,254,131	13,571,000	24,683,131
Dentifrices	30,971,558	8,806,000	22,165,558
Mouthwashes	5,075,627	3,898,000	1,177,627
Miscellaneous	2,206,946	867,000	1,339,946
Drug Products	123,449,521	53,478,000	69,971,521
Cold Remedies	29,070,168	16,655,000	12,415,168
Headache Remedies	32,441,491	10,823,000	21,618,491
Indigestion Remedies	17,820,312	10,310,000	7,510,312
Laxatives	11,247,950	3,031,000	8,216,950
Vitamins	9,148,662	4,026,000	5,122,662
Weight Aids	3,882,729	1,911,000	1,971,729
Misc. Drug Products	18,741,209	5,625,000	13,116,209
Drug Stores	1,097,000	1,097,000	—
Food & Grocery Products	275,180,125	165,725,000	109,455,125
Baked Goods	36,620,594	28,736,000	7,884,594
Cereals	41,574,202	15,266,000	26,308,202
Coffee, Tea & Food Drinks	50,879,075	36,501,000	14,378,075
Cond., Sauces, Appetizers	11,899,940	7,121,000	4,778,940
Dairy Products	21,324,978	7,919,000	13,405,978
Desserts	5,179,680	1,366,000	3,813,680
Dry Foods, (Flour, etc.)	30,056,873	19,489,000	10,567,873
Fruits & Veg., Juices	17,778,620	9,551,000	8,227,620
Macaroni, Noodles, Chili	3,363,944	2,136,000	1,227,944
Margarine, Shortenings	15,679,552	8,942,000	6,737,552
Meat, Poultry & Fish	11,024,711	8,909,000	2,115,711
Soups	5,731,004	988,000	4,743,004
Miscellaneous Foods	13,001,032	7,850,000	5,151,032
Misc. Frozen Foods	1,616,920	1,502,000	114,920
Food Stores	9,449,000	9,449,000	—
Garden Supplies & Equip.	1,106,345	808,000	298,345
Gasoline & Lubricants	32,831,894	22,890,000	9,941,894
Gasoline & Oil	29,593,084	21,449,000	8,144,084
Oil Additives	1,285,000	1,285,000	—
Miscellaneous	1,953,810	156,000	1,797,810
Hotels, Resorts, Restaurants	606,885	568,000	38,885
Household Cleaners, Cleansers, Polishes, Waxes	69,313,146	45,165,000	24,148,146
Cleaners, Cleansers	50,952,818	38,128,000	12,824,818
Floor & Furn. Polish, Wax	10,827,315	3,540,000	7,287,315
Glass Cleaners	2,704,625	659,000	2,045,625
Home Dry Cleaners	826,265	569,000	257,265
Shoe Polish	2,280,300	1,725,000	555,300
Miscellaneous Cleaners	1,721,823	544,000	1,177,823
Household Equipment—Appliances	20,138,110	4,971,000	15,167,110
Household Furnishings	7,628,772	3,564,000	4,064,772
Beds, Mattresses, Springs	1,785,000	1,785,000	—
Furn. & Other Frnsh'gs	5,843,772	1,779,000	4,064,772
Household Laundry Prods.	79,443,410	36,727,000	42,716,410
Bleaches, Starches	8,547,573	6,702,000	1,845,573
Pckgd. Soaps, Detergents	68,578,013	27,987,000	40,591,013
Miscellaneous	2,317,824	2,038,000	279,824
Household Paper Prods.	16,816,812	4,558,000	12,258,812
Cleansing Tissues	1,781,584	666,000	1,115,584
Food Wraps	6,205,836	1,524,000	4,681,836
Napkins	2,051,179	314,000	1,737,179
Toilet Tissue	3,512,719	1,162,000	2,350,719
Miscellaneous	3,265,494	892,000	2,373,494
Household General	13,142,952	5,617,000	7,525,952
Brooms, Brushes, Mops	1,418,106	603,000	815,106
China, Glassware, Crockery, Containers	941,000	941,000	—
Disinfectants, Deodorizers	4,972,612	1,156,000	3,816,612
Fuels, (heating, etc.)	378,742	309,000	69,742
Insecticides, Rodenticides	3,493,832	1,701,000	1,792,832
Kitchen Utensils	495,199	106,000	389,199
Miscellaneous	1,443,461	801,000	642,461
Notions	681,292	325,000	356,292
Pet Products	14,395,339	6,689,000	7,706,339
Publications	705,593	679,000	26,593
Sporting Goods, Bicycles, Toys	7,955,414	4,893,000	3,062,414
Bicycles & Supplies	144,492	36,000	108,492
Toys & Games	6,206,764	4,530,000	1,676,764
Miscellaneous	1,604,158	327,000	1,277,158
Stationery, Office Equip.	1,476,604	222,000	1,254,604
Television, Radio, Phonograph Musical Instruments	7,000,721	1,171,000	5,829,721
Radio & Television Sets	3,961,084	381,000	3,580,084
Records	886,462	280,000	606,462
Miscellaneous	2,153,175	510,000	1,643,175
Tobacco Prods. & Supplies	106,659,190	31,490,000	75,169,190
Cigaretts	96,356,529	28,756,000	67,600,529
Cigars, Pipe Tobacco	9,635,647	2,330,000	7,305,647
Miscellaneous	667,014	404,000	263,014
Transportation & Travel	5,036,861	3,911,000	1,125,861
Air	2,794,922	2,734,000	60,922
Bus	1,460,513	422,000	1,038,513
Rail	718,000	718,000	—
Miscellaneous	63,426	37,000	26,426
Watches, Jewelry, Cameras	21,314,277	3,830,000	17,484,277
Cameras, Access., Supplies	10,228,671	1,170,000	9,058,671
Clocks & Watches	4,760,432	22,000	4,738,432
Jewelry	345,517	174,000	171,517
Pens & Pencils	4,792,433	2,211,000	2,581,433
Miscellaneous	1,187,224	253,000	934,224
Miscellaneous	9,959,212	8,600,000	1,359,212
Trading Stamps	953,000	953,000	—
Miscellaneous Products	5,014,212	3,655,000	1,359,212
Miscellaneous Stores	3,992,000	3,992,000	—
Total	$1,232,914,530	$605,603,000	$627,311,530

ADS IMPROVE, SAYS KINTNER: Praise for "initiative, daring and disregard for moss-draped traditions" displayed by admen came last week from the govt.'s chief scourge of deceptive TV commercials—FTC Chmn. Earl W. Kintner.

"It may surprise you," he told the Los Angeles Better Business Bureau, "but the Federal Trade Commission is no finger-wagging old lady who disapproves of enthisiastic advertising. Nothing is healthier for our economy than aggressive selling—and the more persuasive & compelling it is, the better."

Moreover, Kintner said in a follow-up speech prepared for a May 2 meeting of the N.Y. Chapter of the Assn. of Industrial Advertisers: "Significant improvements in the tone of current advertising" have followed in the wake of TV quiz and TV & radio payola scandals which "brought to the surface a public distrust of advertising wider than many informed observers had suspected." He ascribed this betterment to a "combination of intelligent self-interest & basic desire for self-respect among those at all levels of managerial responsibility."

Kintner added that FTC recognizes that in its campaigns against "distortion, deception and false claims" there are dangers of "harming the carefully cultivated plants by the misapplication of weed killer." He said it "would be a catastrophe not only to advertising but to our entire economic system" if the whole industry is harmed by FTC actions against the "jackals" & "gyps."

"Much has been said about the sins of advertisers, their agencies, and the media," Kintner went on. "The time may have come to call greater attention to the good & constructive things being done in advertising."

In another speech last week, FTC Comr. Sigurd Anderson told the American Home Laundry Manufacturers Assn. in Hollywood, Fla. that in TV the country has a medium "without equal in shaping the life & living of the American citizen." He said that in the next 10 years "the power of TV will be realized to an extent that will surprise even its strongest boosters."

Meanwhile FTC issued the latest in its series of industry guides for acceptable advertising & selling practices. This one covered advertised guarantees for merchandise. FTC said such claims should clearly indicate: (1) "The nature & extent of the guarantee." (2) "The manner in which the guarantor will perform." (3) "The guarantor's identity."

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Eversharp Inc. and its agency Compton have denied FTC charges that they used deceptive TV demonstrations to sell Schick safety razors & blades. In separate answers to FTC's complaint, they maintained that the commercials "validly illustrate" Schick features.

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Ad People: Lee Rich, Benton & Bowles media vp, named to new post of media & programming vp . . . John C. Strouse, ex-Lennen & Newell, named Benton & Bowles vp . . . Albert R. Whitman promoted from exec. vp to pres. of Campbell-Mithun, succeeding Ray O. Mithun named chmn. Norman F. Best promoted from vp-gen. mgr. to exec. vp, succeeding Whitman . . . Ralph Whiting, George Dewey Roberts Jr., Gilbert J. Headley named Young & Rubicam vps . . . Richard C. Coblems and Richard Neely named BBDO vps.

Stations

Post-NAB Convention Rollcall: There's been no upsurge in broadcasting trade association enlistments since NAB's April 3-6 convention in Chicago (Vol. 16:14-15). We checked recruiting offices last week, came up with the figures tabulated below. The numbers in parentheses represent total members (networks, etc.). Figures in the first column show total of station members only. The 2nd column indicates the percentage of commercial stations which are members of each organization. The rundown:

	Total stations	Percent of total
Commercial TV stations on air	517	100%
NAB TV members (365)	362	70%
NAB TV Code subscribers (385)	382	74%
TIO members (150)	144	28%
TvB members (262)	242	47%
Commercial radio stations on air	4,204	100%
NAB radio members (2,130)	2,126	51%
NAB radio code subscribers (1,309)	1,305	31%
RAB members (1,225)	1,200	29%

* * *

Big TV Code fee increases—by 800% from $1,500 to $13,000 annually for CBS, NBC & ABC, with individual stations paying doubled or tripled subscriptions in larger markets—have been ordered by NAB. The networks have agreed "wholeheartedly" to the boost in "a significant action to strengthen the industry's self-regulatory procedures," according to NAB, which added that responses from 385 subscribing stations have been "excellent." Higher fees were called for when the TV Code Review Board, now headed by E. K. Hartenbower (KCMO-TV Kansas City), laid out plans for setting up a N.Y. office and expanding Washington & Hollywood offices (Vol. 16:11 p6).

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Sale of WDAF-TV (Ch. 4) & WDAF Kansas City, for $9,750,000 million cash, by National Theatres & TV Inc. to Transcontinent TV Corp., gives the latter a full complement of 5 vhfs plus 60% of a uhf. The station was started by the *Kansas City Star* in 1949, but an anti-trust decree forced the *Star* to sell, and National bought it for $7.6 million in 1958 (Vol. 13:47-48, 14:17). Recent figures on the stations' performance aren't available. However, it's understood that the gross in 1956 was $2,470,000 and earnings before taxes were $1,050,000. Inasmuch as the *Star* had fed considerable business to the stations, and this source was no longer available to National, earnings dropped off somewhat in 1957 & 1958, then showed an upturn last year. Transcontinent Pres. David C. Moore said that the present staff would continue under gen. mgr. William Bates. Broker Howard E. Stark negotiated the transaction which adds the Kansas City properties to these Transcontinent holdings: WGR-TV, WGR & WGR-FM Buffalo, WROC-TV & WROC-FM Rochester, KFMB-TV, KFMB & KFMB-FM San Diego, KERO-TV Bakersfield and 60% of uhf WNEP-TV Scranton-Wilkes-Barre.

Pittsburgh newspaper sale of Hearst's afternoon-&-Sun. *Sun-Telegraph* to the Paul Block family's morning *Post-Gazette* left TV & radio station set-ups there undisturbed. WCAE Inc. (Hearst Publishing Co.) retained WTAE (Ch. 4) & WCAE in the April 22 deal by which the *Post-Gazette*, 50% owner of WIIC (Ch. 11) and owner of radio WWSW, took over the *Sun-Telegraph*.

WCCO-TV Minneapolis will award an annual $1200 scholarship to a beginning freshman at Minnesota U. for study in the field of TV-radio journalism.

Applications for changes in control or ownership of Canadian TV or radio corporations will now be subject to public hearings before the Board of Broadcast Governors. In the past, applications for stock transfer were heard by BBG *in camera*, and only the results were announced publicly. First public stock-transfer applications will be heard when the BBG meets in Calgary May 16. CKCO-TV, Kitchener, Ont., seeks transfer of 12,501 common shares; and CJLH-TV, Lethbridge, Alta. seeks change in ownership of 50% of capital stock and a change in ownership of qualifying shares. Details are not announced until the hearings take place. Two applications for a single TV license (Ch. 4) will also be heard in Calgary. BBG has also confirmed May 10 for its Edmonton hearings. There 5 applications will be heard for one license on Ch. 5 serving Edmonton; 2 applications for one license in Prince George, B.C., on Ch. 3. (Vol. 16:11). The Prince George applicants are Aurora TV Ltd., and CKPG TV Ltd., operators of radio CKPG. CBC seeks a satellite TV stations at Pembroke, Ont., for its CBOT in Ottawa.

To police TV shows, Canada's BBG has selected a national film authority, Ross McLean. To be called research director, McLean, 55, served with the National Film Board, 1939-45; was a govt. film commissioner, 1945-50; dir. of film & visual information div. at UNESCO, 1950-56; and has been a communications consultant in Ottawa since then. In his new post McLean becomes No. 1 watchdog over the standard, taste and character of Canadian TV & radio. He'll enforce the 55% Canadian content required in TV and maintain guard against obscene or indecent programs, false or misleading news, commercials in the body of newscasts, and rigged programs. (Another Ross McLean, producer of CBC's *Tabloid & Closeup* programs, is not related. He lives in Toronto; BBG's will continue in Ottawa.)

RCA shipped a 25-kw transmitter April 21 to upcoming KSOO-TV (Ch. 13) Sioux Falls, S.D., which has a June target. Also shipped was a used 2-kw transmitter to KHQ-TV (Ch. 6) Spokane, Wash., planning move to new site on Krell Hill. TV tape recorder shipments: 2 color units to NBC, N.Y. and NBC Burbank, Cal.; 3 monochrome units to Reeves Sound Studios, N.Y.; 2 monochrome units to Norway and Egypt; one monochrome unit to KWTV Oklahoma City and to Children's Hospital, Pittsburgh.

For sale: Network-affiliated TV station in Wash. state. So reads ad by Interstate Holding Co. (400 S. Beverly Dr., Beverly Hills, Cal.) in April 27 *Wall Street Journal*. Also listed: 17 unidentified AMs & FMs in Ariz., Cal. & Ore.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
KPIX San Francisco	$2100 (no change)	$600 to $660[1]	April 1
WTIC-TV Hartford	1600 to $1675	400 to 450	April 1
WTVJ Miami	1200 to 1850	300 to 400	May 1
KRLD-TV Dallas	1200 to 1300	325 to 350	April 1
WISH-TV Indianapolis	1300 (no change)	325 to 400	April 1
WSIX-TV Nashville	760 to 825	160 to 185	April 1
WATE-TV Knoxville	650 to 700	150 to 160	March 15
KENS-TV San Antonio	700 (no change)	175 to 200[2]	April 1
KDAL-TV Duluth	500 to 550	110 to 125	May 1
WMTW-TV Poland Spring	500 (no change)	110 to 120	April 1
WTPA Harrisburg, Pa.	425 to 450	90 to 95	March 1
KZTV Corpus Christi	350 to 400	85 to 100	March 1
KXII Ardmore, Okla.	150 to 200	30 to 40	May 1
KRSD-TV Rapid City	150 to 180	30 to 38	April 1
WRIK-TV Ponce, P.R.	150 to 173	26 to 33	June 15

Canadian Station Rate Increases

CHCT-TV Calgary, Alta.	405 to 450	100 to 115	April 1
CKNX-TV Wingham, Ont.	250 to 275	55 to 60	April 1

[1] Also adds Class AAA (8:30-10 p.m. Mon.-Fri., 7:30-10:30 p.m. Sat. & Sun.) Min. at $725, 20 Sec. $660, 10 Sec. $330. [2] Changed from 20 Sec. to Min. or 20 Sec.

Auxiliary Services

Butcher Seeks CATV Law: Bill to give govt. control over CATV systems (S-2653) is being pushed by Harry C. Butcher, who says that his KIVA Yuma, Ariz. is "imperiled" by a proposed CATV system. The wartime aide to President Eisenhower plans to spend most of his near-future time in Washington, aided by Hollis M. Seavey, who is also consultant to Regional Broadcasters.

FCC granted a microwave to Antennavision Inc., Phoenix (Bruce Merrill), which seeks to build the CATV system and feed it with 4 Phoenix station signals. KIVA protested the grant and a hearing has been set. Butcher states that KIVA's situation is aggravated by the fact that Phoenix stations telecast network programs 1 to 2 hours earlier than Los Angeles stations do. Since KIVA gets its programs from Los Angeles, KIVA would be "scooped" by the CATV, he says. Prospects of S-2653 are considered fairly good in the Senate, and it's likely to come to vote in a week or 2. Rougher going is anticipated in the House, where Rep. Harris's Commerce Committee has yet to schedule hearings on companion bills.

Meanwhile, FCC dismissed pleadings containing what it termed "scandalous & impertinent material" filed by Antennavision in the Yuma protest case and by Microrelay of New Mexico Inc. and Idaho Microwave Inc. in the Roswell, N.M. and Twin Falls, Ida. microwave protest cases. Following is an example of the material involved, from Idaho Microwave's petition for reconsideration: "What has the Commission done in this proceeding? It has disgracefully & unprecedentedly 'passed the buck' to the hearing examiner and, in effect, said, 'We know what the law is, but perhaps you would like to overrule us.' Why doesn't the Commission also direct that evidence be adduced on whether the moon be composed of green cheese?"

The attorney for the microwave grantees has submitted an apology to the Commission, saying that in the "calm after battle" he realized that the language was "unfortunate" in some instances. The latest development was a joint petition of Microrelay of N.M. and protestant KSWS-TV to dismiss the protest. KSWS-TV has bought into Microrelay and the CATV it serves in Roswell, saying that the CATV will not duplicate KSWS-TV's service.

* * *

Solution to vhf booster problem proposed by Jerrold Electronics Corp.—licensing existing operations, provided they produce no interference, and authorizing only uhf translators henceforth—has been incorporated in a brochure being distributed by Jerrold to telecasters, members of Congress & FCC, *et al.*

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Giant-View TV scored a meager gate of $1,790.80 in Milwaukee April 25 with a piped-in closed-circuit bout between Roy Harris & Sonny Liston staged in Houston, Tex. Loss to Phil Valley, Milwaukee promoter: more than $3,500. The event, priced at up to $3.30 in Milwaukee was the first Giant-View bout to be aired outside Texas markets. Reported the N.Y. *World-Telegram & Sun*: "The picture here was poorly lighted and the sound indistinct."

Pay-TV hearings will be held May 18 in San Francisco by a subcommittee of the Cal. State Assembly's Interim Committee on Public Utilities & Corporations. The group —set up to probe legislation on "subscription, boxoffice and pay TV"—has asked those planning to testify to contact the Committee by May 12.

Congress

HARRIS REVIVES SPECTRUM CONTROL: Highly controversial spectrum-control bill (Vol. 15:31 p3), introduced by Rep. Harris (D-Ark.), has been considered dormant, if not moribund, until last week when Harris dispelled such thoughts in a speech before the Overseas Press Club in N.Y. Harris proposes the establishment of a 3-man Frequency Allocation Board with great powers over allocations of the whole spectrum, including TV-radio. Some telecasters are strongly opposed, while EIA has approved the idea in principle.

Harris in his talk noted that the President is considering the appointment of a special allocations advisor, and he freely voiced his qualms: "It remains to be seen whether the proposed advisor is expected to become a czar whose decisions are not subject to any review—which would be unacceptable to many persons—or whether the advisor is to act purely as a front man to hide the deficiencies of the present dual set-up." Ironically, telecasters' great concern is that Harris's 3-man group would be czar-like. Went on Harris:

"In my considered opinion, the question of unified spectrum control cannot be solved by Executive Orders and will require Congressional action, as was done in the case of the creation of the Federal Aviation Agency. My only hope is that agreement can be reached on the form & powers of the new agency before accidents resulting in serious loss of life & property will occur as a consequence of the present confused state of affairs with regard to frequency allocations."

Turning to program legislation, Harris asserted that Congress will enact laws prohibiting deception & payola, limiting trafficking of licenses and giving FCC more power to judge whether station sales "are in the public interest." On govt.'s role generally, he said:

"I believe that by determining, on the basis of hindsight, what is not in the public interest, we can arrive at a better understanding of what *is* in the public interest. I believe that the search for greater definiteness of this concept is a continuing one and that is the way it should be. The public interest is not a static concept and no agency of govt. should have the power to determine in a vacuum for all time what TV programming is in the public interest.

"The role of govt. in relation to broadcasting is most difficult because the value judgments which have to be made in this connection involve man's mind and not just his pocketbook.

"Therefore, no satisfactory final answers can be given, no neat definitions can be provided either by statute or through agency rules. This does not mean, however, that the govt. has no role to play with regard to broadcasting. Rather, the role of the govt. is a limited one and in a free society the responsibility for broadcasting should be shared with the broadcasters, networks, producers, advertisers, advertising agencies, the listening public and all others who have an interest in this important medium."

■

FCC housekeeping chores are reduced under terms of a Senate bill (S-899) approved by the House "to provide for the discontinuance of certain reports now required by law." An FCC-requested section of the measure, which covers many govt. depts. & agencies, relieves the Commission of the necessity of filing detailed annual personnel records with Congress (Vol. 16:7 p9).

More about

MAGNUSON'S ETV TAX: Sen. Magnuson's proposal to levy a 1% tax on commercials for the purpose of helping ETV stations (see p. 4) is not intended as a substitute for his bill to grant each state a one-shot $1 million for ETV. It's meant to be a supplement, and he hasn't introduced it yet—probably because he doesn't want to disturb chances of the earlier bill which has passed the Senate and awaits House approval. Actually, chances of a hearing on the latest bill this session are slim. As drafted, the new bill would provide that:

(1) Stations & networks collect a 1% federal excise on time sold. The bill isn't specific on "below-the-line" or "above-the-line" sponsor payments. It's probably deliberately so, with final determination to come after hearings. Depending how it's calculated, the total would run $8-15 million annually.

(2) FCC & Dept. of Health, Education & Welfare would jointly administer payments to ETV stations.

(3) All ETV CP-holders & stations would be eligible. No limit is set on the amount per station, but grants would be for one year at a time.

(4) An advisory board on educational TV grants would be appointed by the President. Its 5 members would be selected from educational, civic or cultural leaders and they'd get $50 a day plus expenses when they work. Their job would be to help FCC & HEW pick recipients—and to do whatever else FCC & HEW request. They'd meet at least 4 times a year.

(5) Govt. bodies and non-commercial organizations would be for one year at a time.

(6) HEW & FCC are specifically enjoined from any control over ETV stations' programs.

The exact purpose of the bill, as spelled out in the draft, would be "to assist in establishing, improving & operating" ETV stations.

This kind of excise tax is neither unique nor common. The best known similar excise is the gasoline tax, proceeds of which are earmarked for highway construction. Many states have special taxes for educational purposes but there's no such federal levy.

Magnuson is in no great rush about the bill, since he said he's had it around for some time and still hasn't introduced it. However, he's very serious & tenacious about ETV and you may be sure he won't drop his new idea casually, despite the opposition it's bound to produce.

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FCC trial examiners would be taken out of civil service and put into a separate super-grade category of govt. employes under a bill (HR-11669) introduced by Rep. Broyhill (R-Va.). Citing their quasi-judicial functions, he said examiners working for FCC and other top regulatory agencies such as FTC should have special standing with salaries corresponding to the GS-18 civil service classification (currently $17,500). FCC examiners now are paid $12,700-$13,970. Broyhill's measure would amend Sec. 11 of the Administrative Procedure Act.

"Code of conduct" for FCC & other federal agencies is provided in a bill (S-3308) by Sen. Butler (R-Md.) carrying out his proposals to help rid the agencies of "unlawful & unethical" ex-parte pressures (Vol. 16:14 p11). No criminal penalties are set up in the measure, but Butler said it should "serve as a valuable guide & deterrent."

Film & Tape

WGAW REJECTS NEW OFFER: Writers Guild of America West membership has rejected the new peace proposal which was offered by the Alliance of Television Film Producers to end the 15-week-old strike of TV writers, longest in the Guild's history. Although WGAW rejected the proposal by 206-143, and a network bid covering TV film by 267-54, WGAE accepted both offers.

Since Hollywood comprises the larger part of WGA's membership, the sentiment there was that the WGAW turndown was binding. But a national referendum may be held in view of the split. WGA national chairman Edmund Hartmann told us that this depends on conversations he will hold with both WGA groups, to reconcile their positions. If there is no success, WGA's national council will probably take up the matter at a meeting tentatively scheduled for mid-May.

Some production executives gloomily predicted the WGAW rejection would result in postponement of next season's TV start from fall to Jan. 1. Nobody professed to know when the strike would end, as a result of the new developments. Meanwhile, production was suffering.

'Strike Took Effect 3 Weeks Ago'

WGAW's meeting was lengthy & emotional. The vote came about 1 a.m. Fri. Leading the fight against acceptance of the Alliance & network proposals were members of the negotiating committee which had rejected them. One of their most convincing arguments was that "the strike actually took effect 3 weeks ago," and that WGA is in a better bargaining position than ever, since companies are genuinely feeling the script shortage, particularly at a time when they should be preparing next season's product.

WGAW did approve the live-TV & freelance contract with the networks 257-61; the network radio pact 273-45.

WGAW's rejection of the new Alliance proposal came as a surprise, since the Guild TV board & council had recommended acceptance, after overruling its negotiating committee which had turned down a similar plan called the Stoller offer. The membership vote was a repudiation of its own council & board, and a vote of confidence in the negotiating committee.

WGAW Pres. Curtis Kenyon told the membership he considered their vote a mandate to settle for nothing less than compensation in the foreign area, in addition to the recognition of principle offered in the Alliance package. Kenyon commented to us: "I think from the very beginning the producers have failed to take our demands with sufficient seriousness, and by the time they got around to it, it was a case of too little & too late."

WGA's turndown created even more bitterness in producer circles, and one executive remarked to us, of WGA: "Our problem is that we have a leaderless, rudderless Guild that's just drifting in chaos. The leadership no longer has control of its membership. How can we deal with a leadership which has been repudiated, or a membership which has no representation?"

The Guild's negotiating committee, which had not resigned, although overruled, met Fri. to discuss future negotiations. Armed with the membership's vote of confidence, it appeared the committee would meet next with independent companies outside the Alliance. There was little question that it would have more strength following vindication of its position by the membership.

Thursday night's membership vote climaxed a hectic week marked by splits within WGA and the Alliance, and highlighted by a new offer presented by Morris Stoller of the William Morris Agency on behalf of several Morris clients. The Stoller offer was slightly modified later by the Alliance and became the formal Alliance proposal. Here's the day-by-day account:

Mon.: Stoller came up with his proposal, calling for a 10% hike in minimums the first 2 years, and a 5% raise the remainder of the 3⅔-year contract, in addition to a 5% pension plan and outright recognition of the foreign principle. It was similar to a previous Morris-Alliance offer which had been rejected, but the important difference was recognition of the foreign residuals principle, which the Alliance had previously refused.

Stoller presented his proposal to the Alliance, but Revue Studios balked at it, and Desilu and Ziv-TV wanted more time to think it over. Not wanting to wait and risk prolonging the strike, he then submitted it to the WGA negotiating committee on behalf of 7 companies. It marked the first split in the Alliance, whose members had a tacit agreement to act in unison. WGA's negotiating committee rejected both the network and Stoller offers. However, the Guild's TV board, while upholding rejection of the network offer, overruled its committee 6-5 to accept the Morris offer. The negotiators were holding out for compensation as well as recognition in the foreign area, while the board thought recognition & a pension plan adequate.

Tues.: TV divisions of the major studios agreed to accept the Stoller formula, although final settlement hinges on ending the WGA-major studio dispute in movies, since the majors want to clean up all their writer troubles at the same time. The majors' TV units liked the pay-TV aspects of the Stoller plan, which simply called for a reopening clause on the issue. Meanwhile, the rest of the Alliance decided to go along with the Stoller plan with minor language changes.

It also went along with a plan calling for establishment of a committee which would, the last year of the contract, study the economics of the foreign area and the feasibility of a royalty payment plan as opposed to the present residual system. Findings of such a committee would not be binding, but serve as a guide for future negotiations. Although the WGA's council accepted this, its negotiating committee refused to meet with the Morris office to iron out details, because, it stated, it felt it was untenable to negotiate an offer which it had rejected. WGA appointed an interim negotiating committee to meet with the Alliance and Morris office, following the refusal. (Kay Lenard, pres. of the TV board, had resigned from the negotiating committee previously because of differences with the committee.)

Thurs.: Alliance officially agreed on the new plan.

One important aspect of the plan finally evolved was that it avoided raising residuals by giving writers a pension plan instead. This, industryites believed, will preclude IATSE from seeking residual payments.

Meanwhile, WGA negotiations with the Assn. of Motion Picture Producers took a sour turn when AMPP, in a press release, said differences between it and WGA were so "substantial" as to indicate a prolonged continuation of the strike which began Jan. 16.

AMPP said it had offered WGA a 4-year contract calling for a 10% hike in minimums the first 2 years, and another 5% the next 2 years; 5% of writers' salaries, up

to $100,000 a picture, for a pension plan and health & welfare plan similar to that recently agreed on with Screen Actors Guild; "past-service credit" payments for a 2-year period in which writers were not part of the industry plan; payment of a lump sum for a health & welfare fund; payments on post-1960 movies released to free TV equal to 2% of the producer's return (to run for a 6-year period), and agreement on AMPP's declaration that pay TV is an extension of the theatrical box office.

WGA said it had accepted the pension health & welfare plan in principle but no agreement on the amount of money involved has been reached. While WGA has accepted the pattern set by SAG to pass up claims for post-1948 movies in lieu of a pension fund, it will not accept the SAG pattern in pay TV. The guild feels it has a right to negotiate for pay TV, an executive emphasized. (SAG originally held pay TV should be considered a separate medium; yielded to claims it's part of the movie boxoffice.)

Desilu Moving Up Again: With several deals for additional series still in negotiation, Desilu Productions already has firmed 6 series & 11 rental deals for an impressive total of 17 for next season. Unlike Revue Studios and Four Star Television, which own most of their series, Desilu's preponderance of production has been in rentals.

Desilu-owned series now set are: Renewals of *The Untouchables* and *Ann Sothern Show* and syndicated *U.S. Marshal* and *Grand Jury;* new entries *Harrigan & Son* and *Guestward Ho!* (Major casualty of Desilu this season was 60-min. *Westinghouse Desilu Playhouse.*)

New rental deals: *My 3 Sons, The Andy Griffith Show, Angel, Miami Undercover, Press Time* and 18 Jack Benny shows on film. Rentals which will renew their use of Desilu facilities: *The Danny Thomas Show, Wyatt Earp, The Real McCoys, Lassie* and *Barbara Stanwyck Theatre.*

The Desilu company, owned by Lucille Ball and Desi Arnaz, owns 3 studios having 35 stages. Next season's schedule will necessitate splitting into 2 Stage 15 & another king-sized movie stage at the Culver City plant.

Fred Ball, brother of Lucille Ball, left Desilu last week, as did George Murphy, vp for public affairs.

Anti-Trust Trials (Cont.): Defense rebuttal in the anti-trust, block-booking trial involving 6 TV film distributors, began in N.Y. District Court April 29 before Judge Archie O. Dawson. (Vol. 16:11 p12 *et seq.*). He expects the trial to end this week. Taking the stand last Fri. were David Stickle, WMAR-TV Baltimore; Stanley Hubbard, KSTP-TV Minneapolis; F. E. Busby, WTVY Dothan, Ala.; Jack Delier, KWTV Oklahoma City; Larry Israel, Westinghouse Bcstg. Co. Defense witnesses who appeared earlier last week included Harold Goldman and Oliver Unger, NTA; John Leo and Seymour Peyser, UA; George Hankoff and Ben Coleman, Screen Gems; Eliot Hyman, Robert Rich, Alvin Sussman and Lester Tobias, AAP.

Meanwhile the restraint-of-competition anti-trust trial involving Screen Gems, Universal International & Columbia Pictures concluded April 27 in U.S. District Court, N.Y. Judge William B. Herlands reserved decision and instructed both sides to file written expositions of their stands in the case before May 26 (Vol. 16:12 p9 *et seq.*).

Academy of TV Arts & Sciences has mailed more than 6,000 members their nominations ballots for the 1959-1960 Emmy awards telecast on NBC-TV, June 20.

NEW YORK ROUNDUP

Herman Rush Associates has been formed by ex-Flamingo Telefilm Sales Pres. Herman Rush. The new company, which has acquired "a substantial interest" in Heritage Productions Inc. (Packager-distributor of *Campy's Corner* and *The Adventures of Willie Wonderful*), plans to produce & distribute films for TV and theatrical release. Main office: 50 W. 57th St., N.Y. Trafalgar 4-1299.

Screen Gems has sold its new group of 72 *Three Stooges* comedies to 27 stations in the 3-week period since the package was released at the NAB convention. There are now 190 *Three Stooges* episodes in circulation.

People: Flamingo Films reported 3 major appointments recently: former Buckeye Corp. vp **Samuel F. Rubin** was elected chmn.; **Ira Gottlieb**, former Flamingo exec. vp became company pres. and **C. P. Jaeger** was named exec. vp. . . . **Robert Goldstein** has been named asst. to NTA Chmn. Ely A. Landau, and has been elected asst. secy. of NTA and parent co. NT&T . . . **Bert Mitchell** has been appointed Western states sales representative for Programatic Bcstg. Co. . . . **Victor Jory**, star of Screen Gems' *Manhunt*, has been chosen by the U.S. Information Service to present "America's Story" to the Far East under Pres. Eisenhower's "People to People" program . . . **Leslie Nielsen**, star of ABC-TV's *Swamp Fox*, has been presented the first TV & radio award of the Children of the American Revolution . . . **Grace V. Sullivan** named national sales dir., Official Films . . . **Kevin O'Sullivan** has been named acting sales mgr., N.Y. sales div., ITC . . . **James L. Wolcott** was appointed sales coordination vp at Transfilm-Caravel . . . **Jerry Maticka** has been named a TV commercials dir. at Robert Lawrence Productions.

HOLLYWOOD ROUNDUP

CBS-TV has shelved its 60-min. adventure series which was to have starred Rory Calhoun . . . Revue Studios has filmed a pilot of *The Art Linkletter Show* . . . Sponsors of *Mr. Lucky* have notified CBS-TV they want to renew the series, but the network has taken over the time slot for another show. Time is being sought on another network.

Warner Bros. resolved another difficulty last week, when it persuaded Jack Kelly (co-star with James Garner, of *Maverick*) to return to the studio. He had walked out when WB exercised *force majeure* to take him off the payroll (Vol. 16:17 p12). Warners' persuasion took the form of a raise & a new 7-year-contract to replace the old one which had 4½ years to run. Now that Kelly and Edd Byrnes (*77 Sunset Strip*) are back in the fold, the only remaining walkout is Garner, who'd also left on the *force majeure* issue. WB sued Garner; Garner countersued.

Panorama Productions Ltd. plans construction of a TV & movie studio in Vancouver, B.C., at an initial cost of $500,000. There will be 2 sound stages, part of a $4-million development with studio available on rental basis.

People: Gene McCabe, production mgr. for Bill Burrud Productions, has been named administrative asst. to Burrud . . . **Jack M. Goetz**, PR dir. of Consolidated Film Industries, elected chmn. of the Television Film Assn.

Educational Television

Airborne ETV Report: That $7 million airborne ETV project which is now slated for Feb. 1961 takeoff (Vol. 15:42 et seq.) has been making headway on its groundwork, according to a 32-page information brochure just issued by the Midwest Program on Airborne TV Instruction (nee Midwest Council on Airborne TV Instruction). The project has established separate "ground crews" of academic, ETV and civic representatives to administer MPATI policy & programs in 18 areas of the 6 states in the test. Also it has enlisted 18 colleges & universities (one in each of the test areas) to serve as "resource institutions" to assist participating schools & personnel.

MPATI workshops for teachers & school executives interested in the airborne ETV program have been scheduled for this summer at each of the resource institutions: Illinois—Northern Ill. U., Northwestern, U. of Ill. Indiana—Ball State Teachers College, Butler U., Ind. State Teachers College, Ind. U., Notre Dame, Purdue. Kentucky—U. of Ky., U. of Louisville. Michigan—Mich. State, Wayne State U., Western Mich. U. Ohio—Bowling Green State U., Miami U., Ohio State. Wisconsin—U. of Wisc. A workshop also will be conducted at De Paul U., Chicago.

The latest schedule of operations calls for "demonstration" telecasts to begin in Feb. and continue through June to enable participating schools to install & test classroom equipment, check signal quality, observe programming. The first full academic year of airborne TV instruction will begin Sept., 1961. The brochure states that "courses are being programmed for telecasting roughly on the ratio of 40% each for elementary & secondary levels and 20% for college & university. Participation by schools at all levels is on a voluntary basis, as is the number & nature of courses they wish to select from the telecast offerings, and the number of classrooms they wish to equip." MPATI estimates that, using a master antenna system, it will cost $500 per room to equip 5 classrooms of a school within 50-100 miles of the airborne transmitters. Participating schools will equip themselves at their own expense.

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Govt. Awards ETV Grants: Five new Federally-financed research grants totaling $525,824 have been awarded by the U.S. Office of Education for research at educational institutions in school uses of TV (under Title VII of the National Defense Education Act).

The latest ETV project awards, first to be announced since Feb. by Education Comr. Lawrence G. Derthick (Vol. 16:8 p8), were among 17 audio-visual study grants totaling about $1 million. Since the start of the program last year, 83 applications for funds have been approved, many of them for ETV work. The new ETV research programs:

Use of TV to improve teaching of Spanish in elementary grades, 4 years, $320,622. Dr. Wilbur Schramm, Stanford U.'s Institute for Communication Research dir., Palo Alto, and Dr. Kenneth E. Oberholtzer, Denver public schools supt.

Administering tests by TV, 18 months, $39,653. Dr. H. A. Curtis & Dr. R. P. Kropp, Florida State U., Tallahassee.

Use of program analyzers & filmed recordings to train TV teachers, 15 months, $34,439. Dr. F. Craig Johnson, instructional TV research dir., Ohio U., Athens.

Effectiveness of TV for in-service teacher instruction, 19 months, $64,905. Dr. M. Vere DeVault, U. of Tex., Austin.

Use of TV to reduce adult illiteracy, 13 months, $66,205. Nell Peerson, Florence State College, Florence, Ala.

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International ETV seminar under UNESCO auspices will be conducted May 15-25 at Purdue U., Lafayette, Ind. Purdue's Dr. R. M. Whaley & Warren Seibert, now on leave to the U.S. Office of Education, will direct the sessions.

The FCC

Sixteen uhf CPs have been cancelled by FCC for failure to respond to the Commission's letter of Feb. 24 which admonished the grantees for their lack of diligence in pursuing the grants and in effect told them to fish or cut bait (Vol. 16:8 p2). Total CPs relinquished as a direct result of the letter is now 23—the 7 others having voluntarily turned in their CPs after receipt of the FCC letter. Those cancelled by the FCC (all pending for at least 4 years, some as much as 8 years) were: WSTF (Ch. 27) Stamford, Conn., WEAL-TV (Ch. 18) Orlando, Fla., WOPT (Ch. 44) Chicago, WCKG (Ch. 26) New Orleans, WITH-TV (Ch. 72) Baltimore, WHEF-TV (Ch. 62) Brockton, Mass., WNYT-TV (Ch. 29) Buffalo, WTVG (Ch. 36) Mansfield, O., WMAC-TV (Ch. 23) Massillon, O., WKOK-TV (Ch. 38) Sunbury, Pa., WACA-TV (Ch. 14) Camden, S.C., KNBT-TV (Ch. 19) Brownwood, Tex., KXYZ-TV (Ch. 29) Houston, WARL-TV (Ch. 20) Arlington, Va., KVAN-TV (Ch. 21) Vancouver, Wash., WLTV (Ch. 51) Wheeling, W. Va.

Latest political equal-time decision by FCC is against a broadcaster and in favor of a complaining candidate. On radio WCLG Morgantown, W.Va., Sheriff Charles J. Whiston has a daily 5-min. program reporting the activities of his office and ending with an editorial-like "thought for the day." Stanley R. Cox Jr., Whiston's opponent for nomination as U.S. Representative in the May 10 Republican primary, complained to FCC that he had asked for equal time and had been rejected. WCLG argued that the program had been regularly scheduled since 1958, that no controversial issues are discussed, that there is no script, that the program is a *"bona fide"* news show exempt from equal-time requirements, etc. The Commission didn't give any detailed analysis of the reasoning behind its ruling, simply stated: "In the light of the facts before us and the legislative history of Sec. 315, it is the Commission's conclusion that the program in question is not the type of program Congress intended to be exempt from the equal time requirements of Sec. 315."

Mack-Whiteside conspiracy retrial has been put off again—this time until Oct. 4. The second trial of ex-FCC Comr. Richard A. Mack & his long-time friend Thurman A. Whiteside, on charges that they conspired to throw the Miami Ch. 10 grant to WPST-TV, had been set for April 25 (Vol. 16:17 p4). But defense lawyers, who had previously won delays because of the mental illness of Mack, told Judge Alexander Holtzoff in Washington's U.S. District Court that Whiteside was unable to appear now. He was having a "rough time" following an April 22 operation for removal of his gall bladder at Coral Gables, they reported. Judge Holtzoff ordered the case continued until Oct., explaining he didn't want to start a lengthy trial in Washington's hot weather.

Moline's Ch. 8 should go to Community Telecasting Corp., according to an initial decision issued by FCC examiner Charles J. Frederick. He preferred it to 4 competitors primarily on the grounds of stockholders' local residence, civic activities, diversification of business interests, lack of ownership in mass communications media, broadcast experience, integration of ownership & management. Pres. of Community is Mel Foster (real estate & insurance). Exec. vp is Mark L. Woodlinger, ex-sales mgr. of WOC-TV & WOC Davenport. The other 4 applicants are Tele-Views News Co., Midland Bcstg. Co., Illiway TV Inc., Moline TV Corp.

FCC won another case last week in the Court of Appeals, which upheld the Commission's rejection of the application of WICS (Ch. 20) Springfield. WICS had belatedly sought to compete for Terre Haute's Ch. 10. The Ch. 10 competition was between WTHI-TV's license renewal and Livesay Bcstg. Co. WTHI-TV & Livesay asked FCC to waive sending the conventional "McFarland letter" which precedes hearings, and the Commission did so. WICS appealed on the grounds that the Commission had no power to grant the waiver and should have accepted its late application. Upholding the Commission, the court ruled: "The purpose of [the McFarland letter] is to give certain rights to applicants who have appeared in the matter and provide a speedy way of bringing to determination pending applications for broadcasting stations. Certainly there is no intention to provide additional time to permit the filing of applications on behalf of unknown parties whose intention to file in no way appears . . . There was nothing to prevent [WICS] from filing an application at any time after Ch. 10 became available . . ." Incidentally, FCC examiner Herbert Sharfman has just recommended in an initial decision that WTHI-TV get its renewal (Vol. 16:7 p4).

Views on direct licensing of networks, as proposed in pending bills, haven't congealed at FCC, which meets on the subject this week. However, there appears to be a strong leaning toward amending the law to permit the Commission to pass rules directly affecting networks. Currently, FCC controls networks through affiliates and o&o's. In another pending legislative area—ex parte communications in rule-making—the FCC favors splitting rule-making into 2 kinds, general & special. In the first, it would permit wide-open discussion on & off the record. In the 2nd, it would confine communications to the record. In each case, it would give parties public notice of the ground rules. As a matter of fact, it has already done so in little-noticed actions. The Providence & Grand Rapids vhf drop-in proceedings have no restrictions, but the Fresno channel-shift case confines all contacts to the public record.

Complaint against CATV system in Laramie, Wyo. for supplying background music on one channel of its system has been filed with the FCC by radio KGEK Sterling, Colo. The station said that the practice is a "serious threat" to small radio stations. Collier Electric Co. operates the Laramie CATV, and KGEK said that reports indicate it plans to do the same in Sterling, where it also operates a CATV system. KGEK ends with plea: "Is there any way this practice can be halted before small radio stations really feel the impact?"

Sloppy engineering was rapped by the FCC last week in a special public notice urging broadcasters to look over their operations and take corrective action. Examination of its records, the Commission said, shows "an apparently increasing disregard of engineering rules & operator requirements and of equipment performance standards on the part of many broadcast licensees, particularly in the standard (AM) broadcast area. Deficiencies in the proper maintenance of complicated equipment, such as directional antennas, are indicated in many cases."

New at FCC: Attorneys—Francis T. Nolan, office of network study; Jack D. Warren & Edward J. Reilly, renewal & transfer div.; Larry N. Berkow, opinions & reviews; Philip A. Wells, safety & special. Irma B. Galane, rules & standards engineer, has transferred to NASA.

Television Digest

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Personals: Merritt Coleman named CBS-TV vp & business mgr., talent & contract properties, Hollywood, succeeding Philip Feldman, who resigned to become exec. vp, Broadcast Management Inc. Salvatore Iannucci succeeds Coleman as CBS-TV business affairs dir.; Philip Luttinger named CBS-TV asst. research dir.; Hugh Graham, CBS-TV studio operations dir., named live operations dir.; Don Patton named to new post of CBS-TV account service mgr., TV production sales, Hollywood.

Alan D. Courtney promoted from nighttime program vp, NBC-TV to program administration vp; Robert F. Aaron named daytime programs dir.; Joseph P. Cunneff named nighttime programs dir. . . . Robert Novak, asst. program mgr., KPIX San Francisco, May 16 becomes program mgr. of KDKA-TV Pittsburgh . . . Robert C. Burris, vp-sales mgr. of KEYT Santa Barbara, Cal., adds job of station mgr. . . . George W. Schiele promoted from TV station sales dir. to vp-gen. sales mgr., Bcst. Advertisers Reports; Josef B. Rosenberg, ex-Smith, Kline & French, named vp & asst. to the pres.

James E. Duffy named ABC Radio national sales dir. . . . Dan G. Crone named CBC management services dir. . . . Douglas McLarty, ex-WKBW-TV, named production mgr., WRCV-TV Philadelphia . . . Eric Bremner named promotion mgr., KING-TV Seattle, succeeding Mel Anderson, resigned as KING Bcstg. Co. promotion dir.

Keith Jackson named sports & special events dir., KOMO-TV and KOMO, Seattle . . . Hal B. Cook resigns as sales vp of Warner Bros. Records to become a partner in Scott-Textor Productions, N.Y. . . . Larry Hays named production mgr. of KHJ-TV Los Angeles.

Frank P. Fogarty, vp-gen. mgr., WOW-TV & WOW Omaha, received U. of Omaha dept. of journalism award for having made the outstanding contribution to journalism in Omaha in 1959.

Adron M. Miller named mgr. of RCA's new film recording & TV systems center (1560 N. Vine St., Hollywood, Cal.) . . . Patrick E. Rheaume named mgr., RAB member service dept. . . . Serge Bergen, ex-Jansky & Bailey, joins Washington consulting engineers Kear & Kennedy as a senior staff engineer.

Ex-FCC Chmn. John C. Doerfer is considering opening Washington administrative law offices on his own, not joining an existing firm, may announce decision soon.

Trade Report . . . .

MAY 2, 1960

THE AUTO-TV PARALLEL: The analogy between TV & auto sales since 1950—first pointed out in these pages early in 1953 and since then an oft-discussed industry curiosity—presents an interesting phenomenon. For though there are sharp differences between the 2 industries, their sales curves have run strikingly parallel courses.

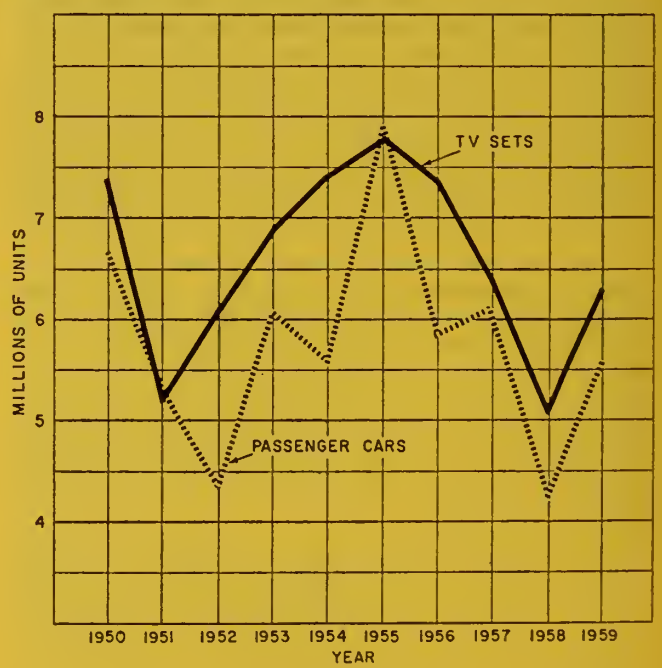
The most obvious common meeting-ground of TV sets & cars is in the number of units sold per year —which makes it possible to depict them easily on the same scale. In the last 10 years, factory sales of TV sets averaged 6,594,255 sets a year, while domestic production of passenger cars averaged 5,769,963, cars & trucks combined 6,939,565.

TVs & passenger cars have another important property in common: They're both consumer durable items, and in a time of big consumer spending, demand for both goes up together (1955 was the peak for both); in "recession" times (1951-52, 1958), demand for both goes down. Interestingly, TV doesn't show the same marked parallel with other consumer hard goods—refrigerators or washing machines—as it does with autos.

The table & graph below compare factory sales of TV & passenger cars from 1950 through 1959. Hectic as the TV industry's ups & downs have been, it's interesting to note the far more severe yearly fluctuations of auto sales. Leaders in both industries have been predicting 1960 retail sales of between 6 & 6.5 million. No comparisons for 1960 are valid, since the seasonal month-by-month pattern is completely different in the 2 industries.

FACTORY SALES, 1950-59

Year	TV	Passenger Cars
1950	7,355,100	6,665,863
1951	5,311,888	5,338,435
1952	6,193,644	4,320,794
1953	6,870,941	6,116,948
1954	7,404,578	5,558,897
1955	7,738,062	7,920,186
1956	7,351,040	5,816,109
1957	6,387,762	6,113,344
1958	5,051,060	4,257,812
1959	6,278,476	5,591,243



Although the 2 industries may be more different than they are alike, perhaps they have some factors & problems in common which don't readily meet the eye. Both have been trying to build up a "2nd-set" business, for example—only 18.3% of auto-owning homes have 2 or more cars, while 12.7% of TV homes own 2 or more sets, although TV is a far younger industry.

Some auto makers are facing same problem met by TV industry 5 years ago. U.S.-made compact car sales have cut into sales of conventional-sized cars in much the same way portable TV sets (the low-priced compact "2nd set") bit into sales of more expensive models in mid- & late 1950s. Auto industry seems to be meeting this problem same way TV industry has met it—more expensive "step-up" compacts.

One of auto industry's major problems hasn't yet faced TV industry—but it may soon. That is competition from imports, which last year accounted for more than 10% of U.S. car sales. Here an analogy with radio industry is more in order: Foreign manufacturers gave public a needed product, and U.S. makers were forced to meet competition by changing their product lines and selling at lower prices. Influx of foreign TV may force similar changes in U.S.-made TV lines—but, again taking a leaf from the auto makers' book, imported TVs probably will have to offer needed features (other than low price) to make inroads. In auto field, imports offered compactness, ease & economy of operation plus low price. In TV field, battery operation plus low price might be the lure.

CALENDAR OF TV-RADIO-STEREO SHOWINGS: Season has already begun for the traditional showings of next year's TV-radio-stereo lines.

Many manufacturers will show new models at (or on fringes of) Home Furnishings Show (Merchandise Mart, Chicago, June 20-July 1) or the NAMM Music Show (Palmer House, Chicago, July 10-14), with some showings—principally imports—at the Electronic Parts Distributors Show (Conrad Hilton, Chicago, May 16-18).

On basis of all information currently available from manufacturers (and importers), we've compiled this table of new-line premieres. Remainder will be covered as announced.

Manufacturer	Items Shown	Date	Event & Location
Admiral	TV, radio, stereo	To be announced June 3-8 June 13-18	Distributors, location to be announced Dealers, Fontainbleu, Miami Beach Dealers, Riviera, Las Vegas
Capehart	TV, radio, stereo	July 10-14	Music Show, Chicago
Delmonico	Imported TV (Japan Victor), radio, stereo, etc.	May 9-13 May 16-18 May 23-27 June 20-24 July 11-14	Distributors & dealers, 745 Fifth Ave., N.Y. Hotel Ramada, Chicago Ambassador Hotel, Los Angeles Congress Hotel, Chicago Music Show, Chicago
GE	TV, stereo	April 28	Distributors, Detroit; also May 2, Philadelphia; May 5, St. Louis; May 19, Jacksonville; May 12, Los Angeles
Hitachi (Sampson Co.)	Imported TV, radio, stereo	May 16-18	Parts Show, Chicago
Hoffman	TV, radio, stereo	June 13-14	Distributors & dealers, Las Vegas
Motorola	TV, radio	May 16-17 May 19-20 May 23-24	Distributors, Grossinger's, Grossinger, N.Y. Distributors, Chase Hotel, St. Louis Distributors, Beverly Hilton, Beverly Hills, Cal.
Muntz	TV	July 10-14	Music Show, Chicago
Olympic	TV, radio, stereo	June 19-23	Congress Hotel, Chicago
Packard Bell	TV, radio	June 20-24	Distributors & dealers, Ambassador, Los Angeles
RCA	TV, radio, stereo	May 17-20 May 25-28	Distributors & dealers, Las Vegas Distributors & dealers, Miami Beach
Sylvania	TV	June 6	Distributors, Mackinac Island, Mich.
Symphonic	TV, stereo	July 10-14	Music Show, Chicago
Star Lite	8-in. TV import	July 10-14	Music Show, Chicago
Westinghouse	TV, radio, stereo	June 1	Distributors, East Orange, N.J.
Zenith	TV, radio, stereo	early June	Distributors, Chicago

LIQUIDATIONS BRING SHAKY TV PRICES: Dumping and price-cutting have again reared their ugly heads on the TV scene. Success of the new-shape 19- &23-in. sets probably made it inevitable—but, despite continued optimism for good sales year (Vol. 16:17 p14), several large TV manufacturers in recent weeks have noted weakening price structures—particularly in 17- & 21-in. sets. Nevertheless, majority opinion is that this condition will be over by midyear, when old merchandise has been flushed out.

Mixed TV-stereo profit picture is shown in first-quarter financial reports of set makers, as reported in these pages this week & last. Here's what some officials are saying about first quarter & prospects for future:

Zenith earnings set first-quarter record, according to Chmn. Hugh Robertson—but it came "in the face of adverse industry profit situation brought about by unrealistic pricing and liquidations on the part of several competitors which affected the pricing of certain Zenith merchandise in the lower price brackets." He added: "It is not anticipated that this industry condition can continue after the 2nd quarter."

Factory shipments of Zenith TVs were up 22½% from first-quarter 1959, he said, with remote-controlled sets showing 100% increase. Zenith Sales Corp. Pres. Leonard C. Truesdell told the stockholders meeting last week that one third of all consoles sold by Zenith incorporate remote control (Vol. 16:16-17). Stereo shipments showed a decrease for the quarter, Robertson said.

TV "price deterioration" during first-quarter 1960 was cited by Hoffman Electronics Pres. H. Leslie Hoffman as partially responsible for a profit decline. "Although unit volume was good," he told stockholders, "the fact that competition was clearing inventories of 17- & 21-in. sets, due to the introduction of the new 19- & 23-in. sets, depressed the market and resulted in a profit level less than anticipated.

"Retail sales for the company & the industry have been at a good level," Hoffman added, "and by the time the new lines are introduced at the middle of the year, the inventories causing the present problems should be liquidated." He said second half-year results should be "considerably better" than first-half.

Wells-Gardner attributed first-half decline to inventory reductions (Vol. 16:17 p18).

Philco Pres. James M. Skinner Jr. reported consumer-goods sales "somewhat below expectations" for the quarter. Inventories & price-cutting this year have been far more severe in major appliances than TV.

That the picture is mixed is sharply indicated by Zenith's excellent showing as well as reports by Magnavox & Packard Bell. Magnavox attributed its record quarterly sales & earnings to its consumer-products div. whose sales of TV & stereo increased 35%. Packard Bell reported its home-products div. increased profits 69% on 30% more sales in 6 months ended March 31, 1960 over the year-ago period.

For more details on set makers' first-quarter activities, see p. 20.

Note: A mild mid-1961 recession is in the making, according to the Bureau of National Affairs. The Washington-based economics service for businessmen reported that a poll of top govt. & business leaders showed near-unanimous opinion that business will be good all this year, but that a slump next year is unavoidable. Some believed it will be about the same severity as the recessions of 1953-54 and 1957-58 and will be signalled by a slowdown in sales of consumer durables.

TV-RADIO PRODUCTION: EIA statistics for week ended April 22 (16th week of 1960):

	April 15-22	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	101,809	105,251	97,485	1,892,656	1,687,993
Total radio	317,964	311,974	263,434	5,396,840	4,383,442
auto radio	105,218	91,642	108,122	2,164,900	1,668,891

One-day color-TV promotion staged on Palm Sunday by RCA Victor distributor Sidles Co., KMTV Omaha and WHO-TV Des Moines (Vol. 16:15 p21) proved a colorful success, reports Sidles executive Ken Donahoo. The 120 participating dealers attracted more than 25,000 people to color demonstrations, and sold more than 200 color TVs. "We anticipate that the best results are yet to come," Donahoo said, noting that most of the dealers made little or no effort to sell. "Over 25,000 people took time on a Sunday to sit in a dealer's store and watch color TV," he added. "To us, this indicates a tremendous potential for the future."

Jerrold Electronics is negotiating with an eye to acquisition. It's understood that Jerrold is in discussion with companies in a number of fields—including test instruments & electronics, radio communications & radio stations. Jerrold's newest consumer product, a flexible flat printed-circuit antenna for installation in attics or under the rug will get its first marketing test this week in Baltimore at $9.95, through Herschel Cohn dept. store.

Only electronic organ to be built in Canada for home use goes into production soon by Dominion Electrohome Industries for late-fall marketing at $895.

World Market Fight: The rising tide of foreign competition will engulf the U.S. domestic market unless American industry fights to hold & increase its share of the world market, International GE executive F.B. Gray warned the American Home Laundry Mfrs. Assn. convention in Florida last week. Gray, IGE Hotpoint export sales div. mgr., said the penalty for industry's continued unconcern about foreign markets will be a decreasing share of world business and increasing foreign competition & strength.

"The overseas market, in general, is larger and is growing more rapidly than the market in the U.S.," he pointed out, adding: "The U.S. is losing its traditional basic advantage of mass production & overwhelming scientific technology. Last year more automobiles were produced outside the U.S. than were produced within. In 1958, more refrigerators were produced outside the U.S. than within." (He could have said the same thing about TV. During 1959, an estimated 12 million TVs were added to foreign-sets-in-use, compared with total U.S. production of 6.2 million TVs.)

Gray emphasized that the need & desire to increase their standards of living are spurring foreign countries to step up exports. "For example," he noted, "it is estimated that Japan can only feed 70% of their people with their present agricultural resources. Hence, they must export if they are going to obtain the necessary foreign exchange to procure the food they need to survive."

How to meet the challenge? Gray recommends a change in U.S. attitude toward world markets and the application of American know-how to develop an overseas distribution system, to solve the service problem, and to make products that fit the needs, habits, budgets of overseas customers.

"There can be no question that we will have to face formidable foreign competition," he said. "The question is, 'Where should we choose to face this competition?' Should we give them free access to the export markets and thereby help them develop the additional strength with which to invade our domestic market, or should we meet them now in their export markets?"

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Phono record sales in 1959 totaled about $225 million at factory net prices, according to a preliminary estimate in the annual report of the Record Industry Assn. of America, issued last week. RIAA said this rate of growth from the $198 million of 1958 is about the same as the 10% increase shown from 1957 to 1958. If all records had been sold at list price, said RIAA, total 1959 retail value would have amounted to $472.5 million. The report estimated that stereo discs probably accounted for at least 20% of all 12-in. LP records last year. An outstanding trend was the growth of album sales, which represented about 65% of all dollar sales—completely reversing the long-term relationship between albums & singles.

Components shipments in 1959 hit a record, more than 30% above 1958, according to figures released by the Commerce Dept.'s Business & Defense Services Administration. In the last half of 1959, it noted, semiconductor devices exceeded receiving tubes for the first time—$217.8 million vs. $186.1 million. In the same period, power & special purpose tubes shipped were valued at $127.3 million, TV picture tubes $129.3 million (6,956,000 units); capacitors $122.9 million, "complex" components (package circuits, etc.) $5.9 million, connectors $76 million, quartz crystals $7 million, relays $83.6 million, resistors $121.8 million, transformers & reactors $74.6 million.

RCA's first-quarter portable-radio sales soared 72.3% above the year-ago level to rack up the biggest increase in 35 years of portable sales, reports RCA Sales Corp. Pres. Jack Beldon. The sales achievement, he said, takes on added significance in light of 3 developments: "First, industrywide portable sales for the first quarter were slightly under 1959. Second, this record dwarfs even the gains of 1959 when RCA experienced the greatest radio year in its history, with sales 33% over 1958. Third, it comes at a time when foreign manufacturers are attempting to strengthen their position in our domestic market." Beldon also announced 3 new RCA Victor transistor portables: the Model 1T1 Ensign ($34.95), Model 1T2 & Model 1T3 deluxe versions ($39.95). He described the Ensign as the new version of the most popular portable in RCA history, the Model T-1 Rio.

Japanese were indirectly credited by a Motorola official last week with stimulating the current boom in home radios. National radio & stereo sales mgr. W. E. Laswell said the Japanese-introduced miniature radios have prompted consumer interest in all types of home radios and have caused "renewed sales in radio receivers that may put not only a radio in every room but a radio in every pocket." Japanese competition, he added, should "work to the advantage of the American consumer & the American manufacturer who is willing to take aggressive steps to meet the challenge." Motorola's first-quarter radio sales, he stated, were 70% above the same 1959 period, with sales of portables up 81%, table models 65%, clock radios 61%.

U.S.-made transistor radios are preferred by Americans—and most of them are willing to pay $5 more for one than for a Japanese product. This conclusion was reached in a survey of 2,500 families in the metropolitan Los Angeles area conducted by the Woodbury College Research Clinic for Admiral. More than 72% of respondents indicated a U.S.-made set would be worth the $5 differential.

Japanese TV sets and stereo consoles will be shown to selected dealers & distributors May 9-13 by Delmonico-International div. at parent Thompson Starrett Co.'s executive offices, 745 Fifth Ave., N.Y. The full line, made by Victor Co. of Japan (Vol. 16:14 p20), will include 17-, 19-, 21- & 23-in. tube-type sets, an 8-in. transistor set and 21-in. color sets, as well as stereo, radios, recorders, etc. Details of Delmonico's slim 17-in. portable were released last week. Features: 16 tubes plus double diode, 110-degree picture tube, telescoping antenna, briefcase-type metal cabinet 10-in. deep. Price of the set hasn't yet been established. The stereo-AM-FM console will retail for $129.95. For dates of other Delmonico showings, see calendar on p. 17.

GE's electronics business topped one billion dollars in 1959 to account for nearly 25% of total operations, vp C. W. LaPierre told stockholders at the annual meeting last week. "GE is playing a larger, more important & more varied role in this exciting growth area than is generally realized," he said. La Pierre, who heads GE's electronics & flight-systems group, described electronics as the fastest growing phase of GE's business. Chmn. Ralph J. Cordiner noted that GE today has 4 electronics divisions, including the TV-radio div., compared with one in 1949. He added: "What may be more impressive is that each of these 4 divisions did a greater dollar volume of business in 1959 than the total business of the components included in the electronics division of 1949." (For first-quarter report, see Vol. 16:16 p18.)

Trade Personals: Robert E. Kenoyer, former Sylvania controller, appointed to new position of vp-gen. mgr., Sylvania home electronics div., reporting to senior vp Marion E. Pettegrew. Robert L. Shaw resigns as pres. of Sylvania Home Electronics Corp., succeeded by Peter J. Grant, ex-vp-national sales mgr. of the marketing subsidiary. Shaw says he will announce his future plans shortly.

George K. Bryant resigns as special projects mgr., RCA consumer products div., after 19 years as an RCA official . . . Frederick J. Anderson named engineering dir., Sylvania Electronic Systems data systems operations . . . Wilson R. Smith promoted from engineering mgr. to chief engineer, semiconductors, CBS Electronics; Donald Hunter named semiconductor production superintendent.

Webster H. Wilson, operations exec. vp of Hazeltine electronics div., elected pres. of Hazeltine Corp., succeeding William A. MacDonald, who continues as chmn.; Wilfred M. McFarland, Hazeltine exec. vp & pres. of Hazeltine Technical Development Center, adds title of vice chmn.; Richard L. Beam, former engineering exec. vp, promoted to exec. vp & chief operating head, Hazeltine electronics div., succeeding Jennings B. Dow, recently elected pres. of Hazeltine Research Corp.

Herbert H. Schenck, ex-Page Communications Engineers vp & dir. of engineering, named exec. vp & gen. mgr. of U.S. Underseas Cable Corp., jointly owned by Page, Phelps Dodge, Northrop, and Felten & Guilleaume of West Germany . . . George M. W. Badger appointed to new post of product mgr., Eitel-McCullough power klystrons . . . H. Vincent Harsha, ex-Raytheon, named Stromberg-Carlson patent counsel.

Dr. Franklin E. Lowance, ex-Crosley engineering vp, appointed pres., Advanced Technology Corp., research subsidiary of Electronic Communications Inc., St. Petersburg . . . Named Raytheon vps were Stuart D. Cowan, commercial mktg. & international services; John E. Gagnon, industrial relations; Robert L. McCormack, industrial components div.; Dr. Martin Schilling, govt. programs & planning . . . Theodore Lindenberg, ex-Pickering Co. chief engineer, named Astatic Corp. dir. of engineering.

Keith M. Perkins named PR dir., International Electric Corp., an associate of ITT . . . William H. Buck, ex-Baldwin-Lima-Hamilton, named ad & sales promotion mgr., Raytheon commercial apparatus & systems div. . . . George R. Marek, vp-gen. mgr., RCA Victor record div., elected pres. of Record Industry Assn. of America, succeeding Irving B. Green, Mercury Records. Elected vp: Arnold Maxin, MGM Records; Leon Hartstone, London Records; Samuel H. Clark, Am-Par Record Corp. John Stevenson, Childrens Record Guild, appointed treas.

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Second RCA nuvistor tube type is now available to equipment manufacturers on a limited sampling basis. The new small-signal tetrode, RCA said, is designed for mixers, oscillators, IF amplifiers and low-level video amplifiers. It is one-third the size of conventional RF amplifier tetrodes and consumes about half as much heater power. Commercial production of an industrial nuvistor triode began earlier this year.

Muntz TV is shopping for Japanese-made transistor-TV chassis or complete sets, and is considering an arrangement to buy them from Kofuku Sangyo, Nagoya manufacturer, through Skinkyo Trading Co., according to a Tokyo-datelined interview with Muntz Pres. Wallace A. Keil in *Home Furnishings Daily*.

Finance

SET MAKERS' MIXED PICTURE: Trend of profits & sales by companies predominant in the TV-radio-phono field is mostly up, but some declines have been reported for the first quarter. Liquidation of merchandise by competing manufacturers is cited in several of the reports (see p. 18). Summary of financial reports & official comments this week:

Zenith's sales & profits set first-quarter records, 15% & 16% higher than that reported in the same 1960 period, Chmn. Hugh Robertson told stockholders. TV & radio shipments were substantially ahead of last year, while phono sales declined. The preliminary report for Zenith & subsidiaries for 3 months ended March 31 (1959 shares & per-share earnings adjusted to reflect stock split in May 1959):

	1960	1959
Net sales	$68,144,976	$59,220,776
Net profit	3,855,129	3,323,891
Per common share	1.30	1.12
Common shares	2,954,784	2,954,784

* * *

Philco reports a 6.5% sales increase & slightly higher earnings for the first quarter, rises in govt. & industrial volume outweighing somewhat disappointing consumer-goods sales. For first quarter:

	1960	1959
Sales	$101,781,000	$95,558,000
Net earnings	1,615,000	1,589,000
Per com. share (after pfd.)	37¢	37¢
Com. shares (Apr. 3, '60)	4,075,466	4,075,466

* * *

Magnavox first-quarter sales & earnings set new records, Pres. Frank Freimann reported last week—profits increasing 51%, sales showing 23% gain over first-quarter 1959. With govt. & industrial electronics div. billings "abnormally low" (although the order backlog was at a record of more than $70 million), consumer-products sales were largely responsible for the increases, TV-stereo sales rising 35%. For 3 months ended March 31 (per-share earnings for 1959 adjusted to reflect stock dividend & split; 1959 shares outstanding as of Dec. 31, 1959):

	1960	1959
Sales	$28,676,000	$23,365,000
Net income	1,266,000	841,000
Per common share	54¢	36¢
Common shares	2,353,571	2,351,602

* *

Hoffman sales & profits for first quarter were substantially below the year-ago period, but Pres. H. Leslie Hoffman told stockholders that this had been expected and that the earlier forecast for record 1960 sales is still "reasonably sure of being attained." He predicted a quarter-by-quarter profit increase, with 4th-quarter earnings due to set a record. The major factors affecting first-quarter profits, he explained, were the start-up load of the new semiconductor plant, the delay in beginning shipments against a large military contract, and a price deterioration in the TV industry. Hoffman vp-treas. Carroll F. Underwood, was quoted last week in *The Wall Street Journal* as predicting the company's 1960 net will decline to about $1.5 million ($1 a share) from last year's $1,990,165 ($1.31) while sales will climb to $64 million from $46 million. For 3 months ended March 31:

	1960	1959
Sales	$10,215,897	$11,432,477
Net earnings	2,530	526,273
Per share (reflects split)	—	35¢

Packard-Bell Electronics sales & earnings declined in fiscal-1960's first half despite a 30% spurt in sales of the home products div., Pres. Robert S. Bell told the San Francisco Society of Security Analysts last week. A major factor in the overall decline, he explained, was a 34% drop in sales of the technical products div. Discussing Packard-Bell's increasing participation in industrial & military electronics, he said: "It has been estimated that the electronics industry will gross $20 billion annually by 1970. Of this amount, about $9 billion will go into industrial electronics, in such important areas as data-processing equipment, industrial process controls, communications and closed circuit TV. Our long-range planning toward the industrial electronics field does not mean that our interest & activity in military electronics have lessened." During the first half, he noted, sales of Packard Bell Computer Corp. increased 194%; sales of the service div. gained 6%.

For 6 months ended March 31:	1960	1959
Net sales	$23,712,089	$24,125,962
Net income	491,101	717,723
Per common share	61¢	1.04
Common shares	811,727	691,600

American Television & Radio Co., St. Paul, accused last year of falsifying an SEC stock registration exemption statement (Vol. 15:27 p24), has agreed to a U.S. District Court order there enjoining it & Pres. Albert A. Goffstein from further stock sales. SEC applying for the temporary injunction, had accused the company & Goffstein of making over-the-counter deals in securities despite suspension of the 1959 statement. The federal court order forbids any further violation of anti-fraud provisions of the Securities Act. In last year's action, SEC challenged ATR claims about the market for its auto radio vibrators and for a "unique" TV merchandising plan.

Wometco Enterprises has extended its enterprises by acquiring a controlling interest in the Miami Seaquarium, Pres. Mitchell Wolfson announced at the first annual stockholders meeting recently. The TV-radio broadcasting, theater-chain and vending-machine concern had a net income of $936,336 on a gross of $10,364,753 in 1959, he reported. Wometco's stock is sold over-the-counter. It has 1,426 stockholders in 32 states, Canada & the Bahamas.

Reports & comments available: AB-PT, discussion, Schweickart & Co., 29 Broadway, N.Y. 6 . . . **General Dynamics**, review, Penington, Colket & Co., 70 Pine St., N.Y. 5 . . . **Applied Electronics Corp. of N.J.**, prospectus, S. D. Fuller & Co., 26 Broadway, N.Y. 4 . . . **NAFI Corp.**, prospectus, Shields & Co., 44 Wall St., N.Y. 5.

Audio Devices, maker of magnetic tape & discs, anticipates $7 million sales in 1960, more than 20% over 1959. So said Pres. William T. Hack last week at the company's stockholders meeting.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Desilu Productions	Q	$0.15	May 27	May 13
P. R. Mallory	Q	.35	Jun. 10	May 11
Oak Mfg.	Q	.25	Jun. 15	Jun. 1
Sonotone	Q	.07	Jun. 30	Jun. 3
Stanley Warner	Q	.30	May 25	May 9
Stewart-Warner	Q	.35	Jun. 11	May 20
Thompson Ramo Woold	Q	.35	Jun. 15	May 31
Tung-Sol	Q	.35	Jun. 2	May 12
Walt Disney	Q	.10	Jul. 1	Jun. 17
Westinghouse	Q	.30	Jun. 1	May 9
Zenith	Q	.40	Jun. 30	Jun. 10

SKIATRON PROSPECTS DIM: The future of the Skiatron pay-TV system depends now on the financial health of Matty Fox—and neither the diagnosis nor prognosis of his situation is heartening. All sides in a lengthy SEC case agreed on that last week.

Winding up SEC hearings on charges that Skiatron TV & Electronics filed a misleading stock registration statement (Vol. 16:17 p18), lawyers representing SEC, the company, Skiatron TV Pres. Arthur Levey and Fox & his Skiatron of America signed a 23-page stipulation of accepted facts—all of them gloomy.

The stipulation—relating that Fox's Skiatron of America, sole licensee of the pay-TV system, has total liabilities of nearly $4,650,000, only $1,000 cash, $17,000 in other current assets and "no funds for its current business operations"—said:

"A solution for Fox's financial position is therefore a condition precedent to the development, promotion & operation of a subscription TV system by the licensee for the benefit of the registrant [Skiatron TV].

"Fox's present sources of credit are limited because of the foregoing indebtedness & the unavailability of collateral. In this connection, Fox does not own any Skiatron, Guild Films or Les Fabrics stock, and his interest in Television Industries Inc. [see Vol. 16:14 p21] is limited to a beneficial interest in securities which are already pledged. He has no other substantial beneficial interest in publicly owned companies."

Skiatron of America "has no source of income at the present time," the stipulation conceded. And as for Levey's Skiatron TV: "The registrant has no available source of income at the present time sufficient to enable it to finance with its own resources a subscription TV system. It must rely upon Fox and/or Skiatron of America Inc., or some successor to the 'Fox franchise.' "

Statement Filed April 28

The statement was signed for Skiatron TV by the pay-TV firm's special counsel ex-SEC Chmn. James M. Landis; for Levey by Julian Jawitz; for Fox & Skiatron of America by Francis Purcell. It was filed April 28 with SEC examiner Robert N. Hislop at a brief Washington hearing at which it also was agreed that an intermediate report & recommendations by Hislop would be bypassed in favor of direct referral of the Skiatron TV registration case to the full Commission.

The opposing SEC & Skiatron TV lawyers in the proceedings have until May 19 to file briefs. Then SEC will decide whether to: (1) Issue a stop order against Skiatron TV's 1959 registration statement, invalidating it. (2) Lift SEC's suspension of trading in Skiatron TV stock, permitting the company to get back into the market again.

Delisting of Skiatron TV stock from the American Stock Exchange was not an issue in the registration hearings. Such a move against the pay-TV company would require SEC or the American Stock Exchange to institute a separate case against Skiatron TV and then carry it through additional hearings to a ruling by SEC.

The stipulation contained one section, titled "contingencies," which summarized Skiatron's (and Fox's) pay-TV problems this way:

"The following conditions & events, in particular, must occur before the pay-TV system as conceived by the licensee begins operations:

"(A) Capital. The capital required for the initiation of the wire system as contemplated consists of 3 types.

The first is capital of an amount essential to restore financial stability of the licensee. Secondly, the licensee, through association, affiliation or otherwise, must be able to acquire programming of the quality and at a cost sufficient to service requirements of any operating company. Thirdly, financing is required for the construction & operation of a wire system of sufficient size to be commercially feasible. To date there are no existing agreements to obtain either type of the financing noted above.

"(B) Wire network. A contract with the telephone company in whose territory the system is to be operated must be executed. . . . Before the telephone company executes a firm contract for construction of a cable system, not only must it receive the total amount of money necessary for such construction, but it must have tariffs or rates established by appropriate state public service authority.

"(C) Solicitation-installation & billing for subscribers. No contracts have been executed with an organization to advertise & solicit customers for the system. It is contemplated that neither the registrant nor the licensee or its sublicensee will undertake to perform this service . . ."

And the stipulation's concluding paragraph indicated that even if all these conditions are met, Skiatron TV won't won't be in pay-TV clover under terms of Fox's licensing agreement:

"The revenues hoped to be derived from subscriber viewing of programs are the major source of potential income to the registrant. However, all income over & above the 2½% royalty on proceeds from actual viewing of programs transmitted via the air system payable to the registrant inure to the benefit of the licensee & others."

Other sections of the stipulation reviewed Skiatron TV's business history since 1950, difficulties with FCC & Congress, the company's tie-up in 1954 with Fox, and Fox's subsequent operations, some of which were explored in testimony at the SEC hearings.

The stipulation served to dispel at least one persistent rumor in the TV trade: That Skiatron had the Los Angeles Dodgers sewed up for pay-as-you-see baseball games on the West Coast. Recounting how Fox had undertaken to pay "approximately $370,000 (part of which is still owing)" as an advance to the Dodgers "to keep open the negotiations," the stipulation said bluntly: "There is no contract or agreement between the Los Angeles Dodgers & the licensee."

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Fairchild Camera & Instrument Corp. reports increased sales & earnings for the first quarter. The company last week notified its shareholders that the annual meeting had been postponed to permit them to vote on the proposed acquisition of Du Mont Labs (Vol. 16:14 p4). For 3 months ended March 31 (1959 per-share earnings based on shares outstanding March 31, 1960):

	1960	1959
Sales	$13,838,000	$9,375,000
Net income	801,000	385,000
Per common shares	77¢	37¢
Common shares	1,039,140	476,122

Amphenol-Borg Electronics posted healthy sales & profit gains in 1960's first quarter, and Chmn. Arthur J. Schmitt anticipates a 15-20% increase in both areas for the year. For the quarter ended March 31:

	1960	1959
Net sales	$15,562,129	$13,032,531
Net income	789,182	608,498
Per common share	67¢	51¢
Common shares	1,175,774	1,167,294

General Precision Equipment Corp. has established a transistor-manufacturing company and expects to be producing in large quantities in about 6 months, Chmn. J. W. Murray told the annual meeting last week. He also reported that GPE's first-quarter sales & earnings were markedly ahead of the year-ago levels. Murray said that the new Kearfott Semiconductor Corp., with facilities at West Newton, Mass., will initiate production with silicon & germanium switching transistors. He added: "An intensive research & development program is being initiated on mesa & power transistors, tunnel diodes, molecular circuitry, and special packaging techniques." GPE uses a large quantity of semiconductors in its various products & equipment. Kearfott Semiconductor Corp. will be headed by Chmn. Robert N. Brown & Pres. Stephen Cudlitz. Brown is vp & gen. mgr. of GPE subsidiary Kearfott Co. Inc. Replying to a stockholder's question, Murray described as "friendly" relations with the Martin Co., which holds some 14% of GPE's voting stock. He said there have been no merger talks. In the table below, the 1959 income includes $163,436 capital gains. Consolidated report for the quarter ended March 31:

	1960	1959
Sales	$55,656,921	$47,035,711
Net income	1,322,000	920,007
Per com. share (after pfd.)	86¢	57¢
Common shares	1,125,810	1,125,810

Globe-Union posted moderate profit & volume gains in the first quarter, and anticipates "a nominal increase in sales & earnings" for the overall year, Pres. Chester Wanvig Jr. told the annual meeting last week. He noted that battery sales were off from a year ago, but pointed to the "increasing contribution" of the concern's electronics div. The electronics market is expanding at a rapid rate, Wanvig said, and "we expect our Centralab Electronics div. to reflect that growth." Stockholders of the Milwaukee maker of storage batteries, electronic equipment & components, motors, other products, approved a 25% increase in authorized common stock—to 1,250,000 from one million shares. For the quarter ended March 31:

	1960	1959
Sales	$14,368,111	$14,113,097
Earnings	442,600	420,428
Per common share	53¢	51¢

Beckman Instruments tallied marked increases in both sales & earnings during fiscal-1960's 3rd quarter & the 9 months to March 31. In the table below, the 1960 figures include a non-recurring income of $442,500 (32¢ a share) from the recent sale of subsidiary Shockley Transistor Corp. to Clevite Corp. (Vol. 16:17 p19). The 1959 figures reflect a non-recurring income of $172,360 (13¢) from the sale of a plant. For 9 months ended March 31:

	1960	1959
Sales	$39,420,377	$32,499,588
Net income	2,406,347	1,432,884
Per common share	1.75	1.06
Common shares	1,377,412	1,356,464
For 3 months ended March 31:		
Sales	$13,977,412	$11,292,845
Net income	1,144,155	418,395
Per common share	82¢	31¢

Radio Condenser Co. more than doubled profits on a substantial sales increase in the year ended Dec. 31:

	1959	1958
Net sales	$12,424,662	$10,643,855
Net income	288,330	111,716
Per common share	66¢	26¢

Indiana General Corp. confirmed in its "Letter to Shareholders" last week that first-quarter earnings were 15% ahead of the year-ago pace (Vol. 16:17 p19). Pres. Robert F. Smith reported that "all divisions & subsidiaries are operating profitably." He added: "Although business was at a somewhat lower level in some areas of the company at the end of the quarter than it was at the beginning, other areas have shown an increased trend, so that the overall balance points to a good year, barring any unforeseen disturbances." In the table below, the 1959 figures reflect a "pooling of interests" to give effect to the merger Nov. 16, 1959 of General Ceramics into Indiana Steel Products Co. For the 3 months ended March 31:

	1960	1959
Net income	$379,515	$330,298
Per common share	68¢	59¢
Common shares	562,261	562,261

Siegler Corp., which embraces Olympic Radio & TV, David Bogen Co., Presto Recording, Hallamore Electronics, other divisions & affiliates, reports gains in sales & earnings in 9 months to March 31:

	1960	1959
Sales	$64,733,387	$60,269,081
Net income	2,467,000	1,732,080
Per common share	1.50	1.11
Common shares	1,644,402	1,559,655
For the quarter ended March 31:		
Sales	$19,673,556	$19,101,362
Net income	708,122	500,419
Per common share	43¢	32¢

General Transistor Corp. reports gains in sales & earnings for the first 3 months of 1960. In the table below, in the quarter ended April 3 (1959's figures adjusted for 25% Apr. '59 stock dividend):

	1960	1959
Net sales	$3,060,200	$2,218,400
Net income	181,900	162,300
Per common share	21¢	21¢
Common shares	885,200	781,204

Arvin Industries, Columbus, Ind. radio manufacturer, reports a modest profit increase on a healthy sales gain in the quarter ended April 3 (1959's figures adjusted to reflect 25% Apr. '59 stock dividend):

	1960	1959
Net sales	$17,294,789	$15,938,426
Net income	545,892	512,233
Per common share	48¢	45¢
Common shares	1,132,134	900,480

Sangamo Electric Co., Springfield, Ill. maker of electronic components, reports a drop in earnings and a moderate sales decline in quarter ended March 31:

	1960	1959
Sales	$11,743,000	$11,922,000
Net income	296,000	776,000
Per common share	37¢	97¢
Common shares	808,398	803,622

Dynamics Corp. of America sharply increased sales & earnings in the quarter ended March 31:

	1960	1959
Sales & other income	$10,072,708	$6,385,418
Net income	502,283	317,926
Per com. share (after pfd.)	14¢	7¢
Common shares	2,778,667	2,667,094

American Bosch Arma paid approximately $3 million in cash for Tele-Dynamics Inc., Philadelphia, acquired Feb. 5 from RCA Victor distributor Raymond Rosen & Co. (Vol. 16:6 p21). American Bosch Pres. Charles W. Parelle also said last week that Tele-Dynamics is operating profitably.

Ling-Altec Electronics & Temco Aircraft Corp. will merge into Ling-Temco Electronics Inc., subject to the approval of directors & stockholders of both concerns. The proposed merger is described as a major step "to develop into one of the leading & most diversified companies in the electronics & missiles industries." Dallas-based Temco primarily designs & makes jet aircraft, missiles and weapons systems. Ling-Altec, has its hq in Culver City, Cal., produces a range of products including electron tubes, components, TV & communications gear. Total assets of the 2 concerns were listed at more than $69 million, with a combined stockholders equity of $24.3 million. The merger announcement put combined 1959 sales at $148.8 million and combined backlogs at about $133 million at the end of 1959. The proposed slate of officers for the new company lists Temco Pres. Robert McCulloch as chmn. & chief executive officer. Ling-Altec Chmn. James J. Ling would be vice-chmn. & executive committee chmn. Temco exec. vp & gen. mgr. Clyde Skeen would be president. Ling-Altec vp-secy.-treas. Lee D. Webster would become exec. vp. Tentative plans call for each Temco stockholder to get six-tenths of a share of Ling-Temco stock for each share of Temco. Ling-Altec stockholders would exchange for Ling-Temco shares on a 1-for-1 basis.

Thompson Ramo Wooldridge anticipates a "modest" sales increase for 1960 but no "dramatic improvement" in earnings "at this time," Chmn. J. D. Wright told the Boston Society of Security Analysts recently. "The company has a way to go to accomplish the transition that has been under way in the past few years," he explained. In 1957, TRW's military sales accounted for 72% of total volume, compared with the 1960 projections of 60% military, 40% non-military. Compared with 1957, the concern's electronics business is expected to rise from 6% to 25% of total.

Lab for Electronics Inc., Boston maker of military electronic equipment, has submitted an SEC registration statement (File 2-16490) for 100,000 common shares to be offered initially to stockholders. The company said it needs $2 million in new working capital to finance its business at its present rate and for expansion. Terms of the stock offering, underwritten by Paine, Webber, Jackson & Curtis, were to be supplied in amendment to SEC statement.

Avnet Electronics Corp. has recommended a 2-for-1 stock split, subject to shareholders' approval, at a special meeting May 10. The split would be accomplished by a share-for-share distribution after an increase in authorized stock to 3 million shares (5¢ par value) from the current 1 million (10¢). The Westbury, N.Y. producer of electronic components, special tubes, other products, has about 775,000 shares outstanding, 63% controlled by the Avnet family.

Electronic Associates Inc., Long Branch, N.J. manufacturer of electronic equipment, more than doubled profits on record sales in the year ended Dec. 31:

	1959	1958
Net sales	$14,482,000	$10,216,000
Net income	803,000	314,000
Per common share	1.11	43¢

Tung-Sol Electric reports gains in sales & earnings in the 13-week period to April 2:

	1960	1959
Net sales	$20,008,795	$17,613,971
Net income	796,627	770,923
Per com. share (after pfd.)	80¢	78¢
Common shares	924,521	906,747

Sonotone Corp. believes 1960's sales & earnings "will equal 1959's record results" and even top them "if any one of our new products really takes hold," Chmn.-Pres. Irving I. Schachtel told stockholders at the annual meeting. Last year Sonotone earned $1,132,302 (96¢ a share) on sales of $24,756,708 (Vol. 16:13 p22). Among Sonotone's new products: rechargeable battery for flashlights, low-price pickup cartridge for phonographs, a remote-control unit for TV which, Schachtel said, is now being sampled by major set-makers. He told the meeting that Sonotone would like to lower the percentage of volume (about 50%) now derived from hearing aids, and is seeking acquisitions in the electronics industry. The Elmsford, N.Y. concern also wants to increase its govt. business, which currently accounts for some 20% of sales. Schachtel reported that Sonotone has introduced a vitamin line as a traffic-puller for its hearing-aid dealers (Vol. 16:3 p20). "The response to our vitamins has been most enthusiastic," he stated, "but it's too early to evaluate them."

Rek-O-Kut Co., Corona, N.Y. maker of hi-fi recording & reproduction equipment, posted earnings of approximately $25,000 on sales of $947,147 in fiscal-1960's first half ended Dec. 31, 1959. Pres. George Silber issued these figures in the company's first report to stockholders since shares were publicly sold last Nov. Sales for the same fiscal-1959 period totaled $944,942. Comparable profit figures are not available. Silber reported that Rek-O-Kut is "seeking profit-producing products," is investigating "new channels of distribution," and has increased its leased manufacturing space by 30%. He also reported that the company has begun co-operative advertising with other hi-fi components manufacturers.

Textron Corp. is purchasing all of Bell Aircraft Corp.'s military business and 3 of its main operating units: Bell Helicopter Corp., Fort Worth; Hydraulic Research & Mfg. Co., Burbank, and Niagara Frontier div., Buffalo & Niagara Falls, N.Y. Textron will consolidate the group under the name Bell Aerospace Corp. Subject to approval by Bell stockholders, the defense subsidiaries reportedly would be sold to Textron for cash equivalent to the net book value of the assets, estimated at about $30 million. Bell's defense operations in 1959 accounted for about 80% or $100 millior of total sales.

Magnetic Amplifiers' merger into Siegler Corp. has been approved by the former's stockholders (Vol. 16:7 p22), and the N.Y.-based manufacturer of aviation & missile electronic equipment will become a Siegler division. The merger involves the exchange of one share of Siegler for 3½ shares of Magnetic Amplifiers stock. Siegler Pres. John G. Brooks & Magnetic Pres. Harold A. Goldsmith said 122,343 shares were exchanged, increasing Siegler's outstanding shares to 1,766,088.

Varian Associates, Palo Alto manufacturer of electronic tubes & components, will acquire electronics concern Semicon Associates Inc. through an exchange of stock. Details of the transaction are not available, pending final negotiations. Semicon, which has an annual sales volume of $500,000, embraces Semicon of Kentucky, in Lexington, and wholly-owned Semicon of California in Watsonville.

GT&E stockholders last week approved a 3-for-1 stock split, authorizing an increase in authorized stock from 30 million to 90 million shares. Also approved was an employe stock-purchase plan and authority for the company to issue & sell up to $100 million in convertible debentures.

New mobile video-taping firm, International Video Tape Recording & Production Inc., has been organized in Cal., with public financing of 18,000 shares of common & 18,000 pfd. stock, sold at $26 per unit of one common share & one pfd. share ($468,000), with management buying an additional 18,000 common shares. The company is purchasing complete Ampex Videotape Cruiser at $325,572, with 2 Ampex recorders, 3 Marconi 4½-in. cameras, one Telechrome special-effects generator and other equipment, will lease it to customers at the basic price of $2,000 per day. The firm's management includes NBC technical dir. William F. Wallace, NBC-TV producer William A. Bennington, Beverly Hills investment broker Robert Brandt (Robert Brandt & Co.), Pasadena attorney Clarence Fleming, NBC Hollywood engineer John C. Heller, Hoover Electric Co. owner Dr. Vaino A. Hoover, securities broker Allen E. Shaw (Shaw & Co.).

TelePrompTer registered a net loss in 1959 despite a sales rise for the 8th consecutive year, Chmn.-Pres. Irving B. Kahn notified stockholders in the annual report last week. "The increase in sales," he pointed out, "was chiefly in activities where gross profit margins currently are low but should improve. In turn, expenses included substantial amounts for development & promotion of new areas of business, often of a pioneering nature." Looking ahead, he added: "We are now beginning to reap the benefits of our investment, and have every reason to believe that continued growth in these areas will make the year 1960 a profitable one." For the year ended Dec. 31:

	1959	1958
Gross revenues	$3,761,721	$3,414,499
Net earnings (loss in '59)	(121,744)	41,956
Per common share	—	12¢
Common shares	599,794	356,591

Famous Players Canadian Corp. (CKMI-TV & CFCM-TV Quebec City, Que., CKCO-TV Kitchener, Ont., 315 theaters & 37 drive-ins, CATV interests, pay-TV operation at Etobicoke) reports a 15% sag in consolidated net profit for the year ended Jan. 2. The net totaled $2,259,058 ($1.30 a share), compared with $2,656,468 ($1.53) in the preceding year. The consolidated report reflects the performances of all companies in which Famous Players owns more than 50% of voting shares.

20th Century-Fox Film Corp. reports a marked drop-off in both gross & net income during 1959. The 1959 net in the table below includes a $1,830,000 gain from sale of certain studio properties. For 52 weeks ended Dec. 26:

	1959	1958
Gross income	$119,851,807	$124,998,120
Net income	4,163,135	7,582,357
Per common share	1.78	3.30
Common shares	2,338,536	2,293,186

Howard W. Sams & Co., Indianapolis publishing and electronics research & engineering firm, and subsidiary Bobbs Merrill Co. report a 38.7% increase in pre-tax profits on a 17.5% sales gain for the first 3 quarters of fiscal 1960, ended March 31. Sales rose to $8,742,721 from $7,443,794 in the year-ago period. Pre-tax profits climbed to $899,773 from $648,703. Chmn. Howard W. Sams forecast that consolidated earnings for the fiscal year ending June 30 will be the highest in the company's history.

Continental Electric Co. has changed its name to Cetron Electronic Corp. The Geneva, Ill. producer of electron tubes markets many of its products under the Cetron brand.

WEEKLY **Television Digest**

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MAY 2 1960

Financial Data on Television-Electronics Companies

Statistical Summaries of Reports of Leading Publicly-Owned Companies Including Major Component Parts Makers and Broadcasters

Compiled for TELEVISION DIGEST by

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NYSE—New York Stock Exchange ASE—American Stock Exchange Pacific—Pacific Coast Stock Exchange Midwest—Midwest Stock Exchange

ACOUSTICA ASSOCIATES INC. (Unlisted)

Year ending February 28

Capitalization—Common: 10 cents par, 320,177 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1956	$ 34,038	---	$ 12,802(d)	--	none	------	----------
1957	347,105	---	23,602(d)	$ .11(d)	none	$ 144,825	----------
1958	1,096,760	---	20,636	.08	none	353,384	19¾ - 3¾
1959	4,857,999	---	140,250	.44	none	1,960,119	40½ - 19
1960 (6 mo.)	2,893,503	---	15,763	.05	none	------	28½ - 19½

(d) Deficit.

ADMIRAL CORP. (NYSE)

Capitalization—Debt: $5,162,747. Common: $1 par, 2,405,471 shares.

1950	$230,397,662	$37,775,281	$18,767,554	$7.95	$1.00	$ 67,960,665	31⅝ - 13¼
1951	185,925,058	18,725,621	9,586,833	4.06	.88	68,756,734	23½ - 16¼
1952	190,724,326	18,942,133	8,711,133	3.69	.88	87,530,549	26⅜ - 19¾
1953	250,931,605	21,340,965	8,213,165	3.48	1.00+20% stk.	107,642,418	32¾ - 18⅝
1954	219,565,089	15,581,974	6,547,974	2.77	1.00	109,126,766	29⅛ - 18¼
1955	202,361,797	5,752,144	2,282,144	.97	1.00	104,823,433	30¼ - 20¼
1956 (a)	185,880,606	2,740,024	1,504,024	.64	1.00	105,404,038	22⅛ - 12⅝
1957	172,663,167	1,176,067	965,067	.41	none	102,115,752	14⅞ - 6½
1958	170,777,126	2,956,317	1,375,017	.57	none	101,999,284	19⅞ - 7
1959	199,605,609	8,198,450	4,108,450	1.71	none	111,115,159	29½ - 17
1960	44,739,388	---	---	.30	none	---	23⅞ - 18

(a) Restated to include domestic real estate subsidiary and all foreign operations in Italy, Mexico and Brazil.

AEROVOX CORP. (Unlisted)

Capitalization—Debt: $2,643,000 notes. Common: $1 par, 857,205 shares.

1950	$ 23,751,172	$ 3,428,572	$ 1,749,418	$2.51	$ .30	$11,682,140	12¼ - 4⅛
1951	22,574,370	1,610,182	779,353	1.11	.60	12,640,361	10½ - 6½
1952	22,460,917	1,987,215	940,440	1.35	.60	12,633,317	10⅝ - 6½
1953	27,064,814	2,185,824	1,074,582	1.54	.60	14,314,803	12¾ - 9
1954	28,016,539	1,520,120	860,828	1.04	.45	15,266,982	12 - 8⅞
1955	25,480,214	994,003	480,956	.55	5% stk.	15,896,999	13⅞ - 8
1956	25,095,656	1,633,693(d)	909,893(d)	1.05(d)	none	15,379,924	8¾ - 4
1957	20,892,597	409,778	276,272	.32	none	12,835,934	6¼ - 2⅞
1958	17,488,082	416,360	216,690	.25	none	12,696,067	6⅜ - 3¼
1959	22,212,531	1,341,858	668,394	.78	none	13,175,239	18 - 6⅛
1960	---	---	---	---	.05	---	14⅞ - 10

(d) Deficit.

ALLIED CONTROL CO. INC. (ASE)

Capitalization—Debt: $220,000, loan. Common: $1 par, 472,142 shares.

1950	$ 1,890,156	$ 181,926	$ 121,926	$ .21	none	$ 1,254,251	---
1951	3,560,128	592,268	329,235	.67	none	2,011,046	---
1952	7,146,610	796,532	257,910	.51	none	2,680,725	4 - 2¾(a)
1953	7,105,272	584,304	184,304	.35	none	2,755,572	3½ - 3 (a)
1954	6,907,705	710,177	322,177	.64	$ .10	2,526,405	9¼ - 7⅛
1955	7,362,112	651,124	384,721	.78	.40	3,233,731	9½ - 6¼
1956	10,887,047	1,733,163	793,163	1.69	.40	3,603,247	10¾ - 6⅝
1957	13,199,549	1,957,291	1,015,447	2.02	.57½	4,183,479	26¼ - 9¾
1958	9,755,173	1,026,500	531,207	1.06	.80+2½% stk.	4,352,942	23¼ - 16¾
1959	11,083,664	905,066	441,721	.94	.50	4,670,128	32⅞ - 16
1960	---	---	---	---	.25	---	18¾ - 15¼

(a) Preferred stock.

ALLIED RADIO CORPORATION (Unlisted)

Year ending July 31

Capitalization—Common: $1 par, 1,019,729 shares.

1952	$ 11,180,000	---	$ 305,000	$ .31	---	---	---
1953	12,991,000	---	322,000	.32	---	---	---
1954	14,346,000	---	389,000	.39	---	---	---
1955	16,102,000	---	533,000	.53	---	---	---
1956	20,198,000	---	638,000	.64	---	---	---
1957	23,509,300	$ 1,775,883	886,883	.89	---	---	---
1958	27,070,464	1,676,947	833,947	.83	---	---	---
1959	29,682,110	3,131,741	1,151,741	1.15	$ .08+2% stk.	$ 9,544,058	18¼ - 14
1960 (6 mo.)	17,448,535	1,210,805	592,815	.58	.16	---	16¾ - 15

AMERICAN BOSCH ARMA CORP. (NYSE)

Capitalization
Debentures: $414,000, 3¾s, due Nov. 1964
Preferred: 5% cumulative serial preferred Series A & B, $100 par, 15,900 shares
Common: $2 par, 1,883,714 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 35,643,481	$ 5,200,242	$ 2,545,242	$1.88	$1.05	$ 22,135,487	20 - 10¼
1951	75,898,047	7,894,820	2,607,820	1.91	1.20+20% stk.	45,580,299	17½ - 12¾
1952	90,539,243	846,048(d)	509,708(d)	.54(d)	.90+ 2% stk.	48,983,258	15⅝ - 10⅝
1953	79,367,771	3,648,439	1,678,439	1.02	none	43,783,734	12¾ - 6¼
1954	74,416,211	4,938,370	2,570,370	1.53	4% stk.	39,951,806	15¼ - 9
1955	73,805,025	6,533,568	3,383,568	1.86	1.00+ 2% stk.	44,290,499	22¼ - 14¼
1956	122,237,735	9,666,357	4,626,357	2.43	1.00+ 5% stk.	54,593,088	23⅞ - 16½
1957	134,339,863	10,510,387	5,080,387	2.67	1.05	66,114,872	27 - 16⅛
1958	115,877,176	8,244,723	4,100,723	2.14	1.20	64,360,840	37⅜ - 19⅜
1959	119,957,956	7,360,594	3,532,530	1.83	1.20	60,979,936	39⅜ - 23¾
1960	----------	---------	--------	---	.30	---------	30 - 21⅛

(d) Deficit.

AMERICAN BROADCASTING-PARAMOUNT THEATRES INC. (NYSE)

Capitalization
Debt: $56,805,246
Preferred: 5% cumulative preferred, $20 par, 71,231 shares
Common: $1 par, 4,149,363 shares

1950*	$ 45,879,660	$ 132,605	$ 84,605	$ .05	none	$ 26,491,261	14¼ - 7⅞
1951*	58,983,129	741,943	368,943	.22	none	31,025,927	14⅛ - 10⅛
1952	167,136,730	13,578,802	6,961,113	1.34	$1.25	141,124,092	21¼ - 11½
1953†	172,018,661	8,980,587	4,376,626	2.14	1.00	137,754,108	15⅞ - 12⅝
1954	188,795,705	9,826,142(a)	4,721,787(a)	1.11(a)	1.00	138,376,649	25¼ - 14½
1955	198,350,068	16,011,623(a)	8,218,017(a)	1.89(a)	1.20	138,593,905	33½ - 22⅛
1956	206,915,705	15,724,544(a)	7,734,545(a)	1.78(a)	1.30	146,192,447	32½ - 21⅞
1957	215,877,026	9,779,524	4,894,524	1.10	1.00	154,125,813	24⅞ - 11⅝
1958	244,821,241	12,016,010	6,116,060	1.40	1.00	155,880,143	22 - 13
1959	287,957,411	19,012,143	8,154,163	1.92	1.00	175,271,178	33⅝ - 20½
1960 (3 mo.)	----------	7,319,000	3,380,000	.80	.50	----------	35⅝ - 25¾

*1950 and 1951 figures for ABC only.
†Merger of ABC and United Paramount Theatres, Inc. effective Feb. 1953.
(a) Excluding capital gains.

AMERICAN ELECTRONICS INC. (ASE)

Capitalization
Debentures: $3,458,000, convertible subordinated 5¼s, due 1973
Debt: $95,850 notes
Common: $1 par, 874,994 shares

1950	$ 340,000	---------	---------	---	none	----------	----------
1951	1,510,000	---------	---------	---	none	----------	----------
1952	2,518,964	$ 245,118	$ 62,774	$ .12	none	----------	----------
1953	3,900,300	452,489	180,879	.36	none	----------	----------
1954	6,109,380	583,957	297,783	.59	$ .22½	$ 3,204,561	15¼ - 4
1955	5,935,104	519,013	265,013	.51	.50	4,110,513	17 - 10½
1956	10,379,641	758,109	376,128	.73	.50	7,879,677	13¾ - 11
1957	17,908,135	1,180,042	603,650	.78	.50	14,484,448	21½ - 11
1958	17,396,064	3,337,447(d)	2,285,826(d)	2.63(d)	.25	13,917,622	15⅛ - 9¾
1959	25,019,132	609,599	609,599	.70	none	17,433,837	19¾ - 11⅛
1960	---------	---------	--------	---	none	---------	15⅝ - 11⅞

(d) Deficit

AMERICAN MACHINE & FOUNDRY CO. (NYSE)

Capitalization
Debt: $ 6,125,000 notes; $50,830,000 subsidiary debt
$13,000,000, debenture 4s, due 1969; $4,259,800, conv. sub. debenture 5s due 1977
Preferred: 3.90% cumulative, $100 par, 62,000 shares
5% cumulative, $100 par, 16,956 shares
Common: $3.50 par, 7,478,771 shares

1950	$ 27,577,242	$ 3,405,846	$ 2,015,846	$ .76	$ .40	$ 30,306,000(a)	8⅝ - 6⅝
1951	54,203,434	6,182,000(a)	3,352,962	1.16	.40+1¼% stk.	53,691,000(a)	10⅛ - 7
1952	105,821,447	8,647,077	4,167,077	1.02	.40+2½% stk.	78,709,000(a)	12⅛ - 8⅜
1953	139,200,765	10,009,000(a)	5,275,611	1.22	.50+2½% stk.	89,377,000(a)	12⅜ - 9½
1954	126,507,387	7,868,022	4,023,022	.82	.50+1¼% stk.	105,662,000(a)	14⅛ - 10¾
1955	145,000,977	9,789,016	4,774,016	.83	.50+1% stk.	132,625,000(a)	18 - 11⅝
1956	198,057,542	18,976,676	8,975,676	1.51	.52½+2% stk.	182,385,380	20⅜ - 12⅛
1957	261,753,625	24,447,000(a)	12,093,000(a)	1.80	.65	222,779,000(a)	21⅞ - 14½
1958(a)	230,877,341	23,412,258	11,423,258	1.66	.85	228,979,425	29⅞ - 16⅛
1959	283,753,618	40,457,423	19,043,423	2.52	1.07½	264,419,369	52⅜ - 26¾
1960 (3 mo.)	70,533,000	---------	6,643,000	.85	.32½	----------	63⅝ - 49½

(a) Adjusted by company

AMERICAN TELEPHONE AND TELEGRAPH CO. (NYSE)

Capitalization
Debt: $6,432,275,000
Subsidiary preferred: $17,904,300
Common: $33⅓ par, 214,733,000 shares

1950	$3,261,528,032	$ 587,720,864	$346,962,051	$4.04	$3.00	$11,575,966,607	53⅞ - 48⅜
1951	3,639,462,365	704,221,388	364,874,176	3.67	3.00	12,774,216,000	53¾ - 50
1952	4,039,644,218	798,087,900	406,661,306	3.48	3.00	13,997,345,000	53¾ - 50¼
1953	4,416,729,614	937,599,573	478,512,265	3.77	3.00	15,434,549,000	53¾ - 50¾
1954	4,784,500,427	1,058,836,919	549,931,223	3.81	3.00	16,515,526,000	59¾ - 52
1955	5,297,043,174	1,291,183,107	664,243,416	4.37	3.00	14,479,641,983	62½ - 57⅝
1956	5,825,297,685	1,451,160,747	755,933,854	4.39	3.00	16,206,571,233	63⅜ - 55
1957	6,313,833,200	2,098,371,577	829,779,296	4.33	3.00	17,677,875,672	60 - 53⅜
1958	6,771,403,000	2,435,455,000	952,305,000	4.67	3.00	19,493,951,000	75¾ - 56
1959	7,392,997,000	2,803,441,000	1,113,152,000	5.22	3.15	20,807,001,000	89 - 74⅞
1960 (a)	1,908,089,000	544,346,000	283,226,000	1.32	1.65	----------	96⅛ - 79⅞

(a) 3 mo. to Feb. 29, 1960

AMP INCORPORATED (NYSE)

Capitalization

Notes: $1,000,000, 4½% Promissory Note due 1969. Common: $1 par, 2,017,496 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 5,480,538	$ 1,342,201	$ 590,201	$ .31	none	---	---
1951	10,188,612	1,776,868	458,868	.23	none	---	---
1952	11,545,957	1,509,646	342,646	.17	none	---	---
1953	15,312,235	1,644,021	409,561	.21	none	---	---
1954	16,040,373	2,102,032	902,032	.46	none	---	---
1955	21,647,301	3,709,128	1,605,588	.83	none	$12,108,805	---
1956	32,299,301	6,587,742	3,227,742	1.66	none	15,411,029	19½ - 16¼
1957	36,097,574	6,542,779	3,350,779	1.66	$ .50+4%	16,687,337	30 - 14½
1958	31,377,891	4,802,933	2,596,933	1.29	.50	17,838,358	24½ - 17
1959	43,189,634	8,713,674	4,605,674	2.28	.60	22,762,638	63 - 22¼
1960	---	---	---	---	.20	---	55⅜ - 45

AMPEX CORPORATION (NYSE)

Year ending April 30

Capitalization

Debt: $6,759,000. Common: $1 par, 7,217,943 shares.

1950	$ 387,514	---	$ 60,601(d)	$ .03(d)	none	---	---
1951	968,472	$ 129,931	114,931	.06	none	---	---
1952	2,301,707	167,823	76,823	.04	none	---	---
1953	3,548,593	202,020	88,520	.05	none	$ 2,156,234	---
1954	5,418,373	70,191	25,691	.01	none	3,769,231	---
1955	8,163,663	762,622	365,736	.09	none	4,749,525	2⅝ - 1⅞
1956	10,196,967	607,275	311,275	.08	none	6,301,532	5¾ - 2¼
1957 (a)	20,266,000	1,452,000	1,205,000	.20	none	15,017,000	8 - 4
1958 (a)	32,202,000	3,380,000	1,595,000	.27	none	21,635,000	6⅝ - 5⅞
1959 (a)	46,273,000	5,532,000	2,843,000	.40	none	42,630,000	45⅝ - 20⅜
1960 (9 mo.)	46,271,000	4,328,000	2,446,000	.34	none	---	42¼ - 31⅛

(a) Pro-forma including Orr Industries Inc., for years ending Feb. 28. (d) Deficit.

AMPHENOL-BORG ELECTRONICS CORP. (NYSE)

Capitalization

Debt: $840,000, notes. Common: $1 par, 1,172,044 shares.

1950 (a)	$ 12,944,833	$ 2,020,833	$ 920,833	$2.30	$ .70	$ 7,757,607	10⅜ - 6⅛
1951 (a)	25,495,624	3,441,866	941,868	2.35	.80	14,621,200	12¼ - 9
1952 (a)	36,406,697	5,687,347	1,279,290	3.19	.90	16,065,195	17⅜ - 10¾
1953 (b)	54,211,645	5,744,998	2,361,401	2.03	1.00	16,637,597	19 - 13
1954 (b)	42,261,849	4,589,024	2,185,553	1.88	.75	15,066,063	15⅛ - 9
1955 (b)	43,026,299	4,546,981	2,229,981	1.92	.57½	13,540,996	19 - 12⅜
1956 (c)	47,080,916	5,538,886	2,638,886	2.27	.95	15,705,915	19½ - 15¼
1957 (c)	54,127,643	7,591,819	3,519,590	2.00	1.15	22,442,042	33⅞ - 19½
1958	46,430,851	4,432,434	2,279,434	1.96	1.20	38,864,438	37½ - 22⅜
1959	56,451,533	5,819,605	2,926,605	2.50	.50	42,480,630	46⅞ - 30⅛
1960	---	---	---	---	.35	---	46¼ - 33⅝

(a) Amphenol Electronics only. (b) Pro-forma including Geo. W. Borg Corp. merged Jan. 1, 1959. (c) Includes Geo. W. Borg Corp. for June 30 years.

ARVIN INDUSTRIES INC. (NYSE)

Capitalization

Debt: $4,000,000. Common: $2.50 par, 1,129,709 shares.

1950	$ 53,684,138	$ 6,940,396	$ 3,605,126	$3.24	$1.34	$ 23,565,630	24⅝ - 14½
1951	63,997,212	6,841,405	2,691,063	2.42	1.60	26,578,148	32¾ - 18¼
1952	64,289,781	4,459,536	2,209,733	1.78	1.60	27,364,995	26¼ - 20⅛
1953	73,395,197	4,692,147	2,255,001	2.02	1.60	27,135,716	26¼ - 20⅜
1954	53,372,759	4,630,593	2,231,198	2.00	1.28	27,978,690	21⅝ - 16¾
1955	67,421,583	8,445,322	4,052,091	3.64	1.36	32,033,832	21¼ - 19¼
1956	64,612,775	7,875,165	3,784,839	3.22	1.60	32,122,082	25¼ - 21½
1957	69,705,700	7,676,370	3,689,976	3.28	1.60	31,346,329	29¼ - 22⅜
1958	54,015,225	3,085,970	1,487,878	1.32	1.00	32,090,290	23⅞ - 18⅞
1959	66,174,567	4,186,889	2,031,058	1.80	.95	36,171,011	29½ - 22¾
1960	---	---	---	---	.25	---	27½ - 21⅞

ASTRON CORP. (Unlisted)

Capitalization

Debt: $259,875

Preferred: 4% cumulative preferred, $10 par, 3,900 shares

Common: 10 cents par, 645,000 shares

1951	$ 1,461,687	N.A.	$ 33,331	$ .05	(b)	(b)	(b)
1952	2,421,216	N.A.	100,648	.05	(b)	(b)	(b)
1953	3,164,983	N.A.	118,252	.18	(b)	$ 836,579	(b)
1954	3,421,760	$ 569,231	287,431	.45	(b)	1,206,212	(b)
1955	4,101,170	607,639	296,339	.46	$ .20	2,174,924	5 - 3½
1956	5,128,525	460,519	227,519	.35	.40	2,281,279	4⅝ - 3
1957	4,841,129	352,708	185,708	.29	.20	2,202,612	3½ - 1¾
1958	4,147,744	83,079(d)	24,079(d)	.04(d)	.07½	2,064,232	3½ - 1⅜
1959	5,066,126	61,964(d)	24,264(d)	.04(d)	none	2,307,901	4 - 2
1960	---	---	---	---	none	---	4⅜ - 2⅝

N.A. Not available. (b) Privately owned. (d) Deficit.

AUDIO DEVICES INC. (ASE)

Capitalization

Debt: $124,516. Common: 10 cents par, 806,796 shares.

1950	$ 1,992,176	$ 307,216	$ 172,216	$ .34	$ .15½	$ 840,732	---
1951	2,159,595	173,441	92,441	.18	.15	879,164	---
1952	2,338,602	207,713	131,713	.26	.12	910,749	2¼ - 1¾
1953	2,612,719	174,398	101,898	.20	.09	1,184,444	3⅜ - 2⅜
1954	2,453,750	89,906	58,906	.11	.08+10% stk.	1,141,416	3⅞ - 2
1955	3,472,871	426,955	219,955	.36	.05+10% stk.	1,296,624	3⅞ - 2½
1956	3,707,576	417,457	212,457	.33	.05+5% stk.	1,645,225	6¾ - 2½
1957	4,774,523	283,241	151,241	.19	.05+5% stk.	2,646,083	12⅜ - 4⅞
1958 (a)	5,575,971	---	371,299	.47	.05	3,358,357	17⅝ - 7¼
1959 (a)	6,166,344	420,445(d)	195,445(d)	.35(d)	none	3,377,629	26½ - 15
1960	---	---	---	.24(d)	none	---	17½ - 12⅛

(a) Pro-forma giving effect to sale of Silicon Rectifier Division. (d) Deficit.

AVCO CORP. (NYSE)

Year ending November 30

Capitalization
Debentures: $15,000,000 convertible sub. debenture 5s, due 1979.
Debt: $21,259,000, promissory notes
Common: $3 par, 10,056,186 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$256,966,971	$28,735,633	$12,635,633	$1.47	$ .50	$222,980,159	9⅛ - 5¾
1951	286,598,113	22,089,214	10,089,214	1.10	.60	186,877,718	8⅝ - 6⅞
1952	326,585,641	21,578,927	11,028,927	1.20	.60	167,434,839	8¼ - 6⅞
1953	414,783,527	5,868,598	3,368,598	.34	.30	143,787,065	8¾ - 4½
1954	375,405,820	7,509,436	3,639,436	.37	.10	200,878,864	7 - 4⅝
1955	299,332,434	2,168,311	758,311	.05	.20	198,417,760	8¼ - 5½
1956	320,556,285	18,112,847(d)	16,387,847(d)	1.84(d)	none	181,728,051	7⅝ - 5
1957	314,882,677	10,552,601	12,832,794	1.38	.10	159,752,919	7¾ - 4⅞
1958 (a)	275,696,640	13,526,090	11,596,608	1.23	.40	183,029,175	13⅞ - 5⅝
1959	306,048,377	18,488,416	9,588,416	.95	.40	100,658,970	17⅝ - 10½
1960 (3 mo.)	78,005,358	4,369,590	2,087,590	.20	.25	----------	15¾ - 12⅛

(a) Excludes $7,233,011 sales of discontinued operations.
(d) Deficit.

AVIEN INC. (ASE)

Year ending June 30

Capitalization
Debt: $550,000, 6% subordinated notes, due July 1969.
Common: Class A, 10 cents par, 601,412 shares

1954	$ 6,887,000	$ 332,000	$ 314,000	$ .47	---	$ 1,269,000	----------
1955	5,823,000	485,000	458,000	.69	$ .07½	1,990,000	----------
1956	5,135,000	143,000(d)	148,000(d)	.22(d)	none	2,305,000	----------
1957	6,115,000	203,000	163,000	.24	none	3,541,000	3 - 1⅝
1958	7,398,000	498,000	230,000	.34	none	3,668,000	5¾ - 1⅛
1959	7,748,865	671,437	301,437	.50	none	2,211,229	16¼ - 7
1960 (6 mo.)	2,689,000	-------	141,000	.23	none	--------	13⅞ - 9¾

(d) Deficit

AVNET ELECTRONICS CORP. (ASE)

Year ending June 30

Capitalization
Debt: $30,815, notes
Common: 10 cents par, 749,532 shares

1955 (Incorporated July 22)	--------	--------	-------	---	none	--------	----------
1956 (a)	$ 1,003,484	--------	$ 17,228(d)	$ .03(d)	none	--------	----------
1957	2,037,897	--------	66,737	.11	none	--------	----------
1958	3,527,452	$ 426,476	234,883	.39	7% stk.	$ 1,701,057	----------
1959	6,372,595	1,530,926	767,620	1.10	7% stk.	3,397,450	37¼ - 17
1960 (6 mo.)	4,535,000	1,012,000	509,700	.68	none	--------	32 - 25¼

(a) 11 months to June 30.
(d) Deficit.

BAIRD-ATOMIC, INC. (Unlisted)

Year ending September 30

Capitalization
Debt: $161,500; $638,000 5½% subordinated debentures, due July 1966
Common: $1 par, 714,280 shares.

1950 N.A.							
1951 N.A.							
1952 N.A.							
1953 N.A.							
1954	$ 2,993,324	$ 36,339(d)	$ 38,007(d)	$ .09(d)	none	--------	6¼ 5½
1955	3,082,137	301,642(d)	279,689(d)	.65(d)	none	$ 1,994,546(a)	6½ - 3¾
1956	4,871,214	187,375	185,927	.40	none	2,641,919	6⅞ - 4⅜
1957	6,701,936	141,900	93,600	.19	none	3,379,497	8¼ - 3¾
1958	7,035,934	206,811	121,591	.24	none	3,395,500	12 - 3½
1959	8,339,280	76,914	36,511	.05	none	5,510,132	18¾ - 7½
1960 (3 mo.)	2,900,000	-------	85,000	.12	none	--------	19 - 9

(N.A.) Not available.
(a) As of Dec. 31. (d) Deficit.

BARNES ENGINEERING CO. (ASE)

Year ending June 30

Capitalization
Common: $1 par, 350,170 shares

1954 Incorporated Nov. 4							
1955	--------	----------	-------	---	---	--------	----------
1956	$ 696,500	----------	$ 99,529(d)	$ .33(d)	none	--------	----------
1957	1,252,255	----------	142,270	.47	none	--------	----------
1958	1,816,614	----------	175,842	.59	none	$ 1,314,270	11 - 3⅜
1959	2,754,522	----------	227,961	.70	none	1,602,372	32⅝ - 8
1960 (6 mo.)	1,928,417	----------	151,390	.46	none	--------	36¾ - 21⅜

BECKMAN INSTRUMENTS INC. (NYSE)

Year ending June 30

Capitalization
Debt: $9,924,286
Common: $1 par, 1,363,094 shares

1950*	$ 5,207,856	$ 1,431,353	$ 694,853	$ .69	$ .13	----------	(b)
1951*	8,215,712	1,918,190	628,090	.58	none	$ 5,990,000	(b)
1952(a)	5,785,740	1,326,848	326,848	.30	none	7,148,028	17¾ - 10½
1953	16,447,382	1,991,089	756,089	.70	none	10,247,769	17 - 11⅝
1954	18,652,870	2,320,280	920,280	.85	none	12,726,495	27½ - 13¾
1955	21,330,598	2,539,050	1,322,050	1.06	none	16,930,012	29⅜ - 19⅜
1956	29,362,131	3,344,856	1,744,856	1.36	3% stk.	21,859,411	43⅛ - 25⅛
1957	38,088,730	349,432	209,432	.16	3% stk.	36,256,196	47¾ - 21
1958	39,823,317	1,792,923(d)	946,923(d)	.70(d)	none	35,792,392	40⅛ - 18⅛
1959	44,872,768	3,486,689	1,771,689	1.30	none	31,279,198	74¾ - 36¼
1960 (6 mo.)	25,442,965	2,450,172	1,262,172	.93	none	---------	78⅞ - 62½

*12 months ending Dec. 31.
(a) 6 months to June 30. (b) Privately owned. (d) Deficit.

BELL & HOWELL CO. (NYSE)*

Capitalization
Debt: $15,629,676
Preferred: 4¼% cumulative, $100 par, 13,828 shares
4¾% cumulative, $100 par, 13,600 shares
Common: no par, 3,561,649 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	$ 2,808,571	$ 654,801	$ 364,604	$ .72	$ .30+15% stk.	---	13¼ - 9⅛
1951 (a)	5,614,550	1,062,591	437,591	.67	.40	$ 5,081,798	14⅝ - 13⅛
1952 (a)	8,000,841	1,028,512	501,512	.56	.40	12,201,268	17½ - 10¾
1953 (a)	14,074,064	919,906	510,406	.57	.40	11,796,346	15¼ - 10⅝
1954 (a)	15,644,520	1,633,363	842,863	.94	.40	13,096,930	31½ - 13½
1955 (a)	17,124,429	1,489,912	803,696	.85	.40	15,885,633	31¼ - 20
1956 (a)	25,036,689	2,208,263	1,283,263	1.35	.50	23,535,513	37 - 21
1957 (a)	30,541,382	1,178,729	771,729	.73	.40	31,413,654	54¾ - 25⅛
1958 (a)	32,079,116	2,470,196(d)	1,178,496(d)	.11(d)	.40	31,048,119	47½ - 27⅞
1959*	105,145,072	9,930,834	4,904,834	1.34	.31	87,624,679	44¼ - 21¾
1960	---	---	---	---	.10	---	50 - 37⅝

(d) Deficit.
* Merger with Consolidated Electrodynamics Corp. approved by stockholders of both companies January 12, 1960, effective January 15. Consolidated figures shown above are on a Pro-forma basis for 1959. (a) Consolidated Electrodynamics Corp. only. (d) Deficit.

BELOCK INSTRUMENT CORP. (ASE)

Year ending October 31
Capitalization
Debt: $576,500, convertible sub. debenture 5¾s, due Dec. 1, 1973; $105,542, contract payable
Preferred: 6% cumulative, $100 par, 1870 shares. Common: 50 cents par, 889,625 shares.

1950	Incorporated Nov. 14, 1950						
1951(a)	$ 907,308	---	$ 196,062(d)	$ .27(d)	none	---	(e)
1952	3,542,365	---	78,319	.09	none	---	(e)
1953	8,154,821	$ 289,371	155,251	.19	none	---	(e)
1954	10,259,380	745,810	348,375	.45	none	$ 4,746,583	(e)
1955	14,896,878	1,426,310	679,443	.89	none	7,423,344	27⅞ - 11¼
1956	13,801,336	977,763	457,403	.58	3% stk.	9,447,002	19⅛ - 12½
1957	13,255,083	280,950(d)	132,330(d)	.18(d)	3% stk.	9,244,144	14 - 6¼
1958	12,731,300	483,743	202,743	.24	1½% stk.	10,438,904	13 - 7⅜
1959	15,794,325	711,988	349,988	.38	2% stk.	12,099,735	22⅞ - 10⅜
1960	---	---	---	---	2½% stk.	---	17⅞ - 13⅛

(a) 10 months to Oct. 31. (d) Deficit. (e) Privately owned.

BENDIX CORP. (NYSE)

Year ending September 30
Capitalization—Debt: $1,210,000. Common: $5 par, 5,106,731 shares.

1950	$219,419,794	$30,599,434	$16,954,116	$4.00	$2.37½	$143,366,391	26¾ - 17¼
1951	340,540,415	32,037,957	11,818,601	2.79	2.25	209,534,918	30 - 23¼
1952	508,701,892	50,660,972	15,295,159	3.61	1.87½	259,320,862	32 - 22⅝
1953	638,244,637	61,758,844	17,352,710	4.10	1.50	328,746,687	34⅛ - 25
1954	607,711,607	61,796,575	25,537,771	5.35	1.50+7% stk.	285,430,724	52¾ - 30
1955	567,249,923	58,717,287	25,888,599	5.39	2.37½	278,064,860	59½ - 45
1956	581,418,734	48,348,993	24,278,263	5.04	2.40+5% stk.	321,783,177	64⅜ - 48½
1957	711,237,146	59,366,546	27,499,034	5.44	2.40	370,089,085	66¾ - 42
1958	623,731,537	42,734,746	21,171,902	4.18	2.40	325,561,339	74½ - 44½
1959	684,692,312	59,737,082	27,404,274	5.37	2.40	384,669,181	89 - 61
1960 (3 mo.)	197,490,837	12,217,200	5,753,583	1.13	.60+5% stk.	379,992,608	74½ - 62½

BRITISH INDUSTRIES CORP. (Unlisted)

Capitalization—Debt: $17,000. Common: 50 cents par, 363,951 shares.

1950	N.A.						
1951	N.A.						
1952	N.A.						
1953	N.A.						
1954	N.A.						
1955	$ 3,104,703	---	$ 138,146	$ .69	$ .30	---	---
1956	5,404,612	---	303,497	1.09	.30+20% stk.	$ 1,753,619	5⅜ - 3¾
1957	6,998,340	---	464,243	1.67	.37½+15% stk.	2,429,053	17¼ - 4⅞
1958	8,232,313	$ 1,021,188	533,399	1.77	.60+8% stk.	2,731,835	31 - 13⅝
1959	7,581,422	956,262	508,168	1.40	.62½+8% stk.	3,584,761	39¾ - 21½
1960	---	---	---	---	.12½	---	29½ - 18⅛

N.A. Not available.

BURROUGHS CORP. (NYSE)

Capitalization
Debentures: $25,000,000, 4⅜s, due 1983; $29,876,100, 4½s, due 1981; $22,051,000, 3⅜s, due 1977. Common: $5 par, 6,626,048 shares.

1950	$ 86,931,628	$12,865,289	$ 8,019,916	$1.60	$ .90	$ 73,137,809	15¾ - 12⅜
1951	127,368,125	25,170,378	10,615,378	2.12	.90	103,157,757	18¾ - 13⅞
1952	150,817,423	19,097,484	9,001,984	1.80	.90	129,201,094	18½ - 16
1953	162,035,781	17,766,148	7,826,148	1.58	.80	134,688,043	17⅝ - 13½
1954	168,651,347	17,836,514	9,146,514	1.83	.85	138,083,933	25⅞ - 15¼
1955	220,402,452	25,177,753	11,831,504	1.97	1.00	181,807,279	34¼ - 22⅞
1956	272,879,246	27,064,021	14,197,021	2.35	1.00	233,787,716	46⅞ - 28½
1957	282,773,950	17,834,594	10,074,594	1.67	1.00	271,537,006	52⅜ - 27⅞
1958	294,085,078	10,959,934	6,407,934	1.02	1.00	299,648,367	43⅜ - 27⅝
1959	359,778,068	16,109,567	7,109,567	1.07	1.00	325,772,360	45¾ - 28¾
1960	---	---	---	---	.50	---	35⅞ - 28¾

CHICAGO AERIAL INDUSTRIES INC. (Unlisted)

Capitalization—Debt: $27,637, 6% mortgage note. Common: $2 par, 527,200 shares.

1950	$ 1,170,000	$ 248,000	$ 100,000	$ .25	$ .02	(a)	(a)
1951	2,001,000	232,000	109,000	.27	.02	(a)	(a)
1952	3,906,000	550,000	215,000	.49	.02	(a)	(a)
1953	6,035,000	803,000	211,000	.49	.02	(a)	(a)
1954	6,617,000	1,158,000	568,000	1.28	.04	(a)	(a)
1955	7,149,000	893,000	426,000	.96	.10	(a)	(a)
1956	8,839,000	1,123,000	538,000	1.21	.13	(a)	(a)
1957	8,629,000	1,168,000	556,000	1.25	.19	(a)	(a)
1958	8,721,393	1,095,536	534,536	1.22	.19	6,156,276	(a)
1959	12,368,062	1,489,354	724,354	1.37	.20	6,463,024	32½ - 15
1960	---	---	---	---	.05	---	31¼ - 20½

(a) Privately owned.

CLAROSTAT MFG. CO. INC. (ASE)

Capitalization—Debt: Mortgage, $8,099. Common: $1 par, 437,867 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 5,985,241	$ 772,999	$ 406,780	$ .99	$ .16	$ 2,199,374	6⅛ - 2¼
1951	5,914,310	968,763	316,265	.76	.30	2,336,293	6⅝ - 4⅛
1952	5,584,513	506,115	235,282	.56	.30	2,468,194	6¾ - 4½
1953	7,255,606	625,345	247,556	.59	.10	2,452,220	7 - 4⅜
1954	5,682,093	107,823	57,920	.14	.25	2,309,990	7½ - 5⅜
1955	6,415,740	338,315	164,235	.39	none	2,680,205	8 - 4⅛
1956	7,468,492	467,539	227,924	.55	.20	2,565,910	5 - 3⅛
1957	7,207,102	276,543	132,710	.32	.15	2,472,742	5 - 2½
1958	6,808,779	51,588	20,861	.05	none	2,984,557	5½ - 2⅞
1959	8,998,940	503,262	265,512	.60	none	3,396,181	17½ - 4
1960 (3 mo.)	2,032,559	-------	88,591	.21	3% stk.	-------	15⅞ - 9⅞

CLEVITE CORP. (NYSE)

Capitalization
Debt: $9,645,551, 3¼% notes, due serially until 1971
Preferred: 4½% cumulative, $100 par, 42,827 shares
Common: $1 par, 1,872,429 shares

1950	$ 42,187,243	$ 7,914,228	$ 3,914,228	$2.88	$1.30	$ 25,283,265	15⅞ - 11⅞
1951	49,463,559	7,687,826	2,887,826	2.03	1.15	39,212,523	19 - 15⅜
1952	53,307,874	8,144,240	3,444,240	1.97	1.15	53,748,600	27½ - 17⅝
1953	70,528,107	7,978,611	3,478,611	1.77	1.15	59,439,142	25⅝ - 18
1954	59,204,627	5,618,648	2,668,648	1.33	1.15	58,536,954	24⅜ - 18
1955	71,935,883	10,004,753	4,854,753	2.54	1.25	61,832,282	25⅜ - 20½
1956	73,581,604	7,671,593	3,971,593	2.06	1.15	61,465,000	24¼ - 18
1957	71,368,224	7,408,539	3,988,539	2.08	1.15	59,342,564	25½ - 15⅛
1958	63,354,991	5,899,246	3,109,246	1.60	1.15	57,828,463	25⅜ - 15¾
1959	84,650,821	13,893,961	6,493,961	3.36	1.15	68,235,415	59¼ - 24¾
1960 (a) (3 mo.)	25,000,000	---------	--------	1.15	.30	---------	57 - 42

(a) Estimated by company.

COHU ELECTRONICS, INC. (ASE)

Capitalization—Debt: $675,000. Common: $1 par, 1,414,141 shares.

1950 (a)	$ 37,149	--------	$ 3,538	---	none	--------	----------
1951 (a)	118,594	$ 25,750	21,691	---	none	--------	----------
1952 (a)	148,385	27,653(d)	23,594(d)	---	none	--------	----------
1953 (a)	275,345	7,149(d)	7,149(d)	---	none	--------	----------
1954	864,249	238,588(d)	239,022(d)	$1.48(d)	none	--------	----------
1955	1,611,278	12,635	6,891	.01	none	--------	----------
1956	3,422,613	264,035	252,035	.41	none	--------	----------
1957	5,428,093	345,177	190,177	.22	none	$ 3,545,248	----------
1958	5,628,698	1,767,163(d)	1,623,987(d)	1.63(d)	none	4,589,078	9⅜ - 6¾
1959	8,112,655	853,791	853,791	.60	none	4,972,663	12 - 5¾
1960 (3 mo.)	1,492,287	--------	5,098	nil	none	--------	10⅛ - 8

(a) Kay Lab only. (b) Balance Sheet May 31, 1959. (d) Deficit.

COLLINS RADIO CO. (NYSE)

Year ending July 31

Capitalization
Debt: $3,506,477 notes, $3,638,000, 5½%, 1st mortgage bonds.
Debentures: $3,903,700 convertible subordinated 5s, due 1977, $12,000,000, convertible subordinated 4¾s, due 1980
Preferred: 4% cumulative convertible preferred, $50 par, 18,796 shares
Common: $1 par, 1,935,749 shares

1950	$ 12,534,018	$ 1,075,177	$ 415,765	$ .26	none	$ 8,523,681	3⅞ - 1
1951	19,325,837	1,093,704	753,732	.46	$ .10	19,125,921	4⅜ 3
1952	64,130,371	5,913,432	1,836,139	1.17	.10	31,116,050	6¾ - 3⅞
1953	80,028,767	6,870,809	1,580,307	1.01	.13	34,398,396	7⅝ - 5¼
1954	90,300,464	7,398,976	2,599,369	1.67	.14	42,794,136	23 - 6¾
1955	108,164,689	7,194,145	3,347,059	2.15	.34	47,558,771	28½ - 17¾
1956	125,141,055	6,506,001	3,195,930	1.89	.34	59,127,378	32¼ - 21¾
1957	127,490,768	4,825,012	2,192,946	1.25	.34	72,485,543	28½ - 9½
1958	107,569,379	179,846(d)	1,081,975*	.54*	none	71,297,869	23 - 11⅛
1959	117,864,139	7,662,958	3,718,817	1.95	4% stk.	93,373,840	72⅛ - 22
1960 (6 mo.)	91,779,750	9,304,523	4,211,447	2.16	none	113,615,075	69½ - 48

*After tax refund. (d) Deficit.

COLUMBIA BROADCASTING SYSTEM INC. (NYSE)

Capitalization
Debt: $41,364,000, notes; $3,134,363, mortgage; $6,052,406 other deferred liabilities. Common: $2.50 par, 8,382,239 shares.

1950	$124,105,408	$ 9,555,329	$ 4,105,329	$ .80	$ .53	$ 53,833,265	13⅜ - 8⅜
1951	192,384,608	13,618,942	6,360,097	.91	.53	101,481,809	11¾ - 5⅝
1952	251,594,490	15,938,724	6,445,506	.92	.53	111,720,900	13⅜ - 11
1953	313,908,771	22,687,288	8,894,642	1.27	.62	136,040,997	16⅞ - 12¾
1954	373,380,139	23,214,645	11,414,645	1.62	.63	169,298,915	29½ - 13⅞
1955	316,572,766	29,897,427	13,397,427	1.79	.77+2% stk.	180,089,502	32 - 22½
1956	354,779,843	35,083,462	16,283,462	2.13	.90+2% stk.	196,097,774	34½ - 22⅝
1957	385,409,018	48,593,367	22,193,367	2.82	1.00+3% stk.	222,870,272	36⅛ - 23½
1958	411,800,203	53,528,813	24,428,812	3.10	1.00	231,422,335	41½ - 24½
1959	441,311,357	52,967,187	25,267,187	3.11	1.25+3% stk.	247,903,633	48¾ - 35
1960	----------	---------	---------	---	.35	----------	45 - 36⅝

CONSOLIDATED ELECTRONICS INDUSTRIES CORP. (NYSE)

Year ending September 30

Capitalization—Debt: $2,627,790, notes. Common: $1 par, 2,791,675 shares.

1950	$ 14,759,568	--------	$ 716,365	$2.45	$ .50	---------	13½ - 8¾
1951	12,432,733	$ 517,208	222,208	.78	.90	$ 4,460,578	11½ - 7⅞
1952	7,203,564	299,035(d)	299,035(d)	1.06(d)	.15	3,373,604	10½ - 6⅛
1953	7,581,023	486,953(d)	486,953(d)	1.74(d)	none	3,380,371	9⅞ - 4⅝
1954	6,824,076	202,190(d)	202,190(d)	.72(d)	none	2,913,557	26⅞ - 5
1955	11,018,537	1,755,488	861,989	1.30	none	10,074,593	44⅛ - 23⅞
1956	27,892,951	4,556,597	2,156,597	3.12	none	15,294,178	36½ - 26½
1957	28,537,288	4,186,931	1,971,931	2.50	none	18,493,641	35½ - 18
1958	27,518,665	2,876,814	1,452,814	1.84	none	18,786,076	44¾ - 19½
1959	86,897,656	9,549,206	5,030,864	1.80	none	77,738,091	58⅞ - 37¼
1960	---------	--------	--------	---	.50	---------	52 - 42¼

(d) Deficit.

CONTROL DATA CORP. (Unlisted)

Year ending June 30
Capitalization
Debt: $50,000
Preferred: 6% cumulative, $25 par, 14,000 shares
Common: 50 cents par, 967,493 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1957 Incorporated July 8	-------	-------	-------				
1958	$ 785,823	-------	$ 192,023(d)	$ .29(d)	none	-------	10 - 1
1959	4,588,174	-------	283,214	.34	none	$ 2,373,779	34 - 9¼
1960 (6 mo.) (a)	9,003,969	$ 1,049,505	562,225	.56	none	5,043,010	35 - 24¾

COOK ELECTRIC CO. (Unlisted)

Year ending June 30
Capitalization
Debt: $1,441,000,5¾% notes, due 1967
Preferred: 6% prior cumulative, $100 par, 20,000 shares
Common: $2.50 par, 1,607,631 shares

1950	$ 4,496,000	$ 334,000	$ 204,000	$ .14	$ .13	-------	-------
1951	6,390,000	879,000	334,000	.24	.08	-------	-------
1952	11,396,052	1,647,839	447,839	.32	.10	$ 5,419,995	6⅞ - 3
1953	12,459,152	1,389,558	427,058	.30	.07+stk.	6,593,552	3 - 2¾
1954	14,103,369	1,216,664	511,664	.36	.12+stk.	7,292,342	6¾ - 6
1955	15,253,052	506,386	251,386	.18	.06+stk.	7,492,651	6¾ - 4¼
1956	15,218,090	208,101	103,101	.07	.04	7,819,576	5¾ - 3⅜
1957	24,583,521	1,753,099	858,099	.58	.08+stk.	11,246,916	7½ - 4¾
1958	30,106,685	455,062	250,062	.16	.06	12,008,240	14½ - 6⅛
1959	40,324,392	3,207,324	1,545,016	.89	.17+stk.	17,128,840	22½ - 13⅛
1960 (6 mo.)	20,303,590	-------	210,612	.09	none	-------	22¾ - 16

CORNING GLASS WORKS (NYSE)

Capitalization
Debentures: $9,300,000, income 3¾s, due 2002
Preferred: 3½% cumulative, $100 par, 58,730 shares
Common: $5 par, 6,754,600 shares

1950	$116,473,981	$35,670,787	$17,612,355	$2.51	$ .80	$ 81,362,634	18⅛ - 11½
1951	115,750,172	23,862,664	10,141,164	1.48	.80	84,691,192	31¼ - 15¼
1952	126,455,784	28,516,156	10,323,156	1.51	.80	105,635,436	35 - 26⅝
1953	149,294,036	34,039,395	12,681,395	1.86	.80	113,463,467	36¼ - 28
1954	147,938,842	35,991,191	17,490,191	2.57	1.20	122,407,348	62¾ - 35
1955	157,663,837	38,966,671	18,626,671	2.76	1.50	130,872,665	73¾ - 54
1956	163,053,554	37,732,753	18,432,753	2.72	1.50	137,263,623	87½ - 60¼
1957	159,069,721	31,033,404	16,533,404	2.43	1.50	142,696,906	106¼ - 57¼
1958	159,137,729	32,763,543	17,163,543	2.52	1.50	164,650,215	102½ - 74⅝
1959	204,887,424	44,635,899	24,335,899	3.57	1.62½	168,076,376	154¾ - 89¾
1960 (3 mo.)	51,169,075	11,667,782	5,947,782	.87	.37½	-------	147½ - 124

CRAIG SYSTEMS INC. (Unlisted)

Year ending July 31
Capitalization—Common: $1 par, 764,662 shares

1950 (a)	$ 802,207	$ 91,835	$ 56,573	$ .11	none	(c)	(c)
1951 (a)	1,952,471	187,197	69,559	.14	none	(c)	(c)
1952 (a)	4,192,332	386,402	111,616	.22	none	(c)	(c)
1953 (a)	4,591,654	354,323	104,989	.21	none	(c)	(c)
1954 (a)	4,887,828	512,081	209,435	.42	none	(c)	(c)
1955 (b)	11,506,053	1,431,113	696,913	.95	none	$ 5,835,985	(c)
1956 (d)	9,570,015	975,173	463,673	.64	$ .40+2% stk.	6,511,853	9 - 7
1957	12,840,360	1,058,841	502,841	.68	.30+2% stk.	6,678,837	9⅛ - 4⅛
1958	12,975,620	770,547	361,047	.48	.25	6,057,648	7 - 3⅞
1959	12,081,619	813,887	380,887	.50	.30	6,905,470	12⅛ - 6⅜
1960 (6 mo.)	7,110,000	-------	285,000	.37	none	-------	10⅞ - 8⅝

(a) Craig Machine Co. only.
(b) Pro-forma. Year ending Nov. 30.
(c) Privately owned until Feb. 7, 1956.
(d) Consolidated; includes LeFebure Corp., from Feb. 10, 1956, date of acquisition.

DAYSTROM INC. (NYSE)

Year ending March 31
Capitalization—Debt: $403,898 notes. Debentures: $7,783,000, convertible, subordinated 4¾s, 1977. Common: $10 par, 914,013 shares.

1950	$ 32,763,201	$ 1,829,136	$ 1,174,136	$1.88	$1.25	$21,800,160	16½ - 10¾
1951	42,397,508	5,432,331	2,436,331	3.90	1.50	25,487,642	20¼ - 15
1952	38,592,157	1,779,854	770,854	2.03	1.00	38,198,973	16⅜ - 13½
1953	46,155,154	2,946,154	1,405,300	2.25	1.00	45,821,250	16½ - 11½
1954	62,472,896	3,106,924	1,458,924	2.33	1.00	44,156,237	23¼ - 11⅓
1955 (a)	73,816,645	3,581,216	1,716,216	2.61	1.35	32,120,760	32½ - 23
1956	63,192,498	3,544,181	1,784,181	2.01	1.20	40,244,242	30⅜ - 22
1957	74,402,239	5,183,811	2,458,811	2.77	1.20	47,607,250	47 - 27½
1958	81,713,986	4,785,493	2,333,493	2.57	1.20	52,685,322	39¾ - 30
1959	76,639,523	2,106,846	1,206,846	1.32	1.20	50,500,504	49¾ - 34
1960 (9 mo.)	65,524,000	2,854,000	1,405,000	1.54	.60	-------	44⅜ - 35¾

(a) Weston Electrical Instrument Corp. merged into Daystrom May 16, 1955.

DESILU PRODUCTIONS INC. (ASE)

Year Ending April 30
Capitalization—Debt: $3,447,668, notes, etc. Common: $1 par, Class A and B, 1,155,940 shares

1950 Incorporated in Cal.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1951	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1952	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1953	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1954	$ 4,668,660	$ 315,679	$ 143,933	$ .16	none	N.A.	(b)
1955	6,388,641	592,978	261,511	.29	none	N.A.	(b)
1956	9,361,130	1,416,695	674,728	.75	none	N.A.	(b)
1957	12,166,741	4,499,865	3,183,367	.54	none	N.A.	(b)
1958	15,094,806	208,213	92,336	.10	none	$ 13,050,350	14½ - 10
1959	20,470,361	496,266	249,566	.22	$ .60	14,134,803	29⅞ - 13¾
1960 (c)	17,553,899	1,357,521	708,121	.61	.15	-------	14¾ - 12

N.A. Not available. (b) Privately owned. (c) 39 weeks ending Jan. 30.

DuMONT (ALLEN B.) LABORATORIES INC. (ASE) Stockholders to vote on merger with Fairchild Camera & Instrument Corp.

(Officially separated from DuMont Broadcasting Corp. Oct. 10, 1955 and recapitalized at that time.)

Capitalization
Mortgages Payable: $638,794
Preferred: 5% cumulative convertible; $20 par, 122,016 shares
Common: $1 par, 2,361,092 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	N.A.	N.A.	--------	---	$1.00	---------	27 - 13⅛
1951	N.A.	N.A.	--------	---	.25	---------	19 - 14¼
1952	$ 62,013,191	$ 2,897,903	$ 1,424,603	$ .72	.25	---------	19¾ - 15
1953	72,305,202	3,093,362	1,544,362	.62	none	---------	17¾ - 8½
1954	71,457,950	1,739,102	870,273	.35	none	$63,251,041	16⅝ - 9⅛
1955	57,826,809	3,674,397(d)	3,674,397(d)	1.56(d)	none	45,103,385	17⅛ - 9⅛*
1956	46,646,878	5,230,441(d)	3,886,734(d)	1.65(d)	none	39,349,410	10 - 4⅜*
1957	42,691,148	534,616(d)	534,616(d)	.23(d)	none	35,412,247	6⅛ - 3*
1958	30,165,988	11,677,698(d)	9,503,698(d)	4.08(d)	none	20,600,411	8¼ - 3
1959	19,467,469	---------	1,315,904	.56	none	---------	9⅞ - 6
1960	---------	---------	--------	---	none	---------	10 - 6½

N.A. Not available. (d) Deficit. * Ex DuMont Broadcasting Stock.

DYNAMICS CORP. OF AMERICA (ASE)

Capitalization
Debt: $6,500,000, V loan notes, due Sept. 29, 1961; $400,000, 2% installment notes, 1961-1968
Preferred: $1 cumulative convertible, $2 par, 454,105 shares
Common: $1 par, 2,756,683 shares

1950	$ 14,780,757	$ 1,287,895	$ 1,287,895	$ .51	none	$13,751,583	7⅛ - 1⅞
1951	20,876,762	1,938,851	1,938,851	.77	none	19,549,402	5¾ - 3¾
1952	35,660,419	4,005,285	2,559,285	1.02	none	24,983,569	6 - 4¼
1953	40,719,686	4,402,468	1,402,468	.54	$ .20+5% stk.	27,089,811	5¾ - 3
1954	36,440,014	3,289,575	1,451,575	.55	.40	28,457,912	8⅜ - 4
1955 (a)	41,894,958	4,038,398	2,012,071	.61	.40	29,418,501	9⅞ - 6½
1956	44,177,220	3,474,054	1,848,054	.54	.40	29,827,494	8⅜ - 5⅝
1957	38,914,418	710,356	539,647	.02	.20	28,634,607	7⅝ - 2½
1958	32,386,037	1,084,664	921,145	.16	none	22,226,253	5½ - 2⅞
1959	37,606,308	2,604,902	1,475,285	.36	none	29,613,023	12¾ - 4⅝
1960	---------	--------	--------	---	none	---------	13¾ - 10¼

(a) Reeves-Ely Laboratories merged into Dynamics Corp. Jan. 20, 1956; effective for accounting purposes Dec. 31, 1955

EITEL-McCULLOUGH INC. (Unlisted)

Capitalization—Debt: $2,000,000, 5¾% note; $5,000,000, 5¼% convertible subordinated debentures, due Nov. 1974. Common: $1 par, 1,650,542 shares.

1950	$ 7,944,472	$ 2,408,717	$ 1,170,925	$ .78	none	---------	----------
1951	7,099,430	748,021	378,680	.25	none	--------	----------
1952	10,137,692	1,531,646	613,094	.42	none	$ 5,597,669	----------
1953	11,576,674	1,132,166	596,871	.40	none	5,511,877	----------
1954	9,452,689	1,263,099	622,761	.38	$ .09	5,562,560	----------
1955	8,950,179	1,351,810	645,844	.43	none	6,455,077	----------
1956	13,879,779	2,644,722	1,254,488	.80	.12½ +2½% stk.	8,677,895	17½ - 7¾
1957	15,786,229	1,624,859	736,376	.45	2½% stk.	9,599,480	18¼ - 10
1958	16,186,849	508,060	212,928	.13	none	11,619,966	14⅝ - 11⅜
1959 (8 mo.)	15,927,273	1,742,363	792,363	.48	none	---------	32½ - 13½
1960	---------	--------	--------	---	none	---------	34½ - 25¾

ELECTRO INSTRUMENTS, INC. (Unlisted)

Year ending May 31
Capitalization
Debt: $115,642, notes.
Common: $1 par, 577,500 shares

1955	$ 244,829	--------	$ 37,954	$ .07	none	--------	----------
1956	942,928	--------	80,609	.15	none	--------	----------
1957	3,356,277	--------	569,374	1.04	none	$ 1,663,643	12½ - 9⅞
1958	3,623,886	$ 814,793	384,793	.74	none	2,532,027	25¼ - 9
1959	6,006,010	1,219,728	609,728	1.11	5% stk.	3,395,636	68 - 22½
1960 (9 mo.)	7,150,538	--------	717,671	1.24	none	--------	60 - 46

ELECTRONIC ASSOCIATES INC. (Unlisted)

Capitalization
Debt: $248,240 mortgage and notes
Common: $1 par, 722,721 shares

1950	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1951	$ 989,461	N.A.	$ 75,668	$ .34	none	N.A.	N.A.
1952	1,069,849	$ 175,115	96,758	.23	$ .04	$ 2,684,832	2⅜ - 1¼
1953	4,273,726	260,804	130,686	.28	.05	2,728,241	3¾ - 2½
1954	4,059,927	498,037	244,558	.48	.06	3,676,912	7¼ - 2⅜
1955	5,484,287	1,012,548	491,523	.86	.12	4,480,672	18½ - 12½
1956	8,816,953	2,018,529	929,811	1.61	.12+2½% stk.	8,447,474	33 - 15¾
1957	12,298,274	2,134,344	1,001,998	1.64	5% stk.	10,491,739	59 - 27¼
1958	10,216,003	641,225	313,880	.49	2% stk.	10,830,091	52 - 32½
1959	14,495,000	--------	803,000	1.11	3% stk.	14,214,061(a)	55½ - 29
1960	---------	--------	--------	---	none	---------	39 - 26

(a) Balance sheet June 30, 1959

ELECTRONIC SPECIALTY CO. (ASE)

Year ending March 31
Capitalization
Debt: $500,000 notes
Common: 50 cents par, 542,540 shares

1950 (a)	$ 173,000	---------	$ 10,000	---	none	$ 31,000	----------
1951 (a)	236,000	---------	8,000	---	none	41,000	----------
1952 (a)	359,000	---------	16,000	---	none	130,000	----------
1953 (a)	1,147,000	---------	53,000	---	none	322,000	----------
1954 (a)	1,565,000	---------	119,000	$ .75	none	571,000	----------
1955 (b)	1,625,000	---------	71,000	.19	none	808,000	----------
1956	2,115,000	---------	13,000(d)	.08(d)	none	887,000	----------
1957	3,293,994	---------	356,409	.99	none	1,543,705	13½ - 4¾
1958	4,741,010	---------	320,135	.84	none	1,864,837	13¼ - 8½
1959	4,165,791	---------	101,786	.25	none	3,058,980	30⅞ - 10
1960 (9 mo.)	8,430,000	---------	325,000	.60	none	4,096,994	26⅜ - 17¼

(a) Years ending August 31. (b) Annualized.

ELECTRONICS CORPORATION OF AMERICA (ASE)

Capitalization
Debt: $1,475,000 5% notes; $2,000,000 5½% sub. conv. notes
Preferred: $100 par 6% non-cumulative 4,586 shares
Common: $1 par, 735,328 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 1,536,217	$ 41,379	$ 36,520	$ .50	none	----------	(b)
1951	1,836,768	85,283	36,207	.05	none	----------	(b)
1952	3,627,215	191,342	76,884	.11	none	----------	(b)
1953	4,636,565	349,031	190,906	.27	none	$ 2,943,858	(b)
1954	5,590,209	375,956	159,899	.19	none	4,749,828	16¼ - 11
1955	11,302,456	876,840	446,840	.59	none	7,487,253	23 - 11½
1956	6,973,306	1,024,152(d)	476,467(d)	.71(d)	none	9,536,045	24¼ - 9⅝
1957	8,037,553	367,487	182,653	.22	none	8,398,768	12⅞ - 5½
1958	6,639,121	241,644	208,001	.25	none	8,496,581	16¼ - 6⅜
1959	6,391,343	416,941	175,767	.21	none	8,299,923	16⅞ - 7½
1960	---------	--------	-------	---	none	--------	16⅜ - 8⅛

(b) Privately owned. (d) Deficit.

ELECTRO-VOICE INC. (Unlisted)

Year ending February 28
Capitalization—Debt: $375,000, 4¾% Promissory note, due 1967. Common: $2 par, 473,650 shares.

1950	$ 1,201,100	N.A.	N.A.	N.A.	N.A.	N.A.	(a)
1951	2,228,178	N.A.	N.A.	N.A.	N.A.	N.A.	(a)
1952	2,830,740	N.A.	N.A.	N.A.	N.A.	N.A.	(a)
1953	2,755,631	N.A.	N.A.	N.A.	N.A.	N.A.	(a)
1954	4,201,822	$ 164,049	$ 63,540	$ .21	$ .04	N.A.	(a)
1955	4,339,782	275,156	135,455	.39	.04	N.A.	(a)
1956	5,765,059	465,484	230,532	.61	.04	N.A.	(a)
1957	7,863,814	777,656	381,210	.98	.04	N.A.	(a)
1958	9,379,132	710,618	353,188	.89	.04	$ 3,737,095	(a)
1959	11,764,676	1,275,578	620,519	1.31	none	5,378,040	22¾ - 11¼
1960 (9 mo.)	7,738,375	--------	167,792	.35	none	--------	14¼ - 11

N.A. Not available. (a) Privately owned.

EMERSON ELECTRIC MANUFACTURING CO. (NYSE)

Year ending September 30
Capitalization
Debt: $1,458,400, convertible subordinated debenture 5½s, due 1977. $5,645,000 notes, $2,000,000, 5% promissory notes due 1978.
Common: $2 par, 1,771,506 shares

1950	$ 40,651,495	$ 4,456,348	$ 2,073,767	$1.74	$ .53	$ 20,526,096	9⅛ - 5⅜
1951	44,008,692	4,087,532	1,497,507	1.24	.56	24,419,403	8⅞ - 6⅜
1952	55,368,442	1,974,006	1,467,506	1.22	.56	23,392,004	6⅞ - 5½
1953	55,844,449	3,310,652	1,448,152	1.11	.56	27,029,553	7⅜ - 5⅜
1954	44,718,095	2,213,495	1,013,495	.76	.56	23,219,061	8⅛ - 5¾
1955	40,347,929	2,528,263	1,228,263	.93	.56	28,014,736	11⅞ - 7⅜
1956	56,498,889	4,562,926	2,247,926	1.74	.60	31,809,083	16¼ - 10⅞
1957	65,341,252	4,409,191	2,369,716	1.70	.78	39,143,070	17 - 11
1958	72,040,054	5,314,395	2,527,395	1.75	.80 + 1½% stk.	42,807,609	28¼ - 14½
1959	91,332,950	8,238,717	3,938,717	2.26	.85 + 2% stk.	51,496,009	38¾ - 24
1960 (3 mo.)	---------	--------	--------	---	.25	---------	43 - 33

EMERSON RADIO & PHONOGRAPH CORP. (NYSE)

Year ending October 31
Capitalization
Debt: $5,200,000.
Common: $5 par, 2,115,906 shares.

1950	$ 74,188,297	$11,969,778	$ 6,514,716	$3.70	$1.10	$27,320,398	18⅜ - 7⅜
1951	55,797,963	6,875,877	3,592,397	1.86	1.00	36,527,980	16¼ - 12¾
1952	57,664,201	4,651,625	2,262,556	1.17	.70	26,148,595	15¾ - 11½
1953	75,926,546	6,499,485	2,988,432	1.54	.50	38,344,638	14 - 10
1954	80,559,994	3,449,209	1,884,976	.97	.60	40,971,196	15⅛ - 9½
1955	87,383,028	4,770,140	2,468,063	1.28	.60	43,559,520	16⅜ - 11¾
1956	73,882,029	331,748	84,852	.04	.30 + 1% stk.	44,280,455	13¼ - 5¾
1957	54,803,069	222,586	138,431	.07	none	41,326,467	6⅞ - 3¾
1958 (a)	58,401,179	2,828,707	1,410,009	.72	3% stk.	38,557,594	16⅛ - 4⅛
1959	67,442,399	5,551,214	2,668,682	1.30	3% stk.	44,767,162	26⅝ - 12⅛
1960 (b)	---------	1,362,989	675,512	.32	none	---------	18⅜ - 13⅛

(a) Includes Consumer Products Div. of Allen B. DuMont Labs, Inc., from July 2, 1958, date of acquisition. (b) 13 weeks to Jan. 30.

EPSCO, INC. (Unlisted)

Capitalization—Debt: $1,772,000, notes payable; $4,000,000, notes, due Dec. 1965. Common: No par, 397,541 shares.

1954 (a)	$ 95,522	$ 28,887(d)	$ 28,887(d)	$ .12(d)	none	--------	----------
1955	306,674	142,794(d)	142,794(d)	.58(d)	none	--------	----------
1956	1,495,670	154,992	154,992	.92	none	$ 1,605,007	----------
1957	3,022,918	66,800	41,800	.13	none	3,126,444	----------
1958	3,934,423	--------	195,430(d)	.52(d)	none	5,559,245	44¾ - 15½
1959 (9 mo.)	5,740,237	--------	305,653	.77	none	7,593,969(b)	44½ - 28
1960	--------	--------	-------	---	none	--------	30 - 20

(a) 11 Months to Dec. 31. (b) Balance Sheet June 30. (d) Deficit.

ERIE RESISTOR CORP. (Unlisted)

Capitalization
Debt: $1,270,000. 4⅝% notes, due 1973. $202,500, 5% mortgage note
Preferred: 90 cents cumulative convertible, $12.50 par 100,000 shares. Common: $2.50 par, 768,083 shares.

1950	$ 13,671,728	$ 2,264,051	$ 1,075,234	$1.40	$ .03	$ 5,303,827	(b)
1951	14,171,426	1,713,828	881,465	1.15	.22	4,989,653	6⅜ - 5½
1952	14,486,281	1,540,262	571,684	.74	.29	5,356,564	7 - 5⅜
1953	17,073,856	1,819,021	827,616	1.08	.33	6,531,130	7¾ - 6¾
1954	14,866,836	700,418	317,767	.41	.39	9,951,069	8½ - 6½
1955	22,358,644	1,771,490	959,433	1.25	.24	11,609,028	8⅞ - 5¼
1956	23,300,749	1,793,147	956,452	1.25	.39	13,261,328	11⅛ - 7¾
1957	24,737,643	1,009,998	542,811	.65	.37 + 3% stk.	13,497,514	13⅛ - 6⅜
1958	21,202,186	1,109,438	510,441	.55	.14 + 4% stk.	14,064,053	9⅜ - 5¾
1959	24,506,569	679,002	359,340	.35	.10 + 4% stk.	14,648,311	11¼ - 7
1960	---------	--------	--------	---	none	---------	9⅜ - 7¼

(b) Privately owned.

FARRINGTON MANUFACTURING CO. (Unlisted)

Capitalization
Debt: $1,914,730, notes; $6,000,000 subordinated, convertible debentures, 1970
Preferred: $1.375 cumulative, no par, 41,235 shares.
5½% non-cumulative 2nd preferred, $5 par, 24,984 shares.
Common: No par, 1,510,632 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 7,008,507	$ 683,334	$ 406,765	$ .85	$ .19	$ 4,874,813	N.A.
1951	7,881,423	211,098	212,134	.38	.15+1¼% stk.	5,433,940	N.A.
1952	11,865,451	636,592	273,508	.50	.15	5,914,304	N.A.
1953	14,177,159	708,308	348,108	.56	.17	6,348,875	N.A.
1954	9,944,842	433,619	248,619	.38	.20	6,519,520	N.A.
1955	10,009,128	899,354(d)	416,719(d)	.71(d)	.05+1½% stk.	7,247,520	N.A.
1956	11,701,787	316,668	498,446(d)	.71(d)	2% stk.	7,592,432	N.A.
1957	11,848,122	292,668	304,688	.32	none	7,362,383	N.A.
1958	8,459,432	230,070(d)	250,765(d)	.39(d)	none	7,509,765	N.A.
1959	10,912,633	1,275,214(d)	1,282,314(d)	.87(d)	none	10,420,942	20 - 12⅜
1960	---	---	---	---	---	---	42 - 16⅛

N.A. Not available. (d) Deficit.

FXR, INCORPORATED (Unlisted)

Capitalization—Debt: $127,500, 6% debentures, due 1972. Common: $1 par, 445,579 shares.
1952 Incorporated June 13

1953 (N.A.)							
1954	$ 2,891,784	---	$ 86,960	$ .26	none	---	---
1955	2,551,220	---	33,112	.10	none	---	---
1956	3,758,316	---	138,426	.42	none	---	---
1957	4,296,499	---	168,961	.51	none	---	---
1958	4,152,110	$ 389,922	193,005	.58	none	$ 2,028,797	37 - 18½
1959	5,749,711	725,543	373,875	.86	none	4,272,751	38 - 12
1960	---	---	---	---	3% stk.	---	49 - 29

(N.A.) Not available

FAIRCHILD CAMERA & INSTRUMENT CORP. (ASE) Stockholders to vote on acquisition of Allen B. DuMont Laboratories, Inc.

Capitalization—Debt: $2,800,000, notes, etc. Common: $1 par, 1,036,890 shares.

1950	$ 10,163,582	$ 979,718	$ 482,320	$ .70	$ .37½	$ 8,855,012	15¼ - 10
1951	16,843,359	558,210	317,736	.38	.12½	18,446,929	19½ - 11¼
1952	25,549,096	1,490,097	759,610	.91	.12½	21,074,222	14¾ - 11
1953	25,694,982	1,697,741	883,549	.97	.12½+5% stk.	21,311,213	14¼ - 8½
1954	42,439,864	3,251,790	1,606,790	1.76	.25	17,791,152	19¾ - 10⅛
1955	33,069,647	850,743	791,743	.83	.50	19,160,746	18⅞ - 10½
1956	42,969,036	2,176,324	910,324	.96	.37½	24,238,825	13 - 9¾
1957	36,989,284	1,799,093	799,093	.84	.25	20,746,336	13⅝ - 8
1958	31,674,356	1,553,395	544,395	.57	.25	23,214,797	32⅜ - 9¾
1959	43,443,000	---	2,071,225	2.00	.50	---	157 - 25⅜
1960	---	---	---	---	none	---	174 - 110¼

FRIDEN INC. (Pacific)

Capitalization—Debt: $6,442,921 notes. Common: $1 par, 1,149,380 shares

1950	$ 16,467,239	N.A.	$ 1,582,152	$2.07	$ .44	N.A.	---
1951	25,241,464	$ 5,880,695	1,846,608	2.41	.50	$14,234,704	---
1952	21,923,873	4,294,249	1,775,916	2.32	.50	14,113,067	---
1953	23,004,213	3,223,112	1,540,000	2.01	.50	14,744,864	---
1954	25,616,663	3,773,208	1,850,144	2.42	.50	16,714,680	---
1955	31,437,755	4,828,659	2,376,982	3.11	.65+2% stk.	19,387,179	35 - 23
1956	50,624,940	7,641,694	3,591,625	3.60	.95	30,481,834	50½ - 34½
1957	56,655,526	8,165,377	4,013,966	3.84	1.00+5% stk.	37,468,030	71¾ - 38
1958	60,388,844	7,035,572	3,445,844	3.19	1.00+2½% stk.	40,626,148	67 - 39⅞
1959	74,199,120	8,261,885	3,954,862	3.44	1.00+2½% stk.	46,358,711	76 - 55
1960	---	---	---	---	.25	---	76 - 51¼

N.A. Not available.

GABRIEL CO. (NYSE)

Capitalization
Debt: $160,000 notes, $2,500,000, subordinate debenture 5¾s, due 1974
Preferred: $5 cumulataive pfd. $10 par, 29,529 shares
Common: $1 par, 675,838 shares

1950	$ 12,670,521	$ 1,591,672	$ 824,272	$2.20	$ .55+10% stk.	$ 6,331,749	8⅝ - 7⅜
1951	15,795,488	1,009,112	591,992	1.07	.45	10,382,922	9⅛ - 7⅜
1952	17,888,893	21,127	13,927	.04(d)	.50	11,165,324	8 - 6
1953	22,668,000	N.A.	163,000	.20	none	9,974,912	7⅛ - 4½
1954 (a)	19,190,000	N.A.	10,000(d)	.06(d)	.30	8,486,682	7⅜ - 4¾
1955 (a)	16,215,000	N.A.	274,000	.38	.15	8,808,983	9⅝ - 5⅝
1956 (a)	20,641,000	N.A.	434,000	.62	.60	10,186,071	9⅛ - 6⅜
1957 (a)	24,665,000	N.A.	783,000	1.15	.60	8,890,317	10¾ - 6¼
1958 (a)	22,825,684	1,030,066	545,066	.80	.55	12,825,581	14⅜ - 7
1959	28,836,253	1,104,906	536,906	.77	.60	17,779,716	33 - 12⅝
1960	---	---	---	---	none	---	21⅞ - 14⅛

(a) Pro-forma, including Talco Engineering Corp., acquired Dec. 3, 1958. (d) Deficit.

GENERAL DYNAMICS CORP. (NYSE)

(Merger with Stromberg-Carlson effective in July, 1955)
Capitalization—Debt: $155,101,536. Common: $1 par, 9,944,488 shares.

				(b)	(c)		
1950 (c)	$411,155,000	$ 24,102,000	$ 13,817,000	$1.39	$ .40	$ 51,963,237	10⅝ - 8
1951 (c)	527,355,000	32,135,000	15,315,000	1.54	.32	62,917,034	13⅞ - 8⅞
1952 (c)	664,513,000	41,460,000	20,256,000	2.04	.75	94,715,067	22⅞ - 12¼
1953 (c)	749,278,000	44,051,000	20,845,000	2.10	1.00	110,690,126	23⅛ - 15½
1954 (c)	822,031,000	62,079,000	30,347,000	3.05	1.17	234,446,340	41⅛ - 18
1955 (c)	814,851,000	62,629,000	29,505,000	2.94	1.47	294,816,011	53⅜ - 24⅞
1956 (a)	1,183,961,000	89,311,000	48,074,000	4.93	1.73	487,577,843	59⅜ - 45⅛
1957 (a)	1,666,652,000	109,358,000	55,689,000	5.60	2.00	570,604,595	68⅝ - 46¾
1958 (a)	1,626,015,489	90,738,876	48,395,158	4.97	2.00	714,118,591	67⅜ - 55
1959 (a)	1,811,871,384	54,156,069	31,056,069	3.12	2.00	861,294,249	66½ - 42⅞
1960	---	---	---	---	1.00	---	53⅜ - 40⅝

(a) Pro-forma; includes operations of Material Service Corp., merged on Dec. 31, 1959. (b) Based on shares now outstanding. (c) Adjusted.

GENERAL ELECTRIC CO. (NYSE)

Capitalization
Debt: $274,382,000 3½% debentures, due 1976; other liabilities, $42,190,334
Common: No par, 88,332,778 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$2,233,800,000	$397,100,000	$179,700,000	---	$1.27	$1,335,415,000	16¾ - 13¾
1951	2,619,600,000	434,100,000	143,700,000	---	.95	1,588,070,000	21½ - 16½
1952	2,993,400,000	447,000,000	164,900,000	---	1.00	1,579,523,878	24¼ - 18⅛
1953	3,510,600,000	497,500,000	173,800,000	---	1.33	1,696,588,736	30¾ - 22⅛
1954	3,334,708,206	407,164,027	204,371,317	$2.47	1.47	1,691,979,938	48½ - 37⅞
1955	3,463,734,419	385,203,709	208,908,054	2.42	1.60	1,727,553,319	57¾ - 46¼
1956	4,090,015,685	423,756,849	213,756,849	2.46	2.00	2,221,146,920	65½ - 52¾
1957	4,335,664,061	507,851,871	247,851,871	2.84	2.00	2,361,318,604	72⅜ - 52⅜
1958	4,120,796,801	487,678,333	242,942,533	2.78	2.00	2,420,939,218	79⅜ - 57
1959	4,349,508,529	555,290,438	280,242,123	3.19	2.00	2,561,492,596	99⅞ - 74
1960 (3 mo.)	957,433,000	104,985,000	52,614,000	.60	1.00	----------	99⅞ - 84⅝

GENERAL INSTRUMENT CORP. (NYSE)

Year ending February 28
Capitalization
Debt: $1,393,600, 4% promissory notes; $421,263 subsidiary mortgages
Common: $1 par, 1,416,173 shares

1950	$ 13,634,582	$ 107,184(d)	$ 107,184(d)	$ .22(d)	$ .40	$ 8,749,655	13½ - 8¼
1951	25,850,231	2,639,099	1,229,099	2.02	.20	9,093,442	11⅝ - 7¼
1952	18,527,974	1,158,558(d)	993,558(d)	1.63(d)	.25	8,349,061	11⅛ - 6¼
1953	30,407,530	1,986,332	1,275,864	2.10	.75	10,185,345	14½ - 9¾
1954	32,502,305	1,695,559	926,903	1.13	.75	11,278,619	12¼ - 8⅛
1955	22,795,029	830,393(d)	399,448(d)	.49(d)	.62½	8,749,655	13 - 7⅝
1956	28,928,604	607,435	322,782	.23	.37½	12,386,859	10⅛ - 6⅜
1957	33,254,735	923,421	424,409	.31	.25	15,747,899	8⅛ - 4
1958 (a)	39,195,749	1,001,673	1,001,673	.73	.15	20,591,980	22⅜ - 4⅝
1959	46,562,300	2,004,808	1,317,828	.93	.15	22,711,355	38⅜ - 16½
1960 (9 mo.)	41,277,875	2,991,433	1,378,233	.90	none	25,961,606	31 - 22½

(a) Includes Radio Receptor Co. Inc. from March 1, 1957, date of acquisition.
(d) Deficit.

GENERAL PRECISION EQUIPMENT CORP. (NYSE)

Capitalization
Debt: $11,240,000, 4⅜% notes due, 1969
$5,270,000, 4¼% notes due, 1970
$9,333,000, 5½% notes due, 1974
$2,445,000, 5% notes due 1961
Preferred: $4.75 cumulative, no par, 92,665 shares
$1.60 cumulative convertible, no par, 59,224 shares.
$3.00 cumulative convertible, no par, 193,989 shares
$2.98 convertible, no par, 105,790 shares
Common: $1 par, 1,126,625 shares

1950	$ 27,072,360	$ 1,591,899	$ 1,141,098	$1.45	$1.00	$ 26,371,314	21⅜ - 12⅛
1951	29,872,429	1,056,546	1,010,042	.99	1.00	33,671,209	27⅜ - 17½
1952	54,326,849	2,955,278	1,255,278	1.88	1.00	47,620,429	24½ - 16⅞
1953	87,763,925	7,840,349	3,436,349	5.09	1.00	57,101,143	27⅜ - 21⅛
1954	123,332,634	11,725,090	5,488,090	5.54	1.90	91,357,754	52¼ - 25
1955	133,337,819	5,363,758	2,530,758	2.05	2.40	100,887,108	71½ - 36½
1956	153,261,864	5,194,729	2,394,729	1.64	2.40	119,117,579	53½ - 34½
1957	185,093,842	8,994,949	4,263,949	3.03	2.40	132,373,853	47¼ - 30¼
1958	168,333,316	484,267	304,267	.74(d)	.85	132,010,677	41 - 27
1959	215,588,430	8,968,200	4,198,200	2.63	.25	146,355,442	60 - 31½
1960 (3 mo.)	55,000,000	--------	--------	.84	.25	----------	54⅜ - 44¼

(a) Includes $163,436 capital gains ($.12 per share)
(d) Deficit.

GENERAL TELEPHONE & ELECTRONICS CORP. (NYSE) Adjusted for 3-for-1 stock split voted April 20, 1960

Capitalization
Debentures (general): 4% convertible, due 1971, $21,119,000
4½% convertible, due 1977, $23,880,000
4½% sinking fund, due 1975, $8,220,000
Debentures (mfg. subsidiaries): 3¾% sinking fund, due 1971, $17,883,000
4% sinking fund, due 1978, $15,497,000
4⅝% sinking fund, due 1975, $5,640,000
4¾% sinking fund, due 1980, $19,000,000
4⅜% sinking fund, due 1978, $19,000,000
5½% sinking fund, due 1984, $25,000,000
Debt (general): 3⅜% notes, due 1960-64, $6,230,000
Debt (mfg. subsidiaries): $5,068,000
Funded Debt: $505,165,000
Preferred: 4.25% convertible, $50 par, 52,602 shares
4.36% convertible, $50 par, 180,672 shares
4.40% not convertible, $50 par, 3,255 shares
4.75% convertible, $50 par, 4,644 shares
5.28% convertible, $50 par, 117,861 shares
Subsidiary preferred: $173,145,000
Common: $3.33⅓ par, 68,688,582 shares

1950	$ 70,080,262(a)	$12,961,343	$ 4,135,727	$ .39	$ .30	$306,606,171	4½ - 3⅝
1951	84,796,003(a)	18,478,234	5,528,812	.39	.30	373,751,529	4¾ - 4
1952	102,004,210(a)	26,168,493	8,763,425	.48	.30	369,288,812	5¼ - 4⅜
1953	127,946,088(a)	38,753,190	13,952,116	.59	.33	419,646,338	6¾ - 5⅛
1954	625,680,000(b)	---------	36,096,000(b)	.76(b)	---	----------	8 - 6⅝
1955	698,320,000(b)	---------	48,189,000(b)	.97(b)	---	----------	15 - 7¾
1956	780,208,000(b)	---------	57,226,000(b)	1.05(b)	---	----------	15⅜ - 12⅝
1957	842,551,000(b)	---------	57,378,000(b)	1.04(b)	---	----------	15⅛ - 12⅛
1958	895,161,000	158,871,000	59,543,000	1.02	.67	1,559,578,000	21 - 13½
1959	1,081,056,000	183,622,000	72,253,000	1.13	.70	1,820,826,000	28⅜ - 20
1960 (3 mo.)	277,009,000	---------	17,427,000	.26	.37	----------	29 - 23½

(a) Telephone subsidiaries only.
(b) Pro-forma, including Sylvania Electric Products Inc., merged March 5, 1959.

GENERAL TIME CORP. (NYSE)

Capitalization
Debt: $2,300,000, notes. $6,197,000, 4¾% convertible subordinated debentures, due 1979. Common: $2.50 par, 2,004,884 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 37,020,517	$ 7,596,472	$ 3,806,472	$1.96	$ .82½	$ 26,036,498	10⅜ - 5½
1951	38,587,406	6,350,986	2,540,986	1.31	.82½	27,305,480	10 - 8¼
1952	38,067,854	3,116,498	1,906,498	.98	.62½	31,138,584	9 - 6¾
1953	50,817,969	4,735,540	2,076,540	1.07	.50	32,285,711	7¾ - 6⅜
1954	46,563,346	4,750,182	2,260,182	1.12	.50	33,143,720	10⅞ - 6⅜
1955	49,163,497	4,757,412	2,110,412	1.04	.50	33,151,126	9⅞ - 7¾
1956	50,046,672	4,032,148	1,972,148	.99	.50	36,385,309	8⅜ - 7⅜
1957	49,463,436	1,821,060	834,060	.42	.37½	33,991,339	7⅝ - 3¾
1958	47,619,165	1,137,647	571,647	.29	.25	34,362,303	8⅝ - 4⅛
1959	59,191,987	3,434,729	1,819,729	.66	.25	45,817,082	29⅞ - 8¾
1960 (a)	14,751,556	327,927	205,751	.10	.25	---------	31¾ - 23

(a) 12 weeks to March 19.

GENERAL TIRE & RUBBER COMPANY (NYSE)

Year ending November 30
Capitalization
Debentures: 5½% subordinated, due 1982, $25,500,000; subordinated 6s, due 1982, $10,532,000; 4¼% subordinated, due 1981, $1,055,300; 4¾% subordinated, due 1981, $3,419,300; subsidiary debenture 5s, $965,000.
Debt: $46,199,000, notes, etc.
Preferred: 5½% cumulative, $100 par, 99,718 shares; 4½% cumulative, convertible, $100 par, 2,763 shares; $5.00 cumulative, $100 par, 101,508 shares; 4¼% cumulative, $100 par, 4,195 shares; 3¾% cumulative, $100 par, 1,029 shares.
Common: $2.50 par, 5,311,562 shares

1950	$125,375,837	$15,718,416	$ 8,557,616	$2.10	$ .45	$ 75,027,859	5¼ - 2⅞
1951	170,771,522	19,992,236	7,016,641	1.69	.53	98,452,324	9¼ - 5⅛
1952	185,914,247	12,378,477	6,147,918	1.46	.60	113,206,476	10 - 7½
1953	205,371,098	10,010,134	6,275,158	1.48	.60	120,241,084	10½ - 6⅞
1954	216,986,110	7,542,980	4,502,645	.96	.60	150,811,696	14¼ - 8¾
1955	295,731,096	19,738,731	9,704,731	2.09	.67 + 3⅛% stk.	183,243,797	21⅝ - 13⅞
1956	390,471,772	21,823,129	10,860,129	2.30	.67	237,908,652	22¼ - 15¾
1957	421,165,147	19,300,355	11,300,355	2.12(a)	.67½ + 4% stk.	261,349,571	32⅞ - 18¾
1958	469,782,099	23,879,117	11,279,117	2.06	.70 + 2% stk.	276,834,832	50¼ - 22¼
1959	676,942,133	49,124,080	25,491,292	4.84	.77½ + 2% stk.	326,719,314	86¾ - 44⅛
1960 (3 mo.)	167,518,280	11,348,523	6,448,523	1.16	.25	----------	81⅜ - 58

(a) Includes RKO Teleradio Pictures Inc.

GENERAL TRANSISTOR CORP. (ASE)

Capitalization
Common: $1 par, 884,978 shares.

1953 (Incorporated Nov. 30)							(a)
1954	$ 130	$ 18,512(d)	$ 18,512(d)	$ .06(d)	none	--------	(a)
1955	112,573	5,720(d)	5,720(d)	.02(d)	none	--------	(a)
1956	1,131,748	335,035	183,055	.32	none	--------	5¾ - 1½
1957	3,946,095	764,865	359,865	.56	none	$ 2,473,499	15 - 4⅜
1958	6,867,879	1,170,412	591,365	.77	none	3,889,107	25⅞ - 8⅝
1959	10,278,585	1,127,306	537,306	.61	none	7,570,514	46⅝ - 24½
1960	---------	--------	-------	---	none	--------	31⅜ - 20⅜

(a) Privately owned. (d) Deficit.

GIANNINI CONTROLS CORP. (ASE)
Capitalization—Debt: $113,123 note.
Preferred: 5½% cumulative convertible $20 par, 25,480 shares.
Common: $1 par, 357,667 shares.

1950	$ 952,418	------	$ 83,990(d)	$ .89(d)	none	--------	----------
1951	2,571,379	------	194,619	1.46	none	--------	----------
1952	4,704,034	$ 827,909	263,726	1.91	none	$ 2,191,793	----------
1953	4,334,195	328,247	103,247	.39	none	1,873,305	----------
1954	4,308,467	222,617(d)	52,617(d)	.27(d)	none	2,138,192	----------
1955	6,436,330	620,787	290,787	.94	none	2,845,110	9⅝ - 4⅝
1956	9,510,091	715,521	339,521	1.05	$ .25 + 200% stk.	4,253,037	13¾ - 9½
1957	10,553,918	604,736	310,736	.84	none	4,183,512	21½ - 11
1958	10,675,410	791,096	390,096	1.09	none	4,352,776	26½ - 12
1959	13,070,501	1,051,423	482,423	1.25	none	5,777,625	46½ - 21
1960	---------	-------	-------	---	none	--------	46⅝ - 32¼

(d) Deficit.

GLOBE-UNION INC. (ASE)
Capitalization—Debt: $3,307,000. Common: 5 par, 837,415 shares.

1950	$ 41,348,440	$ 5,399,747	$ 2,699,747	$4.22	$1.90	$22,531,771	25⅜ - 11
1951	40,686,581	2,743,136	1,508,136	2.25	1.00	20,864,200	30¼ - 20⅛
1952	45,877,113	3,254,071	1,608,071	2.40	1.25	22,921,907	27 - 19¾
1953	48,180,147	3,392,276	1,682,276	2.35	1.10 + 2½% stk.	23,359,305	27¾ - 22
1954	44,106,364	1,209,280	569,280	.79	1.20	20,125,253	24 - 19½
1955 (a)	56,622,579	3,800,510	1,671,996	2.03	1.20	23,595,716	24⅜ - 20
1956 (a)	58,667,310	2,366,383	1,166,383	1.42	1.20	27,315,879	22 - 16⅝
1957	65,036,285	2,879,282	1,339,282	1.62	1.20	27,570,612	20¾ - 16⅝
1958	59,246,085	3,091,621	1,466,621	1.78	.80	26,739,170	21½ - 14⅝
1959	65,170,127	4,904,746	2,269,746	2.72	1.20	28,130,500	29¼ - 20¼
1960 (3 mo.)	14,368,111	--------	442,600	.53	.25	---------	34¾ - 25

(a) Includes WICO Electric Co. acquired June 14, 1956, for both years.

GROSS TELECASTING INC. (Unlisted)
Capitalization—Common: $1 par, 200,000 shares; Class B, $1 par, 200,000 shares.

1950	$ 515,317	N.A.	$ 107,149	$ .27	none	N.A.	----------
1951	906,524	N.A.	196,508	.49	none	N.A.	----------
1952	1,452,531	$ 749,599	357,077	.89	none	N.A.	----------
1953	1,857,326	927,933	419,891	1.05	none	N.A.	----------
1954	2,241,589	1,320,464	639,464	1.60	none	$ 2,992,157	----------
1955	2,607,530	1,499,947	724,947	1.81	$ .90	3,268,490	----------
1956	2,815,408	1,568,926	741,926	1.85	1.30	4,015,248	20 - 15
1957	2,733,846	1,399,239	674,239	1.68	1.60	3,865,137	21¾ - 14½
1958	2,769,918	1,581,373	766,373	1.91	1.60	4,399,563	18½ - 14¾
1959	2,562,605	1,307,392	672,418	1.68	1.60	4,533,350	24½ - 18¼
1960	---------	--------	-------	---	.40	--------	21½ - 18¼

N.A. Not available.

HAZELTINE CORP. (ASE)

Capitalization
Debt: $132,817
Common: No par, 1,538,826 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 4,078,000	$ 2,783,741	$ 1,428,431	$1.02	$ .44	----------	6⅛- 4
1951	6,957,344	4,938,790	1,459,490	1.05	.44	$ 25,090,342	11⅞- 6
1952	9,237,190	6,578,732	2,006,790	1.44	.75	25,862,549	13¼- 8¾
1953	10,057,032	7,256,906	2,085,706	1.49	.75	26,266,608	15 - 9½
1954	8,525,768	5,733,264	2,666,264	1.91	1.00	25,560,204	29¾ - 13
1955	5,947,166	3,531,824	1,604,824	1.12	1.00	22,798,931	29⅞ - 18¼
1956	6,918,475	4,240,162	2,007,162	1.40	.70 + 1¼% stk.	27,535,758	24 - 16
1957 (a)	55,700,484	4,296,612	2,030,612	1.39	.70 + 1¼% stk.	32,199,811	22¼- 14⅞
1958	58,869,907	4,722,227	2,246,227	1.50	.70 + 1¼% stk.	27,432,313	30½- 15¼
1959	54,408,191	5,344,773	2,724,773	1.77	.75 + 2% stk.	30,913,531	37½- 27¼
1960	----------	--------	--------	---	.20	----------	30⅜- 23¼

(a) 1957 figures reflect gross sales, prior years are reported on a net basis.

HERMES ELECTRONICS CO. (Unlisted)

Year ending January 31
Capitalization
Preferred: $5 cumulative convertible, no par, 3,665 shares
Common: 10 cent par, 993,220 shares

1955 (Incorporated May 2)							
1956 (a)	$ 340,146	$ 96,151(d)	$ 96,151(d)	$ .19(d)	none	--------	----------
1957	3,029,110	532,739(d)	532,739(d)	1.01(d)	none	--------	----------
1958	2,390,959	71,931	71,931	.12	none	--------	----------
1959	2,643,264	70,287	70,287	.10	none	$ 1,447,287	11⅜- 4½
1960	3,829,957	203,691	203,691	.21	none	2,466,597	15 - 8⅝

(a) 9 Months to Jan. 31. (d) Deficit.

HEROLD RADIO & ELECTRONICS CORP. (ASE)

Year ending February 28
Capitalization
Debentures: $1,500,000 subordinate convertible 6s, due June 15, 1974.
Preferred: $5 par, 73,428 shares.
Common: 25 cents par, 543,301 shares

1950 (incorporated March 2)	----------	------	------	--	----	--------	(a)
1951	----------	------	------	--	----	--------	(a)
1952	$ 929,152	------	$ 99,038(d)	$ .32(d)	none	--------	(a)
1953	1,810,169	------	36,584(d)	.12(d)	none	--------	(a)
1954	4,337,362	------	82,804	.27	none	--------	(a)
1955	3,634,548	------	65,252	.21	none	--------	3¼- 2
1956	5,332,154	------	27,693	.09	2% stk.	$ 1,808,306	2 - 1
1957	8,313,252	------	171,538	.55	$ .15	2,631,579	3⅛- 1¾
1958	10,111,253	$ 270,063	166,063	.34	.05	5,045,593	8⅛- 2
1959	10,491,781	353,782	185,782	.31	none	7,094,187	12⅛- 5⅞
1960 (6 mo.)	3,894,728	-------	106,100(d)	.20(d)	none	--------	7⅞- 5

(a) Privately owned.
(d) Deficit.

HEWLETT-PACKARD CO. (Unlisted)

Year ending October 31
Capitalization
Debt: $630,708.
Common: $1 par, 3,264,333 shares

1950	$ 2,301,744	--------	--------	---	---	----------	(a)
1951	5,538,889	--------	--------	---	---	----------	(a)
1952	10,952,980	$ 2,337,955	$ 705,839	$ .23	none	----------	(a)
1953	12,839,406	2,579,544	765,868	.25	none	----------	(a)
1954	12,599,096	1,491,784	640,770	.21	none	----------	(a)
1955	15,338,179	2,874,057	1,316,236	.43	none	----------	(a)
1956	20,161,621	3,738,990	1,083,266	.59	none	$14,190,515	(a)
1957	27,948,790	4,998,448	2,402,557	.80	none	14,661,504	17 - 15½
1958	35,653,353	--------	2,571,952	.79	none	15,795,237	40 - 29
1959	47,745,073	8,148,315	3,899,941	1.20	none	26,326,394	50½- 37½
1960 (3 mo.)	13,271,451	--------	1,145,621	.35	none	----------	78 - 41¾

(a) Privately owned.

HIGH VOLTAGE ENGINEERING CORP. (Unlisted)

Capitalization
Debt: $808,645
Common: $1 par, 391,295 shares

1950	$ 1,094,516	$ 97,311	$ 54,213	$ .15	$ .10	--------	----------
1951	1,155,250	115,837	62,631	.17	.10	--------	----------
1952	1,113,336	120,268	59,520	.16	.10	--------	----------
1953	1,452,557	126,193	66,651	.21	.10	$ 1,450,595	----------
1954	1,881,004	171,446	86,998	.28	.10	1,479,327	----------
1955	2,007,101	205,453	106,452	.29	.10	2,749,132	----------
1956	2,812,885	322,852	167,852	.45	.10	4,642,995	31 - 20½
1957	4,894,075	664,986	330,436	.89	.10	5,539,492	27 - 17½
1958	5,768,509	884,139	434,139	1.12	.10	5,913,120	50 - 23
1959	7,087,916	1,261,062	626,062	1.60	.10	6,702,271	77½- 47
1960	--------	--------	-------	---	3% stk.	--------	123 - 56

HOFFMAN ELECTRONICS CORP. (NYSE)

Capitalization
Debt: $1,800,000
Common: 50 cents par, 1,513,955 shares

1950	$ 29,544,473	$ 3,768,567	$ 1,980,994	$1.34	$ .12½	$10,720,620	10⅞- 3½
1951	20,355,999	202,839	281,619	.19	.12½	11,936,215	7 - 3¾
1952	36,566,955	3,662,318	1,765,272	1.19	.12½	18,543,902	7¾- 5¼
1953	50,415,146	3,036,380	1,167,380	.79	.50	15,657,392	8¼- 6½
1954	42,647,008	3,202,513	1,485,513	1.00	.50	16,272,669	12 - 6⅝
1955	44,416,673	3,241,596	1,560,596	1.06	.50	22,472,037	15⅝- 10¼
1956	46,580,279	3,330,883	1,601,974	1.08	.50	18,446,923	12⅝- 9¼
1957	40,968,617	3,517,372	1,655,372	1.12	.50	18,669,699	12⅞- 8⅝
1958	39,544,064	3,632,509	1,712,509	1.16	.50	19,709,241	22¾- 10½
1959	46,359,832	4,130,165	1,990,165	1.31	.57½	32,040,222	43 - 18¼
1960	----------	--------	--------	---	.15	----------	27⅝- 20½

HYCON MANUFACTURING CO. (Unlisted)

Year Ending January 31
Capitalization
Debt: $325,000 5% debentures due 1965
Preferred: 5½% Cum. conv. pfd., $10 par, 38,872 shares
Common: 10 cents par 3,521,690 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1951	$ 1,880,906	$ 30,768	----------	$ .10	none	----------	----------
1952	4,154,039	203,196	----------	.02	none	----------	----------
1953	3,953,000	192,282	$ 82,282	.07	none	$ 2,115,124	2 - 7/8
1954	12,115,300	124,433	67,733	.03	none	4,829,717	7 3/8 - 1 5/8
1955	11,943,793	982,592	443,592	.21	none	6,806,110	10 3/4 - 6 5/8
1956	8,946,386	190,217	80,217	.01	none	6,622,694	7 1/8 - 3
1957	7,899,262	3,488,433(d)	2,822,337(d)	1.07(d)	none	6,782,079	4 3/8 - 2 3/8
1958	10,564,907	1,163,588(d)	1,163,599(d)	.39(d)	none	4,613,745	3 1/8 - 1 7/8
1959	6,163,230	610,057	610,057	.16	none	4,238,492	4 3/8 - 1 7/8
1960 (9 mo.)	4,650,925	412,687	412,687	.11	none	--------	3 1/4 - 2 1/4

(a) Includes $451,300 non-recurring profit from sale of Hycon-Eastern Inc.
(d) Deficit.

INDIANA GENERAL CORP. (Midwest)

Capitalization
Debt: $375,000 Notes Payable
Common: $1 par, 562,261 shares

1950	$ 6,071,293	$ 1,075,740	$ 500,740	$1.76	$ .40	$ 3,115,307	5 - 3 3/8
1951	7,840,671	1,836,326	586,326	2.06	.62½	3,365,448	9 1/4 - 9 1/8
1952	6,385,912	888,565	306,565	1.08	.55	3,666,359	8 3/8 - 6
1953	8,092,637	1,463,866	335,925	1.18	.68¾	3,806,534	12 1/4 - 7 1/4
1954 (a)	11,027,000	1,090,000	467,000	1.78	.75	4,129,037	19 5/8 - 9
1955 (a)	13,552,000	1,764,000	801,000	2.78	.95	4,744,532	23 - 18½
1956 (a)	16,578,000	2,235,000	1,027,000	2.05	1.20	6,729,812	25¼ - 19½
1957 (a)	17,943,000	2,288,000	1,081,000	2.16	1.25	6,677,868	23 7/8 - 17½
1958 (a)	15,283,018	1,876,245	888,245	1.77	1.20	6,603,996	35 - 17¼
1959 (a)	19,865,219	3,012,879	1,552,449	2.76	1.20	12,682,219	94 - 31 3/4
1960	---------	--------	--------	---	.30	---------	91 - 73

(a) Pro-Forma, including General Ceramics Corp., merged Nov. 1959.

ITEK CORP. (Unlisted)

Capitalization
Debt: $2,550,709
Common: $1 par, 838,207 shares

1950 (a)	$ 11,924,944	$ 1,396,630	$ 774,438	N.A.	N.A.	N.A.	N.A.
1951 (a)	13,729,661	1,626,628	688,704	N.A.	N.A.	N.A.	N.A.
1952 (a)	13,563,909	1,277,399	633,552	N.A.	N.A.	N.A.	N.A.
1953 (a)	14,197,814	1,099,730	550,225	N.A.	N.A.	N.A.	N.A.
1954 (a)	14,246,273	672,684	353,457	N.A.	N.A.	N.A.	N.A.
1955 (a)	15,964,429	969,663	488,301	N.A.	N.A.	N.A.	N.A.
1956 (a)	17,478,890	819,231	408,812	N.A.	N.A.	N.A.	N.A.
1957 (a)	18,409,758	14,310(d)	49,010(d)	N.A.	N.A.	N.A.	N.A.
1958 (b)	25,429,203	84,663(d)	95,337	$ .18	none	$ 15,489,450	15 - 2½
1959	25,056,879	585,611	475,483	.57	none	13,299,702	63 - 31
1960	---------	--------	-------	---	none	---------	56 - 41

(a) Photostat Corp. only. (b) Pro-forma, including Photostat Corp. (d) Deficit. N.A. Not available.

INTERNATIONAL BUSINESS MACHINES CORP. (NYSE)

Capitalization
Debentures: 2¾%, due 1965, $20,000,000
Debt: 3½% note, due 1971, $50,000,000
3% note, due 1968, $35,000,000
3⅞% notes, due 1974, $30,000,000
3⅞% notes, due 1977, $50,000,000
3¾% note, due 2052, $115,000,000
3¾% note, due 2055, $100,000,000
3⅞% note, due 1983, $25,000,000
Common: No par, 18,280,759 shares

1950	$ 214,916,717	$ 61,101,309	$33,301,309	$2.11	$ .70	$ 299,952,591	64 - 49 3/8
1951	266,798,483	77,292,090	27,892,090	1.76	.73	394,119,472	61 5/8 - 53¼
1953	409,989,104	92,319,210	34,119,210	1.89	.77	428,228,982	65¾ - 49 5/8
1952	333,728,245	78,474,541	29,874,541	2.17	.81	520,438,451	67 7/8 - 62 3/8
1954	461,350,278	98,336,625	46,536,625	2.95	.99	565,475,154	100 - 52¼
1955	563,548,792	117,672,633	55,872,633	3.37	1.04	629,510,998	120 - 93¼
1956	734,339,780	143,784,510	68,784,610	4.15	1.27	769,049,451	150 - 99 3/8
1957	1,000,431,597	186,291,589	89,291,589	4.91	1.47	1,086,969,222	251 -166
1958	1,171,788,199	256,191,858	126,191,858	6.93	.93+ stk.	1,261,146,905	368 -200
1959	1,309,788,037	300,133,212	145,633,212	7.97	2.03+ stk.	1,390,637,247	488 -329
1960 (3 mo.)	339,852,677	72,028,509	35,178,509	1.92	.75	----------	471¼-407¼

INTERNATIONAL RECTIFIER CORP. (Unlisted)

Year ending June 30
Capitalization
Common: $1 par, 1,193,626 shares

1950 (a)	---------	--------	-------	---	---	--------	----------
1951 (a)	---------	--------	-------	---	---	--------	----------
1952 (a)	---------	--------	-------	---	---	--------	----------
1953 (a)	---------	--------	-------	---	---	--------	----------
1954	$ 4,538,889	--------	$ 199,723	$ .20	none	(a)	(a)
1955	5,180,103	$ 687,857	341,162	.33	none	(a)	(a)
1956	7,857,009	1,260,793	616,161	.59	none	(a)	(a)
1957	8,001,962	1,246,763	609,489	.58	none	(a)	(a)
1958	8,766,173	1,515,383	735,783	.70	none	$ 3,790,167	22¼ - 14
1959	10,870,038	1,809,146	877,371	.79	5% stk.	5,493,896	35 - 20
1960 (6 mo.)	6,396,201	1,260,725	602,915	.53	none	6,885,804	41¼ - 26½

(a) Privately owned.

INTERNATIONAL RESISTANCE CO. (ASE)

Capitalization
Common: 10 cents par, 1,379,398 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 11,085,109	$ 2,209,584	$ 1,056,638	$1.01	$ .30	$ 7,550,975	6 - 2⅛
1951	12,973,170	2,134,675	754,675	.71	.40	6,465,078	6⅝ - 4⅝
1952	11,778,836	1,372,017	577,877	.44	.30	6,394,361	5¾ - 4
1953	12,755,041	1,083,348	508,058	.38	.20	7,438,253	5⅛ - 3⅜
1954	13,207,649	1,254,817	603,320	.45	.30	7,750,524	5⅛ - 3¾
1955	15,684,722	1,043,138	533,296	.40	.20	9,131,582	12⅜ - 5
1956	16,787,913	1,208,599	523,416	.39	.20	8,821,231	8¼ - 4½
1957	15,374,721	1,160,818	469,870	.35	.20	8,149,869	6⅛ - 3⅝
1958	13,743,865	1,189,268	504,268	.37	.20	7,964,981	9½ - 3¾
1959	19,810,403	3,763,859	1,783,859	1.29	.35	10,391,298	23½ - 7
1960	---	---	---	---	.05	---	25⅜ - 18¼

INTERNATIONAL TELEPHONE & TELEGRAPH CO. (NYSE)

Capitalization
Debt: $10,491,500, 4⅞% convertible subordinated debentures due 1983. $15,000,000, 15-yr. 3% debentures, due May 15, 1961, $4,260,000, 5½% loans, due 1968
Subsidiary Debt: $135,760,982. Subsidiary preferred: $9,610,555.
Common: No par, 15,529,830 shares

1950	$253,136,029	$ 33,800,000	$ 13,259,000	$1.02	$ .07½ + stk.	$451,731,000	8 - 4⅝
1951	297,952,113	42,401,000	17,992,000	1.30	.32½	512,580,000	9½ - 6½
1952	397,562,175	54,171,000	22,147,753	1.55	.40½	579,705,657	10⅜ - 7½
1953	408,029,558	55,338,000	22,377,611	1.56	.50	602,761,430	10⅛ - 6¾
1954	423,830,623	51,863,576	20,068,525	1.40	.50	636,969,623	13⅜ - 8⅞
1955	502,760,050	62,851,571	23,070,327	1.61	.65	687,451,677	15½ - 11⅞
1956	559,625,294	73,347,000	28,109,946	1.96	.90	760,837,677	18¾ - 14⅝
1957	653,469,480	63,870,680	22,412,814	1.56	.90	799,873,050	18⅞ - 12⅞
1958	703,010,679	69,009,755	26,600,168	1.85	.90	869,005,965	32¾ - 14⅝
1959	780,666,408	74,378,624	29,035,688	1.90	.97½	932,268,809	45½ - 28
1960	---	---	---	---	.50	---	42 - 32

INTERSTATE ENGINEERING CORP. (Unlisted)

Year ending April 30
Capitalization
Debt: $430,626
Common: $1 par, 1,044,777 shares.

1950	$ 2,864,000	$ 209,000	$ 209,000	$ .21	none	$ 1,303,034	3- - 1¼
1951	3,809,000	314,000	180,000	.18	none	2,181,778	2¼ - 1¾
1952	6,692,000	372,000	168,000	.17	$ .04	3,388,716	2⅜ - 1⅝
1953	9,336,000	614,000	210,000	.21	.07	3,839,242	3⅛ - 2⅛
1954	8,774,000	875,000	369,000	.37	.11	3,558,025	5¼ - 2¾
1955	7,027,000	666,000	328,000	.33	.25 + 10% stk.	3,143,210	6⅜ - 5
1956	7,077,000	617,000	313,000	.32	.26	3,191,137	5⅝ - 3½
1957	11,859,000	777,000	431,000	.44	.07 + 2% stk.	5,062,684	3⅛ - 2¼
1958	13,880,081	940,936	520,367	.53	.14 + 2% stk.	5,651,617	10⅛ - 2¼
1959	16,216,237	1,700,703	1,033,487	1.05	38¼	7,625,466	26 - 9¾
1960 (10 mo.)	16,744,128	---	1,036,437	.99	.10	---	21¼ - 16⅝

JEFFERSON ELECTRIC CO. (Midwest)

Capitalization
Debt: $1,960,000, 3⅞% promissory note, due Aug. 1, 1968
Common: $5 par, 496,843 shares

1950	$ 12,444,850	$ 1,468,730	$ 718,730	$4.44	$1.50	$ 7,016,500	17⅞ - 12¾
1951	13,947,432	1,426,516	459,516	2.90	1.88	7,198,125	21⅛ - 15½
1952	11,438,103	551,475	370,475	.70	1.13	8,052,106	8¼ - 7½
1953	14,666,906	120,736	71,222	.14	.48	9,533,434	7¾ - 4¼
1954	14,298,178	155,878	93,878	.18	.48	8,487,076	6¼ - 3⅞
1955	15,761,194	698,750	348,750	.66	.15	9,079,994	5⅜ - 3¾
1956	18,206,349	1,604,901	774,901	1.46	.23	9,584,121	9 - 5¼
1957	18,075,748	1,564,532	754,532	1.43	.48	9,849,593	9 - 6
1958	18,266,430	1,174,010	529,010	1.00	.48	10,352,651	9 - 5⅞
1959	21,279,353	1,274,006	674,006	1.36	.48	10,565,225	14¼ - 9¾
1960	---	---	---	---	.15	---	15½ - 12¼

JERROLD ELECTRONICS CORP. (Unlisted)

Year ending February 28
Capitalization—Debenture: $2,702,000, convertible subordinated 6s, due 1975. Common: $1 par, 1,269,500 shares

1951	$ 840,808	N.A.	$ 18,609	$ .02	none	N.A.	N.A.
1952	984,209	N.A.	18,696	.02	none	N.A.	N.A.
1953	1,280,851	$ 67,804	24,514	.02	none	N.A.	N.A.
1954	2,183,639	335,456	167,663	.15	none	N.A.	N.A.
1955	2,816,634	405,784	202,226	.18	$ .10	$ 4,645,300	4 - 2⅝
1956	3,703,065	248,474	169,422	.15	none	4,579,568	3¾ - 1¾
1957	5,142,702	166,134	161,529	.15	none	4,805,297	3½ - 1⅝
1958	6,055,647	132,322	105,281	.10	none	4,802,609	5¼ - 1⅜
1959	7,658,371	621,417	397,656	.36	none	5,812,391	9¼ - 3¾
1960 (9 mo.)	6,312,502	---	727,685	.57	none	---	10 - 6⅝

N.A. Not available.

LABORATORY FOR ELECTRONICS INC. (Unlisted)

Year ending April 30
Capitalization
Debt: $1,191,000 conv. sub. debenture 5½s, due 1973
Preferred: 6% cumulative convertible, $100 par, 5,000 shares
Common: $1 par, 458,429 shares

1950	$ 905,395	$ 43,633	$ 23,983	$ .09	none	N.A.	---
1951	2,001,072	93,961	52,561	.20	none	N.A.	---
1952	2,759,187	280,637	124,137(d)	.83(d)	none	N.A.	---
1953	5,129,772	89,549	49,549	.19	none	N.A.	---
1954	5,641,386	5,338	11,783	.05	none	$ 3,725,994	---
1955	6,402,708	77,304(d)	160,174(d)	.61(d)	none	4,285,627	14 - 9
1956	6,136,726	1,010,386(d)	985,011(d)	3.41(d)	none	4,154,837	7¼ - 2
1957	7,057,638	166,988	84,968	.29	none	4,355,528	8 - 2⅜
1958	9,429,155	96,346	51,346	.18	none	5,200,822	26 - 3¾
1959	20,410,492	1,192,926	577,926	1.21	none	9,412,921	44½ - 23
1960 (a)	26,257,000	1,541,000	744,000	1.57	none	10,785,816	40½ - 29½

(a) 9 months to Jan. 22. N.A. Not available. (d) Deficit.

LEAR INC. (NYSE)

Capitalization—Debt: $1,435,036, notes. $680,000, 4¼% subordinated debentures, due 1970. Common: 50 cents par, 2,643,714 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 7,952,666	$ 81,132(d)	$ 81,132(d)	$ .04(d)	none	$ 7,617,298	4⅝ - 1 13/16
1951	21,227,093	1,595,631	798,631	.40	none	10,978,105	6⅜ - 3¼
1952	44,065,980	3,873,543	1,097,543	.53	.10	16,755,709	4⅛ - 2½
1953	50,693,691	6,023,154	1,665,154	.78	.15	28,179,410	5¼ - 2¾
1954	54,435,637	5,002,227	2,305,727	1.05	$ .30	24,395,795	9¾ - 3⅞
1955	54,600,273	4,360,811	2,115,811	.93	.30	27,109,187	13⅜ - 7¼
1956	63,900,786	3,406,018	1,506,018	.65	.30	33,526,685	10¼ - 7⅜
1957	64,692,576	2,108,921	858,921	.36	.15	32,418,665	8¾ - 4
1958	63,627,475	3,257,751	1,607,751	.68	.10	37,923,376	10¼ - 4¼
1959	87,002,497	4,542,022	2,407,022	.91	.40	51,513,529	23¼ - 9⅛
1960	---	---	---	---	.10	---	20¼ - 15

(d) Deficit.

LEEDS & NORTHRUP CO. (Unlisted)

Year ending May 31

Capitalization

Debt: $5,350,000

Preferred: 5% cumulative convertible, series A, $25 par, 125,060 shares.
5% cumulative convertible, series B, $25 par, 28,136 shares

Common: 50 cents par, 718,423 shares

1950	$ 14,750,000	$ 954,000	$ 570,000	$ .65	$ .50	N.A.	N.A.
1951	21,327,000	2,706,000	1,015,000	1.41	.63	N.A.	N.A.
1952	30,974,000	4,422,000	1,092,000	1.43	.50	N.A.	N.A.
1953	31,913,450	3,287,832	929,134	1.12	.41	N.A.	N.A.
1954	30,488,550	2,654,539	875,186	1.02	.44	$17,292,748	N.A.
1955	27,688,440	1,901,535	800,439	.94	.44	17,734,747	14 - 12½
1956	30,516,523	2,267,816	1,163,816	1.92	.45	22,443,345	27½ - 13½
1957	37,156,180	3,612,552	1,649,152	2.23	.60 + 2% stk.	26,483,273	35 - 20¼
1958	35,261,501	2,610,527	1,112,127	1.35	.60	25,349,961	28 - 19⅝
1959	35,961,718	2,976,576	1,353,176	1.67	.60 + 1% stk.	27,470,858	41¼ - 27¾
1960 (9 mo.)	28,424,000	---	1,139,445	1.39	.30	---	42 - 35¼

LING-ALTEC ELECTRONICS INC. (Unlisted)

Capitalization (a) (b)

Debt: $413,920, $5,000,000, 6% senior notes, due 1974. Debentures: $2,200,000, 5½% subordinated, convertible, due Sept. 1970.
Preferred: 6% cumulative convertible, $1 par, 36,953 shares. Common: 50 cents par, 1,610,820 shares.

1953	Incorporated Nov. 4, 1953						
1954 (c)	$ 22,151	$ 25,888(d)	$ 25,888(d)	$ .04(d)	none	---	---
1955 (c)	237,776	66,334(d)	66,334(d)	.11(d)	none	---	---
1956 (e)	389,717	27,163(d)	27,163(d)	.03(d)	none	$ 429,267	8 - 7
1957 (a)	1,109,144	1,224,106	577,793	.48	none	---	8 - 7
1958 (a)	14,044,161	952,772	487,271	.38	none	13,154,872	18¾ - 5
1959 (b)	48,086,785	3,139,639	1,866,466	1.31	none	32,530,403	44½ - 16½
1960	---	---	---	---	none	---	41¾ - 28

(a) Pro-forma giving effect to merger, years ended July 31. (b) Changed to calendar year in 1959. (c) Year ended October 31, Ling Electronics only. (d) Deficit. (e) 9 months ended July 31.

LITTON INDUSTRIES INC. (NYSE)

Year ending July 31

Capitalization

Debentures: $835,000, convertible, due 1965, $4,700,000, 4¼% convertible subordinated debentures, due June 1974; $6,000,000, 5¼% convertible subordinated debentures, due December 1974

Long-term debt: $14,420,000.

Preferred: 5%, $100 par, 28,370 shares

Common: $1.00 par, 3,752,848 shares

1953	Incorporated Nov. 4, 1953						
1954 (a)	$ 2,980,051	$ 347,420	$ 154,420	$ .22	none	$ 4,200,176	---
1955	8,898,797	679,413	436,413	.22	none	8,647,918	7½ - 4¾
1956	14,920,050	1,995,703	1,019,703	.48	none	10,826,182	16¼ - 7⅜
1957	28,130,603	3,232,493	1,806,492	.74	none	16,823,383	28⅜ - 14¾
1958 (b)	83,155,473	7,044,439	3,702,203	1.04	none	57,750,861	45⅜ - 18½
1959	125,525,561	11,826,756	5,975,031	1.62	1¼% stk.	83,254,170	75⅜ - 36⅜
1960 (6 mo.)	77,401,000	6,232,000	3,248,000	.85	none	95,656,000	81½ - 57⅞

(a) 9 months to July 31 (b) All figures in 1958 reflect acquisition of Monroe Calculating Machine Co. in January, 1958.

MAGNAVOX CO. (NYSE)

Capitalization

Debt: $4,500,000, 4½% installment notes, due 1969. Common: $1 par, 2,353,571 shares.

1950	$ 31,716,630	$ 3,207,982	$ 2,007,982	$1.10	$ .20	$ 12,625,236	9⅝ - 4¼
1951	44,177,645	5,558,237	2,233,237	1.18	.49	17,256,171	7⅛ - 4¾
1952	36,837,503	2,462,760	1,343,760	.71	.59	18,854,075	8⅞ - 6¼
1953	57,959,669	4,548,337	2,238,337	1.15	.59	29,824,144	8¾ - 6⅛
1954	62,974,430	5,332,530	2,102,530	1.09	.59	28,543,292	9½ - 6⅜
1955	55,071,765	4,571,087	2,426,087	1.25	.62	31,728,825	17¼ - 9½
1956	70,529,646	6,220,442	3,100,442	1.53	.65 + 2½% stk.	41,567,963	17¾ - 13⅝
1957	87,467,864	7,109,226	3,759,226	1.77	.68 + 2½% stk.	48,491,855	20¾ - 12¾
1958	82,592,113	5,082,628	2,622,628	1.19	.71 + 2½% stk.	48,359,910	28¾ - 14⅜
1959	90,623,559	6,932,496	3,361,496	1.38	.75 + 2½% stk.	53,117,836	40⅜ - 24¼
1959 (a)	60,480,587	7,353,902	3,353,902	1.51	.25	---	40⅜ - 24¼
1960 (3 mo.)	26,676,000	2,602,000	1,266,000	.54	.50	---	45⅜ - 31¾

(a) 6 months ending Dec. 31, 1959. Prior to 1960 company was on fiscal year ending June 30.

P. R. MALLORY & CO. (NYSE)

Capitalization

Debt: $10,164,780 notes. Preferred: 5% cumulative convertible, series A, par $50, 74,709 shares. Common: $1 par, 1,442,178 shares.

1950	$ 39,158,150	$ 5,403,758	$ 2,553,758	$2.82	$ .63	$19,079,931	15⅞ - 8⅝
1951	45,286,925	4,758,314	1,923,314	2.13	.80	23,531,305	20⅛ - 13⅞
1952	53,443,117	4,607,773	1,897,773	2.08	.67	20,166,043	28½ - 17⅜
1953	70,874,347	7,897,813	2,547,813	2.50	1.13	33,084,094	31 - 26
1954	54,630,091	2,396,803	1,071,803	.80	1.34	33,032,115	32⅜ - 25⅛
1955	63,931,811	4,960,649	2,225,649	2.04	1.13	38,467,453	39 - 28⅝
1956	68,356,203	5,815,108	3,065,108	2.60	1.40	51,329,388	42½ - 31¼
1957 (a)	77,579,878	7,228,357	3,138,357	2.08	1.40 + 2% stk.	57,972,949	50¾ - 23½
1958	68,286,563	5,952,526	2,872,526	1.89	1.40	55,448,341	39⅞ - 23⅝
1959	86,504,443	8,909,042	4,339,042	2.87	1.40 + 2% stk.	57,605,873	50⅞ - 35¾
1960 (3 mo.)	22,410,026	2,256,238	1,073,068	.71	.35	---	47⅛ - 40½

(a) Includes Radio Materials Corp. merged in Sept., 1957, for entire year.

McGRAW-EDISON CO. (NYSE)

Capitalization
Debt: $5,464,000 notes. Common: $1 par, 5,602,820 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 80,337,202	$15,260,064	$ 7,795,063	$2.31	$ .88	$ 44,198,971	13⅛ - 9⅞
1951	86,702,917	15,370,585	6,245,589	1.82	.88	50,014,249	15⅛ - 11⅝
1952	104,895,000	15,388,000	7,121,000	1.76	.88	61,425,000	17¾ - 13⅞
1953	121,248,000	15,795,000	6,987,000	1.73	.88	68,552,000	18¼ - 14¼
1954	132,804,000	18,420,000	9,417,000	2.30	1.00	77,861,000	28¾ - 17
1955	142,496,000	19,675,000	9,501,000	2.26	1.00	85,566,000	29 - 22½
1956	248,819,000	31,379,000	15,137,000	2.96	1.00	112,522,000	40⅜ - 38½
1957 (a)	256,330,000	28,949,000	14,651,000	2.83	1.40	147,704,000	47 - 29⅞
1958	241,633,000	21,643,000	10,285,000	1.84	1.40	157,407,000	41⅞ - 31⅞
1959	284,638,000	31,796,000	15,049,000	2.69	1.40	177,778,000	48¾ - 37¼
1960	----------	---------	---------	---	.35	----------	45¾ - 40

(a) Present name adopted Jan. 2, on merger of Thomas A. Edison, Inc.

MEREDITH PUBLISHING CO. (Unlisted)

Year ending June 30
Capitalization
Notes Payable: $800,000. Common: $5 par, 1,299,421 shares.

1950	$ 24,469,838	$ 5,041,376	$ 3,117,560	$2.42	$1.75	$16,151,715	15¾ - 12¾
1951	29,277,838	6,580,696	2,934,841	2.28	.67½	18,852,617	18 - 14
1952	33,587,255	7,416,949	2,938,616	2.28	.80	31,724,336	16¼ - 14
1953	39,009,361	8,022,751	3,349,453	2.60	1.07½	32,717,314	20¼ - 15⅛
1954	41,298,782	7,887,860	3,682 470	2.85	1.20	34,390,026	25¼ - 19¼
1955	42,753,555	7,628,356	3,623,865	2.81	1.35	35,049,149	32 - 22
1956	48,459,633	8,343,617	4,047,146	3.14	1.60	38,484,600	31 - 24
1957	53,071,711	9,542,200	4,644,417	3.59	1.90	41,536,847	34½ - 26½
1958	49,720,636	7,819,135	3,850,307	2.97	1.80	46,121,858	37 - 25
1959	51,817,401	8,573,827	4,255,770	3.28	1.80	53,270,067	41½ - 35
1960 (6 mo.)	28,468,938	4,213,354	2,204,854	1.69	.45	----------	38½ - 34½

METROPOLITAN BROADCASTING CORP. (Unlisted)

(Formerly DuMont Broadcasting Corp.)
Capitalization
Debt: $2,332,824, $6,000,000, 6% convertible subordinated debentures, due 1975 to be offered late April or early May.
Common: $1 par, 1,549,012 shares

1950	----------	----------	----------	----	----	----------	----------
1951	----------	----------	----------	----	----	----------	----------
1952	$ 2,830,742	$ 834,525(d)	$ 834,525(d)	$ .88(d)	none	----------	----------
1953	4,534,401	84,433(d)	84,433(d)	.09(d)	none	----------	----------
1954	5,384,053	161,386(d)	161,386(d)	.17(d)	none	$ 2,732,416	----------
1955(a)	2,697,185	222,359(d)	222,359(d)	.24(d)	none	----------	7⅜ - 5⅞
1956 (b)	5,355,149	-------	899,593(d)	.95(d)	none	----------	7⅝ - 5
1957(c)	8,914,114	243,460	243,460	.16	none	13,217,301	10⅜ - 6
1958(e)	14,427,752	302,035	302,035	.20	none	12,710,988	13¾ - 6¾
1959(f)	16,543,422	-------	1,416,108	.91	$ .15	----------	18⅝ - 13¾
1960	----------	-------	---------	---	none	----------	17¾ - 15

(a) 27 weeks to July 17. (b) 52 weeks to December 29. (c) 52 weeks to December 28. (d) Deficit. (e) 52 weeks to January 3, 1959
(f) 52 weeks to Jan. 2, 1960.

MICROWAVE ASSOCIATES INC. (ASE)

Year ending September 30
Capitalization
Debt: $458,480 first mortgage loan, due 1971. $500,000, subordinated convertible debenture 6s, due Sept., 1969
Common: $1 par, 978,916 shares; 10 cents par, 387,000 shares

1950 (Incorporated Aug. 7)							
1951 (a)	$ 81,800	----------	$ 7,000	$ .01	none	----------	----------
1952 (a)	259,000	----------	18,400(d)	.02(d)	none	----------	----------
1953 (a)	913,500	----------	50,800	.06	none	----------	----------
1954 (a)	1,436,049	----------	78,929	.09	none	----------	----------
1955 (b)	1,292,764	----------	86,667	.10	none	----------	----------
1956	2,321,108	----------	156,456	.18	none	$ 1,803,557	----------
1957	2,635,468	----------	51,796	.06	none	2,491,108	----------
1958	4,326,681	$ 463,107	228,107	.27	none	2,997,815	11½ - 5¼
1959 (c)	6,670,487	864,492	384,492	.39	none	5,996,937	32⅝ - 10½
1960 (6 mo.)	4,259,300	----------	263,800	.27	none	---------	30⅜ - 22

(a) Year ending Dec. 31. (b) 9 months ending Sept. 30. (c) Includes Wavcco Corp. from Jan. 29, 1959. (d) Deficit.

MINNEAPOLIS HONEYWELL REGULATOR CO. (NYSE)

Capitalization
Debentures: $5,300,000, 2¾s, due 1965; $13,700.000, 3.10% due 1972; $25,000.000, 3¾s, due 1976.
Common: $1.50 par, 6,998,478 shares

1950	$109,281,673	$25,866,656	$12,500,656	$2.39	$1.25	$ 82,696,070	21¼ - 15½
1951	135,150,517	26,877,210	9,277,510	1.58	1.12½	112,963,041	28⅜ - 20⅝
1952	165,710,384	20,605,003	9,081,003	1.50	1.12½	123,910,675	31¼ - 26¾
1953	214,018,825	28,687,825	10,329,825	1.65	1.12½	133,127,715	34¼ - 26¾
1954	229,401,837	32,713,703	15,345,203	2.42	1.30	145,710,134	54¾ - 33½
1955	244,482,068	40,512,648	19,278,648	2.98	1.50	164,333,867	70 - 50⅛
1956	287,944,462	47,375,257	22,463,657	3.40	1.75	213,899,754	90½ - 58
1957	324,886,719	45,678,135	21,367,135	3.07	1.75	246,626,987	131 - 73½
1958	328,480,122	48,150,243	22,562,243	3.23	1.75	263,816,450	126 - 76
1959	381,408,597	63,713,399	29,399,399	4.20	1.85	292,038,807	150 -111½
1960 (3 mo.)	100,441,803	13,271,293	6,161,293	.88	.50	----------	150¾ -123⅝

MOTOROLA INC. (NYSE)

Capitalization
Debt: $17,874,150
Common: $3 par, 1,975,131 shares. Stock to be split 2-for-1 July 15 after stockholder approval May 2. Dividend to be increased one-third on new shares.

1950	$177,104,669	$ 27,368,061	$ 13,130,246	$6.78	$2.05	$ 55,008,726	25⅞ - 10⅝
1951	135,285,086	14,020,739	7,240,452	3.74	.98	61,818,769	57¾ - 40¼
1952	168,734,653	15,576,165	7,012,700	3.62	1.50	81,162,847	44¾ - 36
1953	217,964,074	15,512,489	7,076,335	3.66	1.50	86,871,213	43⅛ - 29¼
1954	205,226,977	16,523,889	7,572,024	3.91	1.50	94,531,084	53⅜ - 30¼
1955	226.653,953	18,740,426	8,490,539	4.39	1.50	104,431,218	60¾ - 44¼
1956	227,562,168	16,887,834	7,966,817	4.12	1.50	113,721,148	51¾ - 37½
1957	226,361,190	15,597,031	7,824,431	4.04	1.50	121,879,297	51¾ - 35¾
1958	216,590,325	14,931,213	7,356,213	3.80	1.50	127,901,786	60½ - 35
1959	289,529,444	27,406,237	14,171,237	7.17	1.50	149,763,560	174¾ - 57½
1960	----------	----------	----------	---	.75	----------	178¾ -140

MUNTZ TV INCORPORATED (ASE)

Year ending August 31

Capitalization
Debt: $2,374,130, notes
Preferred: $1 par, 3% preferred, 790,759 shares
Common: $1 par, 1,165,376 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (Incorporated April 5)	----------	----------	----------	---	$ .15	----------	4⅝ - 2¼
1951 (a)	$ 27,147,846	$ 1,781,353	$ 749,853	$ .74	.15+10% stk.	$ 5,946,468	2¾ - 1 15/16
1952 (a)	32,923,661	2,197,004	898,004	.81	none	7,027,960	5⅛ - 2½
1953 (a)	49,981,467	1,331,318	691,658	.62	none	9,194,911	4⅝ - 1½
1954 (a)	17,986,971	8,247,126(d)	8,301,472(d)	7.44(d)	none	2,968,251	1⅞ - 7/16
1955	8,339,145	266,540	266,540	.24	none	3,166,583	2¾ - 1⅛
1956	10,496,028	17,944	17,944	.02	none	2,739,323	2⅝ - 1
1957	6,025,944	561,237(d)	561,237(d)	.50(d)	none	1,650,087	1⅝ - ⅜
1958	4,057,891	23,468	23,468	.02	none	1,014,293	2 - ⅜
1959	6,728,906	420,894	420,894	.36	none	1,577,403	7 - 1⅝
1960 (6 mo.)	5,939,772	698,705	698,705	.59	none	---------	6½ - 4⅜

(a) Year ending March 31. (d) Deficit.

THE MUTER CO. (ASE)

Capitalization—Debt: $600,000. Common: 50 cents par, 839,523 shares.

1950	$ 14,389,725	$ 2,034,200	$ 1,034,200	$1.59	$ .45	$ 5,234,673	10½ - 4¾
1951	12,387,390	1,243,423	595,423	.91	.60	5,281,531	9½ - 7⅛
1952	12,653,060	778,018	345,573	.52	.60	5,371,762	9½ - 7½
1953	15,190,004	912,255	447,463	.66	.45+3% stk.	5,254,404	8⅞ - 5½
1954	12,175,971	468,595	280,436	.39	.15+2% stk.	5,144,773	7⅜ - 4¾
1955	12,722,297	53,375(d)	84,422(d)	.12(d)	.15	5,742,279	7 - 4⅛
1956	12,126,563	38,531	31,646	.04	none	5,200,529	4⅞ - 2½
1957	14,301,067	790,191	377,819	.50	none	5,880,020	3⅞ - 2⅛
1958	11,636,381	730,444	356,105	.44	5% stk.	5,864,103	7¼ - 2½
1959	13,796,022	869,002	410,960	.49	5% stk.	6,342,769	12 - 5½
1960 (3 mo.)	3,076,944	84.335	41,154	.05	5% stk.	---------	8⅜ - 6⅝

(d) Deficit.

NATIONAL CASH REGISTER CO. (NYSE)

Capitalization
Debt: $41,497,000, notes
Common: $5 par, 7,577,633 shares

1950	$170,454,660	$25,578,449	$12,143,449	$1.78	$ .71+stk.	$134,710,725	15½ - 10⅜
1951	211,927,501	34,248,000	11,456,000	1.68	.90	153,390,606	19⅞ - 14¼
1952	226,554,764	29,921,165	10,133,165	1.49	.87	167,999,182	20⅜ - 16½
1953	260,912,851	26,987,738	11,087,738	1.63	.89+stk.	174,941,792	20⅛ - 17⅛
1954	259,133,242	28,229,002	12,729,002	1.85	.95	183,423,935	34⅝ - 19¼
1955	301,180,342	37,187,861	15,387,861	2.22	1.05	210,724,358	47 - 33⅞
1956	340,934,415	44,719,936	18,419,936	2.62	1.09	257,661,736	59 - 34⅛
1957	382,512,387	43,290,065	18,190,065	2.57	1.20+stk.	267,537,464	70⅝ - 46¼
1958	393,745,615	38,412,399	15,512,399	2.19	1.20	271,119,816	86¼ - 50½
1959	419,063,676	42,075,972	19,075,972	2.52	1.20	289,075,443	80 - 55⅛
1960	----------	----------	----------	---	.60+5% stk.	----------	67 - 55¾

NATIONAL CO. INC. (Unlisted)

Capitalization
Debt: $1,700,000 notes
Preferred: $3.60 cumulative preferred; no par, 3,180 shares
Common: $1 par, 726,467 shares

1950	$ 4,175,229	$ 17,476	$ 17,354	$ .01	$ .02½	$ 2,823,320	3 - ⅞
1951	4,525,219	46,859(d)	42,957(d)	.11(d)	none	4,228,097	2⅜ - 1⅝
1952	9,261,000	232,578	172,578	.33	.05	4,861,352	2⅝ - 1⅝
1953	7,095,593	486,718	228,218	.44	.05	4,850,767	3½ - 2½
1954	7,298,055	518,834	230,334	.42	.10+2% stk.	3,819,795	6½ - 2½
1955	5,125,607	780,965(d)	380,965(d)	.72(d)	.10+2% stk.	5,414,524	9¼ - 4⅞
1956	6,856,734	66,296(d)	36,296(d)	.09(d)	2% stk.	4,364,889	5¾ - 4⅛
1957	5,566,627	148,104	72,104	.11	2% stk.	4,397,035	5⅜ - 4¼
1958	7,433,813	336,063	109,063	.16	2% stk.	5,111,667	8⅛ - 5
1959	12,942,987	640,034	351,834	.47	4% stk.	6,106,534	16½ - 7¾
1960	--------	-------	-------	---	none	--------	15¾ - 13¾

(d) Deficit.

NATIONAL THEATRES & TELEVISION INC. (NYSE)

Year ending September 30

Capitalization
Debt: $35,668,486
Common: $1 par, 2,705,699 shares.

1952 (Incorporated May 1)	$ 64,452,552	$ 4,352,391	$ 1,877,391	$ .68	none	$59,244,736	5⅝ - 3⅜
1953	64,015,854	5,439,909	2,514,909	.91	$ .30	60,967,777	7¾ - 4⅛
1954	64,497,254	6,056,850	2,856,850	1.03	.35	60,425,828	10¼ - 6⅞
1955	61,692,043	5,736,008	2,886,008	1.04	.50	60,749,848	12¼ - 8½
1956	59,707,251	6,698,057	4,648,057	1.72	.50	57,003,852	9¼ - 7
1957	58,927,856	4,466,096	2,266,096	.84	.50	54,982,420	9½ - 7
1958	53,667,765	2,001,749	1,301,749	.48	.50	55,152,500	11½ - 7⅝
1959 (a)	66,758,211	1,557,117	1,497,117	.55	.50	113,365,178	14⅜ - 9⅞
1960 (b)	17,475,631	401,159	401,159	.15	4% stk.	----------	13 - 8⅛

(a) Includes National Telefilm Associates Inc., from April 1, 1959. (b) 13 weeks to Dec. 29.

NATIONAL VIDEO CORPORATION (ASE)

Year ending May 31

Capitalization
Debt: $552,190
Common: $1 par, Class A 283,307 shares
$1 par, Class B 333,360 shares

1955	$ 11,224,324	--------	$ 28,365(d)	$ .05(d)	none	--------	(a)
1956	9,518,691	--------	6,714(d)	.01(d)	none	--------	(a)
1957	10,398,924	$ 336,886	192,886	.31	none	--------	(a)
1958	11,697,930	567,021	350,021	.57	none	--------	(a)
1959	14,853,531	1,468,996	1,018,996	1.65	none	$ 5,283,673	15⅞ - 14¾
1960 (6 mo.)	8,290,672	--------	530,926	.86	$ .45	5,324,468	14⅞ - 12

(a) Privately owned. (d) Deficit.

NUCLEAR-CHICAGO CORP. (Unlisted)

Year ending August 31

Capitalization
Debt: $550,000 note
Common: $1 par, 701,930 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 642,134	--------	$ 27,575	$ .06	none	--------	----------
1951	765,082	--------	18,042	.04	none	--------	3 - 1⅜
1952	1,178,129	--------	49,719	.10	none	--------	2½ - 1⅞
1953	1,015,010	--------	21,899 (d)	.05 (d)	none	--------	2¾ - 1⅝
1954	1,179,572	--------	19,773	.04	none	--------	3⅛ - 1⅞
1955	1,845,643	$ 218,820	108,820	.22	none	$ 921,510	4¾ - 3
1956	2,197,874	358,722	177,222	.35	5% stk.	1,073,391	3⅝ - 3
1957	2,587,193	515,746	252,946	.44	2½% stk.	1,478,028	7¾ - 3⅜
1958	3,851,078	908,252	442,252	.71	2½% stk.	2,264,272	32 - 7½
1959	5,147,238	1,098,986	532,986	.81	5% stk.	3,535,591	43½ - 26¾
1960 (3 mo.)	--------	308,791	156,491	.22	none	3,494,564	32¾ - 23

(d) Deficit.

OAK MANUFACTURING CO. (Midwest)

Capitalization
Common: $1 par, 655,894 shares

1950 (a)	$ 13,145,807	$ 2,713,088	$ 1,188,037	$1.81	$1.12	$ 7,102,958	14¾ - 8⅜
1951 (c)	7,644,627	1,608,939	598,939	.91	.84	6,972,048	12⅞ - 10⅞
1952	15,925,959	3,073,109	1,103,109	1.68	1.12	7,927,814	15 - 12
1953	20,680,957	3,529,017	1,239,017	1.89	1.12	8,666,478	14½ - 12½
1954	18,788,318	2,801,155	1,321,155	2.02	1.12	9,274,030	19¼ - 13¼
1955	22,783,785	3,588,483	1,688,483	2.57	1.26 + 25% stk.	10,140,303	24¾ - 16⅛
1956	24,902,554	3,684,105	1,784,105	2.72	1.40	10,878,501	24¼ - 19
1957	20,875,613	2,224,131	1,084,131	1.65	1.40	10,695,216	20¾ - 13¾
1958	15,537,850	1,179,426	624,426	.95	1.10	11,074,655	22½ - 12
1959	18,442,747	2,051,685	991,685	1.51	1.00	12,036,362	21⅜ - 16¾
1960	---------	--------	--------	---	.25	---------	20½ - 16½

(a) Year ending May 31 of following calendar year. (c) 7 months to Dec. 31

OXFORD ELECTRIC CORP. (ASE)

Capitalization
Common: $1 par, 393,299 shares

1950	$ 4,554,998	$ 179,044	$ 95,450	$ .29	$ .06	$ 1,499,230	----------
1951	3,955,141	180,312	91,201	.28	.10	1,344,610	2½ - 1⅛
1952	4,403,686	150,312	78,712	.24	.10	1,273,660	2⅛ - 1⅜
1953	5,712,801	130,338	99,886	.31	.09	1,277,240	2⅛ - 1¾
1954	5,418,269	114,043	93,983	.29	.07	1,196,027	2⅜ - 1¾
1955	6,714,304	188,961	130,037	.40	.09	1,485,392	3⅜ - 2⅛
1956	7,696,402	263,604	214,904	.66	.10	1,756,332	3½ - 2⅛
1957	8,615,903	217,480	118,480	.31	.06 + stk.	1,877,175	3¼ - 2
1958	8,704,876	158,131	119,597	.29	.07 + stk.	2,254,259	4⅝ - 2⅛
1959	10,304,931	245,923	174,280	.49	.08 + stk.	--------	9⅛ - 4¾
1960	--------	-------	-------	---	.09 + stk.	--------	7½ - 5⅜

PACIFIC AUTOMATION PRODUCTS, INC. (Unlisted)

Year ending August 31

Capitalization
Debt: $320,000 notes
Common: $1 par, 533,000 shares

1955 Incorporated Sept. 15.

1956	$ 1,116,341	------	$ 14,641	$ .04	none	-------	-------
1957	6,174,275	------	231,678	.59	none	-------	-------
1958	9,764,900	$ 893,316	403,423	.99	none	$ 2,712,549	24¾ - 11
1959	11,816,342	454,781 (d)	212,744 (d)	.40 (d)	none	5,012,219	29½ - 9¾
1960	---------	------	------	--	none	--------	13½ - 8⅞

(d) Deficit

PACIFIC MERCURY ELECTRONICS (Unlisted)

Year ending June 30

Capitalization
Debt: $410,000
Common: Class A&B, 50 cents par, 700,000 shares

1950 (a)	$ 4,713,620	--------	------	--	$ .05	-------	3 4/5 - 2
1951 (a)	5,947,096	$ 115,635	$ 72,135	$ .14	none	$ 2,414,365	3⅛ - 1½
1952 (a)	7,057,514	31,866	5,866	.01	none	3,972,312	5 - 1⅝
1953 (a)	16,983,669	1,108,297	426,297	.61	none	6,637,000	5¾ - 2½
1954 (a)	15,065,490	366,515	196,015	.28	none	5,032,151	4⅞ - 2⅜
1955 (a)	12,214,539	598,817	255,817	.37	none	3,550,171	8 - 4
1956 (b)	17,332,982	921,752	482,752	.69	none	7,726,750	7⅞ - 4¼
1957	20,001,656	1,184,754	557,754	.80	none	9,853,011	10⅝ - 4½
1958	18,477,918	755,235	329,235	.47	none	9,889,088	8 - 4½
1959	20,154,604	824,198	352,198	.50	none	10,312,440	14¼ - 8
1960 (6 mo.)	12,723,525	--------	258,345	.37	none	---------	10¼ - 8

(a) Year ending March 31. (b) 15 months to June 30.

PACKARD-BELL ELECTRONICS CORP. (NYSE)

Year ending September 30

Capitalization
Debt: $1,640,968, notes
Common: 50 cents par, 795,500 shares

1950	$ 13,894,713	$ 2,168,510	$ 1,308,510	$2.61	$1.50	$ 4,378,079	8¾ - 4
1951	18,772,528	2,805,246	1,014,751	1.73	1.00	5,492,521	10¾ - 7⅛
1952	22,724,273	3,054,511	968,051	1.65	1.00	9,394,702	15¼ - 10½
1953	32,152,750	3,478,335	1,139,642	1.66	1.00	14,028,133	13¼ - 11
1954	17,744,136	464,025 (a)	164,296	.24	.80	9,358,050	12 - 7
1955	21,641,690	1,241,242	638,933	.93	.32½	10,525,383	13 - 8½
1956	28,405,060	1,962,356	862,356	1.25	.50	12,840,259	10½ - 8½
1957	32,262,878	1,394,447	704,447	1.02	.50	13,197,105	11 - 8½
1958	37,371,081	2,092,594	1,002,594	1.46	.50	15,703,863	31½ - 10¼
1959	46,608,062	2,865,346	1,375,346	1.73	.50	21,203,288	46½ - 28¼
1960 (3 mo.)	13,305,018	943,592	443,592	.56	.25 + 2% stk.	20,989,591	39 - 30

(a) Operating loss.

PARAMOUNT PICTURES CORP. (NYSE)

Capitalization—Debt: $17,107,706. Common: $1 par, 1,683,598 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 81,825,286	$10,311,275	$ 6,565,041	$2.67	$2.00	$117,929,986	22⅛ - 17½
1951	94,628,572	11,034,665	5,459,273	2.33	2.00	114,479,795	33½ - 21
1952	104,811,289	10,837,159	5,899,871	2.52	2.00	116,464,094	30⅞ - 21¼
1953	110,254,081	13,304,563	6,779,563	3.06	2.00	118,430,121	30⅜ - 24½
1954	106,920,798	15,651,802	9,003,802	4.10	2.00	128,583,495	40⅜ - 26
1955	112,474,967	16,516,929	9,707,929	4.49	2.00	138,924,838	44⅝ - 36
1956	96,579,079	10,101,568	8,731,568	4.43	2.00	133,672,234	36½ - 27⅝
1957	111,213,462	7,610,201	4,783,201	2.47	2.00	138,279,348	36⅞ - 28
1958	104,682,090	13,705,266	12,554,266	7.15	2.00	141,671,830	47¾ - 30⅝
1959	----------	---------	7,519,000	4.47	2.00	----------	50⅞ - 42
1960	----------	---------	--------	---	1.00	----------	46¼ - 41

PHILCO CORP. (NYSE)

Capitalization
Debt: $22,234,000
$200,000, subordinate debenture 4s, due 1980. $700,000, subordinate debenture 4¾s, due 1978; $22,000,000, subordinate debenture 4¼s, due 1984.
Preferred: Series A $3.75 cumulative, $100 par, 100,000 shares
Common: $3 par, 4,075,466 shares

1950	$335,318,054	$33,703,616	$15,483,616	$4.50	$2.55	$121,294,609	23¼ - 20
1951	305,328,670	22,012,646	12,168,046	3.35	1.60	119,476,461	27⅝ - 20⅞
1952	366,963,850	25,631,457	11,491,207	3.15	1.60	144,400,293	36⅜ - 26⅝
1953	430,419,858	35,316,077	18,350,577	4.86(a)	1.60+5% stk.	168,468,430	36½ - 26⅝
1954	349,276,998	10,543,965	6,768,965	1.69	1.60	164,587,570	39⅝ - 28
1955	373,359,297	17,286,329	8,423,329	2.13	1.60	178,146,894	43⅜ - 30
1956	347,901,014	557,690	398,690	.01	.80+1% stk.	203,768,503	36½ - 16
1957 (b)	372,628,558	6,657,000	4,081,000	.93	4% stk.	195,166,979	18⅜ - 11
1958	351,093,000	5,800,000	2,874,000	.61	2% stk.	182,427,000	26⅜ - 12⅝
1959	397,792,000	15,534,000	7,176,000	1.67	.25	204,759,000	36¾ - 21
1960 (3 mo.)	101,781,000	3,414,000	1,615,000	.37	none	----------	38¼ - 26⅜

(a) Including $1.33 from sale of TV station. (b) Includes Canadian subsidiaries.

PHILIPS ELECTRONIC & PHARMACEUTICAL INDUSTRIES CORP. (ASE)

Capitalization
Debt: $1,557,141
Preferred: Class A, $5 par, 120,000 shares
Common: $5 par, 1,872,375 shares

1950	$ 6,812,118	----------	$ 134,672(d)	$ .54(d)	none	----------	----------
1951	6,324,065	----------	207,299(d)	.89(d)	none	----------	----------
1952	6,298,427	----------	459,454(d)	1.96(d)	none	----------	----------
1953	4,403,027	----------	371,422(d)	1.59(d)	none	----------	7⅝ - 4⅜
1954	3,743,074	----------	530,151(d)	2.27(d)	none	----------	8½ - 5
1955	3,444,976	----------	312,678(d)	1.34(d)	none	----------	8½ - 5¼
1956	2,671,377	$ 948,273(d)	954,941(d)	3.71(d)	none	$ 5,587,700	12¾ - 6¼
1957	8,072,512	426,314	376,819	.42	none	12,886,630	20⅝ - 10½
1958	15,048,450	1,207,403	1,175,893	1.31	none	16,101,246	26⅞ - 11
1959	26,989,461	2,886,457	1,839,588	.92	none	36,326,661	50¼ - 23½
1960	---------	--------	--------	---	none	---------	41⅜ - 31½

(d) Deficit.

POLARAD ELECTRONICS CORPORATION (ASE)

Year ending June 30
Capitalization
Debt: $1,159,400
Preferred: 5½% cumulative, $100 par, 850 shares
Common: $1 par, 532,246 shares

1950 (11 mo.)	$ 144,340	$ 57,254	$ 39,651	$ .20	none	N.A.	(a)
1951	549,014	58,108	39,332	.15	none	N.A.	(a)
1952	1,251,333	99,886	51,632	.16	none	N.A.	(a)
1953	2,959,571	118,337	52,593	.14	none	N.A.	(a)
1954	3,830,175	191,744	82,488	.21	none	N.A.	(a)
1955	4,929,157	293,107	136,128	.34	none	N.A.	(a)
1956	6,235,862	324,443	158,617	.39	none	N.A.	(a)
1957	7,304,654	550,145	258,251	.64	none	N.A.	(a)
1958	9,563,938	713,885	367,085	.93	none	$5,529,263	(a)
1959	11,900,206	972,643	475,186	.94	none	8,553,685	35½ - 19
1960 (6 mo.)	6,544,676	777,778	374,778	.70	none	--------	46⅞ - 30½

N.A. Not available. (a) Privately owned.

PYRAMID ELECTRIC CO. (Unlisted)

Capitalization
Debt: $311,816
Preferred: 5% cumulative convertible, $10 par, 75,000 shares.
Common: $1 par, 835,550 shares.

1951	$ 3,010,531	----------	$ 80,087	$ .10	---	----------	----------
1952	4,731,810	$ 370,916	136,617	.18	$ .05	$ 1,512,880	----------
1953	5,768,876	385,869	138,922	.23	.05	1,552,576	----------
1954	7,773,882	1,109,282	529,645	.71	.05	2,768,502	10 - 3¼
1955	9,631,956	262,202	126,236	.15	.20	3,827,672	12⅝ - 6½
1956	10,040,432	76,666(d)	34,497(d)	.10(d)	none	3,533,017	6⅝ - 2⅜
1957	8,076,254	115,469(d)	53,469(d)	.12(d)	none	2,939,635	3 - ⅝
1958	6,552,705	140,339(d)	118,339(d)	.21(d)	none	3,366,483	2⅝ - ⅝
1959 (6 mo.)	3,325,906	151,754(d)	151,754(d)	.20(d)	none	----------	6⅞ - 2
1960	----------	--------	------	---	none	----------	4⅜ - 2⅞

(d) Deficit.

RADIATION INCORPORATED (Unlisted)

Year ending August 31
Capitalization
Debt: $62,970
Common: Class A, 25 cents par, 918,000 shares

1950—Incorporated August 8
1951—N.A.

1952	$ 214,557	--------	$ 20,678	$ .04	none	--------	----------
1953	295,950	--------	17,117	.03	none	--------	----------
1954	493,338	--------	23,069	.04	none	--------	----------
1955	1,804,589	--------	186,799	.34	none	--------	----------

RADIATION INC.—(Continued)

Year	Net Per Share	Dividends	Total Assets	Price Range	Sales	Pre-tax Earnings	Net Profit
1956		3,473,763	--------	218,620	.39	$ .22½	$ 1,978,754	----------
1957		7,919,034	$ 698,224	343,017	.46	.15+3% stk.	5,222,722	18⅛ - 6½
1958		10,079,882	994,405	488,738	.62	3% stk.	5,946,039	19 - 11
1959		14,005,734	1,204,480	588,993	.66	3% stk.	7,674,007	26½ - 15¾
1960 (a)		---------	--------	172,000	.19	none	--------	27½ - 23

N.A. Not available. (a) 28 weeks to March 11.

RADIO CORPORATION OF AMERICA (NYSE)

Capitalization
Debt: $100,000,000—3% notes due 1970-74; $50,000,000—3¾% notes due 1973-77; $600,000, notes; $95,220,000—3½% subordinated conv. debentures due 1980
Preferred: $3.50 cumulative, no par, 900,824 shares
Common: No par, 14,315,311 shares

Year	Dividends	Total Assets	Price Range	Net Per Share	Sales	Pre-tax Earnings	Net Profit
1950	$ 586,393,000	$ 96,992,865	$46,249,865	$3.10	$1.50	$311,846,886	24¼ - 12¼
1951	598,955,077	62,032,732	31,192,732	2.02	1.00	370,202,025	25¼ - 16⅜
1952	693,940,522	67,362,399	32,325,399	2.10	1.00	432,252,051	29⅜ - 23¼
1953	853,054,003	72,436,778	35,021,778	2.27	1.00	493,624,720	29⅜ - 21
1954	940,950,220	83,501,459	40,525,459	2.66	1.20	548,325,244	39¼ - 22½
1955	1,055,265,655	100,107,465	47,525,465	3.16	1.35	676,506,187	55⅜ - 36¾
1956	1,127,773,541	80,074,245	40,031,247	2.65	1.50	690,557,138	50⅜ - 33⅜
1957	1,176,277,371	77,048,794	38,548,794	2.55	1.50	720,772,768	40 - 27
1958	1,176,094,398	60,441,749	30,941,749	2.01	1.50	734,285,722	48¼ - 30¼
1959	1,395,620,000	78,542,000	40,142,000	2.64	1.50	804,914,000	73¼ - 43⅛
1960	----------	---------	---------	---	.50+2% stk.	----------	78⅜ - 59½

RAYTHEON CO. (NYSE)

Capitalization
Debt: $11,327,482
Preferred: 5½% series cumulative, $50 par, 114,769 shares.
Common: $5 par, 3,714,418 shares

Year	Dividends	Total Assets	Price Range	Net Per Share	Sales	Pre-tax Earnings	Net Profit
1950(a)	$ 59,533,260	$ 1,610,413	$ 935,413	$ .49	----	$ 32,331,492	13½ - 6⅛
1951(a)	89,845,000(c)	6,029,063	2,179,063	1.12	----	52,120,396	12⅜ - 8¼
1952(a)	111,431,000(c)	5,947,898	2,047,898	.84	----	75,196,765	12¾ - 9⅛
1953(a)	179,313,000(c)	13,009,672	3,859,672	1.68	----	91,238,649	14⅝ - 8
1954(b)	185,101,000	10,444,000	3,688,000	1.07	----	93,640,690	14½ - 7¾
1955(b)	190,700,000	9,953,000	4,992,000	1.48	----	82,836,163	25¾ - 18
1956(b)	183,522,000	4,950,000	1,548,000	.39	----	108,451,571	19½ - 13
1957(b)	270,135,000	10,814,000	7,255,000	2.13	----	127,219,842	23¾ - 16⅜
1958(b)	385,378,000	19,968,000	9,841,000	2.85	5% stk.	145,894,405(b)	69 - 21½
1959(b)	494,278,281	21,801,188	13,481,188	3.89	5% stk.	206,237,185	73⅞ - 43½
1960 (3 mo.)	134,752,000	---------	2,160,000	.56	5% stk.	----------	53⅜ - 39⅝

(a) Raytheon Co. only Year ending May 31. (b) Pro-forma, including Machlett Laboratories, merged May 25, 1959. (c) Adjusted by company.

REEVES SOUNDCRAFT CORP. (ASE)

Capitalization
Debt: $600,000
Common: .05 par, 3,018,690 shares

Year	Dividends	Total Assets	Price Range	Net Per Share	Sales	Pre-tax Earnings	Net Profit
1950	$ 1,513,470	------	$ 118,458	$ .05	none	--------	----------
1951	2,054,401	$ 89,070(d)	77,570	.03(d)	none	$ 1,840,378	----------
1952	3,364,921	130,187	90,187	.03	none	1,777,029	3¼ - 1½
1953	3,566,055	396,301	284,301	.11	none	1,757,929	2 - ½
1954	3,747,810	185,385	89,385	.03	none	2,076,758	1⅞ - ⅞
1955	3,348,148	216,741	143,741	.06	none	2,047,136	2 - 1
1956	3,304,356	6,677	877	nil	none	2,496,717	1¾ - ⅞
1957	4,878,802	404,224	232,224	.08	5% stk.	2,295,435	3⅛ - ⅞
1958	4,786,228	205,829	105,829	.04	none	3,161,332	7½ - 2⅜
1959	5,369,408	271,625(d)	136,625(d)	.05(d)	none	3,889,012	13½ - 6½
1960	--------	-------	-------	---	none	--------	11⅝ - 7⅝

(d) Deficit

SAMS (HOWARD W.) & CO. INC. (Unlisted)

Year ending June 30
Capitalization
Debt: $919,257
Preferred: 5% cumulative, $50 par, 2,921 shares
Common: $1 par 425,450 shares

Year	Dividends	Total Assets	Price Range	Net Per Share	Sales	Pre-tax Earnings	Net Profit
1950(a)(c)	$ 1,052,102	$ 43,701	$ 30,097	$ .23	$ .05+10% stk.	$ 257,343	N.A.
1951(a)(c)	1,378,036	112,831	36,831	.29	.10	367,695	N.A.
1952(a)(c)	1,951,803	113,952	36,546	.28	.05	521,342	N.A.
1953(b)(c)	1,293,225	83,745	27,523	.22	none	636,835	N.A.
1954 (c)	2,798,979	218,179	87,219	.66	.10	820,125	N.A.
1955	3,410,731	430,071	217,727	.56	.11	1,048,892	N.A.
1956	3,884,785	598,262	296,012	.77	.25	1,447,680	N.A.
1957	4,301,304	575,597	288,038	.75	.23	1,509,831	N.A.
1958	4,973,058	618,637	304,666	.79	.26	4,059,032	N.A.
1959	5,957,400	775,672	371,301	.97	.27	5,253,296	31 - 25
1960 (6 mo.)	3,416,515	682,600	333,150	.77	.30	5,135,662	40 - 28½

(N.A.) Not available. (a) Calendar year. (b) Six months, Jan. 1-June 30, 1953. (c) Does not include Waldemar Press Inc., nor Howard Co. Inc.

SANDERS ASSOCIATES INC. (Unlisted)

Year ending July 31
Capitalization
Debt: $159,193, Mortgage notes.
Common: Class A and Class B $1 par, 415,658 shares

Year	Dividends	Total Assets	Price Range	Net Per Share	Sales	Pre-tax Earnings	Net Profit
1951 Incorporated July 4							
1952	$ 495,309	$ 7,319(d)	$ 7,319(d)	$ .14(d)	none	--------	(a)
1953	1,508,231	43,535	27,035	.25	none	--------	(a)
1954	1,913,571	140,506	44,506	.29	none	--------	(a)
1955	2,759,776	187,915	89,715	.53	$ .05	--------	(a)
1956	4,220,552	263,595	135,595	.59	.08	$ 1,838,018	(a)
1957	5,603,343	------	252,060	.99	.08	3,198,937	15 - 12
1958	8,969,770	459,487	233,487	.65	.08+3% stk.	3,602,737	34½ - 14¾
1959	10,562,817	651,754	326,754	.85	.08+2% stk.	5,361,199	55 - 24¼
1960 (6 mo.)	8,067,035	-------	192,152	.46	.04	--------	54½ - 40½

(a) Privately owned. (d) Deficit.

SANGAMO ELECTRIC CO. (NYSE)

Capitalization
Debt: $3,910,000 note.
Common: $5 par, 1,615,208 shares.
2-for-1 stock split to be made May 3; figures adjusted accordingly.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 24,496,846	$ 3,970,403	$ 2,105,403	$1.79	$ .87½	$ 17,953,512	9¼ - 6⅝
1951	32,426,908	4,827,886	1,827,886	1.31	.75	26,380,144	11¾ - 10
1952	39,753,567	4,454,162	2,014,162	1.44	.75	28,235,498	12 - 9
1953	37,037,072	3,972,623	1,967,623	1.41	.75	27,386,920	13½ - 10½
1954	35,560,615	3,425,944	1,600,944	1.00	.75	28,446,821	14⅞ - 11⅞
1955	37,910,588	5,611,978	2,731,978	1.71	.75	31,985,465	16 - 12¾
1956	44,277,105	5,616,731	2,751,731	1.72	.79	38,467,849	18¾ - 14¾
1957	47,076,671	5,774,432	2,789,432	1.75	.90	37,910,881	19⅞ - 14⅝
1958	43,107,000	3,293,225	1,668,000	1.04	.72	40,202,365	18⅜ - 12½
1959	52,857,459	5,892,415	3,027,415	1.88	.79	45,574,712	25¾ - 17½
1960	---	---	---	---	.22½	---	22⅛ - 18⅞

SEEBURG CORP. (ASE)

Year ending October 31
Capitalization
Debt: $5,130,200, 5¼% conv. sub. debentures, due Aug. 1979
Common: $1 par, 1,264,033 shares

1950(a)	$ 24,551,000	$ 1,551,607	$ 884,528	$1.49	$ .80	$ 9,525,108	18 - 10½
1951(a)	21,746,000	962,651	470,028	.80	.60	9,608,632	13¾ - 8¼
1952(a)	13,698,900	249,936(d)	249,936 (d)	.43(d)	.30	8,966,120	9½ - 6
1953(a)	15,347,900	67,373(d)	67,373 (d)	.12(d)	none	8,805,348	7½ - 3¾
1954(a)	12,695,764	445,953(d)	445,953 (d)	.77(d)	none	7,712,473	4⅝ - 3½
1955(a)	11,603,523	924,537(d)	924,537 (d)	1.59(d)	none	6,601,456	4⅞ - 2⅞
1956(a) (c)	7,682,717	185,343	185,343	.19	none	9,502,782	8⅞ - 3
1957	26,626,625	516,763	516,763	.46	none	15,169,615	7⅞ - 3¾
1958(b)	22,936,886	562,683	562,683	.50	none	10,745,967	14¾ - 3⅞
1959	22,632,567	1,929,770	1,929,770	1.64	none	14,664,785	25¾ - 13
1960 (4 mo.)	8,130,927	804,621	804,621	.64	none	---	25¾ - 16¼

(a) Fort Pitt Brewing Co. to Oct. 23, 1956 then name changed to Fort Pitt Industries, Inc.
(b) Present name adopted April 30, 1958.
(c) Includes Jacob Siegel Co. and Windsor Co. from April 24, date of acquisition.
(d) Deficit.

SERVO CORP. OF AMERICA (ASE)

Capitalization
Debt: $1,072,808, notes; $993,000, convertible subordinated debenture 6s, due 1974.
Common: $1 par, 676,181 shares

1950	$ 860,275	---	$ 47,084	$ .10	---	---	(a)
1951	780,460	---	25,784	.05	---	---	(a)
1952	1,098,747	---	58,786	.12	---	---	(a)
1953	1,290,514	---	50,393	.10	---	---	(a)
1954	3,501,528	$ 298,913	150,533	.30	---	---	(a)
1955	4,134,478	553,106	269,783	.55	$ .05	$ 2,870,091	5¾ - 5
1956	3,550,445	454,437	210,995	.41	.20	3,539,305	7¾ - 5
1957	3,729,136	608,880(d)	618,069(d)	1.11(d)	.15	3,082,676	8 - 3¾
1958	4,003,133	541,741	244,741	.41	none	3,490,943	21 - 3¾
1959	5,607,410	328,496	166,496	.25	none	4,803,962	43½ - 14⅝
1960	---	---	---	---	none	---	24½ - 14¼

(a) Privately owned.

SERVOMECHANISMS INC. (ASE)

Capitalization
Debentures: $1,699.500, 5% convertible, due 1966
Common: 20 cents par, 809,855 shares

1950	$ 2,364,818	$ 416,764	$ 199,397	$ .40	$ .75	$ 4,552,164	N.A.
1951	8,374,043	1,295,207	412,207	.82	1.50	6,120,378	N.A.
1952	10,151,587	798,313	276,025	.36	.30	5,654,568	5¼ - 3⅜
1953	13,332,746	846,441	305,089	.40	.40	6,530,721	7¾ - 5
1954	12,509,024	1,338,926	503,296	.66	.40	6,521,102	14⅝ - 5¾
1955	12,412,756	921,716	441,367	.58	.40	7,478,124	13⅜ - 8¼
1956	18,138,280	1,324,268	615,606	.81	.40	11,215,454	13½ - 8¼
1957	23,591,781	593,276	308,776	.41	.40	13,519,473	12⅝ - 6⅛
1958	17,314,483	90,649(d)	43,094 (d)	.05(d)	5% stk.	10,008,027	11¾ - 6⅝
1959	15,137,629	387,394(d)	194,968(d)	.24(d)	none	9,217,332	18¼ - 9
1960	---	---	---	---	none	---	12 - 8⅛

N.A. Not available. (d) Deficit.

SIEGLER CORP. (NYSE)

Year ending June 30
Capitalization
Debt: $4,125,000, senior notes
$ 500,000, junior notes
$ 661,300 convertible subordinated debenture 5½s, due 1966
$ 273,984 mortgage and other notes
Common: $1 par, 1,639,602 shares

1950(a)	$ 2,540,018	$ 343,932	$ 204,286	$ .39	(b)	(b)	(b)
1951(a)	3,532,564	754,312	379,568	.73	(b)	(b)	(b)
1952	3,698,466	282,530	140,530	.27	(b)	(b)	(b)
1953	22,997,505(e)	820,663(e)	411,598 (e)	.89(e)	-----	----------	----------
1954	24,510,584(e)	1,467,091(e)	737,531 (e)	1.60(e)	-----	----------	----------
1955	29,287,827(e)	2,429,932(e)	1,111,569 (e)	1.80(e)	$ .15(f)	$ 5,881,884(f)	14 - 10½(f)
1956	47,119,300(e)	3,316,099(e)	1,704,880 (e)	1.61(e)	.80(f)	15,436,832(f)	21¼ - 12¾(f)
1957	68,164,267(e)	3,142,827(e)	1,560,026 (e)	1.34(e)	.80(f)	37,123,247(e)	21⅛ - 12⅜
1958	72,955,449	2,442,950	1,215,930	.80	.60	39,899,636	32½ - 12¾
1959	77,074,442	3,929,222	2,203,022	1.36	.40+3% stk.	40,955,652	45⅛ - 23⅛
1960 (6 mo.)	45,059,831	3,426,757	1,758,878	1.07	.10	----------	40¼ - 29¼

(a) Year ending Dec. 31.
(b) Privately owned until July 12, 1955.
(e) Pro-forma combining Siegler, Unitronics and Hufford Corp., these companies having merged Sept. 13, 1957.
(f) Siegler only.

SONOTONE CORP. (ASE)

Capitalization
Debt: $796,000
Preferred: $1.25, cumulative convertible, Series A, $20 par, 11,743 shares
$1.55, cumulative convertible, $20 par, 7,121 shares
Common: $1 par, 1,148,287 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 10,664,241	$ 879,633	$ 534,633	$ .58	$ .32	$ 5,254,318	5¾ - 2⅞
1951	12,143,834	593,313	427,613	.43	.32	7,347,883	6⅛ - 4⅛
1952	14,736,777	1,005,456	464,056	.42	.32	9,121,481	4⅞ - 4
1953	17,847,164	943,439	483,439	.44	.32	10,605,648	5⅞ - 4
1954	16,003,488	684,112	371,112	.32	.23	9,760,266	5¾ - 4⅛
1955	18,765,558	1,708,952	763,432	.74	.20	9,878,117	6⅜ - 4½
1956	18,426,563	1,777,515	847,515	.82	.28	10,256,197	6½ - 4¾
1957	22,289,198	1,780,535	1,005,535	.93	.28	11,842,803	8⅛ - 4⅝
1958	21,513,064	1,720,473	800,473	.71	.28	10,708,344	12¼ - 5⅛
1959	24,756,708	2,432,302	1,132,302	.96	.28	12,467,484	17¾ - 9⅜
1960	--------	--------	--------	---	.07	---------	15⅝ - 11⅜

SPEER CARBON CO. (Unlisted)

Capitalization—Debt: $3,450,000. Preferred: $7 cumulative pfd. $100 par, 4,565 shares. Common: $1.25 par, 880,000 shares.

1950	$ 13,818,516	$ 3,685,784	$ 1,760,759	$3.31	$ .60	$ 12,938,802	13⅝ - 6⅝
1951	13,951,563	2,691,023	1,076,023	1.19	.60	22,963,723	16½ - 10⅛
1952	13,642,634	1,409,311	718,311	.78	.50	22,060,894	12⅛ - 9⅝
1953	15,609,779	1,385,217	611,217	.66	.50	22,136,798	10¾ - 6½
1954	13,064,675	1,223,474	508,474	.54	.30	22,254,568	7⅝ - 5⅞
1955	17,734,512	3,019,694	1,461,694	1.63	.50	24,331,167	9⅞ - 7¾
1956	20,045,530	4,171,346	1,925,346	2.15	.75	25,972,553	16½ - 9⅝
1957	21,101,500	3,609,185	1,682,185	1.88	.75	27,352,257	16⅞ - 10⅝
1958	18,338,899	2,568,034	1,176,304	1.30	.50	27,249,066	15⅞ - 10¼
1959	23,525,268	4,293,817	1,970,817	2.20	.60	28,461,572	27 - 14¼
1960	---------	--------	--------	---	.17½	---------	26½ - 19¾

SPERRY RAND CORP. (NYSE)

(Merger of Sperry Corp. and Remington Rand effective July 1, 1955)

Year ending March 31

Capitalization
Debentures: $15,000,000, sinking fund 3¼s, due 1969
$55,000,000, sinking fund 3⅜s, due 1972
$110,000,000, sinking fund 5½s, due 1982
Debt: $38,329,082 notes, etc.
Preferred: $4.50 cumulative; $25 par, 102,267 shares
Common: 50 cents par, 28,283,441 shares

1950 (a)	$349,942,000	$49,600,000	$23,626,000	$ .92	--	---------	---------
1951 (a)	468,359,000	68,000,000	26,023,000	1.02	--	---------	---------
1952 (a)	631,720,000	75,500,000	28,081,000	1.10	--	---------	---------
1953 (a)	689,565,000	73,900,000	28,012,000	1.09	--	---------	---------
1954 (a)	696,206,000	85,500,000	44,851,000	1.75	--	$483,922,636	---------
1955 (c)	353,943,880	45,519,563	23,585,563	.92	$ .36	---------	29⅝ - 21
1956	710,696,087	83,598,878	46,348,878	1.80	.80	557,492,756	29⅛ - 21¾
1957	871,047,239	85,362,352	49,612,352	1.83	.80	708,536,343	26⅛ - 17⅝
1958	864,330,491	44,381,239	27,481,239	.96	.80	743,153,067	25⅝ - 17¼
1959	989,601,559	47,544,092	27,644,092	.96	.80	778,475,241	28¼ - 21⅛
1960 (9 mo.)	853,144,550	50,469,110	29,269,110	1.02	.20	---------	26¼ - 21

(a) Pro-forma. (c) 6 months to Dec. 31, 1955.

SPRAGUE ELECTRIC CO. (Unlisted)

Capitalization—Debt: $1,064,000, 3⅝% promissory notes, due Nov. 1, 1964. Common: $2.50 par, 1,372,229 shares.

1950	$ 28,614,860	$ 6,725,904	$ 3,345,404	$2.69	$ .60	$15,350,554	15¼ - 6⅝
1951	38,317,277	8,326,596	2,664,674	2.19	.89	21,096,487	18¼ - 13⅝
1952	43,388,101	9,107,563	2,855,449	2.53	.93	21,866,421	37⅜ - 17⅜
1953	46,778,633	9,604,981	2,888,281	2.33	1.07	24,424,669	38⅜ - 29
1954	42,355,361	6,668,908	3,333,408	2.68	1.10	26,835,820	60½ - 36
1955	44,353,042	6,040,828	3,003,128	2.42	1.20	28,945,483	61 - 47
1956	44,659,844	4,208,997	2,176,297	1.75	1.20	29,329,798	55 - 30¼
1957	46,187,841	4,199,201	2,220,101	1.78	1.20	29,447,694	38 - 21½
1958	43,193,717	3,168,119	1,761,179	1.41	1.20	29,415,918	42¾ - 23
1959	56,351,571	6,848,528	3,502,328	2.61	1.20 + 2% stk.	36,679,631	64½ - 39
1960	---------	--------	--------	---	.30	---------	61 - 50½

STANDARD COIL PRODUCTS CO. (NYSE)

Capitalization—Debt: $128,753 mortgage. Common: $1 par, 1,983,553 shares.

1950	$ 35,632,396	$10,464,265	$ 5,266,442	$3.58	$ .25	$10,133,662	11¾ - 9
1951	40,302,526	5,037,944	2,487,944	1.69	1.00	20,239,292	14¾ - 10
1952	65,990,177	7,136,290	2,861,290	1.95	1.00	28,401,496	18⅞ - 12⅝
1953	89,270,964	7,762,481	2,972,481	2.25	1.00	30,644,696	17¼ - 12½
1954	72,862,113	5,136,407	2,871,290	1.95	1.00	29,351,477	17⅞ - 12⅝
1955	60,472,454	522,313(d)	320,313(d)	.22(d)	.85	27,253,490	20¼ - 10¼
1956	59,168,450	3,070,871(d)	1,819,371(d)	1.24(d)	none	29,739,718	12¾ - 6¼
1957	61,330,530	823,062	802,862	.56	none	37,394,605	9⅜ - 5¾
1958	69,489,636	1,343,887	558,887	.36	none	35,075,931	17⅝ - 6
1959	73,765,428	3,211,379	1,523,379	.77	3% stk.	31,556,016	23¾ - 13¾
1960	21,871,820	1,127,125	572,125	.29	none	---------	17 - 12¾
1960 (3 mo.)	21,871,820	1,127,125	572,125				

(d) Deficit.

STATHAM INSTRUMENTS INC. (ASE)

Year ending May 31

Capitalization—Common: $1 par, 939,125 shares.

1953	$ 1,803,471	--------	$ 81,190	$ .10	---	--------	(a)
1954	2,134,180	--------	152,836	.18	---	--------	(a)
1955	2,418,960	--------	127,481	.15	---	--------	(a)
1956	2,943,402	--------	264,690	.32	---	--------	(a)
1957	4,470,264	--------	462,225	.59	---	$ 2,128,211	12½ - 9¼
1958	5,088,659	$ 838,209	527,874	.56	none	3,774,207	28¾ - 12¼
1959	6,145,833	486,181	296,911	.32	none	4,541,392	43 - 23
1960 (9 mo.)	7,074,850	--------	719,570	.77	none	--------	35½ - 27⅛

(a) Privately owned until Sept. 1957.

STORER BROADCASTING CO. (NYSE)

Capitalization
Common: $1 par, 2,474,750 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 6,657,114	$ 1,895,085	$ 926,475	$ .39	$ .06	---	(b)
1951	9,560,086	3,406,327	1,464,776	.63	.10	---	(b)
1952	11,475,618	3,963,304	1,594,956	.69	.10	$11,923,761	(b)
1953	14,901,078	6,161,231	2,186,415	.94	.24	17,446,319	7⅜ - 7
1954	17,736,531	7,105,103	3,680,779	1.62	.81	27,872,630	19⅜ - 7⅜
1955	24,051,726	8,792,878	4,330,429	1.73	1.37½	28,152,046	29⅛ - 20¾
1956	28,313,383	11,452,891	5,517,207	2.23	1.75	28,534,596	29½ - 22⅛
1957	26,214,828	11,287,076	6,396,164	2.58	1.80	31,504,942	29¼ - 18¾
1958	25,176,710	5,926,076	1,676,754	.68	1.80	30,783,015	26⅝ - 20
1959	28,114,937	9,949,520	5,336,682	2.16	1.80	31,107,318	33½ - 24½
1960 (3 mo.)	---	---	1,423,079	.58	.45	---	30¾ - 26¼

(b) Privately owned.

SYLVANIA ELECTRIC PRODUCTS INC. (See General Telephone & Electronics Corp.)

TAYLOR INSTRUMENT COMPANIES (Unlisted)

Year ending July 31
Capitalization
Common: $10 par, 396,778 shares

1950	$ 11,264,251	$ 190,936	$ 115,936	$ .32	$ .55	$ 9,086,923	12⅞ - 9⅝
1951	16,503,591	3,503,070	1,203,070	3.34	.80	13,079,114	17¼ - 12⅛
1952	21,623,406	3,800,020	1,050,020	2.91	.80	14,986,674	19⅝ - 15½
1953	18,037,008	1,328,241	653,241	1.81	.80	14,357,531	19⅜ - 13½
1954	23,959,275	2,820,901	1,265,901	3.51	.80 + 5% stk.	16,884,938	40 - 15½
1955	23,298,872	2,862,690	1,190,690	3.15	1.00	16,214,313	40 - 24
1956	21,710,396	1,943,801	1,028,801	2.73	1.00	16,577,741	30½ - 13¾
1957	26,647,539	2,750,360	1,374,860	3.47	.30 + 5% stk.	19,521,066	37 - 27½
1958	24,997,954	914,328	501,328	1.26	1.20	17,840,822	34½ - 26
1959	24,761,129	1,478,327	731,727	1.84	1.20	17,060,723	50 - 31
1960 (6 mo.)	13,217,019	---	762,978	1.92	.60	---	52½ - 41½

TECHNOLOGY INSTRUMENT CORP. (Unlisted)

Year ending June 30
Capitalization
Debt: $270,534 mortgage notes. Common: $2.50 par, 617,141 shares.

1953 (a)	$ 3,467,693	---	$ 132,495	$ .22	---	---	(c)
1954 (a)	4,419,392	---	403,353	.67	---	---	(c)
1955 (a)	4,938,945	---	357,622	.60	---	---	(c)
1956 (a)	6,965,915	---	531,932	.89	---	---	(c)
1957 (a)	6,867,541	---	542,908	.91	---	---	(c)
1958 (b) (6 mo.)	2,812,288	---	80,188	.14	$ .12½	$ 2,944,612	14 - 9½
1959	6,415,498	$ 434,225	251,925	.41	3¼% stk.	3,715,957	18 - 11
1960 (6 mo.)	3,900,000	---	156,800	.25	none	---	13 - 10¼

(a) Pro-Forma. (b) Fiscal year changed to end June 30. (c) Privately owned.

TELECHROME MANUFACTURING CORP. (Unlisted)

Year ending June 30
Capitalization
Debt: $40,503, mortgage; $750,000 convertible, subordinated debenture 6s, due 1969.
Common: Class A 10 cents par, 399,787 shares
Class B 10 cents par, 72,420 shares

1953	$ 221,370	---	$ 16,106	$ .12	---	---	(a)
1954	1,116,338	---	126,607	.95	---	---	(a)
1955	356,461	---	34,381	.26	---	---	(a)
1956	504,514	---	47,661	.36	$ .18¾	$ 548,846	6½ - 3
1957	1,096,415	---	113,540	.86	.28¾	868,333	9 - 5¾
1958	1,352,316	$ 360,242	175,660	1.06	.30	1,010,293	13 - 5½
1959	1,641,194	56,269	34,230	.25	4% stk.	1,658,355	29 - 9¼
1960 (3 mo.)	485,468	---	28,275	.13	2% stk.	---	13⅜ - 9⅜

(a) Privately owned.

TELECOMPUTING CORP. (Unlisted)

Year ending October 31
Capitalization
Debt: $767,458(e). Common: $1 par, 3,408,222 shares(e).

1950 (a)	$ 441,620	$ 66,915	$ 37,243	$ .31	none	---	(c)
1951 (a)	780,779	44,451	31,451	.12	none	$ 817,605	2¾ - 1⅞
1952 (a)	1,664,840	126,844	56,844	.20	none	828,522	11½ - 2½
1953	27,790,471	2,127,596	1,110,756	.48	none	1,006,510	17¼ - 7
1954	28,990,592	1,417,459	428,562	.17	none	1,368,689	14 - 9½
1955(e)	31,264,832	---	311,917	.11	none	4,089,716(b)	11½ - 6⅛
1956(e)	39,655,947	---	761,052	.25	none	5,114,300(f)	8¾ - 6½
1957(e)	29,865,975	---	628,702	.21	none	13,776,888	5¼ - 2½
1958(e)	42,474,743	---	465,354	.15	none	15,186,445	8 - 3¼
1959(e)	47,481,237	---	1,746,516	.54	none	24,705,286	14½ - 7⅝
1960 (3 mo)	11,741,991	1,012,831	469,656	.16	none	20,151,710	14⅛ - 9⅛

(a) Prior to merger with Whittaker Gyro Inc. (b) After merger with Whittaker Gyro, Jan. 27, 1956. (c) Privately owned. (e) Pro-forma, including Narmco Industries Inc. (f) From Balance Sheet, Dec. 31, 1956.

TELEPROMPTER CORP. (ASE)

Capitalization
Debt: $3,131. Common: $1 par, 613,127 shares.

1950	N.A.						
1951	$ 96,221	$ 16,093(d)	$ 17,243(d)	$ .07(d)	none	N.A.	N.A.
1952	233,968	42,999	35,881	.14	none	N.A.	N.A.
1953	308,361	17,281	8,129	.03	none	N.A.	N.A.
1954	622,883	11,826(d)	32,174(d)	.13(d)	none	N.A.	N.A.
1955	1,215,559	140,232	96,743	.32	none	$ 1,006,863	N.A.
1956	1,784,607	270,141	206,841	.58	none	1,533,747	11 - 8
1957	2,264,345	265,694(d)	212,694(d)	.59(d)	none	1,913,638	10½ - 5
1958	3,414,499	37,324	41,956	.12	none	1,801,469	12⅞ - 4
1959	3,761,721	161,496(d)	161,496(d)	.27(d)	none	3,526,366	22½ - 9
1960	---	---	---	---	none	---	12⅝ - 8⅛

N.A. Not available. (d) Deficit.

TEXAS INSTRUMENTS INC. (NYSE)

Capitalization—Debt: $12,000,000.
Preferred: 4% Series 1959, $25 par, 130,593 shares.
Common: $1 par, 3,914,730 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	$ 7,583,000	$ 609,000	$ 348,000	$ .12	none	---	---
1951 (a)	15,400,000	1,307,000	564,000	.19	none	---	---
1952 (a)	20,431,452	2,289,738	909,975	.30	none	---	---
1953 (a)	27,007,957	3,219,162	1,270,125	.42	none	$13,396,944	---
1954 (b)	51,415,881	---	2,818,904	.40	none	14,900,024	5¾ - 5⅛
1955 (b)	61,636,805	---	3,898,528	.49	none	15,123,336	14 - 5¼
1956 (b)	79,506,902	---	4,618,652	.72	none	19,591,604	16⅞ - 10⅓
1957 (b)	103,542,055	---	5,339,684	1.11	none	27,288,083	18⅝ - 11⅝
1958 (b)	136,348,773	12,935,585	6,000,928	1.84	none	37,716,284	31½ - 15⅞
1959	193,212,809	28,855,384	14,142,788	3.59	none	79,099,581	86 - 26¾
1960 (3 mo.)	56,198,000	---	3,930,000	.99	none	105,993,506	193½ - 61¼
						---	219¼ - 154

(a) Texas Instruments, Inc., only. (b) Pro-forma, combined sales and earnings, including Metals & Controls Corp., merged April 17, 1959.

TEXTRON ELECTRONICS, INC. (ASE)

Capitalization
Debt: $400,000
Common: 50 cents par, 2,890,000 shares.

1954 (a)	$ 8,849,000	$ 705,000	$ 344,000	$ .17	none	---	(c)
1955 (a)	6,128,000	202,000(d)	97,000 (d)	.05(d)	none	---	(c)
1956 (a)	8,917,000	602,000	294,000	.15	none	---	(c)
1957 (a)	13,267,000	1,088,000	528,000	.26	none	---	(c)
1958 (a)	12,100,000	1,022,000	496,000	.25	none	---	(c)
1959 (b)	22,609,084	1,632,410	891,910	.31	none	$ 15,052,676	17 - 5
				.99	---	---	219¼ - 154

(a) Pro-Forma, Textron Electronics and MB Mfg. Co. divisions of Textron, Inc., incorporated May 1959. (b) Pro-Forma including GC Electronics Inc., for 12 months ended Jan. 2, 1960. (c) Privately owned. (d) Deficit.

THOMPSON RAMO WOOLDRIDGE INC. (NYSE)

Capitalization
Debt: $11,601,000, debenture 3¼s, due 1971; $19,729,500 4⅞% subordinated debentures, due 1982; $8,618,411, other debt.
Preferred: 4% cumulative, $100 par, 81,708 shares
Common: $5 par, 3,119,503 shares

1950 (a)	$123,312,550	$16,630,266	$ 8,252,459	$3.41	$ .66	$ 73,276,414	21¼ - 16
1951 (a)	194,899,449	20,698,050	7,687,246	2.82	.91	120,331,473	23⅞ - 16¼
1952 (a)	274,080,027	28,852,579	9,252,579	3.41	.91	167,225,800	29¾ - 21⅛
1953	326,466,000	27,661,791	9,651,791	3.24	.93	151,834,249	30⅞ - 20⅝
1954	270,830,000	24,646,198	11,535,198	3.82	1.10	136,512,119	53 - 42½
1955	295,906,915	22,601,764	10,771,764	3.49	1.40	146,159,287	60½ - 43⅝
1956	335,519,761	27,237,373	13,352,373	4.32	1.40	204,928,315	80 - 48⅜
1957	412,608,506	25,441,723	12,137,723	3.90	1.40	210,838,165	89¾ - 46
1958	340,621,767	18,815,232	8,979,232	2.86	1.40	203,524,451	73 - 41⅜
1959	417,748,953	19,813,918	9,743,918	3.02	1.40	237,800,001	70¼ - 52
1960 (3 mo.)	111,635,492	---	2,362,279	.73	.35	---	59½ - 46⅞

(a) Thompson Products, Inc., only.

TIME INC. (Unlisted)

Capitalization
Debt: $13,500,000, Subordinated 1st 4½s, due 1970
Notes Payable: $31,001,552
Common: $1 par, 1,955,779 shares,

1950	$134,719,833	$15,812,416	$ 8,500,693	$4.36	$2.75	$ 82,393,453	36¾ - 25
1951	149,571,479	13,990,219	7,287,400	3.73	2.37½	86,086,824	35½ - 27½
1952	156,785,799	15,796,597	7,750,475	3.97	2.37½	93,824,010	35¼ - 29⅞
1953	170,448,966	16,259,281	8,144,414	4.18	2.50	101,141,707	36 - 30⅝
1954	178,155,775	14,531,621	8,056,905	4.13	2.50	108,221,241	49 - 35½
1955	200,181,865	17,506,072	9,195,588	4.72	2.75	112,531,774	58½ - 46¼
1956	229,373,627	26,627,224	13,850,137	7.10	3.50	177,158,949	80½ - 54
1957	254,095,798	23,145,301	12,023,547	6.15	3.75	208,060,343	70½ - 52
1958	245,107,397	16,737,172	8,737,313	4.47	3.25	212,071,802	68¾ - 52
1959	271,373,088	15,838,115	9,003,890	4.60	3.25	216,480,399	75 - 63
1960	---	---	---	---	.75	---	67¼ - 60¾

TRANSITRON ELECTRONICS CORP. (NYSE)

Year ending June 30
Capitalization
Debt: $366,250, 4½% notes due 1965
Common: $1 par, 7,502,500 shares

1952 Incorporated July 8							
1953 N.A.							
1954 N.A.							
1955	$ 3,889,138	$ 1,521,139	$ 735,817	$ .10	none	N.A.	(c)
1956	7,480,205	2,546,195	1,233,179	.16	none	N.A.	(c)
1957	16,116,232	5,106,618	2,304,284	.31	none	N.A.	(c)
1958	17,055,952	4,024,395	1,883,071	.25	none	N.A.	(c)
1959	30,913,376	13,901,138	6,456,138	.86	none	$ 22,780,864(a)	47⅞ - 36
1960 (b)	21,984,611	7,896,362	3,807,262	.51	none	24,529,933	52¾ - 40⅜

(a) Balance sheet Sept. 26. (b) 26 weeks to Dec. 26. (c) Privately owned. N.A. Not available.

TRAV-LER RADIO CORP. (Midwest)

Year ending April 30
Capitalization—Debt: $901,000 debenture 6s, due May 15, 1967. Common: $1 par, 817,445 shares.

1950 (a)	$ 13,892,485	$ 2,309,275	$ 1,156,851	$1.52	$ .30+20% stk.	$ 6,484,714	5⅛ - 3¾
1951 (a)	8,015,622	1,256,162(d)	577,950(d)	.76(d)	.10	3,971,516	4½ - 2¾
1952 (a)	11,860,387	388,565	291,565	.38	none	4,224,853	3⅛ - 2½
1953 (a)	14,470,145	735,847	316,641	.42	.10	4,602,709	3⅛ - 2⅛
1954 (a)	16,347,813	459,657	241,349	.32	.22½	5,339,934	3 - 2
1955 (a)	17,497,351	264,275	222,982	.29	.07½	6,380,841	4¼ - 1⅞
1956 (4 mo.) (b)	4,900,868	929,376(d)	204,876 (d)	.27(d)	none	7,103,739	2½ - 1
1957	13,045,460	358,986(d)	370,737 (d)	.49(d)	none	5,838,663	1⅜ - 1
1958	15,126,697	14,667	10,617	.01	none	6,003,072	5 - 1
1959	14,806,013	312,669	304,419	.40	5% stk.	7,279,465	12½ - 4⅜
1960 (6 mo.)	12,444,975	913,000	452,848	.55	none	---	11⅛ - 7

(a)) Year ending Dec. 31. (b) In 1956 changed from a calendar year to fiscal year ending April 30. (d) Deficit.

TUNG-SOL ELECTRIC INC. (NYSE)

Capitalization—Debt: $5,460,000, notes. Preferred: 5% convertible, series 1957, $50 par, 82,689 shares. Common: $1 par, 924,321 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 29,425,022	$ 6,280,786	$ 3,058,151	$6.61	$2.00	$14,881,402	20½ - 8¾
1951	31,484,760	5,713,572	2,049,458	4.23	1.25	17,115,034	24¼ - 16¼
1952	35,489,558	5,432,713	2,007,713	3.75	1.25	20,702,033	21⅞ - 16¼
1953	40,017,549	4,030,882	1,780,882	3.07	1.25	20,314,487	24⅞ - 16½
1954	39,052,458	4,302,062	2,077,062	3.15	1.25	26,228,555	30¼ - 16¼
1955	51,114,549	6,854,393	3,239,393	4.65	1.60	30,561,228	33½ - 25
1956	53,838,822	5,819,397	2,909,397	3.83	1.25+5% stk.	33,493,366	36⅜ - 27
1957	64,106,913	6,754,916	3,129,916	3.31	1.40+3% stk.	43,262,704	37½ - 21¾
1958	59,809,166	5,523,842	2,643,842	2.67	1.40	47,095,938	36½ - 23¼
1959	72,345,248	5,470,552	2,712,552	2.70	1.40	48,268,552	54¼ - 34⅛
1960 (3 mo.) (a)	18,000,000	--------	700,000	.76	.35	---------	40¼ - 32½

(a) Company estimate

VARIAN ASSOCIATES (NYSE)

Year ending September 30

Capitalization—Debt: $2,313,800, notes, $4,000,000, 4½% convertible subordinated debentures, due 1974. Common: $1 par, 3,130,482 shares.

1950	$ 961,177	$ 245,313	$ 131,538	$ .16	none	$ 682,814	----------
1951	4,659,496	1,103,966	240,862	.24	10% stk.	2,937,816	----------
1952	8,383,923	1,764,607	404,170	.30	none	6,877,803	----------
1953	9,807,894	1,397,774	363,865	.22	none	6,984,160	----------
1954	10,319,006	1,354,732	569,365	.34	none	7,234,535	----------
1955	11,855,540	1,615,639	701,490	.29	none	9,002,034	----------
1956	16,677,841	1,609,962	710,885	.26	none	13,634,849	9 - 6
1957	25,154,510	2,417,630	1,084,360	.35	none	20,077,390	10 - 7¼
1958	28,985,714	3,263,318	1,503,727	.48	none	20,198,482	21⅞ - 7⅜
1959	38,130,311	5,480,260	2,518,169	.81	none	30,184,340	53 - 20¼
1960 (3 mo.)	10,677,551	1,578,710	755,710	.24	none	30,214,118	51¾ - 39¾

Note: All years reflect operations of Bomac Labs, Inc., acquired March 24, 1959.

WEBCOR INC. (Midwest)

Year ending June 30

Capitalization
Debt: $750,000, 5% notes, due 1961
$1,240,000, 5½% notes, due 1967
Common: $1 par, 650,737 shares

1950	$ 19,086,151	$ 2,324,494	$ 1,212,050	$2.69	$1.50+20% stk.	$ 8,713,877	20¼ - 10¾
1951	17,971,469	677,596	457,635	1.01	1.00	7,878,317	16⅝ - 11¼
1952	19,580,636	707,800(d)	408,951(d)	.90(d)	.50	10,406,339	13½ - 7½
1953	27,757,899	1,947,162	927,162	1.87	10% stk.	11,827,337	9⅛ - 7
1954	31,741,046	1,139,198	564,198	1.09	.15+5% stk.	12,940,996	11½ - 7¾
1955	31,984,539	1,339,574	589,524	.95	.40	16,566,990	15⅜ - 8½
1956	34,305,837	1,894,753(d)	994,753 (d)	1.53(d)	.50+5% stk.	15,935,212	15 - 8½
1957	40,374,042	4,011,297	1,961,297	3.01	.25	18,517,242	12⅝ - 8¼
1958 (6 mo.) (a)	12,630,731	62,917	7,917	.01	.60	15,504,226	14¼ - 9½
1959	33,498,227	15,741	11,741	.02	.45	15,038,042	19¼ - 10½
1960 (6 mo.)	17,879,000	--------	302,000	.46	none	---------	13¾ - 9⅝

(a) Changed to June 30 fiscal year from calendar year. (d) Deficit.

WELLS-GARDNER ELECTRONICS CORP. (Unlisted)

Capitalization—Common: $1 par, 421,800 shares.

1950	$ 17,825,098	$ 1,674,235	$ 954,235	$2.33	$ .75	$ 5,643,428	12⅛ - 5⅛
1951	12,758,749	588,099	451,447	1.10	.60	4,462,000	8¾ - 6¼
1952	16,301,043	969,976	459,976	1.12	.60	6,385,335	8¼ - 6⅛
1953	22,572,069	1,969,939	772,939	1.88	.75	7,224,465	8¼ - 6⅝
1954	21,200,318	2,031,340	911,340	2.22	.75	8,076,027	10 - 5¾
1955	26,646,745	2,725,857	1,221,857	2.97	.85	9,784,984	13¾ - 9¾
1956	24,152,104	2,179,610	1,054,610	2.55	1.00	8,668,582	14⅛ - 10¼
1957	15,687,999	201,573	76,573	.18	.40	7,372,406	14⅛ - 5¾
1958	19,947,123	1,208,515	608,515	1.47	.30	8,399,825	12¼ - 5¾
1959	24,259,901	1,557,728	747,728	1.77	1.20	9,174,295	21 - 11¼
1960	---------	--------	--------	---	.30	--------	22¼ - 17½

WESTERN UNION TELEGRAPH CO. (NYSE)

Capitalization
Debt: $2,779,934; $33,000,000, Series I, 4⅛% debentures, due 1980
Common: $2.50 par, 6,378,963 shares

1950	$186,509,206	$ 13,420,705	$ 7,319,776	$1.49	$ .50	$265,871,000	----------
1951	201,903,053	14,018,265	5,404,793	1.10	.50	262,517,000	----------
1952	194,889,037	4,781,990	1,103,211	.22	.75	256,225,000	----------
1953	220,408,766	19,179,788	8,334,736	1.69	.75	266,584,000	----------
1954	222,288,218	20,799,054	9,384,986	1.85	.75	269,547,996	----------
1955	242,097,359	28,415,886	13,040,690	2.10	.93¾	304,574,505	----------
1956	252,502,758	25,854,754	13,771,156	2.21	1.00	309,684,447	----------
1957	259,967,783	23,548,013	12,629,300	2.03	1.10	313,424,097	----------
1958	255,138,709	22,743,651	11,926,596	1.89	1.20	320,425,470	34¾ - 15
1959	276,188,799	33,844,032	16,499,988	2.59	1.20	333,476,689	53¾ - 29¾
1960 (2 mo.)	----------	---------	1,485,509	.23	.70	----------	57 - 43¾

WESTINGHOUSE ELECTRIC CORP. (NYSE)

Capitalization
Debt: $6,125,538
Debentures: $20,935,000, 2⅝s, due Sept. 1, 1971
$300,000,000, 3½s, due Dec. 15, 1981
Preferred: $3.80 Class B, $100 par, 440,485 shares
Common: $6.25 par, 34,706,577 shares

1950	$1,019,923,051	$159,664,532	$77,922,944	$2.68	$1.00	$ 800,461,178	18 - 14⅝
1951	1,240,801,296	174,578,362	64,578,202	2.02	1.00	1,004,378,037	21¼ - 17⅜
1952	1,454,272,698	173,014,835	68,581,603	2.12	1.00	1,195,292,040	24¼ - 17⅝
1953	1,582,047,141	152,893,486	74,322,925	2.27	1.00	1,265,353,717	26¼ - 19¾
1954	1,631,045,480	168,241,939	84,594,367	2.53	1.25	1,329,120,140	39½ - 25
1955	1,440,976,985	84,102,747	42,802,747	1.23	1.00	1,287,685,975	41⅝ - 26⅝
1956	1,525,375,771	5,292,061	3,492,061	.05	1.00	1,264,469,283	33 - 25½
1957	2,009,043,776	140,461,736	72,652,980	2.09	1.00	1,400,682,932	34⅜ - 26¼
1958	1,895,699,358	128,972,541	74,772,541	2.12	1.00	1,411,507,606	37¾ - 27¾
1959	1,910,730,252	159,547,359	85,947,359	2.43	1.05	1,498,128,496	55⅜ - 35¼
1960 (3 mo.)	458,817,000	36,196,000	19,496,000	.55	.30	----------	57¼ - 45½

WJR THE GOODWILL STATION INC. (Unlisted)

Capitalization—Common: $1.25 par, 632,143 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 3,519,151	$ 810,746	$ 474,746	$ .92	$ .70	$ 3,070,287	8½ - 6
1951	3,422,626	987,630	477,630	.92	.70	3,307,127	12 - 7⅞
1952	3,383,293	928,714	441,714	.86	.70	3,364,715	11 - 9
1953	3,369,943	992,096	457,096	.88	.70	3,491,433	10⅜ - 8¾
1954	3,009,884	758,846	373,746	.72	.60	3,390,554	12⅞ - 9½
1955	2,759,803	569,736	274,739	.53	.45	3,308,551	15¼ - 10¼
1956	3,516,765	1,063,112	478,112	.88	.50 + 5% stk.	3,814,796	13¼ - 10¼
1957	3,570,773	1,038,681	495,681	.86	.50 + 5% stk.	4,077,273	13 - 10⅛
1958	3,275,315	536,984	271,984	.45	.50 + 5% stk.	3,811,852	13¼ - 11⅞
1959	3,966,259	483,498	256,098	.41	.40 + 5% stk.	3,791,350	12½ - 10
1960	---	---	---	---	.10	---	10¾ - 9

WOMETCO ENTERPRISES, INC. (Unlisted)

Capitalization

Debt: $2,246,394 Unsecured notes and mortgage

Common: Class A, $1 par, 363,730 shares

Class B, $1 par, 540,000 shares

1950 (a)	$ 5,367,817	$ 614,756	$ 452,666	$ .50	none	N.A.	(b)
1951 (a)	6,163,830	726,997	413,218	.46	none	N.A.	(b)
1952 (a)	6,595,926	885,112	495,167	.55	none	N.A.	(b)
1953 (a)	7,517,287	1,028,911	508,820	.56	none	N.A.	(b)
1954 (a)	8,778,373	1,932,817	1,014,819	1.12	none	N.A.	(b)
1955 (a)	9,284,291	2,125,756	1,170,425	1.30	none	N.A.	(b)
1956 (a)	9,058,022	1,765,971	899,841	1.00	none	N.A.	(b)
1957 (a)	9,273,084	1,651,467	833,344	.92	none	N.A.	(b)
1958 (a)	9,366,098	1,150,745	588,737	.65	$ .25	$ 9,643,000	(b)
1959	10,364,753	11,666,768	936,336	1.04	.52½	10,540,046	13 - 9¾
1960	---	---	---	---	.17½	---	13 - 11½

(a) Pro-forma. (b) Privately owned. (N.A.) Not available.

ZENITH RADIO CORP. (NYSE)

Capitalization—Common: No par, 2,954,784 shares.

1950 (a)	$ 87,704,071	$11,527,903	$ 5,627,003	$1.91	$ .25	$51,971,284	11¾ - 5¼
1951	110,022,780	11,771,940	5,370,740	1.82	.50	50,275,866	11⅞ - 7¾
1952	137,637,697	13,222,133	5,845,933	1.98	.50	54,416,548	13⅜ - 11⅜
1953	166,733,276	13,157,701	5,631,701	1.91	.50	52,042,451	14 - 10½
1954	138,608,360	12,056,264	5,676,264	1.92	.50	62,604,970	16 - 10⅝
1955	152,905,005	17,104,491	8,034,491	2.72	.83	67,604,887	23¾ - 14⅜
1956	141,529,855	13,298,717	6,178,717	2.09	.83	69,193,175	23½ - 16⅞
1957	160,018,978	17,340,577	8,165,577	2.76	.83	84,338,732	23⅜ - 15¼
1958	195,041,624	25,741,165	12,116,165	4.10	1.67	98,505,958	69½ - 20¼
1959	260,033,866	35,430,144	16,630,144	5.63	2.72	115,146,148	136¾ - 59⅜
1960	---	---	---	---	1.05	---	116 - 89⅛

(a) Year ending March 31

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The authoritative service for executives engaged in all branches of the television arts & industries

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FORD IS PRO-SUPERVISION & anti-violence, he reemphasizes in his Columbus & Cleveland speeches (p. 2).

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SENATORS & FTC's KINTNER in love feast during confirmation hearing. FTC chairman says broadcasters "cooperating very, very well" and reveals program-rating investigation under way (p. 4).

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PHILCO'S NEW JAB AT RCA-NBC is application for Ch. 3, now occupied by WRCV-TV Philadelphia (p. 10).

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PROGRAMMING (p. 14). **NETWORKS** (p. 16). **ADVERTISING** (p. 18). **PERSONALS** (p. 19). **AUXILIARY SERVICES** (p. 15).

FCC MOVES TO EXAMINE 'PROMISE VS. PERFORMANCE': Closer FCC eye on station performance is now formally in the works. Last week, Commission made bare announcement that it had instructed staff to draft report & proposed rules summarizing conclusions drawn from big network & program inquiry (Vol. 15:46 p1, et seq.).

No details were given. However, it's understood that staff has about 2 months to come up with proposals designed to make more stations more responsive to community needs. Chmn. Ford's favorite idea is keynote: Make stations show they've actively consulted community leaders and then have them describe to Commission how they plan to fill areas' needs. This would apply to both new applications & license renewals.

Commission would then examine stations at renewal time to determine whether they kept promises. There's also possibility of "sampling" station performance—presumably some form of monitoring.

Old concept of "balanced" programming is up for revision. Current practice is for Commission, in form of letter, to raise eyebrow when it finds station reporting it carries little or no education, religion, discussion, etc. Thought now is to let stations show how they may depart from this old "boilerplate" formula and still serve public interest.

When staff comes up with draft, Commission will then kick it around, probably for some time—because there's certainly no unanimity about proposals. It's assumed, for example, that Comr. Craven, at least, will balk strongly at any sharper program scrutiny. On other hand, some Commissioners aren't yet sure they want to drop requirement that stations show percentages of time devoted to categories, replacing it with

"narrative." They claim narratives would put impossible burden of evaluation on Commissioners & staff, that stories would obscure actual performance, that adroit wording could frustrate Commission intent.

Network investigation still isn't finished. Staff interviewed Hollywood film producers last winter and it's expected there'll be public hearing on subject sooner or later. There may be more hearings, too, featuring advertisers, agencies & networks—but this hasn't been decided yet.

FCC FACES MASSED GUNS ON SEC. 317 FRONT: Genuine alarm & apprehension—in contrast to sophistries & legalisms which sometimes characterize FCC pleadings—were reflected last week in 150-odd industry comments filed with Commission on its rigorous payola-plugola interpretations of Communications Act's Sec. 317 (Vol. 16:12 et seq.).

Biggest guns in broadcasting—NAB, networks, group-owned TV & radio stations, special-interest organizations—were drawn up separately but solidly against FCC's "sponsor identification" Public Notice 85460. Individual big- & small-market stations formed supporting batteries.

All fired protests that FCC went too far in its views on what Sec. 317 means—particularly in concluding that it calls for announcements when free records are played, or when free film & other materials & services are used on air.

"There is no fraud being perpetrated" on public if broadcasters don't go to lengths prescribed by FCC to keep listeners & viewers posted on sources of all such program resources, said NAB in its comments, which were representative of all bulky memoranda submitted to FCC. Calling on Commission to withdraw Public Notice 85460, NAB said document wouldn't serve public interest.

"Most certainly the public has a right to be made aware of those who 'sponsor' programs in commercial, political and other fields, so that they may know with whom they are dealing," NAB acknowledged. But it argued that continuous interruptions of shows to broadcast required identifications of program elements would be constant distractions to audience—and "actually contrary to the public interest."

Real payola practices—which "industry does not tolerate"—wouldn't be stopped in any event by all-out compliance with FCC's interpretations, NAB contended. Pointing out that "surreptitious payment" could still be made by record manufacturer to get "preferential treatment" on air, NAB said "enactment of a commercial bribery statute" is needed to deal with payola as crime.

Similar points were made in all industry comments—in varying language & with various stress. Many memoranda also complained about confusion spread throughout broadcasting field by FCC's notice—as "illustrated by the Commissioners' differing answers to questions" put to FCC panel at NAB's April convention (Vol. 16:15 p5).

Most small-market stations also decried economic effects of notice on them if manufacturers should discontinue free records as result of it. Receipt by station of recording "is so trivial a factor as to be de minimus and thus beneath legal cognizance," one typical comment said.

Industry consensus was that FCC is condemning it for practices—now labeled felonious—which have been accepted for many years as proper & legal, and that: (1) FCC should take back Public Notice 85460. (2) If it isn't withdrawn, FCC at least should have oral arguments on issues. (3) If neither alternative is followed, Commission should spell out exactly what it is trying to do—possibly through issuance of manual.

FORD—PRO-SUPERVISION & ANTI-VIOLENCE: By re-emphasis, FCC Chmn. Frederick Ford last week showed he's serious indeed about 2 objectives: (1) Closer supervision of station performance. (2) Reduction of violence in programming.

Ford's proposed technique for achieving the first has been offered by him many times—the "narrative-on-needs" concept. He'd have stations tell Commission, in descriptive statement (rather than by formula & percentages), what they believe are their areas' broadcast needs. Then, he'd have FCC hold broadcasters to meet such needs. It looks as if majority of his colleagues will agree with him (see p. 1). In address before Ohio State U. Institute for Education by Radio-TV in Columbus May 5, Ford stated:

"In the event the Commission decides to require the broadcaster to determine & submit evidence of the needs of his area as a standard of public interest upon which he is willing to be judged, many of the problems in this area will be solved. For if he does not meet the standards imposed on himself as a result of his

own investigations & proof, then he cannot successfully maintain that he has served the public interest, convenience & necessity."

Ford said FCC does have program-surveillance responsibilities. He cited court decisions to that effect. "A review of reported cases dealing with station programming," he said, "discloses consideration being given to the necessity of the licensees providing well-rounded or diversified programming; program balance; attentiveness to needs & interests of the public; the tastes, needs and desires of all substantial groups among the public; local live programming; fair & impartial treatment of controversial issues; and the need to serve the public, rather than the licensee's private interest. From this, I believe it is clear that the positive elements of programming in the public interest have been well charted."

Ford heartily endorsed NAB's TV & Radio Codes but said the reason FCC doesn't formally adopt them is because it "desires to refrain from any action which could be interpreted as being an attempt on its part to censor or place any type of prior restraint upon the content of radio & TV programs." How about a "czar" for industry? "Can best be left to the industry to determine," he said.

More stress on the "thou shalt" rather than the "thou shalt not" aspects of Codes was sought by Ford. He noted that TV Code in particular calls upon telecasters to advance education, culture, religion, welfare of children, etc., said emphasis should be placed on "affirmative requirements of the Code" as well as on "the extent to which the negative elements are being avoided." But Codes alone, he asserted, "are insufficient to perform the entire function of regulating radio & TV programming."

"Violence" was main topic of Ford's address next day in Cleveland before convention of American Women in Radio & TV. It was a followup of his initial statement on subject at NAB convention (Vol. 16:15 p6). "Although it is argued," he said, "that there is no scientific proof that violence on TV in any way contributes to juvenile delinquency or the rise in the criminal rate in our population, one fact stands out very sharply. Millions of dollars are spent by advertisers each year on TV to sell merchandise for many more millions of dollars. It is hard to believe in the terrific power of this media to sell merchandise and not believe that it can also sell violence. For surely, if it can sell one, it can sell the other.

"Violence on TV is sometimes defended by the high ratings some of these programs receive. It is said that these ratings indicate that the public is getting what it wants. The principal purpose of the huge expenditure by advertisers on programs is to draw crowds to hear the sales messages. But the question is raised in my mind—are broadcasters & TV writers using violence excessively to draw a crowd without giving thought to the effect that violence may have on immature minds? Are there not other ways to draw a crowd? Can this industry afford to take a chance on excessive violence?"

Ford showed he's no "anti-advertising" crusader, stating: "It is certainly in the public interest that advertisers, through this great mass medium of communications, have an opportunity to bring stimulating advertising messages to the public and inform it of new products, of new ways of doing things, of items for sale and of articles moving in the channels of industry & commerce."

Payoff on Ford's philosophy was shown clearly in his windup: "In conclusion, I would like to refer to a question I am sometimes asked: Is TV's responsibility to lead or to follow the people? Certainly, the industry has the responsibility to be senstitive to the public will & desires, but this does not mean that it must be a follower rather than a leader. I think it has the responsibility to lead, and of all the media of mass communications it is probably best able to blaze the trail of leadership in elevating us in spirit & in mind. In so doing, it will meet its challenges & serve in its highest form the public interest, convenience and necessity."

Sharing Ford's concern for prevalence of "violence" on TV—and seconding his expression of distaste for the idea of an industry "czar"—was TV Code Review Board Chmn. E. K. Hartenbower, who shared programs at Columbus & Cleveland meetings with the FCC Chmn. (see p. 9).

MOST PILOTS FIZZLE—AGAIN: Hollywood's annual fiasco—the process of producing 150 to 200 pilots, with only about 10-12% selling—is repeating itself this season. To date, with few time slots remaining on the networks for telefilmers, only about 20 of some 150 pilots have been sold.

While 200 pilots were planned initially, the Writers Guild of America strike against TV film, which began Jan. 16, sliced probably 50 from this figure.

Telefilmers will lose, conservatively, about $7 million in unsuccessful pilots. (Some will recoup part of their losses by using such pilots in anthology series.)

Four Star Television leads the pilot-makers with 6 definite sales, a remarkable achievement in TV film's present circumstances. Sold were "The Tom Ewell Show," "Peter Loves Mary," "Willy Dante," "Stagecoach West," "Michael Shayne," "The Law and Mr. Jones." Four Star's track record is in sharp contrast to Paramount Television, Mark VII Ltd., and ITC, which thus far have failed to rack up a single pilot sale.

In the middle are MGM-TV, which after a dismal 1959 (no pilot sale) has sold 2 this season, Desilu Productions (2) and Screen Gems (3).

SENATORS & FTC's KINTNER IN LOVE FEAST: Tremendous contrast between FCC's & FTC's "images" before Congress has never been more apparent than last week, as Senate Commerce Committee questioned FTC Chmn. Kintner, who is up for new 7-year term starting Sept. 26.

Senators were full of commendation & goodwill as they examined Kintner—a striking change from the lambasting FCC got when Comr. Lee was up week before (Vol. 16:18 p3). Not that Lee himself caught much of it; he just happened to be handy.

If Kintner's confirmation is delayed, and there's no evidence that it will be, the cause will be pure politics—because he came off mighty well. Hard worker, fecund speech maker, consummate public relations man, Kintner unabashedly credited his interrogators with stimulating him & FTC improvements.

Most of Kintner's testimony was devoted to review of what FTC has done about payola & deceptive commercials—detailed in these pages from week to week—and the Senators were happy. Kintner said his TV monitoring people check 19,000 commercials a month. Broadcasters are "cooperating very, very well," he said, and commercials are becoming more "legal" and improving in taste.

One point he stressed: Advertisers should prepare "alternate" campaigns, voluntarily substituting a spare when FTC issues complaints against current presentations. FTC has no power to stop such commercials, he said, until litigation is ended—except in matters affecting health. He credited networks with "doing a better job," said liaison with FCC was "working well."

Sen. Pastore (D-R.I.) opined that industry self-policing isn't enough, that govt. must keep after offenders. Kintner agreed: "The big stick encourages more adherence to the law than anything I can think of."

Kintner also revealed that FTC is conducting investigation of program ratings. Said Chmn. Magnuson (D-Wash.): "Ratings ought to be honest." Said Monroney (D-Okla.), a long-time rating-baiter who still doesn't believe in samples: "Shouldn't ratings show the size of the sample?" He couldn't see how 750 sets could be a meaningful sample "out of 53 million." Kintner replied: "We haven't the full picture yet. The investigation is under way. We're still getting leads."

Kintner said FTC is concentrating on advertisers & agencies, not on media. "The man with the checkbook has the greatest responsibility," he said. "We haven't cited media. We have the power to do so but I hope we won't have to. You can't expect media to examine all claims with a magnifying glass. They have a deadline problem."

Commended by Sen. McGee (D-Wyo.) for "increased tempo" of FTC activity since he became Chairman, Kintner stated: "I had the advantage of being on the Commission 11 years before I became Chairman. I knew where the bodies were buried, so to speak. American institutions tend to swing like a pendulum. They tend to get encrusted. It's time to take inventory. While I was there, the Commission gradually was doing a better & better job. There are still weaknesses. We'll keep trying & experimenting."

ABC GETS INITIATED INTO HARRIS CLUB: In day-long hazing rites, ABC last week became full-fledged network member—along with previously-inducted CBS & NBC—of House Commerce Legislative Oversight Subcommittee's club for harassed witnesses.

It was ABC's Leonard H. Goldenson's turn in payola probe to face Chmn. Harris (D-Ark.) & Oversighters, who last year took CBS Inc. Pres. Frank Stanton & NBC Pres. Robert E. Kintner over rough hurdles in quiz-show hearings. Subcommittee had berated them for failures to prevent or expose deceptions on air (Vol. 15:45 p5). Lacking quiz programming, ABC had escaped that ordeal. But now Goldenson was on witness rack for his network's involvement in Subcommittee's payola case against Dick Clark (see p. 7).

It did Goldenson little good to protest (much as Stanton & Kintner had done earlier, to little avail) that he & ABC "are unqualifiedly opposed" to any & all deceptions. One after another, Oversighters bore into him & ABC for doing too little too late to uncover & stop payola.

"I probably was not as alert to it as much as I should have been," Goldenson conceded at one point, echoing what Stanton & Kintner had said about quiz rigging on their networks. But Oversighters weren't mollified; their suspicious & hostile reactions to Goldenson's testimony continued.

"You've made a very good argument in favor of regulation of the networks," said Rep. Mack (D-Ill.) disapprovingly. "Quite candidly, I don't believe you," Rep. Moss (D-Cal.) snapped at Goldenson at another point, when ABC's chief was trying to justify his network's approval of American Airlines deal which Subcommittee called "plugola" & "deceptive advertising."

Goldenson put up argument that TV is young and has made mistakes but is improving itself. Subcommittee showed no signs of buying that, either. "How can it be so young and have so many bad habits?" Rep. Moss demanded, glaring balefully at Goldenson. Oversighters' long payola probe ended on that note —and on threats that TV network programming itself would be next in line for investigation. It wasn't one of broadcasting's better days on Capitol Hill.

The FCC

New Vhf Field-Strength Curves: Engineers can now dig in with a new set of tools to prepare for June 20 filings in FCC's important rule-making designed to allow drop-ins of new vhf assignments at short spacings (Vol. 16:2 p2).

A new series of 3 field-strength charts was issued (Public Notice 60-499), superseding the original charts—and correcting some errors. The new curves were drawn up by the joint FCC-industry Radio Propagation Advisory Committee (RPAC)—and eliminate what FCC engineers describe as "slight errors" in the original. There are no longer separate charts for high & low vhf bands. The Commission tells why:

"RPAC reports that the assumption that there was a linear height gain when receiving antennas were raised from 10 feet to 30 feet (an assumption on which the charts in the present rules and the charts proposed in the original notice in this proceeding were based), led to the erroneous conclusion that for average terrain median fields at 30 ft. were higher in the upper vhf channels than in the lower vhf channels. The data have been re-analyzed and measurements were separated into three groups: i.e., low vhf (54-88 mc), FM band (88-108 mc), high vhf (174-216 mc).

"This analysis showed that the measured height gain used to convert measurements from 10 feet to 30 feet was 1.7 db above the linear height gain in the low vhf band, 1.3 db below the linear height gain factor in the FM band, and 3.4 db below the linear height gain factor in the high vhf.

"This would indicate that the actual height gain factor decreases with increasing frequency. This trend appears to be more consistent with recent observations that height gain is less in rough terrain than in smooth terrain. Since terrain of a given topography appears rougher to high frequencies than to low frequencies, the relationship between frequency and height gain can be supported.

"When the data which provided the basis for the Commission's present rules are replotted using the revised height gain factors there is no appreciable difference between the low vhf and high vhf service fields. RPAC therefore concludes that separate curves for the low vhf and high vhf bands are unnecessary."

The Commission also acted to clear up uncertainties about the effect new curves & standards would have on existing stations. It stated: "The original notice of proposed rule making in this proceeding did not make clear the status of existing TV stations insofar as compliance with the proposed new service field requirements over the principal city. It is proposed to permit existing stations to continue to operate with their present facilities, on condition that any subsequent changes in the facilities would not result in their providing lesser service fields than they are now providing over the principal city. This policy would also apply to applicants who are in hearing at the time the proposed new requirements are adopted, if such action is taken by the Commission."

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Conelrad test May 3 appeared to go off well, FCC engineers report, but they point out that analyses from the whole U.S. won't be compiled & summarized until July or Aug. In addition to reports from Conelrad field engineers, questionnaires are being filled out by the approximately 2,000 AM stations that participated. During the drill, all TV, most FM and all non-participating AM stations were off the air 2-2:30 p.m. In 15-20 states, FM defense networks, comprising off-air station-to-station relays, were given permission to stay on the air and test. During the alert, which was part of the 7th annual nation-wide civil defense training exercise conducted by OCDM, Conelrad stations carried messages by President Eisenhower, Defense Secy. Thomas S. Gates & OCDM dir. Leo A. Hoegh—in addition to messages from governors & city officials. All stressed the need for the public to learn what to do in the event of attack.

Comr. Bartley flies to London May 13 to assume duties of chairman of the U.S. radiotelegraph & radiotelephone delegation at the International Conference on Safety at Sea, which begins May 17. After the conference, Bartley will remain a week or so to inspect TV facilities of several major European countries. Other members of the delegation include ex-Comr. E. M. Webster, FCC Safety & Special Bureau chief Curtis B. Plummer, FCC Marine Div. staffers Duncan Peters & Harold Woodyard, consulting engineer C. M. Jansky Jr. of the Lake Carriers Assn., AFL-CIO Maritime Committee exec. secy. Hoyt S. Haddock, RCA Frequency Bureau mgr. Wayne Mason, AT&T engineer Frank C. Oblinger, Edward C. Phillips of the American Merchant Marine Institute, D. P. MacQuivey of State Dept.'s telecommunications div.

New secretary of FCC to replace Mary Jane Morris won't be selected for some time. FCC hasn't discussed the matter, hasn't weighed any names. Chmn. Ford is now studying an analysis of the job made by McKinsey Corp., management consultants, and no one will be selected until the position is re-evaluated.

FM STEREO RULE-MAKING: A start on long-awaited rule-making on FM stereo was made last week by FCC, which called for comments by July 29 on 8 systems but permitted reports filed in March by NSRC & RCA (Vol. 16:12 p6) to stand without resubmission.

Basically, what the Commission did was ask comments on the 7 stereo systems listed in NSRC's report plus the Philco system, which had been withdrawn from NSRC consideration but proposed separately to FCC.

FCC said detailed engineering data & analysis of the proposed systems in the comments should cover these points: (1) Definitions. (2) Technical aspects. (3) Need for frequency & modulation monitors. (4) Need for increases in transmitter power output. (5) Cost & practicability of transmitter modifications. (6) Cost & practicability of receiving equipment.

At the same time, FCC approved a "modest expansion of permissible subsidiary operations" in FM multiplexing by commercial stations, but rejected—for now, at least—proposals that educational FM stations be permitted to go into multiplex operations. FCC also turned down proposals to change standards in subsidiary FM operations.

Under the new Commission rules, FM broadcasters may be authorized to: (1) Use multiplex sub-channels to transmit special programs for "business, professional, educational, religious, trade, labor, agricultural and other special groups of subscribers." (2) Use sub-channels for relays to other FM & AM stations.

As an example of special-program multiplexing service which may be approved, FCC cited recent authorizations to WRCA-FM N.Y. for "doctor-casting." Permissible program-relaying service is typified by terms of temporary authority to KDKA-FM Pittsburgh to originate play-by-play descriptions of baseball games for other area stations.

In addition to turning down the proposals for educational multiplexing & changes in standards, FCC said it had "weighed & rejected" suggestions that FM stations be permitted "to undertake signaling, control, telemetering or communications activities" unrelated to broadcasting.

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FCC Comr. Lee, up for confirmation for another term, last week supplied Senate Commerce Committee Chmn. Magnuson (D-Wash.) with data requested on 2 points at his April 27 hearing (Vol. 16:18 p3). Lee offered this legal summary from an 11-page brief prepared by his asst. Thomas J. Dougherty, to support his contention that the Communications Act doesn't require any broadcaster to put politicians on the air if equal-time issues aren't involved: "He is not obligated to grant time to any particular candidate for any particular election. However, a policy of 'blacking out' all political discussion by candidates can be considered by the agency in determining whether a broadcaster is serving the statutory licensing standard of public interest, convenience and necessity." In further answer to Committee questions as to how much time TV & radio stations devote to public service, Lee suggested that the term "is a matter of broad subjective interpretation," that FCC can't analyze such programming precisely. However, he came up with a study of transfer applications of 43 TV & radio stations reflecting "a cross-section" of all stations. Magnuson was told that this study indicated average TV programming as "25% sustaining," average radio programming "35 % sustaining." Religion got 7% of the time on radio, 3% on TV. These figures provided "a fair approximation of public services programming," Lee said.

FCC's Rule-Making Rules: Amended language for an anti-*ex-parte* bill (HR-4800) proposed by House Commerce Committee Chmn. Harris (D-Ark.) has been submitted to him by FCC Chmn. Ford, carrying out Commission's ideas for splitting rule-making into general & special categories (Vol. 16:18 p15).

In line with Ford's testimony before the Commerce Committee in March (Vol. 16:12 p1, 13 p3), FCC proposed that informal communications in general rule-making be permitted within limits of the Administrative Procedures Act, but that *ex-parte* restrictions be tightened in rule-making which involves special interests.

FCC's suggested language would insert the following into Harris bill as Sec. 409 (D):

"(1) All rule making proceedings conducted before the Commission shall comply with the procedural requirements set forth in section 4 of the Administrative Procedure Act and such rules and regulations as the Commission may prescribe.

"(2) However, in those cases where the Commission finds that special procedural provisions are appropriate and so states in its notice of proposed rule making, the following additional procedural requirements shall be observed:

"(a) All written material bearing upon matters in issue in such rule making proceeding shall be made a part of the docket therein. Any written material not so filed shall not be considered by the Commission or any member of the Commission's staff in connection with such proceeding.

"(b) No person shall consult with or make any written or oral presentation to an individual Commissioner or any member of the Commission's staff with regard to the matters at issue in any rule making proceeding conducted under this subsection during such time as it is pending before the Commission.

"(c) Nothing in subsection (2) shall be construed to prohibit the Commission from considering relevant information made available to it prior to the issuance of a notice of proposed rule making, information of which it may take official notice, information obtained through consultation with the Commission's staff, or any other information available to it and not precluded from consideration by subsections (2) (a) and (2) (b) herein.

"(3) Any participant in such proceeding may request the Commission to reconsider its procedural determination within 10 days of the publication of its notice of proposed rule making. If such petition for reconsideration is not timely filed, the parties will be bound by the Commission's determination in the matter: *Provided,* however, that any order denying reconsideration may be appealed, as provided in sections 402 (B) (9) and 402 (C) of this Act. Any participant in such proceeding who has not so appealed shall be foreclosed thereafter to challenge the validity of such procedural determination, in any action seeking judicial review of the Commission's final order in such rule making proceeding."

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Fresno deintermixture proposal, to make the area all-uhf by shifting KFRE-TV from Ch. 12 to uhf (Vol. 16:13 p4), was approved by all parties filing comments with the FCC—though some asked for certain conditions. KFRE-TV agreed to go to uhf if it were to be given Ch. 30 or 18 instead of Ch. 53 as proposed, and if Ch. 12 were to be moved out of Fresno. KJEO (Ch. 47) Fresno asked that Bakersfield also be made all-uhf and that other markets be deintermixed "to assure a market large enough to induce the continued production of uhf receivers & components." It also reserved the right to ask for a shift to a different uhf channel. KMJ-TV (Ch. 24) Fresno also asked that Bakersfield be made all-uhf and that Ch. 12 be shifted to Santa Barbara; in addition, it requested that FCC exert "its powerful influence with manufacturers to improve the quality of uhf receivers & transmitting equipment." Santa Barbara TV Assn., prospective Ch. 12 applicant headed by the city's mayor, endorsed the proposed shift of Ch. 12. KLYD-TV (Ch. 17) Bakersfield urged that its city also be deintermixed, shifting KERO-TV (Ch. 10) to Ch. 45 or some other uhf channel.

KRLD-TV (Ch. 4) Dallas has been given authority by FCC to identify itself also with Ft. Worth, Comrs. Ford & Bartley dissenting.

Ch. 46 is now educational in Kalamazoo. FCC switched the reservation from Ch. 74 at request of Western Mich. U.

Miami Ch. 10 "influence" case was finally set for June 2 oral argument at FCC. The Commission had been holding off, awaiting the conclusion of the 2nd Mack-Whiteside conspiracy trial. However, when Judge Holtzoff delayed start of the trial until Oct. 4 because of Whiteside's gall bladder operation (Vol. 16:18 p14), the Commission concluded that it would wait no longer. The Commission had delayed, at the requests of the Justice Dept., the judge and attorneys for Mack & Whiteside, on the theory that publicity surrounding further FCC proceedings might prejudice jurors. The oral argument will give attorneys opportunity to debate examiner Horace Stern's initial decision—which held that National Airlines' CP for WPST-TV should be revoked, that FCC should hold further proceedings, that applicants National & WKAT (whose principal A. Frank Katzentine died recently) be handicapped but not "absolutely disqualified" in the new go-round among the 4 original applicants (Vol. 14:49 p2).

Payola and rock & roll aren't linked, so far as FCC has been able to tell, according to Chmn. Ford. In answer to a query from Rep. O'Neill (D-Mass.), who had suggested that there was a connection between payola & "trash" records played on radio by "unscrupulous disc jockeys," Ford said Commission lacks any information "which would enable it to determine with any degree of certainty whether any relationship whatsoever exists." Ford also told O'Neill in a letter that FTC had advised FCC that "employes of 110 radio & TV broadcast stations have received some form of cash payments from record manufacturers & distributors." Replies to FCC's own questionnaires disclosed that 69 of these stations were "unable to uncover any instances of payola," Ford said, and FCC's probe is proceeding.

Prohibition of station sales within 3 years after CPs are granted, a provision of HR-11340 introduced by Rep. Harris (D-Ark.), is a little too stiff for majority of FCC members. However, it's understood they do want greater latitude in calling for hearings to scrutinize sales. The Communications Act makes Commission approval of sales almost automatic, leaves FCC little discretion. Comr. Bartley dissents, would have all sales go through hearing.

Renewals of network key stations' licenses in N.Y. expire June 1 (along with all other N.Y. & N.J. stations), and FCC is examining them in the light of payola data. If the renewals aren't granted by June 1, they'll be extended indefinitely automatically and it can be assumed that the Commission hasn't made up its mind or that it plans a formal, public hearing.

The 1856-ft. tower sought by WHAS-TV Louisville shouldn't be authorized, according to proposed findings filed by FCC's Broadcast Bureau. The Bureau's attorneys concluded that the tower wouldn't be an aircraft hazard; its objections were that the station's increased coverage would undercut economic support of Lexington's 2 uhfs.

Communications Act amendment providing for "flexibility" in FCC rules requiring annual inspections of radio equipment aboard U.S. ships has been proposed by Sen. Magnuson (D-Wash.). He said his bill (S-3496) would eliminate "a hardship" imposed now on ship owners.

Grant of Ch. 10, Charlotte Amalie, St. Thomas, Virgin Islands, to Island Teleradio Service Inc., is recommended in an initial decision by FCC examiner Thomas Donahue.

FCC will vacation in Aug. per custom, meeting only once, on Aug. 1; scheduling no hearings or oral arguments.

Congress

More about

PAYOLA, ROYOLA & CLARKOLA: House investigators wound up payola probe hearings last week in a blaze of indignation at their disclosures, a promise of early corrective legislation, threats to investigate TV programming—and a nearly empty hearing room.

Less than 30 spectators were in the big House Caucus Room for the conclusion of the on-&-off hearings, which started in Feb. with testimony about a Miami Beach disc jockey convention in the headlines (Vol. 16:7 p6) and ended with ABC-TV's Dick Clark and AB-PT & ABC Pres. Leonard H. Goldenson as main targets. Washington was swarming with touring school children while the hearings were in progress, but few of them turned up to see *American Bandstand's* Clark during his 2 days on the stand.

Following sharp questioning about $7,150 paid him by American Airlines for plugs on his show, Clark was excused almost paternally May 2 by Chmn. Harris (D-Ark.) of the Commerce Legislative Oversight Subcommittee. "Obviously, you're a fine young man," said Harris. He added: "I don't think you're the inventor of the [payola] system. I think you're the product."

Little kindness was displayed next day to Goldenson by the Subcommittee, however (see p. 4). He was accused of laxity & slowness in severing Clark from outside music-related business connections until the Subcommittee got on Clark's multi-pathed trail last Nov.—and of condoning "plugola" on ABC himself.

"When this very important medium becomes so commercialized that you look in any corner & find some new gimmick, this most important means of communication has become almost completely subverted," Rep. Moss (D-Cal.) said acidly.

Record to Be Closed May 10

Harris set May 10 as the deadline for closing the record of the payola proceedings to any additional statements anybody involved may want to file. He warned that no "self-serving" statements would be accepted, said that he planned to have legislative cures promptly.

Harris also released a summary of replies to questionnaires sent by the Subcommittee staff to 230 record distributors in 23 cities, asking them to report payments to TV & radio personnel in 1958-59. The replies turned up payola totaling $263,245 to 207 jockeys & other station employes in 42 cities. The summary listed Los Angeles, Chicago and Baltimore as the biggest payola centers.

At the same time at least 2 other Subcommittee members agreed that TV network shows themselves should be next in the line of the Oversighters' investigative fire. Rep. Springer (R-Ill.) said he was in favor of such a sweeping probe and Rep. Mack (D-Ill.) said it was time to stop "the trash coming down over the airways."

Asking Goldenson why *The Voice of Firestone* was dropped by ABC-TV in "TV's worst mistake," Springer said its replacement—*Bourbon Street Beat*—"is one of the worst programs I ever saw." Goldenson explained that the Firestone show was seen by only 14% of viewers, that *Bourbon Street Beat* will be replaced next season. But Springer said a "real investigation of programming" is needed, promised to monitor shows himself between now & Jan. in preparation for it.

Referring to TV "trash," Mack asked Goldenson: "Don't you think somebody's going to have to do some-

thing—the govt. or the networks?" And later Mack told reporters: "There is no question the networks have a responsibility to protect the public interest rather than just to see what dollars they can make. They have not displayed any willingness to improve the type of program they carry." He said it would be "worth the time & effort" for the Subcommittee's staff to get under way on a programming inquiry now.

Mack also said that despite persistent denials by ABC-TV's Clark that he had ever taken payola, and testimony by Goldenson recounting the network's moves to ban the practice, the hearings had established that Clark was "top dog in the payola field." Rep. Derounian (R-N.Y.) had coined "royola" as a word for Clark's income from music publishing, etc. (Vol. 16:18 p2) and Rep. Moss (D-Cal.) offered another one—"Clarkola."

Doubt that the much-ballyhooed Clark phase of the hearings accomplished much was expressed by Rep. Devine (R-O.), however. A relatively quiet Oversighter, Devine said that early in the year the staff already had enough information on payola practices to know what legislative correctives should be recommended, that it wasn't necessary to have called "as many witnesses as we did." As for the prolonged questioning of Clark, Devine said: "I don't know that it helped the investigation."

Much of the final 2 days of the hearings was devoted by the Subcommittee to exploring a $7,150 payment by American Airlines for plugs on *American Bandstand* last year. Clark said such plugs were "standard practice," but Moss said such "Clarkola" was "illegal" under FCC regulations governing identification of sponsors.

Goldenson said that the American Airlines money went to Clark's production organization with ABC approval to pay for travel when *American Bandstand* was on tour, that the plugs ("Travel for the Dick Clark show arranged through American Airlines") were charged to the account until it was used up.

Moss said that Goldenson's testimony on the point was "in great conflict" with Clark's explanation. Moss also produced an intra-organization memo to Clark reporting that after all travel expenses had been deducted, a $3,049.60 profit remained for Clark.

Goldenson did manage to get one correction into the record, however. Derounian had estimated that Clark grossed $12 million annually for the network. Goldenson said the figure was about half that.

Work of the Subcommittee was reviewed at the week's end by Rep. Flynt (D-Ga.), who substituted for Harris as spokesman for the Oversighters in a speech to the American Women in Radio & TV Convention in Cleveland (see pp. 3 & 9). "We hope & trust that you approve of & are in full accord with the objectives of our Subcommittee & our activities to date," Flynt told the industry group.

He added that in broadcasting investigations, the Oversighters have exposed "serious derelictions, some of which have amounted to almost criminal activities," but he denied that the Subcommittee has tried to indict the industry generally.

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Is free manure payola? This problem beset KEX Portland, Ore. DJ Barney Keep last week. Platter-spinner Keep drove out to the Alpenrose Dairy to buy a truckload of fertilizer. When the dairy owner recognized him, Keep was told to keep his $1 payment, leaving him the delicate moral problem of deciding whether the fragrant gratuity constituted a form of payola.

Revised TV blackout bill, permitting baseball & football clubs to control game telecasts without running afoul of anti-trust laws, has been drafted by Sen. Kefauver (D-Tenn.). Author of a similar football-basketball-hockey measure (S-2345) introduced last year (Vol. 15:37 p3), the chmn. of the Judiciary Anti-trust Subcommittee said his new bill (S-3483) would put baseball under anti-trust coverage but exempt most activities of other pro sports. Included in the Kefauver measure are provisions to: (1) Give baseball clubs the right to limit telecasting within 75 miles of another club's community on home-game days. (2) Forbid telecasts of pro football games in areas within 75 miles of other pro contests or scheduled college games except on Sun.—unless the home club or college consents.

Free-time TV debates by Presidential candidates, as required in a bill (S-3171) co-sponsored by Sens. Magnuson (D-Wash.) & Monroney (D-Okla.) and supported by a score of other Senators, will be debated in postponed Senate Commerce Committee hearings starting May 16. Adlai Stevenson, 1952-56 Democratic nominee, will be lead-off witness in the 3-day hearings, which first had been set to open May 12 (Vol. 16:17 p10). He'll be followed by Democratic National Chmn. Paul Butler & GOP National Chmn. Thruston B. Morton. Others to be heard will include spokesmen for the TV networks, NAB, American Civil Liberties Union, Socialist Labor Party. The Committee also has sent invitations to former Presidents Truman & Hoover to appear but hadn't had responses from them at last week's end.

Regulatory agency paperwork & red-tape hamstring administrative decisions and lead to back-door influence, Chmn. Harris (D-Ark.) of the House Commerce Legislative Oversight Subcommittee told the Federal Trial Examiners Conference in Washington. "These unwieldy proceedings are expensive, both to the regulated industry and to the Commissions concerned," Harris said. As for *ex-parte* approaches to the agencies: "Many such contacts begin as a result of frustration & exasperation with interminable agency delays." Harris disagreed with critics who say the agency system ought to be abolished, however. That would be "equivalent to burning up the roost to catch a chicken thief," he said.

"Before Congress plunges into drastic legislation, it might well consider the effects already produced by the House subcommittee hearings. If the industry itself can show new evidence of maturity and a sense of responsibility where it has been lacking, it is entitled to every chance to clean its own house. Failure will create a vacuum which under our democratic system will inevitably be filled by legislation. So the clear challenge at this critical point is for television's many able and conscientious leaders to exert the direction and control of which they are capable and on which the industry's reputation depends."—*N.Y. Herald Tribune.*

"It is incredibly naive of legislators, educators, and well meaning critics to assume that the advertisers of America would invest $1,500,000,000 in a medium without bona-fide research. Do any of these worthies think that Procter & Gamble, General Motors, Columbia Broadcasting System, J. Walter Thompson Co., or any of the great companies that specialize in evaluating the power of their vast advertising expenditures or programming circulation would accept any rating service without the most critical analysis?"—*Advertising Age.*

Stations

NO TV CZARS WANTED: In his first public appearances as the new NAB TV Code Review Board chmn., vp-gen. mgr. E. K. Hartenbower of KCMO-TV Kansas City last week scorned czar solutions to industry problems. But he warned that broadcasters must do better clean-up jobs on programs & commercials.

In a speech to the Institute for Education by Radio-TV in Columbus, Hartenbower said: "I think it boils down to this: If you want fireworks, if you want sound & fury, look to hasty legislation or the coronation of czars. But if you want steady, thoughtful improvement & maturing of this pretty amazing form of communications that affects our lives so deeply, look to voluntary codes—and those who live by them."

Then Hartenbower went on to Cleveland, where he told the annual convention of American Women in Radio & TV that it's "time for us in TV to take a long hard look at the programs we put in the country's living rooms" and start curbing "excessive violence" in shows. He also said: "There are some commercials on the air, not many, which are downright disgusting."

Hartenbower, who took over as head of the Code Review Board following NAB's Chicago convention in April (Vol. 16:15 p7), occupied featured spots at both meetings, along with FCC Chmn. Ford (see p. 2).

"Knotty problems [in TV] aren't going to be solved by heavy-handed fiats or the making of loud noises—problems like the matter of good taste in commercials & undue violence in programming," Hartenbower said in Columbus.

And as for a czar: "You read glaring headlines about TV scandals in the newspapers, and we all start hunting for a messiah, for some unassailable father-image to come in & clean up the house instead of rolling up our sleeves and doing the job ourselves."

In Cleveland, Hartenbower pointed out that the "matter of excessive violence in programming has plagued our industry since its infancy," that the "least responsible & least rational critics have always seized on it with glee." He said there's no need to "panic & run off in all directions every time some housewives' group sits down to count the number of pistol shots in a Western," but that broadcasters should pay close heed when such "serious" critics as Ford & National Parent-Teachers Assns. sound warnings.

Acknowledging that "disgusting" commercials can still be seen, he also told the AWRT convention: "I'm happy to report that we have noticed some substantial improvement in many commercials. I'm happier to report that many advertising agencies are consulting with the Code Board about these commercials, and in so doing have avoided problems in taste before the commercials were filmed."

As further proof that Code progress is being made, Hartenbower pointed to the way member stations are "willingly & cheerfully" agreeing to doubled & tripled subscription fees to pay for more administrative personnel and other expansion (Vol. 16:18 p9).

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RCA shipped a used 2-kw transmitter and 6-bay antenna April 29 to upcoming KCDY-TV (Ch. 11) Coos Bay, Ore., which has summer target. Also a 1-kw transmitter May 6 to upcoming WXTV (Ch. 45) Youngstown, O., which hasn't reported a target. TV tape recorder shipments: 1 color unit to NBC, Burbank; 1 monochrome to WMAR-TV Baltimore.

Birth of a Rep: Several CBS-repped TV stations will move this summer to a new rep organization now being formed in N.Y. to attract as many as possible of the station group which CBS Spot Sales, by Justice Dept. order, must drop by mid-1961. The new firm will emerge as an affiliated div. of an existing rep organization (probably Branham Co.), but will have considerable group identity. Most likely candidates for the group: WBTV Charlotte, WJXT Jacksonville, WTOP-TV Washington. Involved in the new rep setup are at least one present network rep sales official and a former executive of one of the major radio networks. Organizers of the new group tell us they hope to have "at least 15 or 20 TV stations" within 3 or 4 years. Some other CBS-repped outlets are already committed to existing reps: KHOU-TV Houston will shift to H-R Reps and KSL-TV Salt Lake City will move to Blair TV this year.

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FTC payola charges against Mutual Distributors Inc., Boston record distributor, should be dropped because the payments to disc jockeys and other TV & radio station personnel were just Christmas cheer, the company & its officers said in answers to the March 2 complaint (Vol. 16:10 p9). Mutual and Pres. George D. Hartstone, treas. Leon C. Hartstone and clerk Robert S. Hartstone admitted giving $100 gifts at Christmas time. But they said the money-giving was "motivated by the usual holiday spirit and as an accepted business practice by way of public relations and in no way to control or unduly influence the 'exposure' of records distributed by the respondents."

Payola is commercial bribery and should be "proscribed by law," not by FCC rules for sponsorship identification, NAB govt. relations mgr. Vincent T. Wasilewski told the 51st annual Journalism Week conference at the U. of Mo., Columbia. Expanding on NAB's arguments against FCC's interpretations of Sec. 317 of the Federal Communications Act (see p. 2), Wasilewski said NAB favors making payola a crime, but that Sec. 315 issues should be handled separately by an FCC administrative interpretation or amendment clarifying the law's intent "to protect against disguised advertising or propaganda."

Payola-free record supply will be offered TV-radio stations by Record Source Inc., a new div. of the N.Y. jingle-producing firm of Scott Textor Productions. Record Source is being organized by Hal Cook, ex-sales vp of Warner Bros. Records, at 333 E. 46th St., N.Y. Cook will offer stations a basic supply of 10 potential-hit record singles weekly and 10 albums monthly "based on the consensus of record reviews in 4 leading music trade publications, with artist popularity a weighting factor," he told us. Stations can then feature the records in local DJ shows without worrying about payola charges, Cook added.

Public-service plugs by TV & radio for the U.S. savings bond program "are largely responsible" for its successes since it was launched 19 years ago, according to Treasury Secy. Robert B. Anderson. In a letter to acting NAB administrator Everett E. Revercomb, he thanked the broadcasting industry for "its service to the nation." Anderson said that "radio, virtually overnight, transformed the bond program into a nation-wide sales campaign which quickly became a financial mainstay of this nation at war" and that, in the postwar years, TV "quickly responded in the fine tradition of public service."

Revised TV Code edition—No. 6, incorporating amendments & interpretations—will be published about June 15 by NAB.

PHILCO'S NEW JAB AT RCA-NBC: Philco has come up with yet another angle of attack on RCA-NBC, which it has besieged for years in many still-unsettled legal attacks. The latest was the filing with FCC of an application for the Ch. 3 now occupied by WRCV-TV Philadelphia, to compete with NBC for renewal of the license which expires Aug. 1.

This throws yet another complication into the WRCV-TV picture. NBC is required to sell the station along with WRCV under an anti-trust consent decree, and NBC has agreed to swap the stations with RKO General's WNAC-TV & WNAC Boston, selling its WRC-TV & WRC Washington to RKO for $11.5 million. In addition, NBC has contracted to buy KTVU San Francisco for $7.5 million. KRON-TV San Francisco has complained to the Justice Dept. about the KTVU sale, and Justice Dept. has a deadline today (May 9) to tell the court whether it objects to the sale (Vol. 16:17 p5).

In addition to the foregoing, Philco had protested to FCC the renewal of WRCV-TV. After a lot of court litigation, FCC held oral argument on Philco's charges about RCA-NBC's qualifications as a licensee—but the Commission hasn't decided whether to hold a full-scale hearing on Philco's allegations (Vol. 15:41 p5).

Still dragging through the courts is the granddaddy of all Philco attacks—its 1957 $150-million treble damage suit charging RCA with patent monopoly (Vol. 13:3 p2).

Philco has a new angle in its latest thrust: It charges that NBC hasn't done a good programming job in Philadelphia. Its previous attacks on RCA & NBC charged that they were unfit licensees because of monopolistic taint.

Philco Sold Ch. 3 in '53

In last week's application, Philco noted that it had operated on Ch. 3 experimentally from 1932 to 1941, went commercial in 1941, then sold to Westinghouse in 1953. Its operation of the station, Philco said, featured 20% local live programming—whereas NBC offers only 7%. Philco stated that it would resume the 20% practice, 1/5 of it during 6-11 p.m., if awarded the channel.

Barring abnormal developments, FCC is required to conduct a comparative hearing between Philco & NBC. But there are innumerable legal convolutions to cover—depending on whether or not Justice Dept. objects to NBC's purchase of KTVU—and heaven (& the lawers) knows what else.

Philco sold its Ch. 3 station (then called WPTZ) to Westinghouse for $8.5 million, up to then the highest price ever paid for a station (Vol. 9:8). At the time, Philco said it sold because it chose to "concentrate in its principal fields of research & development of TV receiving sets radios & major appliances." In 1957, however, detailing its "monopoly" charges against RCA in the $150-million patent suit, Philco asserted that RCA-NBC forced it to sell to Westinghouse "for a price substantially less than the properties were worth" by threatening to shift the NBC-TV affiliation to Westinghouse which was then an applicant for Philadelphia's uhf Ch. 17.

In 1956, Westinghouse swapped the Ch. 3 station (with AM), then called KYW-TV & KYW, to NBC for the latter's Cleveland TV & radio, also getting $3 million from NBC (Vol. 12:3 p3). Then came the consent decree last year, in which NBC agreed to sell the Philadelphia properties (Vol. 15:39 p3).

In its application, Philco proposes to spend $4,142,000 to build the station, $5 million a year to operate it. David B. Smith, technical planning vp, was placed in charge of broadcast plans. A TV pioneer, Smith worked closely with WPTZ in its early days, was active in industry work toward TV technical standards.

Obviously irrated by Philco's move, NBC promptly snapped back May 4, terming Philco's application for the Philadelphia channel "the latest move in a cynical course of harrassment that has nothing to do with broadcasting in Philadelphia" and "the act of an opportunistic Johnny-come-lately who wants to reap where others have sown."

Philco, NBC intimated, was a fine one to talk about community service in its home area. "In 1953," said NBC's official statement, "Philco chose to sell its TV station in Philadelphia to take a multi-million dollar profit instead of developing a broadcast service in that community. Since that time, it has made no effort to acquire any broadcast station anywhere." While Philco sat on the sidelines, NBC pointed out, the NBC-owned outlet (WRCV-TV) was "bringing Philadelphians the full, balanced program service of NBC" as well as many special interest programs.

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WFBM-TV Indianapolis claims a record "for single-station coverage of one series of related events." It's scheduling more than 114 hours of broadcast time this month for the 500 Mile Race & associated activities. "So far as we know," reports promotion mgr. K. C. Strange, "there has never been anything to match our proposed plans either in scope, quality or total time by an individual broadcasting company." WFBM-TV has slated a 40-man crew to work almost exclusively on remote broadcasts. In the $400,000 worth of equipment assigned to the project is a 4-camera RCA-NBC color mobile unit which initiates operations this week (9) with *Trackside*, a 15-min. Mon.-through-Fri. report direct from Indianapolis Speedway.

Field of candidates to succeed late Harold E. Fellows as NAB pres. has been narrowed to "about a dozen" and NAB's selection committee hopes to be ready with a nominee next month, Chmn. C. Howard Lane (KOIN-TV Portland, Ore) told us last week. Still declining to speculate on a likely possibility for the post, Lane said members of his committee were continuing to interview men suggested by NAB members, whose personal choices added up to 100 last month (Vol. 16:16 p12). They planned to meet in Washington in advance of June 13-17 NAB board sessions at the Statler-Hilton. "I would hope that we'll be able to settle on somebody then to present to the board," Lane said.

Damages of $47,112 for cancelation of a TV program have been awarded to Washington, D.C. dept. store chain by district court Judge Alexander Holtzoff. Morton's Stores claimed that WTTG had breached an advertising contract when it cancelled the store's *Morton's Talented Tots* shortly after Metropolitan Bcstg. Corp. took over from DuMont in 1958. The chain had sought $84,000.

Two-month-old block-booking trial against 6 TV feature film distributors ended in N.Y. Federal District Court May 3. Judge Archie O. Dawson set Aug. 10 as the date for receiving briefs from both sides. He also indicated his decision would not be forthcoming for some time, "as the issues in the case are quite complex."

FCC's record-donor order has been put to commercial use by radio outlet KPHO Phoenix, Ariz. The usual acknowledgement of the source of air-played records is not only made—it is actually sponsored. Local Ed Post Realty Co., buys them at the rate of 30 announcements daily.

Film & Tape

WGA PEACE STILL ELUSIVE: Four-month-old strike of Writers Guild of America against the Alliance of Television Film Producers, TV film operation at the networks & the major studios continued last week, with no major developments. There were indications of peace attempts early in the week, but these had apparently blown up like other such maneuvers.

All sides displayed considerable caution in the hydra-headed controversy, but there was good reason to believe the membership vote rejecting the Alliance proposal had clarified what had been an atmosphere as smoggy as Los Angeles on a bad day.

One thing appeared clearly evident: WGA was now determined to settle for nothing less than compensation *and* recognition in the crucial foreign residuals area. WGA's most recent demand in that area is for 2% of global gross.

Unwilling to grant this major concession, a number of employers were hoping for a break with the annual WGA membership meeting & election May 19. There were reports that many writers who had voted for the Alliance offer would again seek acceptance, basing their hopes on the belief that if more writers turn out May 19 than were at the last meeting, they will win.

Ironically, it was generally admitted that had TV producers offered merely recognition of the foreign principle a month or two ago, WGA would have accepted and the strike would have ended. Now, however, the writers consider time is on their side; producers are feeling the script shortage.

Producer groups—the Alliance, majors and independents—met last week to assure a solid front. But fear was expressed that the networks, which were the first to grant WGA recognition on the foreign principle, might again make concessions which would crack the producer front. There was general uneasiness among employers that script-short producers might make a deal.

Resignations, Withdrawals and Conflicts

Meanwhile, sidebar developments stemmed from the strike. For example, MGM-TV exec. producer Richard Maibaum resigned because of the strike. "I have been wearing 2 hats," he told us, "and I have been increasingly unable to do it." Maibaum, a WGA member, said MGM-TV is at the point of announcing a policy whereby it will hire any writer it can. He refused to remain in a situation in which he would have had to work with non-Guild members or members working in violation of WGA orders.

In an aftermath of the WGA membership meeting which saw the Alliance peace bid rejected, Rod Serling, who had spoken for acceptance of the offer, withdrew as candidate for election to the TV-radio board. Said he: "I gave a talk which I thought was innocuous. I said we were one guild, that there were no bad guys & good guys, that we were all Guild members, and I urged acceptance of the Alliance plan. Since then I have been accused of being a plant for management and a spokesman for the opposition outside the Guild. I think this is eminently unfair . . . On the basis of the fact that I am a producer-writer, I was suspect, so I resigned as a candidate. WGA has always sought to achieve writer control of stories, yet when some of us become producers and do that, we are accused of divided loyalty."

WGA, meanwhile, singled out Warner Bros. TV as guilty of "unfair practices," and made this charge to the Assn. of Motion Picture Producers. The Guild is considering separate negotiations with Warners if such practices don't stop, we're told by a Guild spokesman. "Warners," he said, "has behaved childishly from the start. It protested every unemployment claim, then appealed if it was held valid. The studio held up residual checks, and when we complained, sent them directly to writers instead of to the Guild, as called for in the contract under which these writers earned these residuals. They have phoned writers, asking them to work during the strike." It's long been known that WB uses the pseudonym W. Hermanos (Spanish for Warner Bros.) for writers who are non-Guild members or WGA members working in violation of WGA orders.

WGA's council voted 29-1 against acceptance of the Alliance & network offers. The idea of a national referendum was killed.

Screen Actors Guild meanwhile began negotiations for a new TV film contract with the Alliance and the Assn. of Motion Picture Producers, representing the major studios.

SAG demands call for a hike in the present residuals, which give actors 140% of minimum, to 200%; payments of 50% for second runs, as compared with 35% in the current contract; and other residual raises, ranging down to 10% for 8th run. (Actors are now paid for 2nd through 6th runs.)

Pension, Health Plans & Pay Increases

Other SAG demands: Pension plan and health & welfare plan, to be financed by employer contributions of amounts equal to 5% of total actors' payroll, including residuals; increases in minimums ranging from 20% to 80%; rerun provisions to apply to telecasts in cities throughout the world (if TV film is still in its first-run in U.S., but goes into 2nd run abroad, 2nd run residual becomes due actor and for this, actor gives world rights to 2nd run); payment for theatrical exhibition rights, including those abroad, subject to individual bargaining, with stipulated minimums; advance payments for reruns and movie rights banned; restrictions on exclusivity and options regarding pilots, series and term contracts.

In addition, SAG seeks improvements in overtime payments; tightening up on policing & collection of reruns, and in connection with foreclosures; better credits for actors and improvements in working conditions. The SAG contract would run for 3 years, to June 1, 1963. SAG's present, extended contract in TV expires May 31.

Meanwhile, Directors Guild of America was in negotiations with AMPP and the Alliance, and talks were progressing satisfactorily. The DGA pact with the producers expired April 30, but there is no thought of a strike inasmuch as progress is being made.

Meanwhile, WGA's national council will hold its semi-annual meeting in N.Y. Wed. & Thurs., with the agenda including discussions of censorship, income tax legislation, the strike and its strategy.

Other developments: Composers & Lyricists Guild of America has authorized the board & negotiating committee to call a strike against major studios at the "discretion" of the board. The film scorers and majors are understood to be far apart on terms.

AFM won elections covering musicians in the *Mr. Lucky* and *Peter Gunn* TV series, garnering more votes than the Musicians Guild of America.

CBS-Ampex 'Tape Watchman': Geometrical distortions of taped shows, resulting from improper recording, are corrected by a new "automatic watchman" for the Videotape recorder, unveiled by Ampex last week at the 87th semiannual convention of the Society of Motion Picture & Television Engineers in Los Angeles. CBS-TV engineer Charles H. Coleman developed the new device, which eliminates all skewing, scalloping and horizontal displacement of vertical lines. CBS Inc. has applied for a patent on the device, which it calls Coltec (Coleman Timing Equalizer Circuit). Ampex has been licensed to manufacture it under the name of Autotec.

We saw the unit in operation at the SMPTE conclave, and it seems to do everything Ampex claims it can do. The device makes possible the same degree of interspliceability among recorded tapes that exists among motion picture films, Ampex sources said. "For the film industry in its conversion to tape, the Autotec device means that in precise frame-by-frame editing there is no chance for splices between tapes of slightly varying recording standards to cause any picture distortion," said Neal K. McNaughten, Ampex vp & mgr. of Ampex Professional Products Co.

The "watchman" monitors the tape output electronically and compensates for any timing error before it reaches the viewing screen, he added. "Even though this device adds an automatic function to compensate instantaneously for unintentional operational errors in the recording of TV tapes, there can be no relaxation in the development of recording standards," McNaughten commented.

SMPTE's video-tape recording committee reported no further action on color standards will be taken now in the hope that manufacturers and users of color recorders can work together and present suggestions; standards for color recording will have to be separate from black-and-white; work on a proposed standard for de-emphasis for use with monochrome TV magnetic tape recorders has been held back in the hope a single standard could be set for color and b&w.

The group also said a new proposal has been drafted to set specific physical relationships between the rotating video heads and the vacuum guide to permit tapes to be played without distortion on machines or heads different from the one on which they were recorded.

Committee members will decide on a new proposed standard for the control track record for 2-inch video magnetic tape recordings. A revised proposal on dimensions for 2-inch video magnetic tape reels will be ready for resubmission to the SMPTE standards committee by July, conforming as nearly as possible to the EIA proposal for standard interchangeable reels for magnetic tape.

Among other TV-tape developments at SMPTE was the first U.S. engineering description of Toshiba's single-head recorder (see p. 24).

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An offer to buy Desilu Productions, said to be forthcoming from an unidentified Chicagoan, is denied by Desilu exec. vp Martin Leeds. The coast report had San Francisco financier Louis R. Lurie stating that he is acting as catalyst in the proposal. Commented Leeds: "I have never met Mr. Lurie. I know nothing of this." Meanwhile, Desilu owners Desi Arnaz and Lucille Ball each retains half of their 49% of Desilu stock, under terms agreed on last week when Miss Ball obtained a divorce from Arnaz. Arnaz will continue as Desilu president & board member, and Miss Ball as a board member. Latest to depart Desilu: producer Mort Briskin (*Grand Jury, U.S. Marshal*).

How Majors Stack Up For Next Season: Warner Bros.' big TV lead over the other major studios is diminishing. Columbia's subsidiary, Screen Gems, will be a close second for number of shows in production next season.

Definitely set for ABC-TV airing by Warners for next fall are renewals of *77 Sunset Strip, Maverick, Hawaiian Eye, Cheyenne* and *Lawman*, a *Bugs Bunny* cartoon series and 2 new 60-min. series, *Surfside Six* and *The Roaring 20s*. The network, not at all sure it will retain WB's *Bronco* and *Sugarfoot* series, is discussing the possibility of lumping *Bronco, Sugarfoot* and *Cheyenne* episodes into a single series, with WB making 13 of each. It doesn't plan to continue *Bronco* & *Sugarfoot* as separate shows.

WB series which will not return are *The Alaskans, Colt .45* and *Bourbon Street Beat*. Thus far the studio has 7 hours of programming (including the *Bunny* cartoons), as compared to 9 for this season. Added WB possibilities, but far from set, are *Room for One More* and an anthology hosted by WB exec. producer William T. Orr.

Screen Gems renewals for next season are *Dennis the Menace, The Donna Reed Show* and *Manhunt*. New series are two 60-min. shows, *Route 66* and *Naked City*, also *Triumph* (based on Churchill's memoirs), *Two Faces West* and *The Flintstones*, a cartoon strip. SG cancellations this season were *The Alcoa-Goodyear Theater, The Man From Blackhawk* and *Tightrope*.

Next in the major studio lineup is 20th-Fox Television, which has renewals of *The Many Loves of Dobie Gillis* and *Adventures in Paradise*, and the new 60-min. *Hong Kong*. This studio's *5 Fingers*, a 60-min. show, was cancelled in mid-season.

MGM-TV, which had no production for this season, will show activity next semester, with sales of 2 new series, *National Velvet* and 60-min. *The Islanders*.

Walt Disney Productions is status quo, with its single series, *Walt Disney Presents*, returning to ABC-TV in the fall. And despite its heavy expenditure in pilots, Paramount Television still hasn't racked up a firm deal for next season.

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Revue's Record Season: Revue Studios, which for several years has led the field in Hollywood TV film, will experience a record-breaking production year next season. There'll be approximately 20 series in this plant, according to current indications. Revue has filmed 16 thus far, expects probably 4 more before the buying season ends.

Revue renewals for next season: *GE Theater, Bachelor Father, Wells Fargo, The Deputy, Alfred Hitchcock Presents, Markham, Wagon Train, Leave It to Beaver*.

Syndicated series in production: *Coronado 9, Johnny Midnight* (co-produced with Jack Chertok), *Shotgun Slade*.

New series: *The Tall Man* (co-production with Nat Holt); *Thriller*, 60-min. series to be filmed for producer Hubbell Robinson Jr.; *Checkmate*, 60-min. series to be filmed for Jack Benny's J&M Productions; *Whispering Smith, Bringing Up Buddy*.

Considered a virtual certainty for renewal is *Laramie*. Revue sources term *Riverboat* "80% certain" of renewal.

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ITC and TCF-TV have signed a co-production agreement for "a minimum of 2 new TV series to be produced at TCF studios in Hollywood." This is the first such domestic co-production planned for the U.S. market by British-owned ITC. ITC Pres. Walter Kingsley also reported a first quarter 1960 sales increase of $800,000 over 1959.

NEW YORK ROUNDUP

NTA Productions and Directors Guild of America have reached an interim agreement whereby NTA will adhere to minimum conditions contained in current Guild agreements with the networks. The provision is designed for situations such as NTA's *Play of the Week* which is telecast 7 times weekly in N.Y. However, prior to the agreement's expiration date (Dec. 31, 1960), which coincides with termination of the Guild's network contracts, DGA has committed itself to negotiate a separate, basic agreement with TV syndicators—an agreement involving production of programming that does not receive network exposure. Under the interim contract, a special formula provides for deferred rerun payments on syndicated programs initially broadcast more than once weekly in a single market.

ABC Films will syndicate a new J. Arthur Rank feature-film package, *Empire 35*, including several titles "heretofore unexposed either theatrically or on TV" in the U.S. These include "Children Galore," "Don't Ever Leave Me," "The Hornet's Nest," and "One Jump Ahead." Meanwhile ABC Films' sales force has begun seeking fall network exposure for 2 of its latest series, *The Racers* and *Bellevue Is My Home*. Also reported last week by ABC Films: 9 station sales for *The Adventures of Jim Bowie*.

Add syndication sales: Screen Gems' *Medicine 1960* has been bought by Associated Hospital Service (Blue Cross) for 6 markets in S.C., putting the series in 45 markets to date . . . Cal. National Productions' *The Blue Angels* has been bought for a 68-market spread by Conoco (Continental Oil Co.) . . .Ziv-UA's *Tales of the Vikings* has been bought in 2 markets by Kern's bread.

Heritage Productions' *Campy's Corner*, featuring ex-Dodger catcher Roy Campanella, is now in 20 markets. Most recently added: WFIL-TV Philadelphia, WHDH-TV Boston and WMAR-TV Baltimore. The 30-min. show is taped in N.Y. at WPIX, and 16 of a projected 52 episodes are in the can to date.

Schaefer Brewing Co.'s unique full sponsorship of late-night movies as "local specials" in N.Y. & Boston has proved "so successful a venture" that the brewery has added TV outlets in Philadelphia, Syracuse & Albany for next season. Schaefer interrupts the movies only 4 times during the 2-hour presentations, for 75-sec. commercials.

Fremantle International has been awarded distribution rights for Spanish-language syndication of Trans-Lux TV Corp.'s *Felix the Cat* cartoon series, and has begun soundtrack re-voicing & a sales campaign in South & Central American markets. Present U.S. market list for the filmed-in-color *Felix* series: 65 stations.

Ziv-UA's *Home Run Derby* has racked up nearly 30 automotive dealers in its national syndication client list. "Traditionally, market-by-market sports programs are dominated by beverage & tobacco accounts, with food products leading the list of syndication buyers generally," vp Len Firestone noted.

Standard Oil (N.J.) won't notify WNTA-TV Newark or WTOP-TV Washington of its renewal decision on NTA's taped *Play of the Week* until mid-summer, a spokesman for the oil firm told us May 4. "Standard's fall ad budgets aren't decided upon until June or July," he said.

HOLLYWOOD ROUNDUP

How to sell a pilot film was ably demonstrated late last month by Screen Gems and CBS-TV, which sold a half-sponsorship of its new *Route 66* to Chevrolet. Since the show concerns the adventures of two young men driving along the transcontinental highway system, Screen Gems cagily picked a Chevrolet Corvair as the car to be used. When CBS screened the show for Chevrolet, ad officials of the auto firm were delighted at the subliminal plug, promptly bought into the series. Sole problem remaining: If the Corvair is used throughout the series, should the appearances be counted as commercial time? If not, does it represent a product plug under CBS-TV's new rules even though a car is a logical basic gimmick in the show? Last week, CBS-TV declined comment; the car was staying in.

When a TV series idea winds up instead as a movie project, that's news. This has happened to producer-writer Stanley Roberts, who created "The Colonel's Lady," a comedy series to have starred Betty Grable. Roberts submitted it to United Artists vp Max Youngstein, who thought it would be better as a movie. Roberts, a longtime screenwriter, thereupon turned around and made a deal with Universal-International, whereby that studio has optioned it as a movie property, with plans to star Lana Turner. Roberts will be co-producer & writer on the film, and will get a percentage of its gross. If U-I fails to renew its option, he may still submit it as a TV series.

Four Star Television has wrapped up production for the current season, with completion of the final segment of *Johnny Ringo;* Aaron Spelling has been named producer for next season following resignation of Hal Hudson . . . **Producer Tony Owen** and wife Donna Reed met with the State Dept. and representatives of the Russian Embassy in Washington last week to discuss the possibility of producing 2 or more episodes of her show in Moscow under the cultural exchange program of the State Dept. . . . **Ginger Rogers** will star in the pilot of a series at 20th-Fox TV.

Japan may spend $1.5 million for U.S. telefilms during the next 12 months, and another $500,000 for TV-released feature films, newsreels and short subjects. That's the current outlook for U.S. syndicators, long critical of low Japanese price ceilings on U.S. filmed export TV fare (Vol. 16:15 p16). It is based on present plans of Japan's finance ministry to raise prices of imported TV films from $300 for a 30-min. episode to $600, and from $600 for a 60-min. show to $1,000.

Samuel Goldwyn, who has been trying for years to sell his movies to TV, has turned sales representation over to the William Morris Agency, and its head, Abe Lastfogel, is now in negotiations to sell the 50 movies. Previous negotiations have been held with a number of companies, including NTA, but have always collapsed because of Goldwyn's stiff demands.

People: Peter Kortner, *Playhouse 90* producer at CBS-TV, has signed to produce the *Du Port Show with June Allyson*, for Four Star next season . . . **E. Cardon Walker** elected a dir. and member of the exec. committee, Walt Disney Productions, **Lawrence E. Tryon** named treas.

Programming

Ohio State Awards: Praises & protests for trends in TV-radio filled 4 crowded days last week at the Ohio State U. Institute for Education by TV-radio. Speeches, symposiums, panels and award presentations revealed the following: TV has substantially increased its public-service and cultural broadcasting during the past year, reflected by 321 TV award entries, 26 more than last year. Radio, to the contrary, reduced the number of entries this year. Sharp competition for awards came from outside-U.S. broadcasters this year, notably Canada. ETV is playing an increasingly important role in formal education.

Speeches & discussions focused on the growing public responsibility of commercial broadcasting and comparison of U.S. TV-radio with Canadian & European (particularly British) broadcasting. Other highlights:

Clair R. McCollough, pres. Steinman stations, denounced misconceptions put forth by critics of TV ("TV is ruining our children . . . There is nothing but mischief and murder on TV at night . . . There ought to be a board to supervise programming") by citing numerous cultural & public-service telecasts of the past year which characterize "efforts of some 450 commercial broadcasters, receptive to the high quality needs of their communities." Opposed to a 4th (ETV) network, McCollough expressed hope that commercial networks & independent station groups will "help build a society more concerned with and aware of its heritage & responsibilities."

Opposed to McCollough's *laissez-faire* system, Dr. Burton Paulu, Minnesota U. TV-radio dir., favored more control, praising the British for "devising a method which enables govt. to insist on high standards of programming & advertising without interfering with freedom of expression." Of Britain's commercial TV, Paulu said: "It is unique in the whole world. Having grown out of the desire to avoid the problems we encounter today, it is worthy of our careful attention."

FCC Chmn. Ford Addresses Group

Other major speakers included Frederick W. Ford, FCC chmn. (see p. 2). Symposiums with such spokesmen as Robert L. Foreman, exec. vp BBDO; Harry J. Skornia, pres. NAEB; and Gilbert Seldes, dean, Annenberg School of Communications, U. of Pa., followed up other issues raised by key speakers.

Ohio State TV awards were presented in 8 classifications to national & regional public-affairs series. CBS-TV was top winner, scoring 5 firsts: Leonard Bernstein and the N.Y. Philharmonic won "best cultural program" in both adult & children's categories (the latter with *Young People's Concerts*); "The Lost Class of '59," *CBS Reports* and "Harlem—a Self-Portrait" won honors for CBS in "social problems," "public affairs" and "special one-time broadcasts" categories respectively.

NBC-TV took a national first with *Continental Classroom* in the "systematic instruction for adults group" classification; CBC won first awards for *Candid Eye, Tabloid* (social problems group) and "Where Will They Go?" a one-time special.

Among local and regional stations receiving citations were WGBH-TV Boston for *Laughter's a Funny Business;* KING-TV Seattle for *Seattle Reports;* KNXT Los Angeles for "Hell Flower," a one-time special. Regional first for school telecasts went to WCET Cincinnati for *Biology Grade 9.*

Equal Time Embroilment: That Humphrey-Kennedy TV debate finally came off last week after nearly a fortnight of on-&-off scheduling. The forensic embroilment immediately boiled up in its wake charges of "rigging" and demands for "equal time" for the GOP from Republican National Chmn. Thruston B. Morton.

Although NBC-TV had first proposed to televise, the debate went through May 4 when the 5 Westinghouse Bcstg. Co. TV & radio outlets in Pittsburgh, Cleveland, Boston, Baltimore and San Francisco pre-empted 8:30-9:30 p.m. network fare to take a feed from WCHS-TV Charleston, W. Va. The telecast was also fed to several independent outlets in major cities. NBC-TV moved in on the national level, taping the debate to present a 20-min. highlight digest on *Today* May 5 in the 8-8:30 a.m. segment. Other highlights were aired on WRCA-TV N.Y.'s *11th Hour News,* and fed to the NBC-TV and radio networks. CBS-TV, normally a fast starter in coralling major news events, had turned down the WBC feed as impractical under Sec. 315. CBS announced it hoped to have a debate on the network, but backed away unless it could be given assurances that it would not be deluged with equal-time requests.

Morton's reflex action was a demand that the stations give as much time to GOP spokesmen as they had to the "rigged farce" staged by the Democratic Presidential rivals. First to respond was MBS Pres. Robert F. Hurleigh, who said he was ready to arrange a Republican reply. Not so ready is NBC. Replied the network:

"When NBC offered time for a debate between Sens. Humphrey & Kennedy, it was with full awareness that we would be subject to claims for equal time from other bona fide qualified candidates for the same position—the Democratic nomination for President. That is the limit of our obligation to give equal time." Added an NBC executive to us unofficially, "Morton would do well to read the wording of Sec. 315—unless he's really planning to run Nixon on the Democratic ticket."

Meanwhile, NBC-TV, whose *The Huntley-Brinkley Report* has been exploring economic conditions in W. Va., was involved in a hassle of its own with Republican Gov. Cecil H. Underwood. He protested to the network that the shows were "rigged," that citizens of his state were "outraged," that Brinkley's commentaries were "obnoxious."

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Revlon is shifting to culture, in the wake of so-so success for its *Revlon Revue* series of specials on CBS-TV. Signed last week by Revlon are 4 specials that represent a complete change of pace for the onetime sponsor of *$64,000 Question.* The 60-min. quartet, to be produced by Robert Herridge and due for May-June telecast dates, will feature: (1) The Philadelphia Orchestra conducted by Eugene Ormandy; (2) a special on American folk music; (3) a concert by a group of new young American serious-music performers; (4) Agnes de Mille's "Gold Rush" ballet adapted from the Lerner-Loewe Broadway musical "Paint Your Wagon." Additionally, CBS-TV had recently announced an increase in cultural projects for prime-time airing (Vol. 16:16 p11). But in a reverse shift, Ford has notified NBC that it is canceling its culturally-angled *Startime* series effective May 31, leaving at least 4 unproduced Ford specials on the shelf. Instead it is buying a summer participation schedule in *Laramie* and *Riverboat.*

"The Twisted Cross," NBC-TV's *Project 20* episode depicting the rise & fall of Hitler, has won one of *Scholastic Teacher's* 11th annual national film & film strip awards.

Princess Margaret's wedding was brought to U.S. viewers with a variety of communications devices. Early film "bulletins" were slow-scanned via transatlantic phone cable. An RAF jet plane sped BBC-TV tapes to CBC, which relayed coverage to NBC-TV and CBS-TV. More tapes were jet-flown by BOAC to N.Y.'s International Airport. where mobile units stood by as playback units to feed the networks with more coverage of the event. First on the air in the U.S. was NBC-TV which inserted 1-2 min. "bulletins" in the *Today Show*. Later, NBC telecast "The Royal Wedding" in 2 parts, a 120-min. afternoon special telecast and a 60-min. evening show May 6, both brought to viewers—but not "sponsored," under rigid royal protocol rules—by Frigidaire via Dancer-Fitzgerald-Sample. CBS-TV provided Canadian-relayed afternoon coverage up to the crucial "I do," at which point 11 BBC-TV tape recorders at London Airport were halted and the tapes hustled aboard a waiting N.Y.-bound jet. (BBC's cameras were the only ones permitted within Westminster Abbey.) A more complete coverage was fed by CBS-TV as a special event at 11:15 p.m. No network sponsorship deal was made in time by CBS-TV, and the event was fed to stations for co-op sale. ABC-TV held out for a complete coverage, airing 30-min. of BBC-TV tapes at 5 p.m. An MVT-TV mobile tape unit at International Airport served as the playback point, receiving the tapes about 15 min. before the show went on the air. Yardley of London, via N.W Ayer. bought the ABC-TV event.

Bra & girdle commercials have aroused more TV viewer protests than anything else on home screens except the "general level" of programming, reports NAB's TV Code staff. Of 624 letters of complaint by viewers received at Washington hq in the past year, 107 opposed bra & girdle presentations, 132 said TV programming wasn't good enough. On the other hand, the staff heard no public complaints in such program categories as crime-justified, treatment of news, controversial issues, religious programs, lottery, astrology. But 107 letters said the educational & cultural content of TV shows needs improvement. Among beefs, 104 objected to "excessive" advertising; 33, derision of race or religion; 18, "immorality"; 20, lack of decency & decorum"; 27, "excessive violence"; 67, bullfighting; 6, lack of "responsibility to children" in mystery, adventure and western shows; 3, alcoholic beverages in shows; 33, alcoholic beverages in advertising. Only 3 of the 624 letters cited "misleading" advertising on TV.

TV doesn't impair "moral values" of children, according to most school teachers polled in a national survey conducted by the National Education Assn. Employing sampling techniques used in Gallup & Roper polls, NEA researchers reported that 57% of the teachers thought TV had little or no effect on such values, 31% said they didn't know, 6% figured TV caused pupils "to be more lax & compromising in their own values," 6% saw evidence that TV encouraged children to re-examine & improve values.

Improvement in TV programming to the point "that it will appeal to the most discriminating" might well be considered by the TV industry, even though "TV is primarily a medium of entertainment and should remain so," stated CBS-TV Pres. James T. Aubrey Jr. in Cleveland last week at the 9th annual convention of American Women in Radio-TV. "I recognize as clearly as the next man the abuses that have grown up. But it is my belief that to permit them to obscure & nullify the great accomplishments of this extraordinary medium is an act of desperation & defeatism."

Auxiliary Services

AFTRA is exploring pay-TV scales for performing talent, although we're told by an AFTRA executive that "the union has made no move to set up a firm scale of any kind." AFTRA's attitude, however, is that the explorations are worthwhile so that "we won't have pay TV using live or taped actors, coming in the back door and leaving us with a hassle over union jurisdiction." The union has indicated to pay-TV interests, such as Telemeter, that it would be willing to discuss "mythical TV situations" (such as the telecasting of Broadway shows for a multi-city paying audience). One important AFTRA position: a pay-TV scale "is not likely to be less than a comparable free-TV network scale."

New pay-TV device was announced by Blonder-Tongue Labs, which termed it "the simplest & most economical approach yet," but declined to give any details. The device, installed in the receiver, is described as a "circuit with no tubes or transistors, requiring no power." No form of signal scrambling is involved, and the system may be used with wired or on-air TV and "almost any method of collecting subscription fees from viewers." Approximate cost would be $25 per set plus $5 installation, according to Chmn. I. S. Blonder.

Limitations on CATV microwaves are sought in a petition for rule-making filed with FCC by KREX-TV Grand Junction, Colo. The station seeks amendments to "place restrictions on the utilization of microwave service where such use results in the nullification or diminution of the rights of networks and other program producers in the use of their lawful property . . ." The FCC has under consideration similar petitions filed previously ,hasn't reached a decision.

First illegal vhf booster in the East has turned up. It operates intermittently on Ch. 12 near Lebanon, N.H., translating Lebanon's Ch. 81 uhf translator, which translates WRLP (Ch. 32) Greenfield, Mass. It's reported to be causing interference with signals of WPRO-TV (Ch. 12) Providence.

Translator starts: K70BU Weed Heights, Nev. began Feb. 15 repeating KXTV Sacramento. K71AU & K74AY Salt Lake City have changed target to June 1 for operation as U. of Utah campus stations originating own programs, occasionally repeating educational KUED. K70AD Marietta, O., started Feb. 29 with WTAP Parkersburg, W. Va.

Translator CPS granted: Ch. 75 & 81, Granite Falls, Minn., to Minnesota Valley Improvement Corp.; Ch. 77 & 83, Carrizo Springs & Crystal City, Tex., to Winter Garden Translator System Inc.

Pacific Northwest Community TV Assn. elects: Courtney M. Kirkeeng, Kennewick, Wash., pres. Lee Hallett, Wenatchee, Wash., management vp. Joe Leonhart, Coquille, Ore., technical vp. James H. Lenahan, Coos Bay, Ore., secy.-treas. Lee Stoner, La Grande, Ore., sgt. at arms.

CATV-control bill (S-2653) is now on the Senate calendar and due to be taken up on the floor May 17—postponed from May 11 because several interested Senators were to be out of town on the earlier date.

Educational translator is planned by WBTV Charlotte, N.C., which has reported that it will build a repeater adjacent to its Spencer Mt. transmitter to carry programs of educational WUNC-TV Chapel Hill.

Networks

ABC Selling Activity: ABC-TV hopes to close a convention-coverage deal "within the next 2 weeks" and has "at least one interested advertiser presently negotiating," we were told last week by an ABC-TV sales executive. ABC is asking "around $4.9 million" for convention coverage, a figure "somewhat lower than CBS's." (CBS has sold its convention coverage to Westinghouse but NBC's coverage is still unsold.) Advertiser interest in American Football League coverage also is strong, ABC said. Should the network obtain at least two-third sponsorship for the grid games by mid-May, it will go ahead with telecasts.

ABC has also begun an active sales campaign on the Churchill series, which will use animation, dramatization and some Churchill vocal records as well as interviews with persons closely associated with the ex-Prime Minister.

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Forced political TV time on networks would have "many superficial attractions, especially to politicians," but it would make "a mockery" of the Constitutional First Amendment, stated WOW-TV Omaha vp & gen. mgr. Frank P. Fogarty in an address before students & guests of the U. of Missouri's 51st annual Journalism Week. Such govt. interference would also infringe on TV property rights of long-distance lines, technical facilities, manpower, and would commandeer "the property of the network affiliates without making any demands on the non-network station," he added. Another guest, WBC Pres. Donald H. McGannon, reminded: "The existence of electronic media has not changed the pure objective of journalism, which is to keep the people fully & accurately informed."

Interleaved picture & sound experiment is proposed by NBC in a request filed with FCC. In a letter to the Commission, NBC states that video & audio are usually networked over different AT&T routes and that there are more drop-outs in audio than in picture. Interleaving picture & sound and transmitting both over the same facilities, NBC said, would provide an emergency source of sound during drop-outs of the regular audio circuit—and "adequate standby sound quality can be obtained by use of this system without noticeable picture degradation and without interference to any TV station." NBC seeks a 30-day test starting May 15; the request is being processed by FCC.

Positions on CATV expressed by CBS, NBC & NAB (Vol. 16:15 p13) were inserted into the *Congressional Record* last week by Sen. McGee (D-Wyo.). He also inserted April 25 *Time* magazine article on pay TV and a newspaper article reporting that a doctor found a direct connection between a 13-year-old boy's TV viewing habits and his beating & stabbing of an elderly widow.

CBC & AFM have completed negotiations, subject to ratification, for a collective agreement governing the employment of musicians in Canadian network TV-radio broadcasting. When ratified, the new rates & conditions of the agreement will be retroactive to April 1 and will continue until March 31, 1963.

Among 8 top crime-mystery shows, Trendex finds the *Untouchables* leading in number of men selectors (67 per 100 homes); *77 Sunset Strip* leading for women selectors (56) and *Mr. Lucky* leading for under-18 selectors (30).

CBS News, which begins its coverage of the Democratic convention July 11 in Los Angeles, will report both conventions with a crew of nearly 300.

Latest profile of

The Network TV Viewer

REACHING the *right* TV audience—not just a nice big rating number—has become a matter of increasing concern to major TV advertisers in the face of rising network program & time costs. Last week, NBC-TV sales executives were making agency-advertiser rounds armed with a special report that provides many audience-reaching guideposts for admen involved in the earliest fall sales season (Vol. 16:18 pp2 & 5).

The report, highlights of which appear below, is based on March 1960 data from American Research Bureau diaries. It is an attempt to push beyond numerical rating levels to obtain an up-to-date profile of the network viewing audience. Reported NBC:

● There are more than 2 viewers-per-set in the average U.S. TV home at night. There are 229 viewers watching in every 100 TV-tuned homes—91 women, 73 men, 21 teenagers, and 44 children.

● Women, not unnaturally, during daytime network hours, outnumber men by nearly 4 to one and children by 2 to one.

● The nighttime shows that attract the largest audiences, in the sense of family group, are 60-min. shows (234 viewers per 100 homes). But situation comedies (generally 30-min. length) usually draw the biggest groups among types of shows.

● Women are more bloodthirsty than they will generally admit to a PTA meeting. Slightly more women than men (85 vs. 82 in 100 viewing homes at night) are watching Westerns, and noticeably more women than men watch mystery or suspense shows (91 vs. 77) and adventure series (83 vs. 77).

● Men outrank women in the audience for only one of the major program categories of nighttime network TV: sports. In the average 100 living rooms watching an evening network sports show, there are 100 men, 49 women, 10 small children, 7 teenagers.

● On the other hand, women are interested in more shows than they're credited for by some males. In every 100 viewing homes tuned to a 60-min. network nighttime documentary show (*World Wide 60, CBS Reports*, etc.) there are 100 women, 82 men, 19 children and 9 teenagers watching, for example.

● Teenagers, backbone of the movie industry's theater and drive-in audience, represent virtually a lost audience to TV. Only 2 nighttime shows—The Sat.-night *Dick Clark Show*, with 49 teenagers per 100 viewing homes, and *The Many Loves of Dobie Gillis*, with 42—do a sizable job of attracting them. Most shows are lucky to collect 20 teenagers per 100 viewing homes, and some—like *Original Amateur Hour* with 6, and NBC's *Journey to Understanding* with 5 per 100—are practically ignored.

● The largest audiences per set during daylight network hours are attracted not by live programming or even fresh film programming but by film reruns (174 viewers per 100 viewing homes vs. an all-daytime-program-average of 161). Sole exception: *American Bandstand*, of which more than 50% of the audience is under 17.

These are the highlights of NBC's general audience findings. But there were also a number of striking facts

that emerged from program-by-program audience study.

Rare is the evening TV network show that can claim a balance between men & women in every 100 viewing homes. A few: *The Alaskans* (84 men, 85 women), *The Rifleman* (77 men, 77 women), *The Untouchables* (91 men, 90 women), *Have Gun, Will Travel* (84 men, 89 women).

Another relatively rare bird is the "family-appeal" TV show, although almost any producer and/or network sales dept. will lay claim to the distinction at the drop of an option. Combined, the total of small children & teenagers in a program's usual home audience seldom reaches the level of adult male viewers, which in turn is almost invariably topped by the number of women watching.

The nearest thing to a "balanced" family audience in nighttime TV is CBS-TV's *The Many Loves of Dobie Gillis* which, with its strong juvenile appeal & Max Shulman's special brand of adult comedy, produces 238 viewers per 100 viewing homes and a breakdown of 77 children, 42 teenagers, 46 men, 73 women.

Proof of an audience-attraction theory (held by such admen as Ted Bates' Richard A. R. Pinkham—Vol. 16:16 p20)—that American women object strenuously to their husbands having a roving eye, but like to watch a sexy male in action on a TV screen—is also to be found in this ARB data. The figures throw considerable light on the fondness for shows starring Muscle Beach-types (as opposed to Actor's Studio types) among agencies that handle fast-turnover packed products such as drugs & cosmetics.

Here are a few figures on some presumably-male-appeal shows: *The Texan* (Rory Calhoun), 64 men, 82 women; *Adventures In Paradise* (Gardner McKay), 74 men, 90 women; *Tightrope* (Michael Connors), 67 men, 82 women; *Johnny Ringo* (Don Durant), 76 men, 83 women; *77 Sunset Strip* (Efrem Zimbalist Jr., Roger Smith), 78 men, 95 women.

Do the NBC-ARB figures & charts (see below & top of next column) point up an advertising moral for the fall season? It may well be: Never underestimate the power of a woman—if her hand is within reach of a TV dial. Women are the dominant factor in network TV audiences.

Evening Network Audience Composition By Program Types

(Mon.-Sat. 7:30-11 p.m., Sunday 7-11 p.m.)

Type	Length	No. of Pgms	C	T	M	W	VPS
AVERAGE EVENING	All	109	.44	.21	.73	.91	2.29
	90 Min.	2	.42	.15	.68	.97	2.22
	60 Min.	33*	.44	.20	.78	.92	2.34
	30 Min.	74	.44	.21	.71	.90	2.26
WESTERN DRAMA	All	25	.52	.23	.82	.85	2.42
	60 Min.	8	.60	.24	.82	.88	2.54
	30 Min.	17	.47	.22	.81	.83	2.33
VARIETY	All	20	.41	.18	.72	.99	2.30
60-MINUTE	All	11**	.37	.15	.74	1.04	2.30
Musical		4	.30	.10	.72	1.08	2.20
General		7	.40	.17	.75	1.02	2.34
Children		1	1.24	.31	.65	.70	2.90
30-MINUTE	All	7**	.30	.17	.71	1.00	2.18
Musical		3	.32	.14	.68	1.05	2.19
General		4	.28	.18	.73	.96	2.15
Children		1	.74	.49	.58	.81	2.62
MYSTERY & SUSPENSE DRAMA	All	18	.26	.22	.77	.91	2.16
	60 Min.	4	.31	.25	.81	.93	2.30
	30 Min.	14	.23	.21	.75	.90	2.09
SITUATION COMEDY	30 Min.	13	.80	.25	.56	.87	2.48
QUIZ & AUDIENCE PARTICIPATION	30 Min.	10	.25	.15	.73	1.00	2.13
GENERAL DRAMA	All	9	.28	.17	.71	.97	2.13
	90 Min.	2	.42	.15	.68	.97	2.22
	60 Min.	3	.23	.16	.71	.95	2.05
	30 Min.	4	.23	.19	.72	.98	2.12
ADVENTURE	All	6	.45	.25	.77	.83	2.30
	60 Min.	3	.39	.25	.79	.86	2.29
	30 Min.	3	.52	.25	.76	.78	2.31
DOCUMENTARY & NEWS	All	4	.25	.10	.75	.82	1.92
	60 Min.	1	.19	.09	.82	1.00	2.10
	30 Min.	3	.25	.10	.74	.79	1.88
INTERVIEW	30 Min.	2	.12	.10	.67	1.02	1.91
SPORTS	45 Min.	2	.10	.07	1.00	.49	1.66

Daytime Network Audience Composition By Program Types

(10 a.m.-1 p.m., 2-5 p.m.)

Type	Length	No. of Pgms	C	T	M	W	VPS
AVERAGE DAYTIME	All	32	.41	.14	.23	.83	1.61
QUIZ & AUDIENCE PARTICIPATION	30 Min.	10	.35	.08	.26	.86	1.55
SERIALS	All	9	.17	.07	.15	1.01	1.40
	30 Min.	6	.22	.09	.16	.99	1.46
	15 Min.	4	.10	.04	.18	1.03	1.30
FILM RE-RUNS	All	9	.64	.19	.23	.68	1.74
General Drama	30 Min.	2	.34	.15	.20	.89	1.58
Situation Comedy	30 Min.	5	.75	.19	.21	.65	1.80
Western & Adventure	30 Min.	2	.76	.27	.34	.48	1.85
GENERAL DRAMA	30 Min.	2	.14	.09	.29	.88	1.40
INTERVIEW	30 Min.	1	.42	.04	.26	.84	1.56
POPULAR MUSIC	60 Min.	1	.65	.47	.27	.65	2.04

Source: NBC Research Dept. study based on American Research Bureau report for Mar. 1960. *Includes: Cavalcade of Sports and Wednesday Night Fights—both 45 minutes. **Excludes: Children Variety—60-Minute—Walt Disney Presents; 30-Minute—Dick Clark. Explanation of column heads: C—Children (Under 13). T—Teenagers (13-17). M—Men (18 and Older). W—Women (18 and Older). VPS—viewers per set.

NETWORK SALES ACTIVITY

ABC-TV

Alaskans, Sun. 9:30-10:30 p.m., participations eff. May 22.
Mutual Benefit Health & Accident Assn. (Bozell & Jacobs);
participations eff. Sept. 25.
Du Pont (BBDO)

Adventures in Paradise, Mon. 9:30-10:30 p.m., participations eff. Oct. 3. *Du Pont* (BBDO)

The Law & Mr. Jones, Fri. 10:30-11 p.m., alternate half-hr. sponsorship, eff. fall 1960.
Procter & Gamble (Compton)

Daytime programming, participations eff. May 17.
Curtis Publishing (BBDO);
participations eff. Sept. 7.
Alberto Culver (Wade)

Cheyenne, Mon. 7:30-8:30 p.m., participations eff. this fall.
Peter Paul (Dancer-Fitzgerald-Sample)

Surfside Six, Mon. 8:30-9:30 p.m., alt.wk. sponsorship eff. fall 1960
Pontiac div. GM (MacManus, John & Adams)
participations eff. fall 1960.
Johnson & Johnson (Young & Rubicam)

Naked City, Wed. 10-11 p.m., pre-Christmas buy, participations. *Samsonite* (Grey)

Daytime programming, participations eff. fall 1960.
Curtis Publishing (BBDO)

CBS-TV

Angel, Thu. 9-9:30 p.m., eff. fall 1960, co-sponsorship.
General Foods (Benton & Bowles)
S. C. Johnson (Benton & Bowles)

Summer Olympics, daytime & eve. programming, eff. Aug. 26-Sept. 12. One-quarter sponsorship.
P. Lorillard (Lennen & Newell)

NBC-TV

Wagon Train, Wed. 7:30-8:30 p.m., eff. fall 1960, sponsorship renewals.
Ford Motors (J. Walter Thompson)
National Biscuit Co. (McCann-Erickson)

The George Burns Show, Tue. June 7, 8:30-9:30 p.m., special, full sponsorship.
Warner-Lambert (Lambert & Feasley)

Thriller, Tue. 9-10 p.m., eff. fall 1960, co-sponsorship.
Glenbrook Labs (Dancer-Fitzgerald-Sample)
American Tobacco (Sullivan, Stauffer, Colwell & Bayles)

Dante, Mon. 9:30-10 p.m., eff. fall 1960, co-sponsorship.
Alberto-Culver (Wade)
Singer Sewing (Young & Rubicam)

Jackpot Bowling, Mon. 10:30-11 p.m., eff. fall 1960.
Bayuk Cigars (Wermen & Schorr)

Advertising

Reps Say No to BBDO: Lower summer TV rates, suggested in a letter to stations from BBDO April 23, will not be adopted by most stations, several N.Y. reps indicated in N.Y. last week. The letter, signed by BBDO spot broadcast media supervisor Ed Fleri, asked stations for opinions on reduced summer rates and plans to revise rate cards during summer months to bring summer rates in line with lower sets-in-use.

"We feel we have established for our stations a good all-around-the-year rate card," a Katz Agency spokesman told us, admitting however that TV advertisers "have a slightly better buy" in fall-winter. "There is no good reason for special summer discounts for our stations," a Blair TV sales exec. said, adding, "We have always had 2 categories of spot buys, which in effect give advertisers summer discounts because of the large quantity of availabilities at that time." Most other reps we contacted echoed this.

On the other side of the fence, Westinghouse Bcstg. Co. recently adopted a discount arrangement called "optional equation plan" which lets an advertiser buy at a 35% discount for 13 summer weeks beginning June 5. The year-'round advertiser, however, forfeits the 52-consecutive-week discount of 20%, dropping back to 15% for non-summer weeks.

Two more ad agencies were rebuffed in attempts to seek revised spot rates from reps & stations. Benton & Bowles, which has been probing station attitude toward possible 120-sec. spot announcements for a new P&G food product, has met with a cool reception because the spots call for creation of a new rate. McCann-Erickson, which has assisted client Lehn & Fink in determining station attitude toward receiving large L&F spot orders at less than national rates, drew criticism from the Station Reps Assn. in a letter warning rep members to avoid the deals.

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Tea takes to TV. Total 1959 gross TV time billings for the tea industry was in excess of $7.9 million. This represented 7.2% increase over 1958. Network gross time accounted for $3.3 million last year, and spot exceeded $4.6 million, according to the latest TvB category study released last week. Largest single tea spender for TV in 1959 was Lever Bros.' Lipton, which spent $4 million for gross network & spot time. Standard Brands spent $1.4 million for Tenderleaf tea.

Cancer suit against Liggett & Myers has been lost by 61-year old Otto Pritchard. He had sued L&M for $1,250,000 claiming he contracted lung cancer from smoking Chesterfields. The trial, in Pittsburgh before Federal Judge John L. Miller, lasted 20 days, during which the jury heard much conflicting testimony from medical experts. Judge Miller, at the close of testimony, directed the jury to find a verdict in favor of defendant L&M, saying, "The court is of the opinion that no substantial evidence has been offered to support a verdict against the defendant on a theory of negligence." Pritchard's attorneys have already appealed the verdict.

Station Rate Increases

Station	Base Hour	Minute	Date
WJW-TV Cleveland	$2000 to $2200	$600 to $650	April 1
WEWS Cleveland	1700 to 1900	575 to 625	April 17
WISN-TV Milwaukee	120 to 1400	280 to 300	April 1
WLWI Indianapolis	1100 to 1300	270 to 325	May 1
WSJS-TV Winston-Salem	700 to 750	140 to 150	May 1
KOLN-TV Lincoln, Neb.	450 to 500	100 to 115	May 1
KSWO-TV Lawton, Okla.	280 (no change)	70 to 80	not reported

THEY KEEP WATCHING: Is public interest in TV dropping in the wake of industry probes? Nielsen and Trendex set-usage figures this spring indicate there is little change. Currently, reports Nielsen, the average U.S. TV home is watching TV 5 hrs., 47 mins. daily—up 7 mins. from last year's level. Trendex's measurement of prime-time viewing (7:30-11 p.m., except Sun. 7-11 p.m.) in nearly 30 three-network markets also indicates little difference in homes-using-TV this year as against last:

TV USAGE TREND: 1959 & 1960

	Hours per day (Nielsen)		Sets in use during the average day Nielsen (national)		Trendex	
	1959	1960	1959	1960	1959	1960
February	5:52	5:53	64.0	63.3	59.5	56.3
March	5:40	5:47	62.6	61.7	59.0	59.2

Kintner To SRA: TV-commercial consultation in the storyboard stage (the Clipp Plan) would represent a "fine step forward" toward industry self-regulation, FTC Chmn. Earl W. Kintner told the Station Reps Assn. annual awards luncheon. Self-regulation, he said, will not make govt. regulation unnecessary, however, but "working self-discipline eliminates the need for more law & regulation, and even the temptation of some to seek greater control." Warned Kintner: "Make no mistake about it—there will be more law and there will be more regulation unless all of you and your colleagues give more than lip-service to the self-promulgated standards which you . . . have established."

SRA award winners included: Harold B. Simpson, William Esty Co., who received the "Silver Nail Timebuyer of the Year" award; Louis J. Nelson, vp & marketing dir., Wade Advertising, Chicago, who won the Gold Key as agency executive of the year; and Genevieve Lemper, named Chicago timebuyer of the year.

In Other Media: Record ad revenue of $192,127,622 was piled up by magazines in the first quarter, according to a PIB measurement of 83 farm & consumer publications. The ad volume was 15.3% or $25,471,806 ahead of the year-ago pace. Ad pages increased 5.9% to 18,377 from 17,352.

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Ad People: Anthony V. B. Geoghegan, Young & Rubicam exec. vp, named chmn. of both the agency's plans boards, following the relinquishment by Louis N. Brockway of his duties as exec. committee chmn. . . . Herbert D. Maneloveg promoted from associate media dir. to media dir., BBDO, succeeding Fred Barrett, retired . . . Robert M. Gillham, ex-Paramount Pictures, J. Walter Thompson and Cunningham & Walsh, named special representative for Sindlinger & Co. He will hq in N.Y. . . . *Advertising Age* points out that the number of J. Walter Thompson vps has increased in 7 years from 78 to 132.

Richard M. Dunn, ex-Compton, named TV bcstg. dir., Wade Advertising . . . Robert Young, Bruce Allen, Paul Benson elected Benton & Bowles vps . . . Thomas F. Maschler, Lawrence G. O'Neill named Kenyon & Eckhardt vps.

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Obituary

Paul Brown West, 67, pres. for 28 years of the Assn. of National Advertisers, and one of the founders of the Advertising Council in 1942, died May 5 in N.Y. He is survived by his wife, a son and daughter and 2 brothers.

Television Digest

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Personals: **Aaron Rubin** promoted from NBC controller to vp-treas. . . . **Arthur Harvey**, ABC labor relations dir., also named dir. of business affairs for Western div. . . . **Harold F. Uplinger** named production mgr., KNXT Los Angeles and CBS Pacific Coast TV network . . . **Alan Livingston**, ex-NBC-TV program vp in Hollywood, has signed 5-year pact with NBC-TV as program advisor.

Joseph Mikita named financial vp & controller, Westinghouse Bcstg. Co. . . . **David M. Sacks** named gen. mgr., KGO-TV San Francisco . . . **John Fernandez** appointed sales mgr. of NTA Spot Sales; **Lionel Furst** named spot sales liaison mgr. . . . **Lee Palmer**, auditor of WBZ-TV & WBZ Boston, named also business mgr.

Payson Hall, Meredith Publishing Co. TV-radio dir., named pres. of newly-formed Meredith Bcstg. Co., and exec. vp of Meredith Publishing Co. **Frank P. Fogarty**, vp-gen. mgr. of WOW-TV Omaha, named exec. vp & chief operating exec., Meredith Bcstg.

Eugene Burr, CBS-TV producer of *Verdict Is Yours*, appointed NBC-TV creative programming dir. . . . **W. M. Carpenter** takes year leave as Community Club Awards exec. vp to act as vp-gen. mgr., WAPA-TV San Juan, Puerto Rico . . . **John B. Kenkel & John P. Bankson Jr.** advanced to partnerships in Washington TV-radio law firm of Miller & Schroeder.

Harold L. Neal Jr., recently appointed WABC radio (N.Y.) gen. mgr., named also a vp of ABC div. in charge of WABC . . . **Walter McNiff**, TvB Western div. dir., elected vp . . . **Vernon M. Welsh** has resigned as General Dynamics communication vp to organize his own communications consulting firm . . . **John Willmott** named production mgr., WSPA-TV Spartanburg, S.C. . . . **Arnold K. Knippenberg**, ex-KTVI St. Louis, named TV head of Peters, Griffin, Woodward's new St. Louis Office . . . **David E. Wilson** promoted from director at educational WHYY-TV Philadelphia, to production mgr. . . . **Thomas Shack**, ex-FCC domestic radio facilities div., joins Washington law firm of Smith & Pepper.

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Ex-FCC Chmn. John C. Doerfer plans to open administrative law practice about June 1, with offices at 1735 De Sales St. N.W., Washington. He won't handle cases before FCC for 10 months because he's prohibited from doing so by the Communications Act.

Meetings this week: Assn. of Federal Communications Consulting Engineers annual meeting (May 9-10), Pompano Beach Club, Hamilton, Bermuda . . . Institute of Radio Engineers symposium (9-11), Hotel del Coronado, Coronado, Cal. . . . Advertising Federation of America (AFA) 4th dist. convention (12-15), Beach Club Hotel, Fort Lauderdale, Fla. . . . S. D. Bcstrs. Assn. annual meeting (13-15), Sheraton-Johnson Hotel, Rapid City . . . AFA 2nd dist. convention (14-16), Skyline Inn, Mt. Pocono, Pa.

Meetings next week: Ia. Bcstrs. Assn. annual convention (May 16), Hotel Fort Des Moines, Des Moines . . . Electronic Parts Distributors Show (16-18), Conrad Hilton, Chicago . . . Academy of TV Arts & Sciences forum on "Easterns," film production in N.Y. (17), Gold Medal Studios, 807 E. 175th St. . . . Sigma Delta Chi annual banquet (18). Distinguished journalism awards will be presented, National Press Club, Washington, D.C. . . . Ill. Bcstrs. Assn. meeting (18-19). FCC Comr. Robert E. Lee, and Walter Schwimmer, pres. of Walter Schwimmer Inc., program-packaging firm, will speak, Hotel Orlando, Decatur . . . EIA annual convention (18-20), Pick Congress Hotel, Chicago . . . Pa. Assn. of Bcstrs. meeting (18-21), Galen Hall, Reading . . . S. Cal. Bcstrs. Assn. luncheon meeting (19), Hollywood Knickerbocker.

Frederick L. Schuman, political scientist & prolific author who teaches at Williams College, will speak on "World Politics: Retrospect & Prospect" July 14 at NAB's July 10-22 executive development seminar at Harvard Graduate School of Business Administration. NAB broadcast personnel & economics mgr. Charles H. Tower and Harvard's Dr. J. Sterling Livingston & William P. Gormbley Jr. will direct the seminar. The course will be attended by 65 network & station executives from 29 states. Selection by NAB of participants was limited to one applicant per station and not more than 2 from any station group-ownership organization.

Life on a Pogo Stick, Ken Murray's autobiography, has been published by the John C. Winston Co. ($3.95, 180 pp.).

Obituary

Harry A. Babcock, 68, who retired April 1 as exec. dir. of FTC and joined the Washington law firm of Weaver & Glassie, died of a heart attack April 30. He had served with FTC 38 years. Born in Morgantown, W.Va., he received a law degree from the U. of Mich. in 1916, served as an Army aviator in World War I. He worked briefly for the Goodyear Tire & Rubber Co. before joining the FTC, where he became exec. dir. in 1957. His wife died last Aug. Surviving is a son.

Parker D. (Bud) Hancock, 46, partner in Hogan & Hartson, Washington law firm, died May 1 of complications following a gall bladder operation. Before joining Hogan & Hartson in 1951, he was chief of FCC's Office of Opinions & Review. He was born in Shreveport, La., grew up in Indiana, practiced law in Kentland, Ind., served in the Army 1942-46 before joining the Commission. Surviving are his widow and a daughter.

John W. Elwood, 64, radio pioneer and former NBC program dir. & public affairs vp died April 23 of a stroke in Palo Alto, Cal. He was NBC international div. mgr. until he became mgr. of radio KNBC San Francisco in 1942. After his retirement in 1950, he directed Radio Free Asia for 2 years. Surviving are his wife and 3 children.

Trade Report . . . .

SALES & PROFITS CONTINUE RISE: Electronics companies continued to improve their financial position in first-quarter 1960, albeit at a slower pace than in 1959. That's evident from our quarterly compilation of sales & profits of "weathervane" firms in the industry, culled from reports in our finance section.

The 25 companies selected for our first-quarter tabulation aggregated a 10.8% increase in after-tax profits on 5.8% higher sales, compared with first-quarter 1959. This rise is noteworthy when you consider that our electronics financial index of substantially the same companies showed increases of 23.3% in profit and 12.4% in sales in first-quarter 1959 over first-quarter 1958 (Vol. 15:20 p1). It's also interesting to note that the first-quarter-1960 profit increase in electronics is favorable when compared with the Wall Street Journal's recent all-industry compilation showing that 389 firms aggregated 6.6% 1960-over-1959 rise for first quarter.

That many companies are not sustaining 1959's pyramiding pace in 1960 is demonstrated by the number of firms showing decreases compared with first-quarter 1959. In sales, 6 of the 25 (24%) failed to match their 1959 performance, while 5 (20%) reported profits lower than in first-quarter 1959—although in most cases, declines were quite small. On the other hand, none of the weathervane firms reported a net loss for the first quarter.

We've subdivided our 25 index companies into 4 categories—fields in which they are best known—for the sake of classification, although almost all of them are diversified and overlap into other groups. We found that the semiconductor-tube group showed the biggest sales & profit increases (largely because of the big jump taken by Texas Instruments), the components group the 2nd biggest. Smallest increases, as usual, were posted by the large, extremely diversified companies.

For the first time since we began our quarterly financial surveys more than a year ago, profits increased at a lower rate than sales in 3 categories—consumer electronics, components & semiconductor-tube. During all of 1959, as our annual-report tabulation showed (Vol. 16:11 p17), net profits in all categories rose at a far higher rate than sales.

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Here are the aggregate results of the 25 representative electronics firms for first-quarter 1960 compared with the same 1959 period, by groups:

The 9 companies primarily known as consumer electronics firms increased their profits a total of 8.3% on 13.8% higher sales. Seven of the 9 reported both sales & profit increases during the 1960 period. The firms in this group are Admiral, Arvin, Hoffman, Magnavox, Motorola, Packard Bell, Philco, Siegler, Zenith.

In the components group the 8 firms aggregated 10.8% more net earnings than last year, while sales went up 14.1%. Three of the 8 showed lower sales than in 1959's first quarter, while 2 reported profit declines. The companies in this classification are Globe-Union, International Resistance, P. R. Mallory, Muter Co., Oak, Radio Condenser, Speer Carbon, Standard Coil.

Three companies in the semiconductor & tube group noted profit increases of 25.4% on 26.7% more sales, all of them showing both sales & profit increases from the year-ago period. They are General Transistor, Texas Instruments and Tung-Sol.

In the group of large diversified firms, net profits went up 8% while sales inched 2% higher. One of the 4 firms failed to meet its 1959 record in the first-quarter-1960 sales & net earnings. The companies; GE, GT&E RCA, Westinghouse.

This table summarizes the first-quarter 1960 operating results of the 25 weathervane firms in terms of percentage increase over first-quarter 1959:

	Net Profit	Sales
Consumer Electronics Group (9 companies)	+ 8.3%	+13.8%
Components Group (8 companies)	+10.8%	+14.1%
Semiconductor-Tube Group (3 companies)	+25.4%	+26.7%
Diversified Group (4 companies)	+ 8.0%	+ 2.0%
AGGREGATE 25 COMPANIES	+10.8%	+ 5.8%

TV-RADIO PRODUCTION: EIA statistics for week ended April 29 (17th week of 1960):

	April 22-29	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	110,499	101,809	92,157	2,003,155	1,779,801
Total radio	301,665	317,964	225,218	5,698,505	4,637,859
auto radio	97,682	105,218	117,422	2,262,582	1,786,168

Hayakawa's TV Line: This year's World Trade Fair, now in progress at N .Y. Coliseum, failed to reveal anything excitingly new in prospective consumer electronic imports, despite advance ballyhoo about a Japanese picture-on-the-wall TV set and a Polish-made TV, which were to have been displayed to importers.

In 2 visits last week, the only TV sets we could find were displayed by Hayakawa Electric Co., which is seeking U.S. distribution for them. The 3 sets shown all contained innovations, and so far as we could ascertain, are not yet in mass production in Japan.

Displayed by Hayakawa, under the "Sharp" label, were an 8-in. transistor portable TV, a 21-in. color set and a 17-in. b&w table model with wireless remote. A spokesman said no price ranges had yet been established for any of the sets. The battery-operated 8-incher, weighing about 14 lb., differs from previously announced & shown sets in that it operates on sealed wet cells—said to be easier to recharge—instead of dry batteries.

The color receiver—designed to retail initially in Japan for "more than $1,000"—has one gadget we've never seen on any set before. It's a "color indicator"—red pilot light which glows when a color program is on the air to prevent the viewer from accidentally watching the color show in black-&-white. The 17-in. table model had a wireless remote unit, with a separate remote receiver which can be plugged into any Hayakawa TV set, according to a company spokesman. The remote receiver chassis may be placed under the set or behind it. The spokesman said this development makes it possible to sell any Hayakawa set with or without remote.

As for the mystery of the picture-on-the-wall TV, it was unsolved at week's end. Advance press releases for the World Trade Fair reported that a Japanese manufacturer (otherwise unidentified) would display a TV set using a bent-neck picture tube so slim it could be hung on the wall. But we didn't see it, and none of the exhibitors seemed to know anything about it. The Polish TV set wasn't there eiher, although the Poles did display several table model & portable radios.

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Strike was averted at 3 Philco plants early last week when members of 2 IUE (AFL-CIO) locals ratified a one-year contract 2 hours before strike deadline. Some 6,000 workers are affected by the pact which provides a 6¢ hourly increase plus another 5¢ an hour in hospitalization, severance & vacation benefits. Skilled members will receive an additional 5¢ hourly boost in Aug. & 6¢ in Nov.

Semiconductor developments: (1) GT&E Labs and Sylvania jointly announced the development of a tunnel diode capable of operating at frequencies above 4,000 mc, said to be 4 times the range of previously announced tunnel diodes. GT&E Labs developed the device, Sylvania will manufacture & market it. (2) RCA demonstrated the first gallium-arsenide transistor capable of withstanding temperatures as high as 250° C, compared with a ceiling of 175° for highest-temperature silicon transistors. (3) Philco announced that a life test of its type 2N1500 MADT germanium transistors indicated a failure rate as low as .0005% per 1,000 hours at 40° C under controlled conditions. (4) Electron Tube Information Council, formed last year by 7 large tube manufacturers to fight the inroads of semiconductors into the use of tubes (Vol. 15:13 p21), published a book, *Tubes & Transistors: A Comparative Study*, discussing advantages & limitations of both components. Address: 554 Fifth Ave., N.Y. 36.

Japanese-Irish radio firm, Sony Ltd., has been formed in Shannon, Ireland, and will begin production of transistor radios in June, reports Britain's *Wireless & Electrical Trader*. "They will produce about 1,000 sets a month for the first few months, and expand by the end of this year to between 5,000 and 10,000 a month," notes the magazine. "The Irish plant will begin assembling the Sony products locally with parts sent by the Japanese firm, but later it will use locally-produced parts. The Shannon factory is aiming at opening new outlets in markets where direct exports from Japan are difficult . . . Spain, Portugal, the Netherlands and African countries." The Japanese-Irish company reportedly was formed with a capital of $140,000.

TV viewing conditions in classrooms are far different from home viewing, it was reported by John H. Wentworth, G. J. Whitley and H. X. Shoaf, all of RCA, in a paper presented at SMPTE's Los Angeles convention. They said that in classrooms it is normal to find more viewers per receiver, greater viewing distances, more ambient illumination, greater ambient noise and poorer acoustical treatment. There is evidence the most satisfactory classroom receivers will use standard 21-in. direct-view picture tubes, they added. RCA's ETV receiver, known as the Lyceum, employs a 21-inch aluminized tube and a chassis comparable to those used in home receivers.

Radio interference with operation of Army electronic equipment will be studied under an over-all $18-million Signal Corps research contract with Bell Aircraft Corp.'s Avionics div. and Pan American World Airways. As part of the 2-year research, Pan American will set up an electronic environmental test facility near Ft. Huachuca, Ariz.

RECORD COMPONENT SALES: All-time 1959 high in components shipments (Vol. 16:18 p19) is detailed in figures supplied by the Commerce Dept.'s Business & Defense Services Administration for the last half of 1959, derived from the semi-annual joint survey of production capabilities by BDSA's electronics div. & Defense Dept.'s Electronics Production Resources Agency.

Data presented in the table represent estimated total industry shipments for last-half 1959 (12% higher than first half) rather than exact total shipments reported in the survey. A more detailed table—breaking down the following categories into product groups—is available from BDSA, Commerce Dept., Washington 25, D.C. The table gives estimated shipments of parts for electronic applications only during 2nd half of 1959.

Category	Units (add 000)			Value (add 000,000)		
	Total	Military	Non-Military	Total	Military	Non-Military
Power & special tubes	5,591	1,838	3,753	$127.3	$83.7	$43.6
Receiving tubes	222,249	13,019	209,230	186.1	29.4	156.7
TV picture tubes	6,955	1	6,954	129.3	0.8	128.5
Semiconductors	118,935	32,240	86,695	217.8	105.3	112.5
Capacitors	664,605	72,735	591,870	122.9	36.9	86.0
Complex components	18,342	150	18,192	5.9	2.8	3.1
Connectors	42,832	28,009	14,823	76.0	53.3	22.7
Quartz crystals	2,480	1,042	1,438	7.0	2.2	4.8
Relays	11,808	4,451	7,357	83.6	43.1	40.5
Resistors	1,122,026	162,012	960,014	121.8	56.6	65.2
Transformers & reactors	13,036	2,956	10,080	74.6	36.4	38.2

Transistor sales in Feb. dipped below Jan.'s unit level but gained slightly in dollar volume, according to EIA figures. Unit sales for Feb. and for year-to-date were nearly double those of the comparable year-ago periods. Following are EIA's factory sales totals in units & dollars:

	1960		1959	
	Units	Dollars	Units	Dollars
January	9,606,630	$24,714,580	5,195,317	$13,243,224
February	9,527,662	24,831,570	5,393,377	14,550,056
TOTALS	19,134,292	$49,546,150	10,588,694	$27,793,280

EIA's 36th annual convention May 18-20 at Chicago's Pick-Congress Hotel will feature a report to the trade group's international dept. executive committee on the status of Japan's electronics industry, by dir. Donald S. Parris of the electronics div. of Commerce Dept.'s Business & Defense Services Administration. Other highlights: Election of officers & directors; presentation of the EIA Medal of Honor to EIA Pres. David R. Hull, Raytheon, by Sprague Electric Chmn. Robert C. Sprague; reports on the OCDM investigation of Japanese semiconductor imports and on Walsh-Healey minimum wage proceedings.

Japanese radio sales to Canada climbed to $5,120,000 in 1959—up 770% over the $590,000 of 1957. Sales in 1958 totaled $1,840,000. Commenting on Japan's penetration of the Canadian market, the *Financial Post* listed radios among several "sensitive items" with which Japan has "created particular alarm, because Canadian producers have complained bitterly that they are being injured." Total Japanese exports to Canada in 1959 climbed to $102.9 million, up 42% over 1958's sales.

Motorola has earmarked some $700,000 to build & equip an 85,000-sq.-ft. addition to its 185,000-sq.-ft. radio plant in Quincy, Ill. Mfg. vp Walter B. Scott said construction will begin this month and is slated for completion by early fall. He said the expansion is necessary to meet "increasing production requirements for Motorola's clock, table and portable radios and to serve the needs of the automotive industry for car radios."

Trade Personals: RCA advances 7 executives to division vps to give "proper recognition & status to persons holding the increasing number of responsible positions." The new div. vps: bcst. & TV equipment div. gen. mgr. **Charles H. Colledge**; communications & industrial electronics operations div. gen. mgr. **J. J. (Jack) Graham**; astro-electronics products div. gen. mgr. **Barton Kreuzer**; Moorestown missile & surface radar div. gen. mgr. **S. N. (Nate) Lev**; industrial tube products dept. mgr. **C. E. (Tex) Burnett**; entertainment tube products dept. mgr. **J. B. Farese**; and **Robert L. Yorke**, commercial records creation dept., RCA Victor record div.

Gene K. Beare has been named president of new GT&E subsidiary GT&E International, consolidating the company's foreign activities, taking over international operations of Sylvania and Lenkurt Electric Inc., and with over-all responsibility for Automatic Electric International and subsidiaries . . . **Jacob L. Miller**, ex-Washington district sales mgr., named national sales vp, Sylvania Home Electronics Corp. . . . **Frederick H. Townsend** named entertainment equipment sales mgr., Westinghouse electronic tube div. . . . **Laurence I. Wood**, GE general counsel, elected also a vp & secy., succeeding **Ray H. Luebbe**, retiring.

Frank O. Maltby named to new post of GE TV receiver dept. special mkt. sales mgr. . . . **Kenneth A. Waldron** promoted from govt. sales mgr. to govt. & industrial products mktg. mgr., CBS Electronics . . . **William J. Curran**, ex-GE, named dir. of market research, Packard Bell Electronics defense & industrial group, headquartering in Washington . . . **Andrew Kaul III** promoted from pres. to chmn., Speer Carbon Co., continuing as chief executive officer. **George J. Fehrenbach** promoted from exec. vp to pres. & chief administrative officer; **William E. Hall**, formerly chmn., named chmn. of the executive committee.

Lee Zemnick named community sales dept. mgr., Jerrold's system sales div.; **Jeremiah E. Hastings** promoted from asst. sales mgr. to mgr., military & industrial closed circuit systems dept. of the div. . . . **Lloyd F. Bielenberg** named asst. treas., Eitel-McCullough . . . **Sidney Solomon**, ex-Radio Receptor distributor sales mgr., named mgr. of new distributor dept. of General Instrument subsidiary Micamold Electronics, now making its high-reliability capacitors available through distributors.

Kenneth F. Petersen, ex-Du Mont national mktg. mgr., named gen. mgr. of new electronic systems div., Mechanical Products Inc., Jackson, Mich., outgrowth of Mechanical's recent purchase of Lambda-Pacific Engineering Co. (microwave systems); **Kenneth L. Dumas**, ex-Lenkurt Electric & GE, named engineering mgr.; **Louis J. Francisco**, ex-Divco-Wayne Electronics, appointed mfg. mgr. . . . **David B. Tolins**, mgr. of advertising & sales promotion, Sylvania semiconductor div., heads new dept. consolidating all advertising, sales promotion & merchandising activities of the div.; **W. M. Maguire**, former dir. of semiconductor merchandising activities, placed in charge of transistor, diode & rectifier sales to other Sylvania divs.

Arthur L. Reese, Motorola communications vp, elected to board of parent company . . . **J. C. Hammond**, vp of Franklin Mfg. Co., Minneapolis, named a dir. of Wells-Gardner, succeeding **Ralph W. Davis**, deceased . . . **Howard Hagler** named mktg. mgr., General Instrument thermoelectric div. . . . **J. Wesley Leas**, chief engineer, RCA electronic data processing, receives Ohio State U. "Texnikoi" award to outstanding electrical engineering alumnus; he's Class of '38 . . . **Carol J. Seifert Sr.**, pres. of Borg Fabrics' Jefferson div., named an Amphenol-Borg Electronics vp.

Finance

RCA SALES & PROFIT PEAKS: Record sales and earnings were racked up by RCA in the first quarter of 1960. Sales reached $361.2 million & net profits $13 million, compared with $321.8 million and $12.9 million in the year-ago period, RCA Pres. John Burns reported to 1,600 stockholders gathered before a 2-story-high display of RCA products in NBC's studio 8-H N.Y. May 3. With RCA Chmn. Brig. Gen. David Sarnoff presiding, the meeting rolled along more smoothly than its predecessor with almost no fireworks and much comforting news for shareholders:

TV-radio networks: NBC-TV has just finished "the best first quarter for both sales & profits" in its history, Burns stated, with the fall schedule "fully two months ahead" in sales (Vol. 16:18 p5). The radio network's belt-tightening in entertainment programming "has been overwhelmingly endorsed." Despite the payola hassles in the industry, NBC "has continued to make some very significant gains," added NBC Chmn. Robert W. Sarnoff. In the NBC something-for-everybody program plans (bread-&-butter shows, specials, public affairs, sports, etc.) "you have what NBC believes to be a true network," he said.

Computer sales: In what Burns termed "our first full year of all-out effort in data processing," RCA is ahead of its own timetable. By year's end, sales values of lease arrangements "should exceed $200 million." Prior to 1961, RCA plans to ship "at least $60 million worth" of computers. He visualized the computer field as "a new industrial area which alone can double the size of RCA within the next decade." Burns said RCA has "moved beyond the starting mark in a race that can lead to the greatest profit rewards our company has ever known."

Other sales: Gains were made on a number of consumer sales fronts. TV receiver sales did well, with 17-in. portables scoring a 115% gain. RCA's phono, radio & record lines also had strong gains.

Advertising: Responding to a question from the floor, RCA Chmn. Sarnoff said RCA had spent $31.8 million for consumer & trade advertising during 1959 (2.3 cents per sales dollar) as against $30.6 million in 1958 (a lower amount, but equaling 2.6 cents per sales dollar).

For quarter ended March 31:	1960	1959
Gross sales revenue	$361,200,000	$321,800,000
Net profit	13,000,000	12,900,000
Per common share	.85	.88
Common shares	14,344,000	13,855,000

* * *

RCA's top 1959 wage earners among board members, as noted in its proxy statement: Chmn. David Sarnoff, $200,000; Pres. John L. Burns, $197,917 (including a $25,000 payment on a $125,000 incentive award for 1959); NBC Chmn. Robert W. Sarnoff, $162,000 ($12,000 of $60,000 award); RCA senior exec. vp Elmer W. Engstrom, $143,917 ($11,000 of $55,000); group exec. vp Charles M. Odorizzi, $130,917 ($8,000 of $40,000); exec. committee Chmn. Frank M. Folsom, $90,307 ($6,974 of $35,000); vp & technical dir. Charles B. Jolliffe, $73,458 ($5,000 of $25,000). Altogether, RCA directors & officers as a group received $3,013,147, including a $180,842 installment on a $918,645 incentive award. Incentive award is payable in 5 annual installments.

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Reports & comments available: General Precision Equipment, memo, H. Hentz & Co., 72 Wall St., N.Y. 5 . . . **Eitel-McCullough**, review, A. M. Kidder & Co., One Wall St., N.Y. 5 . . . **Magnavox**, report, Hardy & Co., 30 Broad St., N.Y. 4 . . . **Amphenol-Borg**, discussion, Hornblower & Weeks, 40 Wall St., N.Y. 5 . . . **International Resistance Co.**, report, Steiner, Rouse & Co., 19 Rector St., N.Y. 6 . . . **Electronics Capital Corp**, review, D. H. Blair & Co., 42 Broadway, N.Y. 4.

Record Motorola Sales: Motorola's first-quarter sales set a new record (10% above last year's similar period) and earnings increased 16% to within $50,000 of 1953's first-quarter record. So reported Pres. Robert W. Galvin May 2 at the annual meeting, which approved a 2-for-1 stock split effective July 15 to holders June 30 (Vol. 16:7 p23).

"It continues to appear that Motorola will show an over-all growth of about 10% for 1960," Galvin said, adding that 2nd-quarter results so far indicated increased sales & earnings over the first. All divisions except military electronics improved their sales & earnings performance over first-quarter 1959, he declared.

"Especially gratifying were the outstanding gains by the semiconductor div. [and] it also appears to be another fine year for our TV, stereo & radio products. Car radio sales are ahead of last year (Motorola supplies radios to Ford, Chrysler & American Motors for their compact cars, among other makes). Communications div. sales "continue to increase steadily."

Motorola has no plans to resume color-TV production, Galvin said in answer to a stockholder question.

Stockholders approved a stock-option plan for executives. Motorola's statement for 3 months ended March 31:

	1960	1959
Sales	$70,297,042	$63,653,184
Net earnings	3,036,475	2,616,427
Per common share	1.51	1.35
Common shares	2,015,131	1,935,131

■

Admiral sales & earnings continued upward in first-quarter 1960 as volume climbed 8% and profit increased more than 7%. In the table below, the per-share earnings for both periods are based on 2,405,971 shares outstanding at the end of the 1960 quarter. For 3 months ended March 31:

	1960	1959
Sales	$48,413,663	$44,739,388
Net income	763,375	711,644
Per common share	32¢	30¢

Wells Television, TV set-leasing organization recently acquired by Tishman Realty & Construction Co., N.Y., is improving its profit picture, exec. vp Robert V. Tishman is quoted in *The Wall Street Journal*. Wells made $800,000 before depreciation & taxes last year, and Tishman said its growth should "be steady but slow." He added that its major contribution to the parent company comes from the heavy depreciation charges it provides.

Speer Carbon Co., St. Marys, Pa. maker of electronic components for TV & radio, other products, scored record sales & earnings in 1960's first quarter. Sales rose 22%, and the company forecast record volume & earnings for the 1960 year. In the table below, the 1959 per-share earnings are adjusted to reflect a 2-for-1 stock split in July, 1959.

For the quarter ended March 31:	1960	1959
Net sales	$6,761,995	$5,548,421
Net earnings	572,900	500,990
Per common share	64¢	56¢

Tele-Broadcasters Inc. (radios WPOP Hartford, KUDL Kansas City, KALI Pasadena-L.A., KOFY San Mateo-San Francisco) has purchased the radio-equipment-producing electronics communications div. of San Francisco-based Robert Dollar Co. for an undisclosed amount of cash & stock. Tele-Broadcasters Pres. H. Scott Killgore said the acquisition will be operated by subsidiary Tele-Communications Inc. Killgore also reported to the annual meeting last week that Tele-Broadcasters tallied first-quarter net earnings of $14,433, compared with the net loss of $7,979 registered in the year-ago period.

Wometco Enterprises Inc. (WTVJ Miami, WLOS-TV & WLOS Asheville, 47½% of WFGA-TV Jacksonville, Wometco theater chain, vending operation, Miami Seaquarium, etc.) reports a 17.4% increase in net income for the first 12 weeks of 1960 over the same 1959 period, on slightly higher sales. The interim report does not include the operations of the Miami Seaquarium, acquired April 12.

For 12 weeks ended March 26:	1960	1959
Gross income	$2,418,950	$2,360,268
Net income	200,321	170,644
Per common share	22¢	19¢

International Resistance Co. registered record sales & earnings in fiscal-1960's first 15 weeks as volume gained 12.8% and income rose 18.6%, Pres. Walter W. Slocum reported to the annual meeting last week. IRC also announced plans to apply for a listing on the NYSE, increased the quarterly dividend to 7½¢ from 5¢, and obtained stockholders' approval to increase the common stock to 2.5 million from the 1.5 million now authorized. "No specific transaction involving any part of the additional one million shares is now in contemplation," IRC said. In the table below, per-share earnings are based on the 1,381,098 shares outstanding on April 17. For 15 weeks ended April 17:

	1960	1959
Net sales	$6,191,383	$5,489,439
Net income	677,398	571,204
Per common share	49¢	41¢
Common shares	1,381,098	1,354,898

Oak Mfg. reports a decline in earnings despite a moderate sales increase in the quarter ended March 31:

	1960	1959
Sales	$4,709,996	$4,271,905
Net income	151,677	218,150
Per common share	23¢	33¢

Sonotone Corp. sales & earnings sagged in the quarter ended March 31:

	1960	1959
Net sales	$5,363,135	$5,676,733
Net income	175,780	222,487
Per com. share (after pfd.)	15¢	19¢

Transitron Electronic Corp. opened 1960 with record sales & earnings in the first 13 weeks and reported that the outlook for the current quarter "continues promising." For the 13-week period ended March 26, Transitron earned $2,154,216 (29¢ a share on 7,502,500 shares) on sales of $13,128,611. For 39 weeks to March 26, the net income totaled $5,961,478 (79¢) on $35,113,222 sales. Comparative figures for the year-ago periods are not available.

A typographical mishap wrongly rearranged the column heads on page 21 of Special Supplement #5 which you received last week. These heads can easily be corrected in ink by duplicating the heads at the top of opposite page (20). A similar error inadvertently listed as Admiral Corp's 1960 sales the $44.7-million volume it reported for first-quarter 1959.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Consol. Electronics	Q	$0.25	Jul. 1	Jun. 15
General Tire & Rubber	Q	.25	May 31	May 16
Internatl. Resistance	Q	.07½	Jun. 1	May 16
Lear Inc.	—	.10	Jun. 1	May 12
Meredith Publishing	Q	.45	Jun. 10	May 27
Siegler	Q	.10	Jun. 1	May 16
Siegler	Stk.	4%	Jun. 29	May 16
Speer Carbon	Q	.17½	Jun. 15	Jun. 1
Taft Bcstg.	Q	.10	Jun. 15	May 13
TV-Electronics Fund	—	.04	May 31	May 2

Technology

TOSHIBA'S VTR: U.S. TV engineers got their first "look" at the Tokyo Shibaura single-head TV tape recorder last week at the Los Angeles convention of the Society of Motion Picture & TV Engineers. Dr. Norikazu Sawazaki, head of the team which developed the "simplified" device, described its operation & principles and showed a 4-min. film of the recorder in action.

"The unique Toshiba system video tape recorder," said Dr. Sawazaki, "has caused a revolution in TV broadcasting in Japan, and—as likely as not—may influence TV broadcasting in the West tomorrow." Highlights of his paper:

The first experimental VTR-1 was completed in 1958, and commercial production began this year. The machine records the whole picture of one TV field on one long diagonal track on the tape, using a single rotating head (U.S. systems use 4 revolving heads). The tape runs in a helical loop around the head cylinder. The cylinder is divided horizonally into 2 parts, and the rotating head disc is at the gap between the 2, the head contacting the tape at the gap of the cylinder.

Characteristics of Toshiba System

Like U.S. TV tape recorders, the tape is driven at 15 in. per second and FM is used for video recording. These other characteristics of the Toshiba VTR were given: Recording time, 64 min. on 12½-in. reel (4,800 ft.) of 2-in. wide tape; rewind time, about 4 minutes for 4,800 ft.; video frequency response, gradual decrease from 1 mc to about 6-db down at 4 mc; video signal-to-noise ratio, 35 db; audio signal-to-noise ratio, 45 db.

Dr. Sawazaki claimed these advantages for the Toshiba over U.S. TV tape systems: (1) Few adjustments required; no special techniques needed; no problems of venetian blinds; skewing, scalloping, etc. (2) Simplified construction. (3) Drop-outs are "extremely decreased." (4) Recording conditions can be monitored from the recording head. (5) Picture can be reproduced at any tape speed—including fast-forward, slow-forward, rewind or stopped—an advantage for special effects or splicing. (6) The system "has remarkable advantages for NTSC color [because] it is unnecessary to switch the head in the middle of a picture."

Commenting on the Toshiba paper, Ampex vp Neal McNaughten, mgr. of Ampex Professional Products Co., said he is convinced TV stations & networks all over the world will continue to use the U.S. system as a "standard for the industry." He said a noncompatible system, if it is cheaper & technically acceptable, may have specialized applications in ETV & industrial TV plus supplementary uses in broadcasting. Ampex for 4 years has been investigating a system using a one-head approach and already has applied for several basis patents in this area, he added.

Foreign

Costa Rica's first TV station, Televisora de Costa Rica, went on the air May 6 in San Jose. AB-PT holds a minority interest in the Ch. 7 outlet, which is a member of the ABC-controlled Central American TV Network. AB-PT officials who were present for the station opening and a concurrent Central American Network board meeting were Pres. Leonard H. Goldenson, financial vp Simon B. Siegel, ABC International vp Donald W. Coyle, ABC engineering vp Frank Marx, AB-PT attorney William Klein.

WEEKLY **Television Digest**

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FCC

FCC VIEWS ON NETWORK CONTROLS & station sales given to Rep. Harris. Commission seeks supervision over networks through rules, not licensing (p. 1).

MILLS FCC APPOINTMENT TEETERING. FCC appointee asks President to withdraw name. Administration lawyers study Ford idea for way out of "conflict of interest" problem (p. 4).

Stations

KTVU SALE—COMPLICATIONS & DELAYS added by Westinghouse & KRON-TV petitions and by Rep. Celler's attack (p. 2).

OBSERVE CODES, KINTNER WARNS in speech to Conn. Bcstrs. Assn. (p 7).

TOWER SUCCEEDS THAD BROWN as NAB's TV vp in staff reorganization. Vincent Wasilewski & Howard Bell get new NAB titles & responsibilities (p. 7).

Auxiliary Services

HIGH COSTS OF PAY TV cited in Skiatron-SEC stipulation, which estimates initial wired-system price as $13 million (p. 3).

SENATE FIGHT ON CATV due as NCTA denounces Pastore regulation bill as "unworkable & unfair" (p. 9).

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AFTRA EYES THE FUTURE of TV. An interview with the union's natl. exec. secy., Donald F. Conaway (pp. 4 & 12).

VIOLENT SHOWS TOP CASUALTY LIST: They represent 20 of the 35 telefilm series to be axed—but new ones are coming (p. 5).

Manufacturing & Distribution

CONTROLS DUE on Japan radio exports, as Japanese govt. suspends licenses as prelude to setting up quota system. U.S. manufacturers encouraged (p. 17).

FIRST TV IMPORT LINE shown by Delmonico features 17-in. portable wholesaling below $100, transistor 8-incher due at $199.95 list next month (pp. 17 & 19).

THERMAL POWER generator developed in South Africa weighs 12 lb., will be aimed soon at consumer market at about $50; seen as answer to TV power supply dilemma there (p. 19).

INSIDE JAPANESE ELECTRONICS: Executive of Matsushita Electric Industrial Co. analyzes nature & future of industry in Japan (p. 21).

Film & Tape

DIRECTORS & PRODUCERS SIGN new TV film & movies contract, but 17-week-old WGA strike continues as internecine fight paralyzes negotiations. SAG demands are rejected (p. 10).

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FEDERAL AID TO ETV KILLED by 5-5 House rules committee vote blocking $39 million bill by Rep. Roberts (p. 5).

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PAYOLA PROBE RECORD CLOSED by House Oversighters as deadine for post-hearing rebuttal statements passes (p. 14).

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FCC VIEWS ON NETWORK CONTROLS & STATION SALES: FCC wants more control over networks—but through rules rather than licensing—and it generally likes the idea of closer scrutiny of station sales negotiated less than 3 years after stations are granted. That's essence of Commission's comments on HR-11340 & HR-5042, pending before Rep. Harris's (D-Ark.) Commerce Committee.

Commission told Harris Committee it wants considerable flexibility in adjusting network rules to changing times. For example, it asked that it be given authority to define networks to include film & tape suppliers if necessary. It suggested this definition: " 'Network' means a person or organization which, as a part of its regular business, by contract or agreement, express or implied, with 2 or more affiliated broadcast stations, offers or supplies program service to such stations under prescribed conditions for the purpose of effecting a coordinated broadcast of identical programs by such stations."

FCC also proposed that law be amended to show kinds of rules & regulations it might impose, including as examples: (1) Requiring networks to supervise selection of all programs they supply. (2) Prohibiting networks from giving companies they own unfair advantage by promoting their products. (3) Prohibiting networks from hampering affiliates through unfair use of exclusive affiliation, option time, influence on non-network rates, etc. (4) Limitations on number of network o&o's and number of networks anyone can own. (5) Controls over network spot representation. (6) Requirement that networks "make reasonable distribution of their programs to stations." (7) Prohibiting discrimination in affiliate selection. (8) Requiring networks to give political candidates and controversial issues equal time and "fair opportunity," respectively. (9) Requiring networks to comply with Sec. 317 on sponsor identification.

Networks should be required to file ownership reports and descriptions of their "operational policies, practices & activities," FCC suggested, proposing also that alien stockholdings be sharply limited, that network violations of law & rules be controlled through "affirmative orders" or cease & desist orders.

There's no intent to lessen station responsibility, FCC said, even though it wants to keep closer control over networks. "The strength of our broadcasting system under the Communications Act," it stated, "rests upon the responsibility and hence the freedom of the local broadcaster to program in the public interest."

Commission had little quarrel with station-trafficking provisions of Harris measure tightening up FCC machinery for license transfers. FCC said it "is in full accord with the objectives of the bill in this respect and, with few reservations, recommends its enactment."

Harris bill's rigid requirements for public hearings in transfer cases—particularly those developing within 3 years of licensing—aren't necessary and could become administratively burdensome, Commission said. "For example, take the case of a licensee who becomes physically disabled shortly after taking over control of the station." Commission agreed that required hearings should be rule rather than exception, but argued it should have discretion to take "probative evidence" in such cases, avoiding red tape & delays of field proceedings. FCC also said pro forma applications for transfers of licenses held more than 3 years should be handled in routine.

Revised language for Harris bill suggested by FCC also made restrictions on less-than-3-year transfers applicable to CPs as well as to licenses. In a mild dissent, Comr. Bartley said he's for transfer-rule changes recommended by Commission, but thought his colleagues' statement "lays too great a stress on administrative problems."

KTVU SALE—COMPLICATIONS & DELAYS: NBC's proposed station swaps & purchases were further complicated last week and, even if they're eventually approved, the date of approval has been pushed well into the future—perhaps for years. Here are the latest developments:

(1) Justice Dept. informed Federal Dist. Court in Philadelphia that it has no objection to NBC's series of station swaps & purchases affecting Philadelphia, Boston, Washington & San Francisco (Vol. 16:19 p10), and that the deals don't violate consent decree governing NBC's acquisition of stations (Vol. 15:39 p3).

(2) Westinghouse Bcstg. Co., whose WBZ-TV Boston is to lose NBC-TV affiliation when NBC acquires WNAC-TV, disagreed with Justice Dept., said decree is being violated, asked for permission to intervene.

(3) KRON-TV San Francisco, also due to lose NBC-TV affiliation, told court same thing—and more.

(4) Court set May 27 for argument on their petitions.

(5) Chmn. Celler (D-N.Y.) of House Judiciary Committee shot fiery wire to Justice's anti-trust chief Robert Bicks, lambasting him for not objecting to San Francisco purchase.

(6) President nominated Bicks to be Asst. Attorney General (instead of "acting," as he has been for a year), and Bicks is bound to get grilling during confirmation hearing by Senate Judiciary Committee (date not yet set).

WBC told Court that NBC had given assurance that it wouldn't try to acquire a Boston station if Westinghouse would agree to swap its KYW-TV & KYW Philadelphia for NBC's Cleveland TV-radio properties. WBC said it agreed to the Philadelphia-Cleveland deal because NBC threatened to take affiliation from KYW-TV & KYW. Then, WBC said, after the consent decree ordered NBC to sell WRCV-TV & WRCV Philadelphia (call letters changed from KYW-TV & KYW), NBC told Westinghouse it wanted to buy a station in Boston, Pittsburgh or San Francisco. WBC declined to sell any of its stations in those cities, suggested instead that WBC & NBC reverse the Philadelphia-Cleveland swap. But NBC rejected that. In brief, WBC accuses NBC of going back on its assurance that WBC's Boston NBC-TV affiliation was secure.

WBC is particularly upset because CBS intends to affiliate with WHDH-TV Boston after NBC takes over WNAC-TV, now the CBS-TV affiliate. This would leave WBC & ABC-TV to each other, something WBC doesn't relish (Vol. 16:13 p10).

WBC concludes that purpose of consent decree will be thwarted if NBC's plans go through. Decree's intent, it said, was to "terminate the alleged unlawful conspiracy of RCA & NBC to acquire TV stations in 5 of the 8 largest markets."

KRON-TV's petition to Court contained many of WBC's allegations. In addition, it repeated charges made in complaint to Justice Dept. (Vol. 16:17 p5): that NBC tried to buy KRON-TV cheaply (for $8 million) by threatening to buy KTVU and shift NBC-TV affiliation from KRON-TV; that when KRON-TV agreed to sell at "a fair price," NBC declined to hike its offer, then bought KTVU. It charged RCA & NBC with "conspiracy" and "restraint of trade" in violation of consent decree.

Meanwhile, Philco is studying whether to try to intervene, too. Actually, of all legal maneuvers to date, Philco's application to compete with WRCV-TV's license renewal (Vol. 16:19 p10) is probably most productive of obstruction to NBC's plans. FCC must conduct a comparative hearing, which normally takes a year or more—and if Commission decides to include Philco's anti-trust allegations against RCA-NBC as issues in the hearing, the litigation could run for several years. It could even extend beyond the Dec. 31, 1962 deadline by which time consent decree says NBC must divest itself of the Philadelphia stations.

NBC's answer to all the foregoing is this: Justice Dept. described consent decree as "fair & equitable to both sides." Justice has investigated San Francisco purchase and offered no objection. No one else has legal right to get involved. NBC is "flattered" that WBC doesn't want to lose NBC affiliation. However, WBC & KRON-TV "are seeking to place their private interests above the public interests which the consent decree was designed to serve."

Rep. Celler was most unhappy with Justice Dept., telling Bicks: "I am profoundly disturbed by your failure to object . . . Your failure up to now to interpose objection makes a nullity of the decree or demonstrates that the decree is worthless." It's assumed that unless young (33) Bicks recants, old (72) Celler will fuss more, probably conduct hearings, try to get Senate to delay Bicks' confirmation.

All this is fine business for lawyers—and the galaxy is luminous (for list, see p. 7).

SUMMER AUDIENCE HAS GROWN: Summer viewing at home is up 8.3% since 1955, according to new A. C. Nielsen study for TvB issued as "It's the Same Faces in the Summer." "Virtually as many people view TV in summer months as in other times of the year," finds the survey. Highlights: (1) 94% of TV homes view nighttime TV in a typical March week vs. 91% in a typical August week. (2) Network TV billings for July-Sept. have increased 53% in the past 5 years. (3) Daily home hours of TV viewing are up 48.9% during this time. (4) During an average summer minute, viewing has jumped 49.1% since 1955, TvB reported.

HIGH COSTS OF PAY TV: Partial & conjectural answers to one big question which pay-TV promoters usually avoid—how much would it cost to get system going?—can be dug out of stipulation of facts signed April 28 by Skiatron Electronics & TV in its SEC stock-registration case (Vol. 16:18 p21).

"Initial requirement" of about $13 million would be needed to set up wired pay-TV system projected for presumably fertile customer field—densely-populated area of 102,500, half of whom could be counted on to take service—according to SEC document. And stipulation stresses Skiatron's present inability to get that kind of money.

"Imponderables" go into any such pay-TV calculations, stipulation warns. But Skiatron's licensee (Matty Fox of Skiatron of America) is quoted as authority for estimate that grid installation costs alone for servicing 102,500-population center—not counting programming, billing system, etc.—would reach $9,747,000 when 50% of potential subscribers take service.

Arithmetic of estimates of required investment assumes that, as grid is built, half of homes passed by it would join system—20,000 at start, increasing at 7,500-per-month rate. Operation would take "initial estimated disbursement of $2.9 million, increasing at the rate of $622,500 per month, or totaling $9,747,000 to service 102,500," stipulation says.

But what if pay-TV acceptance is less than 50%? In any event, how much will subscribers be willing to pay to help promoters recoup investment? "Market surveys of both these factors have been made, but the degree to which they will reflect the realities of the situation must naturally remain in the realm of opinion," stipulation concedes.

"Given a lower rate of acceptance than the 50% assumed, costs would increase by the necessity for expanding the grid system," Fox is quoted. "At 25%, the initial cost is estimated at $3,157,000; and at 12½%, $3,414,000. Expansion costs per month would similarly be proportionately increased."

SEC stipulation adds this cautionary note: "However, an initial investment limited to 20,000 sub-

scribers and basing its possibilities of expansion at a reasonable rate on revenues of a contractual character, is recognized as a theoretical rather than a businesslike approach to the initiation of the system. Moreover, working capital & other capital requirements are essential, since revenues are problematical, depending upon public reaction to the system."

MILLS APPOINTMENT TEETERING: FCC nominee Edward K. Mills has the doggonedest luck. Last week he asked President Eisenhower to withdraw his name because of "conflict of interest" legal technicality (Vol. 16:18 p3). Three years ago he pulled out because he was offered only membership instead of chairmanship as originally intended (Vol. 13:19-20).

Administration isn't giving up, however; is striving to find method of clearing Mills. Justice Dept. had told White House that law forbids Mills's appointment because he gets income from a trust (established by his father & uncle years ago) which includes GE & Westinghouse stock—even though he has no control over trust's holdings.

FCC Chmn. Ford, eager to get Republican Mills on his team, came up with an idea to smooth out the kink, and Justice was studying it at week's end. Ford examined sections 4(b) & 4(j) of Communications Act, found an unusual difference. Sec. 4b) says that a Commissioner shall not be "financially interested" in companies making communications equipment, but Sec. 4(j) says: "No Commissioner shall participate in any hearing or proceeding in which he has a pecuniary interest." Mulling over the apparent inconsistency, Ford concluded that Congress must have meant that a man can't serve on FCC at all if he has a "proprietary" interest in communications companies but that he can serve if he only receives "income" from investments in communications firms but has no direct ownership—provided that he abstains from voting in matters affecting companies from which he receives such income.

Of course, this would put Mills at mercy of trustees (Trust Co. of Morris County, Morristown, N.J.) who could add communications stocks to trust and restrict Mills's voting. That seems most unlikely, however, for trustees are bound by law not to fiddle with the trust. In fact, the reason they don't sell GE & Westinghouse stock is because of heavy taxes they'd incur—and their legal responsibility is the financial health of the trust, regardless of how much they'd like to do Mills a favor directly.

AFTRA EYES THE FUTURE: There's little likelihood that American Federation of TV & Radio Artists will seek increases in payment for live & tape TV talent on the networks this fall—but AFTRA plans to move on series of newly-developing TV fronts ranging from pay TV to multi-union status of many TV performers. So we were told last week by Donald F. Conaway, national exec. secy. of the union and one of its few paid, non-actor executives.

There will "obviously be a falling-off of income for AFTRA members in live TV this fall," Conaway admitted, since each network's fall lineup is built primarily of filmed shows. However, he doesn't see this as an excuse to hike the AFTRA price of the talent that will find live & tape jobs. Instead, he feels it's a signal for the networks to "examine carefully" the manner in which they put video tape to use, "so that it's handled as a means of storing live TV shows and not used, film-fashion, for endless, expensive re-takes."

There are enough examples of the latter method, Conaway believes, to have formed "a major factor in encouraging the heavy use of film this fall." (This problem isn't new. We've heard of several cases where budgets went through roof when TV directors suddenlydiscovered tape could be shot movie-fashion. A few: "The Fabulous Fifties" and "For Whom the Bell Tolls," which went over-budget by $200,000 & $300,000 respectively because of extensive taped re-takes & overtime scales.) For more on AFTRA, see p. 12.

FILM'S 45 DAYS OF CRISIS: The next 6 weeks will tell whether WGA strike will prevent TV film companies from producing shows in time for next season's start. Some scripts are available from non-Guild writers & WGA members who are working despite WGA orders, but there will not be enough to provide bulk of product for next season (Vol. 16:15 p15).

July 1 or mid-July are dates most commonly given by production executives as the point of no return —point at which they must go into production or face danger of having no product. Exception: Non-Alliance independents, who haven't been struck & have stockpiled scripts. Some say they could start as late as Sept. 1, but they are exceptional. Another exception: Desilu, whose exec. vp Martin Leeds tells us that studio could wait until as late as Aug.

Companies should now be preparing scripts for June & July production. Facing drastic shortage, some firms have executives writing scripts, are culling old telefilms as potential remakes, a practice already used by some to finish out this season. Strain is acute on 60-min. series, since they require longer preparation, particularly on scripts.

But no panic was in evidence among networks in N.Y., we learned in a 3-network checkup. NBC-TV officials were optimistic, predicting "a very early start, probably right after Labor Day" for new film series, and said, "NBC has had no verbal or written indication from producers of late delivery." ABC-TV, which will control (in sense of having bought) about 90% of its mostly-film nighttime fall schedule, told us "we expect no delays."

Sole note of caution came from CBS-TV. There, program vp Oscar Katz stated: "There's no evidence of trouble areas on new shows now, but if the writers' strike goes beyond July, we may have some delayed starts or at least small backlogs of episodes in new film shows."

Publicity-promotion problems may arise, even if most new film shows do manage to make premiere deadlines. Normally shows have to be 3 to 4 episodes ahead just to get proper routine program listings in TV magazines, newspaper TV sections and on-air promotions. A backlog of 6 to 8 episodes is needed to do minimum publicity job with photos, particularly color portraits. Narrow backlog of episodes may mean that a new show at best will be a problem for network & independent press agents. If there are shooting delays, or a star becomes ill, there will be real headaches.

MANY VIOLENT SHOWS LEAVING BUT—: With all returns not yet in, about 35 film series will be axed, and among these, the "violence" category will show the largest number of casualties. This rate fulfills predictions made last fall—and is par for the course over the past several years.

At least 20 of the doomed series are Westerns, private eyes or other violent themes. But it would be premature to conclude that the public is fed up with violence—there's another flock of toughies due for next fall. Moreover, the most violent of all—Desilu's "The Untouchables"—is also one of the nation's most popular shows. The most realistic conclusion would be that viewers are moved by other factors than brutality when they turn their backs on a show.

Seven 60-min. series have been cancelled, but the one-hour series will be back in full force next season. One such show—with violence—which has been axed is "Bourbon Street Beat." It will be replaced by ABC-TV and WB by another 60-min. private eye series—"Surfside 6"—with a new cast and a shift of locale from New Orleans to Miami. The other 6: "The Lineup," "5 Fingers," "Sugarfoot," "Bronco," "The Alaskans" and "Westinghouse Desilu Playhouse" (an anthology series which had many violent episodes).

Other guillotined violents: "Richard Diamond, Private Detective," "Wichita Town," "M Squad," "Tales of the Plainsman," "Philip Marlowe," "Man With a Camera," "Johnny Staccato," "The Man From Blackhawk," "The Troubleshooters," "The Texan," "Colt .45," "Tightrope," "Mr. Lucky" and "Johnny Ringo." There may be others.

Other axings: "Love and Marriage," "Fibber McGee and Molly," "The Gale Storm Show," "Men Into Space," "Alcoa-Goodyear Theater," "Fury," "Betty Hutton Show," "High Road with John Gunther," "Dennis O'Keefe Show."

Ironically, despite the heavy turnover, Hollywood producers gave a collective sigh of relief. They had expected even more changes.

FEDERAL AID TO ETV KILLED: Legislative proposals authorizing multi-million-dollar federal grants to states to help build educational TV stations came to the end of the Congressional road last week in 5-5 vote by House Rules Committee.

All ETV-aid bills were effectively stopped—for this session, at least—by refusal of traffic-controlling Rules Committee to permit $39-million measure (HR-10609) by Rep. Roberts (D-Ala.) to go to floor for vote. Among half-dozen such House bills, this one had been approved in March by House Commerce Committee (Vol. 16:13 p4) as substitute for Senate-passed $51-million measure (S-12) by Sen. Magnuson (D-Wash.).

Republican Administration opposition to idea of such direct govt. help for local ETV systems was final blow to advocates' hopes for House floor action. Rep. Avery (R-Kan.), member of Commerce Communications Subcommittee, testified against Roberts bill at Rules hearings, reporting he had letter from Health, Education & Welfare Secy. Arthur S. Flemming objecting to it.

ETV construction grants would just be starter for continuing demands by states for more & more federal money to keep stations going, Avery said. "I don't feel we are looking at this time for new federal aid programs," he told Rules Committee. "If we're going to authorize any, this probably is as meritorious as any." Testifying vainly for Roberts bill were its author and Commerce Committee Chmn. Harris (D-Ark.).

Killing tie vote came in an unrecorded show of Rules members' hands at closed session, all 4 Republicans—Reps. Allen (Ill.), Brown (O.), Reece (Tenn.), Budge (Ida.)—turning thumbs down. They were reportedly joined by Rules Chmn. Smith (D-Va.), deserting his committee's fellow Democrats on issue.

"Well, it probably would have been vetoed anyway if it got through Congress to the White House," exec. dir. Ralph Steetle of Joint Council on Educational TV told us philosophically. He said ETV proposals undoubtedly would be revived at next session.

Stations

NEW & UPCOMING STATIONS: First use of a uhf translator to deliver programs to a TV station marked the May 15 debut of satellite KHJK (Ch. 13) Hilo, which is repeating KHVH-TV (Ch. 4) Honolulu ABC-TV affiliate. The stations' owner is Kaiser Hawaiian Village TV Inc. (Henry J. Kaiser), which also operates the translator, K76BB Honohina, on the east coast of Hawaii island, about 20 mi. N of Hilo. KHVH-TV programs are first picked up by satellite KMVI-TV (Ch. 12) Wailuku, Maui, which is operated by the owners of semi-weekly *Maui News*. The KMVI-TV signal is then picked up by translator K76BB, which relays via microwave to KHJK. The new Hilo outlet has a low-power RCA transmitter with superturnstile antenna on an 80-ft. wood pole near Naniloa Hotel. KHJK is sold as a bonus to KHVH-TV which has a $400 base hour. Rep is Young.

The U.S. on-air count remains unchanged at 564 (87 uhf) because the addition of KHJK is counteracted by the deletion of KCIX-TV (Ch. 6) Nampa-Boise, Ida., which got FCC permission last week to remain off the air until July 11. Because it had planned to resume operation May 11, we didn't deduct KCIX-TV from the operating total when the station went dark last March 24.

* * *

In our continuing survey of upcoming stations, these are the latest reports from principals:

WJPB-TV (Ch. 5) Weston, W. Va. began testing May 15 according to Pres. & exec. dir. J. Patrick Beacom. May 25 is target for programming with ABC-TV, May 29 with CBS-TV, latter on an on-order basis. It has 5-kw GE transmitter, 25-kw amplifier and 510-ft. Blaw-Knox tower with 5-bay antenna at studio-transmitter site on Fisher Summit, Jane Lew, W. Va. Base hour will be $225; Rep, Gill-Perna.

KORN-TV (Ch. 5) Mitchell, S.D. has 5-kw Gates transmitter on hand and hopes to begin programming soon, as an NBC-TV outlet, writes R. V. Eppel, pres.-gen. mgr. of grantee Mitchell Bcstg., which also operates radio KORN. It has RCA antenna on 500-ft. Utility tower. Base hourly rate will be $150. Rep not chosen.

KSOO-TV (Ch. 13) Sioux Falls, S.D. plans July 1 start with NBC-TV writes Morton H. Henkin, pres. of grantee KSOO Inc. It has studio-transmitter building ready for 25-kw RCA transmitter which has just arrived. Stainless 1,000-ft. tower awaits installation of antenna. Base hourly rate hasn't been set. Rep not chosen.

WPCA-TV (Ch. 17) Philadelphia, Pa., is wiring 1-kw RCA transmitter and plans July 3 programming, reports Donald B. Crawford, station mgr. for grantee Young People's Church of the Air. RCA antenna has been installed on 581-ft. tower formerly used by radio WRCV. Calling self "World's First Christian TV Station," WPCA-TV is planned as religious-cultural-educational non-profit operation, which will charge $270 for base half-hour. Rep not chosen.

KCBY-TV (Ch. 11) Coos Bay, Ore., plans Sept. start with NBC-TV programming as semi-satellite of parent KVAL-TV (Ch. 13) Eugene, Ore., reports KVAL-TV gen. mgr. S. W. McCready. RCA 2-kw transmitter and 6-bay antenna are on hand and it will use 200-ft. Fisher tower. Base hour will be about $150. Rep will be Hollingbery.

KCDA (Ch. 3) Douglas, Ariz. is still planning on summer programming, although construction hasn't started as yet, according to Mike Ling, national sales mgr. of owner Electron Corp., which is also providing equipment for low-power outlet. It will use 100-ft. Rohn tower with Alford antenna. Base hourly rate hasn't been set, rep not chosen.

KEYC-TV (Ch. 12) Mankato, Minn. has 25-kw RCA transmitter scheduled for summer delivery and plans fall programming, writes Herbert R. Ohrt, exec. vp of Lee Radio Inc., 70% owner. It will use RCA traveling wave antenna on 1116-ft. Kimco tower. Network affiliation hasn't been signed. Base hour will be $300. Rep will be Branham.

Upsalquitch Lake, N.B. satellite on Ch. 12 (allocated to Campbellton), planned by CKCW-TV (Ch. 2) Moncton, N.B. has a July target, reports asst. gen. mgr. Murray L. Goldsborough. RCA equipment has been ordered, and foundation is in for studio-transmitter building. Microwave towers, supplied by Micro-Tower, are scheduled to be ready in May at Rogersville & Ashton Hill for link to Moncton. Upsalquitch Lake will have a 700-ft. tower.

CJAY-TV (Ch. 7) Winnipeg, Man., with fall target, has 25-kw RCA transmitter scheduled for Aug. 15 delivery, reports gen. mgr. Jack M. Davidson for owner Channel 7 Television Ltd. Construction has begun on footings for 1,000-ft. Dominion Bridge tower, which will have traveling wave antenna. Reps will be Weed and Stovin-Byles Ltd.

CFCF-TV (Ch. 12) Montreal, Que. (call letters awaiting official approval), plans Jan. 30, 1961 start, writes R. E. Misener, broadcasting div. mgr. of owner Canadian Marconi Co. It will use two 18-kw transmitter units operating in parallel. It plans 2-story studio building and will share tower with CBC's 2 Montreal TV outlets and with upcoming French-language Ch. 10, recently granted to Paul L'Anglais & associates. R. E. Misener will be gen. mgr., with V. Dittmer as business mgr. and J. C. Douglas, dir. of engineering.

OBSERVE CODES, KINTNER WARNS: FTC Chmn. Earl W. Kintner, broadcasting's No. 1 scourge in govt. agencies (Vol. 16:19 p4), had this advice for TV & radio operators last week: "Pull in your belt & hang on for long-time stability. Do not be blinded by shortsighted visions of shady profits."

In a half-chiding, half-conciliatory speech to the Conn. Bcstrs. Assn. in Cheshire, the man in charge of FTC's twin campaigns against payola & deceptive commercials warned broadcasters not to try to "dismiss the entire sorry mess" of industry scandals. At the same time he praised the industry's "good-faith, massive effort to clean house."

What's most needed now by way of self-correction, Kintner said, is more devotion by broadcasters to NAB Code rules. Calling on broadcasters "to encourage the efforts of the TV Code Review Board and to work more closely with it," he told the Conn. group:

"The recent dramatic rise in the number of TV Code members indicates an increasing awareness of the benefit of Code adherence. The recent revisions of the Code, such as the memorable personal-products decision of the Board, show that the NAB is determined to prevent the Code from becoming a useless collection of archaic rules.

"Enforcement of the Code is constantly enlarging a vast body of experience that should be shared by all broadcasters. The work of the Code deserves the support of all members of the broadcasting industry, in my judgment."

Kintner reiterated a hope—which he has frequently expressed—that FTC "never will find it necessary to make any publishing medium, printed or broadcasting, party respondent in a deceptive advertising case."

"The broadcaster—that is the licensee—has the ultimate responsibility for all program & advertising material carried on his station regardless where it originates, and that includes network shows & national spots as well as local material," Kintner said.

"Self-policing by broadcasters also calls for more positive action to eliminate advertising copy that either is obviously phony or comes so close to the edge of credulity as to be not worth the risk of FTC action or the risk of offending the listening public."

In another speech last week, Kintner told Princeton U's American Whig-Cliosophic Society: "If industry fails to accept its responsibility for truthful advertising, then we can secure truth only by massive govt. control. I find this alternative appalling, because, at bottom, those businessmen who pass their moral responsibilities onto the govt. are advocating a police state."

* * *

FTC's Earl W. Kintner will sub for TV's Wyatt Earp May 20 as a guest of CBS-TV's *Person-to-Person*. The program's staff decided that the FTC chmn. would make "a better contrast" to the show's other guests that night (Craig *Peter Gunn* Stevens & wife Alexis Smith) than would Hugh (*Wyatt Earp*) O'Brian, whose pre-taped interview will be used later. Kintner and his family will be seen in their Georgetown-area home.

* * *

FTC is "exploiting every resource to check deceptive advertising but does not have & does not want the power to insure that an advertisement is in good taste," FTC Chmm. Earl Kintner told the 1960 meeting of the advertising & publishing div. of United Jewish Appeal, N.Y.

Tower Succeeds Thad Brown: NAB's policy committee last week named personnel & economic mgr. Charles H. Tower—a staff member since Feb. 1949—as TV vp to replace Thad H. Brown Jr., who is resigning June 17 to enter private law practice (Vol. 16:17 p13).

At the same time, the policy committee headed by Clair R. McCollough (Steinman Stations) started a reorganization of NAB's staff structure. In actions effective at once, the committee: (1) Named govt. relations mgr. Vincent T. Wasilewski to a new post of govt. affairs dir., put NAB's legal dept. in his jurisdiction and authorized addition of a govt. affairs staffer. (2) Gave the title of industry affairs dir. to Howard H. Bell, longtime joint affairs asst. to late Pres. Harold E. Fellows, and placed these depts. in his new div.: engineering, public relations, research, broadcast personnel & economics, station relations, organizational services.

New TV vp Tower is an attorney, has been head of the personnel & economics dept. since 1955, when it was the employer-employe relations dept. Before joining NAB in 1949, he worked for RCA in Camden and for 2 years was an NLRB field examiner. Tower's replacement as personnel & economic mgr. was not immediately named.

Wasilewski joined NAB's legal staff in Oct. 1949 and served as chief attorney before he became govt. relations mgr. Bell has been an NAB staffer since 1951.

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NAB "certificate of appreciation" will be awarded Reps. Landrum (D-Ga.) & Griffin (R-Mich.) for their labor-reform bill enacted last year. The award was announced after the 2 legislators spoke informally in Washington May 11 at a breakfast session of the annual conference of NAB's labor advisory committee, headed by Ward L. Quaal (WGN-TV & WGN Chicago). House minority leader Halleck (R-Ind.) also met with committee members during the 2-day meeting. Reports on broadcasters' labor problems were made by NAB personnel & economics mgr. Charles H. Tower, his asst. James H. Hulbert, William C. Fitts Jr. (CBS), Abiah (Bob) Church (Storer), Joseph Schertler (Westinghouse), Louis Gratz (Time Inc.).

Counsel involved in NBC's proposed station purchases, in addition to House counsel (see p. 2): For NBC—Cahill, Gordon, Reindel & Ohl, N.Y., and Schnader, Harrison, Segal & Lewis, Philadelphia. For Philco—Weaver & Glassie, Washington. For Westinghouse—Cravath, Swaine & Moore, N.Y., and Pepper, Hamilton & Scheetz, Philadelphia. For KRON-TV—Pepper, Hamilton & Scheetz, Philadelphia, and Weaver & Glassie and Cox, Langford, Stoddard & Cutler, both Washington. For RKO-General—Pierson, Ball & Dowd, Washington. Unusual angle: Cravath, Swaine & Moore, counsel for Westinghouse in the case, also works occasionally for CBS—and CBS is giving its Boston affiliation to WHDH-TV instead of to WBC's WBZ-TV when NBC takes over WNAC-TV.

Five applications for Edmonton's Ch. 5 have been heard by Board of Bcst. Governors at the first of 2 Alberta hearings. Second hearing takes place this week in Calgary where 2 applications will be heard for Ch. 4. Decisions are likely around May 24. Applicants in Edmonton are Canadian Bcstg. Corp., Northgate Bcstg. Co. Ltd., Edmonton Video Ltd., Ched Ltd., and Mayfair Bcstg. Co. Ltd. CBC Pres. Alphonse Ouimet said CBC network programs now carried by CFRN-TV Edmonton (Ch. 3) would be taken by CBC Edmonton station, leaving CFRN-TV to fill approx. 37 hours of programming weekly from other sources.

Advertising

No TV Tax, Says AFA: The proposed 1% excise tax on TV commercials to pay for ETV was cited as a major threat "to the freedom of businessmen to tell their story through advertising," by AFA Pres. C. James Proud, before the Public Utilities Advertising Assn. convention at the Waldorf Astoria. "While advertising has fared unusually well this year on the state fronts—meanwhile taking an unmerciful beating from Washington bureaus and Congressional committees—we can expect plenty of action in the state houses in 1961," said Proud. Other "danger signs" cited by Proud are "discriminatory municipal, state and federal taxes on advertising; state or federal bureau regulations forbidding members of certain legitimate businesses or professions to advertise their services; and promulgation of Internal Revenue Service regulations to disallow certain advertising as a legitimate, tax-deductible business expense."

Continued Proud: "Advertising seeks no special license or privilege in Washington or anywhere else. We ask only to be treated as any other law-abiding citizens engaged in an honest, legal activity . . . But we must not—and will not—permit ourselves to be singled out as some sort of noisome pariahs or to become whipping boys for either a tax-hungry government or political opportunists who may use our occasional front-window indiscretions for their headline-hunting hearings."

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Important circulation-building strategy among magazines is extensive use of TV-radio advertising, "a sure fast way to reach prospective subscribers," according to a recent survey conducted by *Printers' Ink*. Some specific cases cited: *Reader's Digest* has bought heavily into TV (83 markets); Curtis Publishing is spending $550,000 annually on spot radio; *TV Guide*, a major TV spot advertiser, finds that "spots promote specific issues & articles as well as the magazine itself; *Life* uses the theme "this is the sound of life" regularly in spots on CBS & NBC; *McCall's* reported "phenomenal results" from a spot campaign on radio WTOP Wash. D.C.; *Look* is beginning to rely heavily upon broadcasting media. Magazine executives believe "this is only the beginning of ad strategy destined to become vitally important to the publication industry," stated *PI*.

Standard TV-radio rate cards are being circulated to stations by the 4A's. The new formats provide stations with "a uniform, orderly pattern in which to present their rates, mechanical requirements, terms and conditions." The cards, developed by the organization's Committee on Broadcast Media, are the first recommended uniform rate circulars developed for radio stations since NAB's 1946 recommendations and Broadcast Ad Bureau's 1950 TV forms.

"Spot TV Ad Cost Summary No. 27" was distributed to ad agencies last week by rep. firm Katz Agency Inc. It condenses costs in 234 U.S. TV markets. Market rates, listed for night & daytime spots, are broken down into 60-sec. & 20-sec. time periods and 1-time, 6-plan and 12-plan campaigns.

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Ad People: Albert R. Whitman appointed Campbell-Mithun pres., succeeding Ray Mithun, co-founder, who will become chmn. . . . Eldon E. Fox named a BBDO vp . . . Henry L. Sparks and Warren A. Bahr named Young & Rubicam vps.

TV's Top 100: TvB last week posted the combined gross-time investments in both network (Vol. 16:13 p10) and national & regional spot (Vol. 16:14 p7), of television's 100 biggest spenders in 1959. The leader: Procter & Gamble with total TV spending of $95,340,352. In the 100th spot: Jacob Ruppert, with a $2,213,820 investment, all in spot.

Of the top hundred, 73 used both network & spot; 20 used spot only; 7 went network exclusively. Eighty-seven of the leaders were repeaters from 1958's top 100 list.

Runners-up to P&G: Lever Brothers ($46,853,895), American Home Products ($38,767,078), Colgate-Palmolive ($36,358,414), General Foods ($35,489,721). TV's top brand advertiser in 1959 was Lestoil with $17,627,120, all invested in spot. Runners-up: Kellogg cereals ($12,932,652), Anacin ($12,625,422), Dristan ($10,763,597), Kent ($10,190,965).

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Procter & Gamble continues as top network TV advertiser with Feb. gross time billings in excess of $3.6 million, TvB reported last week. American Home Products scored second at $2.8 million, followed by Lever Bros. ($2.5 million). The leading brand on network TV in Feb. was Anacin with gross time billings of $779,791. Dristan was second with $759,380. New to TvB's list of top 15 brand advertisers in Feb. were Renault cars, Union Gas & Motor Oil and Listerine.

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TV won 55.2% of the advertising expenditures of the top 5 national advertisers in measured media in 1959, reports TvB. General Motors lead the list with $110.1 million spent in gross time & space, advancing from $97.8 million in 1958. Procter & Gamble, TV's top spender, was second with $105.6 million, compared to $98.5 million in 1958. Gen. Foods, Ford and Lever Bros, rounded out the top 5.

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Impact of color commercials has been measured for Crosley Bcstg. Co. by a Burke Marketing Research Inc. study. Key finding: In color-TV homes, color commercials are "about 3½ times" as effective as b&w commercials. The survey was conducted during a recent 4-week period in the Cincinnati area. About the same percentage of TV viewers in both color and non-color homes (15%) did not remember anything about commercials they had seen. But of those who could recall, twice the number remembered details of programming & commercials in color as compared with b&w viewers, Burke researchers learned. Although the Crosley outlets will increase their colorcasting, there will be "no premium on color rates until color becomes as common in TV as black & white."

Bid for New York's Spanish market is being made by Schaefer Brewing and WOR-TV (Ch. 9), which launched *Theater of the Americas*, a feature-film showcase, in prime time (Sun. 9 p.m.) May 8. In a switch on the overseas marketing of U.S. films, the first film in the WOR series was "Dona Juana la Loca," televised with a Spanish-language soundtrack—but with English titles. Schaefer has bought full sponsorship of the series which will be handled as a once-monthly event. Latest estimates place the Spanish-speaking N.Y. minority, largely Puerto Rican in origin, at about 900,000.

Summer toy-sales drive via TV is planned by Colorforms Toys "to take advantage of today's tendency toward a year-'round market," stated sales mgr. Lewis Raskin. The Company will maintain its 3-per-week schedule on CBS-TV's *Captain Kangaroo*, backstopped by spot TV for the entire summer.

Auxiliary Services

SENATE FIGHT ON CATV: "Complete opposition" to CATV regulation proposed in a bill (S-2653) scheduled for Senate floor action May 17 (Vol. 18:19 p15) was voiced last week by Pres. A. J. Malin of the National Community TV Assn.

"Discriminatory as this bill is, it threatens to deprive 2.5 million CATV viewers in more than 750 towns of their present varied reception & wide selectivity in fringe areas," said Malin. "NCTA wants to make it clear that this industry has always felt this bill is unworkable & unfair."

Up to the eve of Senate debate on the measure (sponsored by Chmn. Pastore (D-R.I.) of the Commerce Communications Subcommittee), NCTA had pinned hopes on softening amendments by Sen. Fulbright—and reportedly accepted by Pastore. The amendments didn't go far enough, in NCTA's view, to tone down the measure's emphasis on economic protection of existing local TV stations against CATV competition.

The Fulbright amendments called for substitution of station "signals" for "programs" in the bill's language dealing with CATV-relayed shows, thereby de-emphasizing stations' claims to economic rights in programs. The amendments also authorized FCC to waive application of the Communications Act to CATV systems in such areas as equal political time.

Monroney to Lead Fight on Bill

Fulbright himself won't be on the floor to argue against the Pastore bill as written. He took off last week for the Middle East as Foreign Relations Committee Chmn. CATV forces in the May 17 debate—largely recruited from the West—will be led by Sen. Monroney (D-Okla.), who planned to move for recommitment of the Pastore bill to the Commerce Committee. Monroney is the sponsor of NCTA's own CATV regulation bill (S-2303) which calls simply for FCC licensing of systems "in the public interest."

Harry C. Butcher of KIVA Yuma, Ariz., and Hollis M. Seavey, consultant to Regional Broadcasters, have been in Washington mobilizing support for the Pastore measure.

In his blast against the measure, NCTA Pres. Malin said it would regulate reception rather than transmission of programs; that NCTA "cannot understand how it can be in the public interest to deprive some of the public of their multiple choice of TV signals."

Some Western Senators were incensed by NCTA's refusal to go along with the Fulbright amendments. Well aware that chances of getting House to approve the bill are very slim this session, they've drafted, but not introduced, a "sense of the Senate" resolution designed to encourage states to regulate CATV as common carriers but at the same time encouraging FCC to impose certain federal controls. Such resolutions require no House concurrence—and they frequently carry considerable weight with state govts. and federal agencies.

Sen. McGee (D-Wyo.) was most outspoken in his chagrin at NCTA. "I have been shocked & saddened," he said, "to learn that the NCTA which had delayed consideration of the bill so long in order that their amendments may be taken into account has done a complete flip-flop and now refuses to accept the bill even with its own amendments incorporated . . . It is now obvious that the aim of the NCTA is to prevent legislation during this session . . ."

TelePrompTer's Fight Angles: Armed with N.Y. State Athletic Commission approval of its contract for TV-radio-movie rights to the June 20 Johansson-Patterson fight, TelePrompTer Pres. Irving Kahn last week was busily arranging a series of deals for his sports attraction:

CATV feeds: Although "nothing is firm," TelePrompTer may feed the bout to as many as 50 CATV systems, including its own 3. It has no idea currently what method of payment by set-owners hooked into CATV systems would be most feasible. "Possibly," TelePrompTer told us, "the fight may be fed to CATV viewers for free as an experiment." Also not solved yet: availability of coaxial lines to feed the show to remote CATV locations.

Telemeter tie-in: Telemeter has asked TelePrompTer if it would be interested in selling the bout for closed-circuitcasting to Telemeter's pay-TV homes (about 3,000) in the Toronto area. "We're negotiating," said TelePrompTer. Another possibility for Toronto may be a big-screen ball-park showing of the fight in another Telemeter tie-in.

Philco deal: A 30-min. ABC-TV pre-fight show, scheduled for June 19 in a 10-10:30 slot, will be produced by TelePrompTer under Philco sponsorship. The show will consist of clips from the June 26, 1959 Johansson-Patterson bout and interviews with the 2 heavyweights. Philco, as part of a $250,000 package, will also pipe the June 20 closed-circuit fight to Philco dealers & distributors in U.S. cities for special by-invitation showings.

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Free-TV competition to fight on June 20 will include the annual "Emmy" awards of the Academy of TV Arts & Sciences on NBC-TV. Last week, ATAS Pres. Walter Cronkite told TV columnist Marie Torre: "We have nothing to fear. The fights appeal largely to men, and the 'Emmies,' I should think, appeal mostly to women. Besides, we have 2 things going for us—an early knockout & the weather. It could happen that it'll rain. If it does, we probably will draw a larger audience than we might otherwise get. Think of the people who'll find themselves with nothing to do but watch TV if the fight is called off."

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CATV cable facilities may be supplied to CATV operators by the N.Y. Telephone Co. under a new tariff approved by the State Public Service Commission. Among the tariff provisions: (1) 10-year minimum contract. (2) CATV operator must make a deposit equal to the cost of the cable construction & renewal, less salvage. (3) Monthly charges to the CATV operator of $34 per ¼ mile of aerial cable plus 60¢ per drop, plus $20 per drop installation. The telephone company estimated cable installation would cost it $4,230 per mile and that annual operating costs, depreciation & amortization would run $1,228 per mile. Taking all costs into account, the PUC concluded: "The end result with relation to the cost of the property is that the telephone company nets about 4.1% for providing the service, keeping the facilities in operating condition, and bearing the risk of making any property replacements with its own funds when & if required." The tariff excludes service for the N.Y. metropolitan area, Albany, Binghamton, Buffalo, Colonie, Niagara Falls, Schenectady, Syracuse, Troy and Utica.

Translator starts: W8OAB Frostburg, Md. began May 8 repeating WMAL-TV Washington. K76BB Honohina, Hawaii, began May 15 repeating KMVI-TV Wailuku, Maui, a satellite of KHVH-TV Honolulu. K73AR The Dalles, Ore., began May 12 with KGW-TV Portland.

Film & Tape

DIRECTORS SIGN CONTRACT: Signing of a contract between the Directors Guild of America and the Alliance of Television Film Producers and Assn. of Motion Picture Producers highlighted last week's strike & labor activities in Hollywood. But there was no easing of the 17-week-old WGA strike against TV film.

The DGA deal came as no surprise. The Guild had made it clear weeks ago it would not make an issue of foreign residuals in TV or post-1948 movie payments. The directors took a pension fund in lieu of the post-1948s (as did Screen Actors Guild) and avoided the delicate TV foreign residuals with a "favored nations" clause giving DGA foreign reruns if any other guild gets them.

In the Alliance-AMPP negotiations with SAG, the producer groups rejected SAG's principal demands, particularly for the so-called "one world concept" in foreign reruns of TV film. Counter-proposals are being weighed by SAG & though both sides are far apart, no strike's planned.

The only optimism in an otherwise gloomy week was delivered by the DGA settlement. Here's a guild-by-guild rundown of the situation, leading off with WGA, whose strike has proved the most troublesome problem confronting producers:

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WGA: The Guild negotiating committee told non-Alliance independents either to sign, offer counter-proposals by 10 A.M. this Mon. (16), or face a strike. They asked for 10% increase in minimums the first 2 years, 5% the second 2 years, and 2% of the foreign gross. Significant feature of these proposals was that WGA was skipping a pension demand in favor of foreign residuals. There was a varied reaction among producers we checked in this group. Some considered the demand for foreign revenue "improper," because few producers get into the black with first runs.

In terming the demand unrealistic, they said they would be willing to offer WGA 2% of the net—*i.e.*, payment after production costs have been recouped. Other executives told us they were willing to sign on any deal similar to the industry pattern ultimately achieved. While there was resistance to the foreign demands, there appeared to be a genuine effort to come up with counter-proposals for settlement. Said one executive: "The terrible part of this is that we do not have industry leadership nor men in the industry concerned about its future. There is a vacuum at the top & chaos at the bottom."

But there was even more chaos within WGA, where an internal fight was paralyzing negotiations with groups outside the non-Alliance independents. Dissidents who had failed to get the Alliance proposal accepted at the last membership meeting were campaigning to get their candidates elected to the TV-radio board at Thursday's membership meeting, in the belief that these new leaders could then discharge the present negotiating committee and name one which would accept the Alliance bid.

There was even a split within the dissident ranks, as Rod Serling left that group in favor of WGA's holdout for a percentage of foreign residuals. Serling, who had spoken in behalf of the Alliance offer and for the dissidents at the membership meeting, told us bitterly: "Many of us were blatantly used . . . The membership should hold sway. I'm not in sympathy with the dissidents. I was confused about the strike when I spoke for the Alliance offer. I don't want to get nailed to the cross for something I'm not sure I believe in. I personally think we're awfully close to a settlement. If 2% of the foreign gross is to be the formula, my production company will pay it. It isn't going to break anybody." Serling also told us the dissidents had tried to persuade him to join them in a move to leave WGA and form another guild, but he rejected this outright.

Producers, aware of the internal fight, told us they had been assured the dissidents would win. Consequently they were awaiting this development before proceeding with negotiations. What was difficult to assess was the actual numerical strength of the dissidents. Regardless of the merits of their case, it was obvious that they had handicapped the negotiating committee's work. A heated verbal duel between the 2 factions was anticipated at the Thurs. meeting. On the outcome of this session depends the length of the strike. Opponents of the dissidents were bitterly charging that they were "circumventing the will of the membership, as expressed in the recent vote."

Meanwhile, AMPP offered a package plan to WGA for settlement of the 17-week-old strike against the major movie studios. WGA negotiators were cool to the plan, but told AMPP they would present it to a membership meeting for a vote Mon. (May 16).

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DGA: Highlights of the DGA pact with AMPP and the Alliance are: A pension plan based on payments by producers of an amount equal to 5% of directors' salaries on movies, with a ceiling of $100,000 per director per picture; for TV films, payments to equal 5% of initial amount of director's salary, with a ceiling of double the initial minimum; for asst. directors, producers to contribute 5% of total salaries.

Directors will contribute to pension plan an additional 2½% in each category; to establish pension fund, producers will pay 1½% of directors' and asst. directors' salaries for period from Oct. 1, 1953, through Dec. 31, 1959, less amount which producers have contributed to present industry plan on behalf of directors & assts. This amount —about $360,000—will be paid in 10 annual instalments.

Directors' minimums increased from $600 to $650 a week first 2 years of contract, to $675 a week for remaining 2 years; minimums for first & 2nd asst. directors to be hiked 10% first 2 years, another 5% remaining 2 years.

If post-1960 movies are sold to free TV, producers will pay 2% of gross after deducting 40% for distribution (this proviso is for a 6-year-period). Directors waive claims to pre-1960 movies sold to TV. Directors agree with AMPP that pay TV is same as theatrical exhibition.

Existing structure is continued on TV film rerun payments, but joint economic study committee is to be named to study entire TV reruns subject.

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SAG: AMPP and the Alliance rejected SAG's demands to raise residuals structure from 140% of minimum to 200%; the "one world concept" on foreign residuals; extension of present residuals from 6th run to 8th run, with hikes in residuals for various runs.

Instead, producers made counter-proposals which were roughly comparable to the Alliance offer to WGA—the 10-5-5 format which gives actors a 10% hike in minimums the first 2 years, 5% the 2nd 2 years and a 5% pension plan. On the pension plan, SAG was offered 5% of salary, up to double minimum. Regarding SAG demands to raise minimums in various categories, producers turned them down and countered with raises, but not the kind SAG sought. For example, on rates for a single picture daily

player, SAG sought to lift the present $80 rate to $100, the employers offered $88. Producers tried to present compromises for various SAG demands in minimum areas, but turned them down flatly on such issues as raises in residuals, on the ground that raising minimums automatically means more residuals for actors. Neither SAG nor the producers anticipate a strike.

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Writers Guild of America 3-year network contract, providing wage boosts & expanded fringe benefits for writers of live network shows, has been approved by WGA membership. Maximum scale for staff writers at CBS & ABC has been raised from $182 per week to $191 immediately, and is boosted to $195 for the 2nd & 3rd years. In addition, writers at those networks receive extra payment when employed on commercial programs. While no provision for commercial fees has been made at NBC, the scale will rise there from $202 weekly to $211 immediately and $214 for 2nd, 3rd years. Contracts retroactive to Apr. 1.

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N.Y.'s INDECISION IS HOLLYWOOD'S HEADACHE: Despite the fact that four-fifths of prime-time network programs & time slots are locked up (Vol. 16:18 p2), the decisions yet to be made are keeping Hollywood film producers on the uneasy seat. "I've never seen a season like this," growled a Hollywood TV film production executive sourly last week, "with the networks unwilling to make their final programming decisions for next fall until each sees how the other's schedule looks." It was a lament echoed by most of his colleagues. The indecision & uncertainty have plagued production plans of virtually every Hollywood company—on top of the problems stemming from the prolonged writers' strike.

Among companies waiting for answers from networks, sponsors or agencies—or all 3—are:

Warner Bros.—whose *Room for One More* and anthology series are question marks on the ABC-TV schedule.

Four Star Television—still to obtain renewal of *Black Saddle*, and still hopeful of selling its 6-star anthology.

Screen Gems—with several pilots, and hopeful of sales on *My Sister Eileen* and *Raven*.

Twentieth-Fox TV thought it sold its pilot, *Down Home*, then lost the anticipated sponsor. It also hopes to sell another pilot, *Picture Window*.

Desilu has several pilots, is hopeful of sales, particularly on *For Men Only*, an anthology series.

Revue has a number of pilots on the market.

Paramount TV is trying to sell its pilots.

Don Fedderson Productions has still to hear from CBS-TV on whether it will continue production of *The Millionaire*. (New policy of using stars is being discussed.)

MGM-TV—its *Dr. Kildare* pilot has been off-again-on-again several times. No decision yet.

Ziv TV is hopeful of selling *Klondike*.

Warren Lewis-Don Sharpe expect sale of *3 Wishes*.

Goodson-Todman sold *The Yank* and *One Happy Family*, but has time slot problems.

Ron Com Productions awaiting word on pilots.

CBS Films has no decision on the fate of its pilot for *36 Maiden Lane*.

Network time for next fall is being locked up, and there are far more "hopefuls" available than there are time slots. About the only companies in Hollywood which know their future without a doubt are those which didn't make a sale and have no such expectation.

NEW YORK ROUNDUP

Tapes of WNTA-TV's *Open End* program May 15, featuring Vice President Richard M. Nixon, are being offered to "more than 150 TV stations with tape facilities" as a public-service feature. The only obligation to stations requesting the program will be the costs of tape & dubbing, explained NTA o&o stations vp Ted Cott.

Ziv UA's latest syndicated advertiser survey of its own series shows tobacco, food and automotive products as leading regional spenders. Leading in these categories are American Tobacco Co., Standard Oil and Kroger Stores. The study covered the 44 top regional sponsors of 6 Ziv first-run series. In an earlier survey, food products rated first. Tobacco firms & breweries followed.

Add syndication sales: MCA TV's *Coronado 9* was sold in 8 markets last week including WNEW-TV N.Y. & WTTG-TV Washington. The Rod Cameron adventure series is now in 130 markets . . . **Ziv UA's** *Home Run Derby* has picked up 22 new stations, putting it in 147 markets to date . . . NTA reported last week its special 6-feature-film package is now in 66 U.S. markets.

Cal. National Productions has acquired U.S. rights to *R.C.M.P.*, 39-episode series based on files of the Royal Canadian Mounted Police and produced in Canada by Crawley Films Ltd., under contract to CBC, BBC & Crawley, McConnell Ltd.

People: Arthur Fellows has been named production exec. of Quinn Martin's newly-formed QM productions. The company will develop TV film & live programs for ABC . . . **Henry S. White**, program dir. Screen Gems, has been elected Academy of TV Arts & Sciences N.Y. chapter pres. . . . **John G. McCarthy** has been elected TV Program Export Assn. pres. . . . **William H. Fineshriber Jr.** was named Motion Picture Export Assn. exec., TV activities . . . **Abe Mandell** was appointed ITC international sales vp . . . **Bertram Berman** has been named producer of CBS-TV's *The Verdict Is Yours*.

HOLLYWOOD ROUNDUP

NBC-TV's *Bonanza* resumes production May 20. It will produce 3 of its 60-min. segments in Oregon. David Dortort is producer . . . **Walt Disney Studios** has begun production of six 60-min. *Zorro* films. They will be seen on *Walt Disney Presents* on ABC-TV next season.

Wilbur Stark Productions has been formed by Stark for production of TV film series & specials. Stark is headquartered at Metro, where his Brad-Jacey productions films *The Brothers Brannagan* . . . **Desilu Productions** begins production June 20 on next season's *The Untouchables*.

Warner Bros. has named Ed Jurist producer of its *Room for One More* comedy project, which stars Andrew Duggan and Peggy McKay . . . **Production** of *Hennesey*, the Jackie Cooper series done by Don McGuire, resumes July 18 at General Service Studios.

People: William F. Wallace, ex-NBC, named exec. vp of International Video Tape Recording and Production Inc. . . . **J. Neil Reagan**, McCann-Erickson vp in Hollywood, elected pres., Radio TV, Recording & Advertising Charities.

Programming

More about

AFTRA'S THINKING: Our conversation with the union's national exec. secy., Donald F. Conaway, brought out the fact that AFTRA is closely following pay-TV developments—including the possibility that the present 3 major networks will join the pay-TV act if it develops as a threat to network revenue. "Pay TV," said Conaway, "will definitely develop to the point where it will require considerable live & tape production. It can't exist as a substitute for a movie house."

So far, any pay-TV agreements AFTRA is making are on a one-at-a-time basis, Conaway revealed, citing the planned Telemeter pay-TV casting of Jean Dalrymple's production of "The Consul," due to be fed to coin-box sets in Toronto in July and again in the fall on a "grind" (*i.e.*, 3-times-daily) basis. AFTRA's views on its pay-TV rates, generally speaking, are that they will "never be less" than those of present commercial nighttime network shows, "including replay deals." The agreement covering "The Consul," Conaway stated, gives AFTRA: (1) Official recognition by Telemeter as the live-talent bargaining agent, (2) acknowledgement of AFTRA's jurisdiction, (3) a guarantee that if "The Consul" tapes are shown in any other medium—such as TV syndication—additional talent payment will be made under applicable AFTRA codes.

One big AFTRA goal in the pay-TV field is a slice of the box-office receipts for performers. "We are talking about a piece of the gross for those whose individual bargaining power does not normally command a participation deal—not a participation for Mary Martin or Frank Sinatra, who would get it anyway," Conaway declared. Again, no AFTRA formula has been derived, but the union's thinking is "that we'll play this by ear."

Other AFTRA Philosophies

On other TV fronts, AFTRA has insisted on network-type scales for such syndicated-tape shows as NTA's *The Play of the Week* (although NTA originally asked for deferred compensation, and was refused). Unlike Screen Actors Guild and the Writers Guild of America, AFTRA network contracts call for residual payments to talent if tapes are syndicated overseas. The formula: Live-TV producers may buy worldwide rights (for performing talent) by paying talent 45% of applicable minimum scale. Individual areas such as Great Britain (20%) or the Far East (5%) may be cleared for partial payments.

AFTRA is still warm toward the idea of a merger with SAG to form a giant live-film talent union. "With pay TV on the horizon, closed-circuit industrial & sports shows becoming more important, network TV & tape syndication already here, it's like the advent of the talkies all over again," Conaway said. "I don't think there's any question there are many areas that cry for a merger between the 2 unions. There is nothing standing in the way of such a merger that can't be solved by joint discussion. We hope to have more merger talks with SAG in the near future."

The merger romance isn't one-sided. Last week, announcer Dwight Weist, pres. of Screen Actors Guild's N.Y. Council, also said a SAG-AFTRA merger would be a good idea. He added that what he termed the "giveaway" settlement between SAG & the major studios on foreign residuals could have been a much better deal from SAG's standpoint if the union had more strength.

Cultural Network Urged: A govt.-sponsored "cultural" network, similar to the BBC in England, was advocated by Screen Gems vp-exec. producer Harry Ackerman in a talk before the Hollywood Chamber of Commerce. Such a network could present all cultural, educational and public-affairs shows—taking this function & responsibility away from the commercial networks—he suggested.

He also said that this season has seen the most imitative programming pattern TV has ever suffered because "this was the year in which the advertiser attempted to play too big a role." But now "the TV advertiser is learning whither he went, and this knowledge acquired through bitter experience fortunately has resulted in positive indications that most advertisers in the future will be willing to turn production back to the producers," said Ackerman.

The executive disagreed with those who hold that control of TV production belongs to the networks. He said there is danger of the development of "network committee operations" for the acceptance or rejection of programs—and the censoring of material—over which the networks do not have any creative responsibility.

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TV coverage of trials has been publicly opposed by Supreme Court Justice William O. Douglas in a speech upholding the American Bar Assn.'s Canon 35 barring cameras & microphones from courtrooms. Delivering the annual John R. Coe lecture at the U. of Colo. Law School, Boulder (in the only state which regularly permits broadcasting of trials), Douglas also was sharply critical of televised Congressional hearings. On courtroom coverage, he said: "Photographing or broadcasting of trials, in my view, imperils the fair trial of which we boast. It is not dangerous because it is new. It is dangerous because of the insidious influences which it puts to work in the administration of justice." Douglas argued that judges & prosecutors facing elections would suffer temptations to "play to the galleries" if they were on camera, that witnesses might be "intimidated" or "may exaggerate or clown or make the proceedings a vehicle for getting public attention." As for TV coverage of Congressional committee proceedings, which is forbidden by the House but not by the Senate, Douglas said a televised hearing "often becomes a trial in which the entire nation sits as a jury." Mass opinion should be permitted no part "in determining the awful decisions of guilt or innocence," he told his law school audience. NAB Freedom of Information Committee Chmn. Frank P. Fogarty (Meredith Stations) promptly took issue with Douglas. He said: "Radio & TV have long since demonstrated their ability to bring the courtroom & the cathedral to the public and still preserve the dignity & decorum which are inherent to each. The public has a right to see & hear its officials in performance of their duties."

"First colorcast in the country of a night event under normal light conditions" will be originated tonight (16) by WLWT Cincinnati with a live pickup of the Redlegs-Giants baseball game at Crosley Field. The play-by-play and pregame festivities will be carried by WLWT, WLWD Dayton, WSAZ-TV Huntington, W. Va., and WLEX-TV Lexington, Ky. The night colorcast will use the GE-developed low-light-level image-orthicon camera tube (GL-7629) which reportedly can work successfully in 1/10 to 1/20 the light required by standard color orthicons (Vol. 15:49 p8).

KTVI St. Louis is telecasting a weekly series (Tue. 7:30 a.m.) on new concepts in mathematics, conducted by Holbrook M. MacNeille, chmn., Washington U. math dept.

Networks

The Rating Battle: Competitive network ratings were being pushed hard by ABC-TV and NBC-TV last week as the fall sales season neared its close. ABC's chief pride: The 41.5 Trendex (29-city) rating & 67.7 audience share for Elvis Presley's guest shot on Frank Sinatra's May 12 Timex-sponsored special. The rating, said ABC, was "the highest-rated prime-time special since the original 'Peter Pan' telecast starring Mary Martin in March 1955." (That drew a 48 rating & a 68 share.) Among N.Y. agencies, ABC was also boosting May 1-7 Trendex figures which showed ABC out in front in audience-share levels in the 8-10:30 p.m. prime-time hours (ABC—34.3; CBS—33.9; NBC—31.8) in 29 cities. NBC, at the same time, was whooping up daytime gains, citing the first of Nielsen's national reports for April which showed NBC with a 38.3 audience share (10 a.m.-1 p.m., 2-5 p.m.) against 37.3 for CBS & 21.6 for ABC. CBS, which has stated its opposition to rating slugfests, maintained a mathematical silence.

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Extra daytime hour and 3 new shows will be added to ABC-TV's programming schedule effective Oct. 10. A "Westernized" taped serial drama, *Hope Springs*, and a dramatic series based on transcripts of people undergoing group psychoanalysis, *Road to Reality*, will be slotted at 11:30-12 and 2:30-3 p.m. respectively. Reruns of *The Texan*, starring Rory Calhoun, will replace reruns of *Restless Gun* at 12-12:30 p.m. Network service will start at 11 a.m. and, with the exception of 1:30-2 p.m., will continue until 6 p.m. The network plans to augment its daytime sales force within a few weeks, according to daytime programming vp Giraud Chester. ABC-TV's daytime audience share has increased 78% since the original "Operation Daybreak" went on the air Oct. 2, 1958, according to Nielsen's national report, ABC said.

TV outran wire-service coverage in reporting voting in the W.Va. Democratic preference primary, reported NBC News vp William R. McAndrew last week. At one point, he said, "NBC reports were 30 to 45 minutes ahead of wire-service returns." The secret: In each of W.Va.'s 35 counties, NBC had a reporter during vote tabulations who immediately telephoned late results to NBC originating stations WSAZ and WSAZ-TV Charleston-Huntington.

Self-regulation is sole future for broadcasting & advertising, predicted NBC standards & practices vp James A. Stabile to the Minneapolis Ad Club. Said he: "Broadcasting will overcome its hurdles if the industry continues to serve public interest, gain impact from technical improvements, remain aware of program & ad standards."

New cycle of *Briefing Session* will be produced by the National ETV & Radio Center in partnership with NBC-TV for kinescope distribution to ETV stations starting May 22. The 13-wk. series, featuring news & commentary on such issues as the summit meeting, the coming political conventions, the cold war and Castro's Cuba, will probably be used as future telecasts by many NBC affiliates.

Complaint against NBC by Ala. Public Service Comr. Ralph A. Smith that the network "staged & directed" TV films of sit-in demonstrations by Negroes against racial segregation in Montgomery is "under study" by the Justice Dept. The protest was first sent to FCC, which turned it over to Justice. A spokesman for Attorney Gen. William P. Rogers told us that he hadn't determined whether any federal law might be involved in the alleged incidents.

NETWORK SALES ACTIVITY

ABC-TV

Daytime programming, sponsorship renewals eff. fall 1960, participations.
General Foods (Y&R), *Coty* (BBDO)

Jeannie Carson Show, Thur. 9-9:30 p.m., eff. June 30, ⅓.
American Chicle (Ted Bates)

The Lawrence Welk Show, Sat. 9-10 p.m., eff. Sept. 1960, alt. half-hr. sponsorship.
Union Carbide (William Esty)

Lawman, Sun. 8:30-9 p.m., eff. Oct. 2, alt. half-hr. renewal.
R. J. Reynolds (William Esty)

Championship Bridge, Sun. afternoons, eff. Oct. 1960, alt. half-hr. sponsorship renewal.
North American Van Lines (Biddle)

Pre-fight special, 10-10:30 p.m., June 19 only. Full sponsorship. (Produced by TelePrompTer.)
Philco (BBDO)

CBS-TV

Captain Kangaroo, Mon.-Sat. a.m., alt. wk. 15-min. sponsorship.
Arnold Schwinn (George Bond & Assoc.)

Rawhide, Fri. 7:30-8:30 p.m., ⅓ alt. wk. sponsorship, eff. June.
Van Camp Seafood (Erwin Wasey, Ruthrauff & Ryan)

The Twilight Zone, Fri. 10-10:30 p.m., renewal eff. fall 1960.
General Foods (Y&R) new sponsor.
Colgate-Palmolive (McCann Erickson)

NBC-TV

How Tall Is a Giant, Tue. June 14, 8:30-10 p.m., full sponsorship.
Procter & Gamble (Benton & Bowles)

Laramie, Tue. 7:30-8:30 p.m., **Michael Shayne,** Fri. 10-11 p.m., one-thirds eff. fall 1960.
Pittsburgh Plate Glass (BBDO)

Riverboat, Mon. 7:30-8:30 p.m., **Outlaws,** Thur. 7:30-8:30 p.m., participations eff. fall 1960.
Du Pont (BBDO)

The Lawless Years, Thur. 10:30-11 p.m., eff. fall 1960, participations.
Alberto-Culver (Wade)

Wrangler, Thur. 9:30-10 p.m., effective July 7 through summer, full sponsorship.
Ford Motor (J. Walter Thompson)

Ford Show, Thurs. 9:30-10 P.M. renewal eff. fall 1960.
Ford Motors (J. Walter Thompson)

Convention-election coverage, amount of participation undetermined.
Lipton (Young & Rubicam)
Brown & Williamson (Ted Bates)
B. F. Goodrich Co. & dealers (BBDO)

ABC & NBC are slicing convention-election coverage into thirds, sixths, quarters, halves or in any size portion an advertiser will take, in homestretch efforts to sell off all or part of their multiple-hour coverage. ABC has made it possible for an advertiser to buy the conventions separately from the election with an option on the election coverage through June 15. Both networks are offering TV coverage separate from radio. Meanwhile, NBC indicated that Brown & Williamson, B. F. Goodrich and Lipton Tea have already ordered portions of the network's election coverage. "We also have several other advertisers negotiating for the remainder, and we expect a sell-out by next week," said our source. Twentieth Century Fox TV has bought a slice of ABC-TV's coverage.

Network switch in Va. takes place May 30 when WTVR Richmond joins CBS-TV, giving up ABC-TV affiliation to the former CBS-TV outlet there, WRVA-TV.

Congress

Payola Probe Record Closed: Not a single post-hearing statement by any disc jockey, music firm or broadcaster named in the headlined House investigation of payola practices was filed last week to meet the deadline set for closing the voluminous record of the proceedings.

Chmn. Harris (D.-Ark.) of the Commerce Legislative Oversight Subcommittee had marked May 10 on his calendar as the cut-off date for rebuttals to or fuller explanations of testimony (Vol. 16:19 p7). The Subcommittee was then scheduled to go over the statements in closed session and decide which were admissible.

With no such screening work to do, the Subcommittee put off until at least this week its planned work sessions to draft a report on its hearings & legislative recommendations for payola bans. And the likelihood was that the payola-windup work by the Subcommittee would be further delayed toward the scheduled July adjournment of Congress. The Oversighters took on another full-time job last week when hearings for FPC on alleged *ex-parte* customs in the agency were resumed—and the FPC proceedings promised to be protracted.

Meanwhile, the Subcommittee staff was getting help from NAB & network lawyers in working up proposed language for legal prohibitions against payola. The assistance was pledged by industry witnesses who testified at legislative hearings conducted last month by the Commerce Communications Subcommittee (Vol. 16:16 p1).

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FCC budget comes before Senate Appropriations Subcommittee May 17, and the Commission is expected to fight for restoration of the $565,000 cut from its $13.5 million budget by the House (Vol. 16:17 p3). Sen. Magnuson (D-Wash.), who is chmm. of both the Senate Commerce Committee & the Appropriations Subcommittee, has constantly upbraided FCC for not keeping closer tabs on the industry —for failing to do something earlier about payola, etc.— insisting that the Commission ask for more money if it needs it for that purpose. It's expected that FCC will oblige him & request the funds.

Sports anti-trust bill (S-3483) by Sen. Kefauver (D-Tenn.), which permits TV blackouts of professional baseball & football games (Vol. 16:19 p8), will undergo hearings by his Judiciary Anti-Trust & Monopoly Subcommittee starting May 19. Kefauver said first witnesses will include baseball Comr. Ford C. Frick, who has denounced the measure. FTC & Justice Dept. have been asked to submit statements.

Anti-defamation bill (HR-10605) by Rep. Moss (D-Cal.), requiring TV & radio stations to identify participants in "interview & discussion programs" and keep tapes of what they say (Vol. 16:9 p4), has been re-introduced. Moss said his new measure (HR-12204) was intended to correct technical errors in the original bill, that its provisions—including one-week suspension penalties against stations—were unchanged.

Less-than-revocation sanctions as recommended by FCC against TV & radio stations which violate the Communications Act or Commission rules, are authorized in a bill (S-3528) introduced by Senate Commerce Committee Chmn. Magnuson (D-Wash.). Terms of the measure—including 90-day license suspensions, $1,000 daily forfeitures for continuing infractions, imposition of injunctions—follow language suggested by FCC (Vol. 16:17 p2).

FCC Comr. Cross sought to clarify his position on political broadcasts in a letter to Senate Commerce Committee Chmn. Magnuson (D-Wash.) last week. At the NAB convention, when asked if a station could limit a political broadcast to 5 minutes if it chose, he said: "On the adage of rushing in where angels fear to tread, I would say it is entirely within the prerogative of the broadcaster to determine what is best for his community, and if he wants to limit the time, he won't have any trouble from me." Cross was criticized for the statement during Comr. Lee's confirmation hearing (Vol. 16:18 p4). Last week, Cross wrote to the committee: "The Commission considers that carrying political broadcasts is a public-service criterion to be considered both in the license renewals & in comparative contests, and has repeatedly so held. The Commission also considers the over-all program balance of the station to be significant. The licensee therefore must make the determination as to how much time his station will devote to the various categories of programming, including political broadcasts, and be prepared to justify his actions at license-renewal time. Since I subscribe to these views, I did not want you or others on the committee to get a wrong impression from a previous partial statement of mine. Accordingly, I trust this letter and the enclosed transcript [of the NAB panel discussion] will clarify the matter."

TV-debate bill hearings this week by Senate Commerce Committee on Magnuson-Monroney proposals (S-3171) for free network time for Presidential candidates (Vol. 16:19 p8) will have this witness lineup: May 16—Adlai Stevenson, who sparked the campaign plan (Vol. 16:11 p13), GOP National Chmn. Thruston B. Morton, FCC Chmn. Ford, TV-radio dir. Jack Christie of the Democratic National Committee. May 17—CBS Inc. Pres. Frank Stanton, NBC senior exec. vp David C. Adams, Washington dir. Lawrence Speiser of the American Civil Liberties Union. May 19—ABC-TV Pres. Oliver Treyz, NAB special counsel Whitney North Seymour, Arnold Petersen of the Socialist Labor Party. Meanwhile, the House actions to require networks to give time for debates by Presidential nominees lost some of their steam. Rep. Udall (D-Ariz.) withdrew his measure (HR-11260), which corresponded to the Senate bill co-sponsored by Sens. Magnuson (D-Wash.) & Monroney (D-Okla.) and a score of other signers. Udall said NBC Chmn. Robert W. Sarnoff's proposals to schedule 6 *Meet the Press* appearances for the nominees (Vol. 16:17 p8) made legislation "superfluous."

Govt.-paid time on TV & radio for Presidential & Congressional election candidates is authorized under a campaign-expenditures "reform" bill (HR-12116) introduced by Rep. Porter (D-Ore.). Porter's bill, similar to a measure (S-2823) which the late Sen. Neuberger (D-Ore.) sponsored (Vol. 16:4 p12), would provide federal subsidies to equalize big campaign contributions. Candidates could collect half the costs of broadcast time (up to one hour on TV & 30 minutes on radio in general elections, up to 30 minutes on TV & 15 on radio in primaries).

TV "libel" of Italians by "stereotyping" them as racketeers & gangsters has been protested in a House floor speech by Rep. Lane (D-Mass.). He said misrepresentations of such characters "as being automatically Italian by name or accent" are an example—like quiz rigging—of TV's "increasing disrespect for the intelligence & pride of the American people." Lane quoted a lead editorial in *Pilot*, organ of the Catholic Archdiocese of Boston, which called on readers to write TV stations & sponsors complaining against such casting.

The FCC

FCC's proposed allocations policy—cutting spacings to add a 2nd or 3rd station to major markets (Vol. 16:2 p1)—doesn't go far enough, according to National Telefilm Associates. In comments filed with FCC last week, it urged that the Commission shoot for 4 stations. "The principal need," said NTA, "is to develop competitive facilities & services outside of the existing networks. The policy of liberalization of rules to increase competition would be thwarted by a limitation which would confine competition to the established networks . . . Until more 4-station markets are created and an opportunity is afforded for increased competition, TV will remain under stifling control of the 3 networks . . . The modification which NTA requests in the Commission's proposal is elimination of the condition which would bar a meritorious application for a waiver of the minimum co-channel station separations in any market which happens to have as many as 3 stations."

Vhf booster decision still hangs fire at FCC, despite Comr. Lee's trip last week to Butte & environs to inspect boosters. Lee is convinced that existing boosters should be left undisturbed unless they cause interference. But he still insists that uhf translators are the answer for new service and he believes that uhf needn't cost much more than vhf. He said he inspected about 35 boosters. "You can't take service away from these people," he commented, adding with a laugh: "They'd shoot you. But this thing must be contained." He said he's impressed with the need for service in booster areas, noting that poor people living in flimsy homes & trailers have invested as much as $400 in receiving equipment. FCC has been deadlocked 3-3 on legalizing vhf boosters, but with Comr. Bartley in Europe at an international conference (Vol. 16:19 p5), there's possibility now of a 3-2 vote giving boosters a green light.

Yakima translator operator Allied Electronics (Ch. 76) is being called on the carpet by FCC for operating without proper authority & without rebroadcast permission from KGW-TV Portland. When KGW-TV was affiliated with ABC-TV, it had given its permission. After switching to NBC-TV, KGW-TV withdrew the permission at the request of NBC, which has KIMA-TV as an affiliate in Yakima. Allied also changed equipment without FCC authorization. The Commission has informed Allied that a hearing is indicated—and is wondering whether Allied will simply switch to an unauthorized vhf operation of the type shielded from FCC wrath by Western Senators.

Division to handle complaints from the public, *et al.*, is planned for FCC's Broadcast Bureau. The Commission now handles complaints in sketchy fashion, getting quarterly reports from its Renewal & Transfer Div. and taking whatever action it considers justified. The new division would step up the tempo considerably, putting complaints on the Commission's weekly agenda for quick action. All complaints are kept confidential by the Commission unless action against licensees is taken.

Telecast of a still picture accompanied by music by educational KQED San Francisco was again approved by FCC in a waiver of the rules. The station has a program, *Portrait in Music*, featuring only the picture of a record album on video. Comrs. Ford & Craven dissented on the grounds that such use is a waste of spectrum. If Comr. Bartley had been on hand, the vote would have been tied 3-3, because he has consistently disapproved such waivers.

Latest FCC anti-plugola move is to warn stations they should be careful in handling free celebrity-interview records containing plugs for unidentified sponsors. Said the Commission: "The programs usually consist of a recorded conversation between an interviewer & a celebrity in which the interviewer or the celebrity may casually mention one or more commercial products. These records are normally furnished to stations free of charge by producers in consideration of a fee paid to the producers by public relations interests on the basis of the broadcast coverage. Generally, neither the producer's nor the supplier's names are mentioned, nor is a sponsorship identification made." Even if the records contain no plugs, FCC said, broadcasters have to identify the record donor. "If the recording does contain such 'plugs,'" the FCC said, "the announcement should indicate that the program was sponsored or the material was furnished by the party who ultimately pays the producer's fee. In both instances, the Commission's rules require that such announcements be properly logged." The Commission added that it expects broadcasters "to use more than ordinary diligence" in detecting hidden commercials & complying with the law.

FCC is cracking down on a uhf grantee on its first request for more time to build, telling KFBL (Ch. 39) Bakersfield to ask for a hearing within 30 days or suffer cancellation. After FCC had assigned Ch. 39 & Ch. 17 to the city about 1½ years ago, KFBL & KLYD-TV were granted. Each protested the other. FCC cleared up the protests as fast as it could, aiming to speed service to Bakersfield. KLYD-TV then built, but KFBL asked for more time, citing the uncertainties of the allocation situation caused by FCC's proposal to make the area all-vhf. Now FCC has declined to accept the explanation, particularly since KLYD-TV is now operating. This is the first time the Commission has become tough with a uhf CP-holder on its first request for an extension.

Reallocation of uhf Ch. 37 (608-614 mc) to the exclusive use of radio astronomy on a nationwide basis was urged last week by the U. of Ill. in a petition for rule-making filed with the FCC. The University reported that it is building a radio astronomy telescope near Danville, Ill., scooping a 600-by-400-ft. parabolic cylinder out of the earth, and that the instrument will have center frequency of 611 mc. Special rule-making, separate from FCC's over-all vhf-uhf TV allocations examination, is sought—to avoid "unusual delay." The petition notes that the only use of Ch. 37 is RCA's experimental station in Camden, to which it doesn't object. However, it also points out that there is a petition pending to move Ch. 37 from Clymer to Syracuse and that it plans to file comments in that proceeding.

First microwave link in Western Union's proposed transcontinental radio relay system, operating between Vandenberg & Sunnyvale, Cal. and scheduled for completion by Oct. 1, has been approved by FCC. Phase 1 of the $41-million 170-site system, stretching from the West Coast to Boston, involves construction of 9 Cal. sites and operation by Oct. 8 to meet Air Force requirements.

CP for Ch. 10, Pocatello, Ida. to Sam H. Bennion is proposed in an initial decision issued by FCC examiner H. Gifford Irion. The application has been uncontested, following the dismissal by James C. Wallentine. Bennion's application originally was in competition with that of James C. Wallentine, who dropped out, dismissing his application, and leaving Bennion's application uncontested & free to be granted.

Television Digest

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Personals: Hubert Federspiel elected pres., Central American TV Network; Miguel Brooks, HRTG-TV Honduras, named vp; Simon B. Siegel, AB-PT financial vp, named treas.; William Klein, AB-PT attorney, appointed secy., John H. Mitchell, ex-KGO-TV & KGO San Francisco elected gen. mgr. (Vol. 16:13 p17).

Jack Singer named N.Y. coordinator, ABC International div. . . John Pival promoted from vp to pres., WXYZ Inc. (WXYZ-TV & WXYZ Detroit) . . . John F. Patt, pres. of WJRT Flint, Mich., and WJR Radio Detroit, named chmn., Goodwill Stations; Worth Kramer promoted from exec. vp to succeed Patt as pres. . . . C. Alfred Larson named station mgr., WOW-TV Omaha . . . Robert E. Kintner, NBC pres., elected a Brand Names Foundation dir.; John B. Poor, RKO General vp, named treas.; Norman Cash, TvB pres., and Kevin B. Sweeney, RAB pres., continue as dirs.; Clay Buckhout, Time Inc. vp, elected vice chairman.

H. I. Bucher, ex-NTA, named ABC asst. gen. counsel; Theodore M. Douglas Jr., appointed Eastern sales mgr., ABC Radio; E. G. Bishoff named Central div. sales mgr.

Esther Van Wagoner Tufty, head of Tufty News service, Washington, elected American Women in Radio & TV pres. . . . Neal L. Spelce Jr., KTBC-TV & KTBC Austin, Tex., associate news editor, receives an $8,000 CBS Foundation News & Public Affairs fellowship to Columbia U. for the 1960-61 school year.

John G. McCarthy, dir. of the U.S. Office of Economic Affairs headquartering in Paris, elected TV Program Export Assn. pres. . . . James H. Quello promoted from operations mgr. to gen. mgr., radio WJR Detroit . . . E. Roger Muir, exec. producer of children's programs, NBC-TV, named to UNESCO committee dealing with TV & film.

Obituary

Herbert M. Bingham, 58, senior partner of Bingham, Collins, Porter & Kistler, Washington law firm, died of a heart attack May 11. He had suffered a mild attack in 1951. Born in N.Y., he spent much of his early life in Butte, Mont., attended U. of Pa. and Leland Stanford U. He came to Washington in 1933, formed the law firm in 1946. Surviving are his wife & 3 daughters.

Assn of Federal Communications Consulting Engineers elects: Robert M. Silliman, pres.; Edward F. Lorentz, vp; Jules Cohen, treas.; David L. Steel, secy. AFCC members, in their annual meeting May 9-10 at the Pompano Beach Club, Hamilton, Bermuda, discussed these major topics: FCC's new TV propagation curves; use of computers in allocations, directional antenna calculations & population analysis; proposed modernization of FM rules & standards; tall tower rule-making; FCC's proposed uhf study in N.Y.; AM processing problems; participation in international TV-radio committee work.

Frank J. Shakespeare Jr., WCBS-TV vp & gen. mgr., was named "Young Man of the Year" at the Young Men's Board of Trade banquet May 11. Shakespeare, one of 4 men honored for pursuits in the field of transportation & communications, made the first on-air delivery of editorial comment by a N.Y. TV station last March.

Meetings next week: National Educational TV & Radio Center spring meeting of station mgrs. of affiliated ETV stations (May 22-24), LaSalle Hotel, Chicago . . . National Federation of Ad Agencies annual management conference (26-31), Northernaire Hotel, Three Lakes, Wis.

Wilkinson, Cragun & Barker, Washington TV-radio law firm, has moved to the new National Grange Bldg., 1616 H St. N.W., Washington 6, D. C. (National 8-4400).

New consulting firm of Charles B. Persons & Associates has opened offices at 3702 East Lake St., Minneapolis 6 (Parkway 9-8941). Its services embrace TV, AM & FM.

Harold B. Day scholarship fund is being established at Colgate U. in the name of the late ABC-TV daytime-sales vp. Funds to found it are being donated by ABC employes.

Foreign

Sweden's TV licenses have swelled to 765,000, making that country second only to Great Britain in number of TVs per 1,000 inhabitants in Europe. The Swedish Telecommunications Board also reports that since the introduction of TV there in Sept., 1956, $200 million has been spent for TV sets. The Swedish TV network embraces 33 transmitters & 1,440 miles of microwave links. Anticipated by year's end are 12 additional stations.

Foreign radio sets totaled 165,667,000 at the end of 1959, according to a USIA survey which noted an 8% increase—by 12,000,000 sets—during the year. The biggest radio rise was reported in Communist Eastern Europe, where receivers increased by 3,300,000 to 26,520,000. The number of sets in Communist China went up 1,500,000 to 3,500,000. Radio down-trends were noted in the United Kingdom & Japan, however. USIA ascribed declining use of sets there to the rapid growth of TV.

Ad revenue of British commercial TV last year surpassed that of all other media for the first time, reports Associated TeleVision Ltd. TV billings climbed to $163,430,400 in 1959, compared with $162,821,500 invested by advertisers in national newspapers, including London evening papers. In 1956, its first complete year of operation, commercial TV attracted $36,372,000 in ad revenues, compared with newspapers' $117,370,000.

TV debuts in Formosa this week (20) in conjunction with the installation of Chiang Kai-shek for a third 6-year term as President of Nationalist China, reports AP. The ceremonies will be on 50 TVs for public viewing in Taipei.

Trade Report . . . .

MAY 16, 1960

CONTROLS DUE ON JAPAN RADIO EXPORTS: First real ray of hope in industry's battle to dam the flood of transistor radios from Japan came this week when Japanese govt. suspended export licenses pending the establishment of quotas on shipments of radios to U.S. & Canada.

Japanese move was clearly the result of all-out campaigns by American & Canadian electronics industries—particularly through U.S. & Canadian EIA organizations—for protection of domestic industries against avalanche of low-price competition. The EIA-initiated OCDM investigation to learn whether transistor imports will hurt U.S. defense-readiness is believed to be important influence behind Japanese govt.'s decision to take its own action.

Whether coming quotas will really be meaningful or merely token controls is yet to be seen. Currently whole question is being thrashed out in negotiations between Japanese radio industry & Japanese govt. Last year nearly 4 million radios with 3 or more transistors were shipped from Japan to U.S.—or more than the total U.S. production of transistor portables (Vol. 16:15 p20). During first quarter of 1960, it's reported that more than 660,000 such sets were shipped, compared with 436,350 during the same 1959 period.

Suspension of radio export licenses may last as long as 2 months, but probably won't interfere with actual shipments during period of negotiations, since previous applications for export licenses are understood to be getting approval.

In Tokyo at time of suspension action was Donald S. Parris, veteran director of Commerce Dept.'s electronics div., currently assigned to preliminary investigation for OCDM of EIA's complaint that continued high imports may damage industrial preparedness. At press time, Parris was on his way back to U.S.

When EIA holds its annual convention this week in Chicago, one item on the agenda couldn't be more timely—a May 18 report by Parris on "the Japanese electronics industry." This should shed considerable light on export-control situation, but at week's end it wasn't known whether meeting's doors would be open to non-members of EIA's international dept. exec. committee, to which Parris is scheduled to report.

Whether the coming quotas are reasonably low or not, industry at week's end was encouraged by mere acceptance of Japanese govt. of the principle of voluntary limits on radio exports. So far as could be ascertained, there is no question now of setting quotas on such other electronic products as transistors, TV, phonos, tape recorders, tube radios.

Note: Another highlight of this week's EIA convention will be selection of president to succeed 2-term leader David R. Hull, Raytheon vp who is stepping down—and is scheduled to receive EIA's 8th Medal of Honor for "distinguished service" to electronics industry.

FIRST TV IMPORT LINE SHOWN: Delmonico International is dead serious about carving a substantial niche in the TV market for its new Japanese-built line (Vol. 16:14 p20). That much was evident to us last week when we attended first showing in N.Y. of forerunners of the Japan Victor-built TV & stereo line.

In TV, attention was centered on attractively-designed 8-in. self-powered transistor portable and slim 17-in. portable, although 19-in. portable and possibly color set are scheduled to follow.

The 17-in. set with 110-degree U.S.-made tube may cause bigger stir than even the transistorized receiver. Good looking, less than 12 in. deep, it will be list-priced at $149.95, sell to dealers for less than $100, and is scheduled to go on market late in July. Working sample we saw appeared to be beautifully constructed, had 16 tubes plus voltage doubler, performed well on built-in unipole antenna in steel building midcity. The 19-in. set, not shown, will list at $169.95, according to Delmonico exec. vp Herbert Kabat, shipments beginning late August.

Delmonico's transistor portable may be first such import to hit U.S. market—deliveries being scheduled to start by air late next month—and importer is shooting at $199.95 price although Kabat said there's still some doubt whether this figure can be met.

Market for the transistor TV will be "limited this year because of the price," Kabat told us. He said key promotions in possibly 4 cities—N.Y., Chicago, Los Angeles, San Francisco—will begin in time for political conventions. Delmonico hopes to tie transistor set exclusively to one quality store or chain in each city, Liberty Music Stores having been selected in N.Y. Toward year's end, however, he sees price beginning to drop out of luxury class, followed by larger-scale merchandising.

Delmonico also showed monster of a color set. Conceding this model couldn't be sold in U.S., Kabat said his company hopes to import color chassis, and perhaps cabinet, installing RCA tube here—"if we can sell it at a lower price than American-made sets." He added that he thinks there's good market for low-priced color set, but not the Goliath-sized sample shown this week.

An old hand at stereo imports (mainly from Germany), Delmonico showed Japan Victor AM-FM-stereo consolette (on legs), with 4 speakers and remote balance control, to list at $129.95, but with sufficient markup to be sold by promotional stores at $99.95. Higher priced Japanese stereo shown was marked $299.95—and both units were characterized by U.S.-style cabinets appearing far more tastefully designed (to us, anyway) than the traditional high-gloss "borax" cabinets of European stereo.

Among other features of new Delmonico line is 8-tube AM-FM table radio (also Japan Victor) at $29.95 list, lowest price we've seen on such a set. Delmonico plans to set up network of service & parts depots for its Japanese line, as well as assembly plant in this country, hopes for UL approval of its TVs. For more details on Delmonico line, see opposite page.

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First complete 1961 American TV line will be announced this week—by Motorola, simultaneously with Eastern distributor meeting at Grossinger's Hotel, Grossinger, N.Y. Also slated this week is announcement of RCA's new color line, to be followed next week by unveiling of its black-&-white sets. Japanese-made Hitachi TV sets are scheduled to be shown this week by Sampson Co. at Parts Show in Chicago.

TV-RADIO PRODUCTION: EIA statistics for week ended May 6 (18th week of 1960):

	Apr. 29-May 6	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	103,432	110,499	106,359	2,106,587	1,886,943
Total radio	316,261	301,665	244,083	6,014,766	4,882,140
auto radio	110,266	97,682	111,747	2,372,848	1,898,461

Zenith dealers of Westchester county, N.Y., through distributor Zenith Radio Corp. of N.Y., have brought a 4-hour program 7 nights weekly on *N.Y. Herald Tribune's* radio WVOX New Rochelle. The unique volume buy gives 30 dealers joint sponsorship of 28 hours weekly (5-9 p.m.). Show is *The Sound to Remember*, program of big-band recordings of the 1930s & 1940s, interspersed with news, weather, traffic reports, etc.

Total U.S. radio set count stood at 156,394,000 as of the first of the year, Radio Advertising Bureau has reported. RAB's estimate for radio set sales during 1959: 18,167,000, or 59.4% higher than in 1949. Each of the country's 52 million homes has at least 3 radios, including 40,387,000 auto radios, said RAB. (The figures do not include radios out of order.)

Trav-Ler Radio, which has made no formal new-line announcement, is advertising to the trade 3 new 19-in. thin-line portable TV models with 114-degree short-neck aluminized picture tubes, hand-wired chassis—plus "phenomenally-priced 23-in. table & console models." No prices are given in the ads. The sets are now being shown in Trav-Ler's Chicago showroom, 571 W. Jackson Blvd.

Admiral has shifted hq of its commercial electronics div. from Newark to the Chicago main office. The division, headed by vp Frank J. Rogers, provides & services a complete package of hotel communications & control systems. It has installed more than 100,000 hotel TV sets since it was formed 3 years ago.

Emerson's newly-formed Emertron subsidiary (Vol. 16:16 p17) has been awarded an initial contract of more than $1 million for the production of radar altimeter systems for the Navy A3J attack aircraft. Marketing vp George Rappaport announced that the contract had been awarded by prime contractor North American Aviation.

RCA has been cited for "good taste" in TV styling by the American Institute of Approval on the basis of its 23-in. "Bordeaux" model. James M. Toney, product planning & development vp for RCA consumer products, received the award from AIA at its luncheon recently.

State fair trade law was declared unconstitutional by the Minnesota Supreme Court. Minnesota thus became the 17th state to outlaw fair-trade acts, while 16 states have upheld their constitutionality.

More about

NEW IMPORT LINES: Delmonico International div. of Thompson-Starrett Co., which suddenly lost the top-selling Sony line earlier this year when the Tokyo manufacturer set up its own wholly-owned U.S. subsidiary, seems to have made rapid comeback with good-looking TV-stereo line by Japan Victor (see p. 18) plus merchandise of other Japanese manufacturers including Fuji Denki.

One of the lowest-priced 6-transistor pocket radios on market was introduced by Delmonico at $19.95. This price was made possible in part by adoption of outboard pricing policy followed by U.S. manufacturers—leather case, battery & earphone extra ($4.95). Delmonico also showed 4-speed automatic record changer—made by Japan Victor and claimed to be first automatic changer made in Japan—as part of its stereo consoles, and it will offer it separately through parts distributors and to equipment makers.

Delmonico won't drop its German-made stereo-radio units, we were told—in fact, several new models were introduced last week—and company officials denied reports that European phono imports are declining in popularity. Said exec. vp Herbert Kabat: "German stereo has made an unprecedented success in the last 5 to 6 months." EMUD and Kurting supply Delmonico's German units.

Even though Japan Victor is now supplying most of the Delmonico-branded Japanese merchandise, the same manufacturer continues its tie-up with its former agent here, Petely Sales Co. Petely showed 12 new radios and portable tape recorder ($169.95) at last week's World Trade Fair in N.Y.—all made by Japan Victor under Petely's Hi-Delity brand.

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Toshiba advertising in the U.S. will total about $430,000 during the coming season, *Sales Management* estimates in an article on merchandising of Japanese goods. The magazine says Toshiba importer Transistor World Corp. has $65,000 earmarked for business paper advertising, $200,000 for consumer magazines, plus $150,000 for co-op ads. It adds that Transistor World has 400 distributors selling to 40,000-50,000 retail outlets.

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"A great gap in our educational system"—the lack of scientific training for liberal arts students—was a major theme of a recent address by RCA engineering vp George H. Brown, speaking at Ohio State U. where his son is a 4th-year electrical engineering student. "Most college students," he said, "are not headed toward science or engineering. Typically they are enrolled in a so-called liberal arts curriculum—either at a separate college or in the college of arts & sciences of a university. Unfortunately, to most of them 'liberal arts' means all fields except science—a gross misrepresentation of the term which once was intended to include mathematics & science. Courses are needed which help such students think their way through & appreciate such great concepts as the origin & evolution of the universe and of life, the nature & behavior of energy & matter & radiation, the structure of atoms & molecules and the ways in which these & other scientific concepts & laws are discovered, evolved and tested." Brown also emphasized that the engineer "must understand not only the management of physical forces by man, but a good deal about his interaction with other men and with the institutions of society."

THERMAL POWER FOR TV: Direct conversion of heat to electricty is a hot subject these days, although so far nobody has even hinted that a consumer-priced electronic generator is in the works. Now from South Africa comes news of a low-priced heat-to-electricity converter, said to be due on the market there within 4 months, supplying usable amounts of power from bottled gas or oil lamps at a retail price of $50 or less. Some observers see this type of home thermo-electric plant as the answer to a TV dilemma in Africa and other "technically backward" countries—lack of electrical power.

So much significance has been attached to the African development that it's understood RCA has signed up rights to it for all areas outside South Africa. Developed by Collectron Industries Ltd., Johannesburg (headed by H. Polliak, onetime RCA distributor for South Africa), the "Thermo" generator weighs 12 lb., with enough power (at 6 volts) to operate a phonograph. New 24-volt model is being developed, and more powerful units are due next year. According to Collectron, the Thermo unit is far more economical than batteries, and should be practical in a model with sufficient power to operate TV.

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RCA dedicated its new RCA Bldg., 1725 K St. N. W., Washington, last week, stressing its new data-processing center for govt. & business. Some 300 attended the ceremonies, which included expressions of welcome & commendation from Senate majority leader Johnson (D-Tex.) & minority leader Dirksen (R-Ill.). RCA industrial electronic products exec. vp T. A. Smith said he now looks for "the start of a new era in which red tape is supplanted by the magnetic tape of data-processing systems." "I can think of no place in America," he said, "where the swift & accurate services of electronic data-processing equipment are more urgently needed to process the paperwork that daily staggers office workers in Washington . . . In fact, we can confidently predict that the maximum use of data processing will lead to a reduction of more than 50% in the mounting volume of paperwork that today engulfs both govt. & business in the capital." He said it costs the govt. more than $4 billion a year to make & keep permanent records. Arthur L. Malcarney, defense electronic products exec. vp, described the growth of defense electronics, noting that govt. will spend $4.3 billion on such equipment this year, and estimated that electronics will take about ⅓ of the Defense Dept. budget for "hardware" within 10 years. Washington vp P. B. Reed acted as master of ceremonies, noted that the new building will house all RCA Washington activities except NBC, RCA Service Co., RCA communications & RCA frequency bureau.

Broader govt. surveillance of business frauds is provided in bills (S-3530 & HR-12188) introduced by Sens. Keating (R-N.Y.) & Javits (R-N.Y.) and Rep. Lindsay (R-N.Y.). They would authorize the Attorney General to set up a special clearinghouse in the Justice Dept. for information on "injunctions, dissolutions and other civil or administrative actions involving unethical or fraudulent business practices." The records would be open to any "duly authorized official" of federal, state or local govts.

New cathode-ray tube capable of high-resolution recording at altitudes up to 70,000 ft. was announced last week by Sylvania. The new 5-in. tube achieves 6,000-line resolution with conventional focusing & deflection units.

Stereo Field Tests: Actual testing of the 8 FM stereo broadcast systems listed by FCC last week in its proposed rule-making (Vol. 16:19 p6) is due to begin the week of June 5, EIA exec. vp James D. Secrest announced last week. The tests will be conducted by the field-test panel of EIA's National Stereo Radio Committee (panel 5) headed by NAB engineering mgr. A. Prose Walker.

Last March, the Commission requested NSRC to compelte its stereo FM field tests by July 29—same date it set last week as deadline for comments on system proposals—in the hope of establishing standards in time for stereo broadcasting to begin at year's end.

Selected as one test site—previously announced—is Westinghouse Bcstg. Co.'s KDKA-FM Pittsburgh. NSRC has tentatively selected 2 more test stations—WCRB-FM and Westinghouse's WBZ-TV, both in Boston. Transmitter & receiver manufacturers will be asked to supply equipment for the system tests, which will be evaluated by comparing a tape recording of the originally broadcast stereo program material with a tape made directly from the test receivers at various sites. Since all proposed systems are classified as "compatible," owners of conventional FM sets should be able to hear a full monaural reproduction of the test programs on their own receivers.

Supervising the tests will be A. C. Goodnow, Westinghouse Bcstg., chmn. of transmitting & receiving facilities subcommittee; W. J. Wintringham, Bell Labs, chmn of subcommittee on specifications & measurements; Ralph N. Harmon, Westinghouse Bcstg., and Daniel Recklinhausen, H. H. Scott Co. Dr. M. R. Schroeder, Bell Labs, is charged with preparing the test tape.

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Tinier & tinier is the trend in components for military & commercial use—to be reflected later in consumer goods—as evidenced by these announcements this week: (1) Philco & Sylvania announced new transistor packages far smaller than previous ones. Sylvania's "Pancake" housing reduces transistor size & weight to one-tenth that of conventional ones, measuers .25-in. in diameter, .05-in. high. Philco's oval-shaped micro-miniature enclosure is .125-in. wide, .18-in. wide, .06-in. high, permits component densities on the order of one million per square foot. (2) Sylvania announced a new technique for packaging tiny components on a series of stacked wafers smaller than a postage stamp, said it will show a one-inch high short-range broadcast-band transmitter later this month as a "dynamic demonstration." (3) GE announced that its "TIMM" (thermionic integrated micro-module) circuits now under development, paired with its ceramic receiving tubes, already in production, can now offer such possibilities as a 100-tube computer the size of a cigarette pack.

Commerce Dept. has penalized Liberty Electronics Inc. for allegedly misrepresenting license applications for exports of electronic tubes in 1956 & 1957. All export privileges are denied for 2 months to the N.Y. concern, its Pres. Mendel Aviv and vp Arie Abramovich. The company & 2 executives also were placed on probation for an additional 10 months.

Aluminum TV antenna manufacture in New Zealand, where TV was introduced last year, is proposed by Dominion Light Alloys Ltd., Puriri St., New Lynn, Auckland, under a licensing arrangement with a U.S. firm. Reporting the New Zealand company's plan, the Commerce Dept.'s *Foreign Commerce Weekly* pointed out such a license would give a U.S. manufacturer an alternative means of marketing in the face of restrictive import quotas.

Trade Personals: Martin F. (Marty) Bennett, ex-distribution vp, is advanced to distributor & commercial relations vp in RCA realignment of its regional sales structure. Reporting to him are 3 RCA sales veterans named to new posts of staff vps: Carl V. Bradford (for eastern area), Harold A. Renholm (central), Harold R. (Hal) Maag (western). They will coordinate all RCA commercial activities within their areas . . . Jose R. Bejarano, ex-managing dir. of Brasmotor, big Brazilian automotive & appliance combine, elected pres. of RCA International Ltd. (Montreal), which will direct the recently-announced $25 million RCA-Italian govt. project to establish an electronics manufacturing complex in southern Italy (Vol. 16:17 p15).

J. Philip Reichmann Jr., who served in the public relations dept. from 1954 to 1958, rejoins Motorola as asst. to consumer products distribution mgr. David H. Kutner . . . Everett M. Patterson resigns as pres. of Bulova Research & Development Labs to become pres. of Lionel Corp.'s new industrial electronics div. . . . John H. Fooks named engineering mgr., Westinghouse TV-radio div., succeeding N. J. Kornetz, resigned . . . A. C. Werner Jr. named General sales mgr., Hoffman semiconductor div.; Jan Black appointed transistor product marketing mgr. . . .Edward T. Clare, ex-Convair, named marketing vp, Kin Tel div., Cohu Electronics (closed-circuit TV, etc.) . . . William H. Wright, ex-mfg. mgr. of RCA semiconductor plant in Somerville, N.J., named plant mgr. of new transistor & rectifier facility being constructed in Mountaintop, Pa.

Kenneth W. Shearer, ex-chief accountant, named controller, P. R. Mallory & Co. . . . Oden F. Jester appointed gen. sales mgr., Merit Coil & Transformer . . . James L. von Harz, ex-mfg. vp, named operations exec. vp, Oak Mfg. Co.; David H. Rosendahl promoted to dir. of plant operations . . . Ira Molay promoted to product mgr., audio components, CBS Electronics . . . Don Kirkendall promoted to ad mgr., Electro-Voice . . . Edward Shafer, ex-market research mgr., named mgr. of Blonder-Tongue's consumer products div.; Joseph Gibbs promoted from asst. sales mgr. to mgr., industrial products div. . . . Russell E. Cramer Jr. named pres., Radio Condenser Co. Ltd., Toronto, succeeding Russell E. Cramer Sr., who continues as dir. The new pres. is also operations vp-secy., Radio Condenser Co. (U.S.) . . . J. F. (Jack) O'Brien promoted from RCA Northeastern regional mgr. to mktg. vp, RCA Victor Distributing Corp.

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Brazil has awarded RCA group exec. vp W. Walter (Wally) Watts the Cruzeiro do Sol (Order of the Southern Cross) for completing a cross-country microwave telecommunications system in time for the dedication of the new capital city of Brasilia. "It really was a race against time for our engineers & the Brazilian crews on the job," Watts explained. "They got a late start, through no fault of their own, and they were faced with the task of getting 26 microwave relay stations constructed—some of them deep in the jungle—to carry 120 telephone-telegraph channels over the 820 miles between Rio & Brasilia. And the system had to be working by April 21. . . . We put the system into service the night before the ceremonies."

EIA's new *Electronics Industry Fact Book*, expanded to 63 pages, contains a wealth of statistical & descriptive data on all phases of the electronics industry. A new section outlines important historical, technological & market developments in the history of the industry. Copies are available at 75¢ each from EIA, 1721 De Sales St. N.W., Washington 6.

INSIDE JAPANESE ELECTRONICS: A Japanese eye-view of Nippon's burgeoning electronics industry was projected for the recent Chicago gathering of IRE's professional group on engineering management by Dr. Osamu Mabuchi. He is deputy chief of the central labs of Osaka-based Matsushita Electric Industrial Co. and exec. vp of its U.S. sales wing Matsushita Electric Corp. of America. Dr. Mabuchi indicated clearly that when it comes to labor, engineering and production problems, the grass is no greener in Japan.

The Japanese are a research-conscious people, he stressed, but are handicapped by their lack of experience in engineering management. "In other words," he added, "they are not adept to capitalizing on new concepts & developments. How about the production techniques in Japan? This is also a very weak area. Japanese industry, in the old tradition, usually depends upon their hard-working, loyal and skilled labor." However, significant change is evident. "Mechanization & automation are now becoming increasingly popular. Some electronic tube & semiconductor factories are even more mechanized & automated than many comparable American factories."

Dr. Mabuchi emphasized that the abundance of cheap labor in Japan doesn't necessarily produce low production costs. "The ratio of skilled labor wages between American & Japanese workers is about 10 to 1," he said. "Yet, the most complicated & expensive die made in the U.S. costs only about 3 times more than in Japan. A simple punching die costs less in America than in Japan." He explained that Japan's production costs are kited by "the lack of capable production engineering & the very heavy overhead of Japanese industry." Labor costs are also on the rise, he added.

Illustrative of Japan's progress in electronics, here are the 1959 production figures of Matsushita Electric as quoted by Dr. Mabuchi: 780,000 TV sets (or 27% of Japan's total 2,900,025); 2,160,000 radios (21% of 10,350,664); 24,000,000 transistors (28% of 84,700,583); 30,000,000 radio tubes (11½% of 200,000,000). The varied production, he noted, also points up "a characteristic difference in the electronics industry in Japan. The large Japanese manufacturers of electronic consumer products have also embraced the manufacture & sale of specific electronic components. Thus, special electronic component manufacturers are relatively few in number and small in size."

Commenting on Japan's competition for foreign markets, Dr. Mabuchi said: "I personally have no fear of a Japanese-goods invasion of the U.S. electronics market. The flood of Japanese transistor radios into the U.S. unfortunately occurred because U.S. manufacturers of these items did not have competitive & comparable products during the initial years when Japan started to enter this market. Japanese manufacturers did much of the pioneering work in the pocket-size transistor radio and helped create the public demand for this merchandise."

He also emphasized Japanese imports of American products and "the many dollars coming to the U.S. from Japan for patent licenses, "know-how" and technical-assistance agreement fees. This amounted to over $70 million in 1959. I believe the 2-way street of international trade now has nearly equal American-Japanese traffic."

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Price reductions in Sears Roebuck's "Summer Sales Book:" 17-in. portable TV, cut from $149.95 to $129.95; transistor clock radio from $54.95 to $34.95.

Finance

Capital Cities Booms: Acquisition-minded Capital Cities Bcstg. Corp. (WTEN & radio WROW Albany with satellite WCDC Adams, Mass.; WTVD Durham, N.C.; WPRO-TV & WPRO Providence) racked up sizable 1959-over-1958 sales & profit gains and kept climbing through 1960's first quarter, Pres. Frank M. Smith informed the annual meeting. Revenues in 1959 and in 1960's first quarter were more than double those of the same year-earlier periods. The profit in the 1960 quarter was more than 2½ times ahead of the year-ago net.

Capital Cities is growth conscious and "is actively engaged in studying possible acquisitions of suitable broadcast properties both in radio & TV," Smith said. "This fact is well known throughout the industry and [Capital Cities] will continue to research all opportunities for such acquisitions that may be available."

The corporation's 1959 financial statement showed a cash position of $506,076, up from $172,944 at the end of 1958. Total assets (less current liabilities) climbed to $10,020,067 from $2,923,023. Property, plant and equipment, listed at cost, totaled $6,244,760. The statement also provided a financial breakdown of the purchase April 16, 1959 of WPRO-TV & WPRO (Vol. 15:11 p5). The aggregate purchase price of $6.5 million applied $2,871,002 to properties; $410,273 to film-rental contract rights, inventories; $3,218,725 to network affiliation contracts.

For the year ended Dec. 31 (1959 table includes operations of WPRO-TV & WPRO):

	1959	1958
Bcstg. income	$6,067,424	$2,880,003
Net income	380,545	314,050
Per common share	33¢	27¢
Common shares	1,149,798	1,149,798

For the quarter ended March 31 (Operations of WPRO-TV & WPRO are reflected only in the 1960 table):

	1960	1959
Bcstg. income	$1,798,163	$714,348
Net income	205,916	76,940
Per common share	18¢	7¢

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Metropolitan Bcstg. Corp. reports net income of $150,000 (9¢ a share) on a gross of $6,936,936 for 3 months ended March 31. The company said major acquisitions in the first quarter and the issuance of 150,000 additional shares make year-ago comparisons "pointless." Stockholders voted last week to increase the ceiling on stock options to 120,000 from 100,000 shares.

NAFI Corp., automotive & carpeting firm which owns KPTV Portland, KCOP Los Angeles and is purchasing radio KXYZ Houston, reports increased earnings on lower net sales for the first quarter. These figures for 3 months ended March 31 do not include earnings of Chris-Craft Corp., which was acquired last month:

	1960	1959
Net sales	$6,210,385	$6,462,420
Net income	262,413	195,452
Per common share	25¢	20¢
Common shares	1,029,155	987,655

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Times-Mirror Co. (KTTV Los Angeles, *Los Angeles Times, Los Angeles Mirror*) received stockholder approval last week to increase the authorized common stock to 5,907,000 shares from 4,407,000 and to create a new issue of preferred—100,000 shares of $100 par value (Vol. 16:17).

Pentron Electronics Corp. has been admitted to trading on the American Stock Exchange. Symbol: PEN.

3M Starts Fast: The Minnesota Mining & Mfg. Co. got off to a record first quarter by piling up earnings of $16.2 million on sales of $128.7 million, Pres. Herbert P. Buetow informed the annual meeting last week. Exec. vp Joseph C. Duke compounded the healthy report with a forecast that 1960's total sales would climb 6-10% above 1959's $500.7-million level.

The stockholders responded by approving a 3-for-1 stock split which is expected to become effective this week (20). The approval will increase the number of authorized shares to 75 million from 25 million. The 3M board promptly voted an increase in the annual dividend on the old shares, to $1.80 from $1.60.

The recent acquisition of Mutual Bcstg. System by 3M (Vol. 16:17 p8) was described by Buetow as both a profit and a public-service venture. "Our directors have felt for some time that we should direct some of our energies & resources to strengthen the free enterprise system under which we have grown & prospered," he told the stockholders. "Mutual in our opinion provides such an opportunity. Its highly-regarded news & public-affairs program service is a vital part of our nation's free press & communications system. We will provide a reputation for financial stability and the freedom to allow Mutual to continue its service." He also emphasized 3M's faith that MBS will return a profit to the company. Buetow pooh-poohed speculation that 3M acquired MBS as a promotion medium for its own products, adding: "Our latest major advertising contract, in fact, has been signed by our Thermo-Fax sales people with NBC." The contract is for co-sponsorship of NBC-TV's June 18 telecast of golf's National Open.

Other highlights of the meeting: Demonstration by CBS Labs Pres. Peter C. Goldmark of the 3M-CBS Labs tape-cartridge system (Vol. 16:13 p18); announcement of a $50-million expansion program involving construction of new plants in N.J., W.Va., S.C., Ala., Italy, Spain and Japan, and enlargement of facilities in Minn. & Ind.

In the table below, the 1959 figures are adjusted to include the performances of all foreign subsidiaries. Consolidated report for the 3 months ended March 31:

	1960	1959
Net sales	$128,669,218	$115,172,320
Net income	16,217,911	13,956,520
Per common share	95¢	82¢
Common shares	17,007,273	16,948,902

Skiatron Electronics & TV stock distribution by Re, Re & Sagarese, American Stock Exchange specialist firm, has been cited by SEC in charges that the company violated federal securities law. In the first such action taken against an exchange specialist, SEC started proceedings to determine whether the broker-dealer registration of the firm and Gerard A. Re & his son Gerard F. Re should be revoked. SEC alleged that unregistered stock issued by Skiatron, which also has SEC troubles (Vol. 16:18 p21), was part of $6 million worth of securities illegally distributed by Re, Re & Sagarese.

Decca Records rolled up a tenfold profit gain in first-quarter 1960, compared with the year-ago quarter. The consolidated report includes the operations of subsidiary Universal Pictures and reflects domestic rentals of $8 million from 2 movies ("Operation Petticoat," $5,100,000 and "Pillow Talk," $2,800,000). For the quarter ended March 31:

	1960	1959
Net income	$1,989,775	$197,560
Per common share	1.54	13¢
Common shares	1,285,701	1,527,401

Paramount Pictures anticipates a "good" 1960 although the first-quarter operating profit "probably" will run slightly behind the year-ago level, Pres. Barney Balaban reported in a *Wall St. Journal* interview last week. He attributed the profit sag to the now-ended 33-day SAG strike. Commenting on Paramount's expanding pay-TV activities, Balaban said: "We are signing people up faster than we can install the boxes [in Etobicoke] . . . I do believe we'll be in operation in the U.S. within a year." The article noted the film concern's increasing take from TV films: "Paramount will likely report a special income of about $5 million this year as part of the payment from the sale in 1958 of the company's pre-1948 movies for showing on TV. No income from this source was received last year. Thus far the company has received $10 million as an initial advance from the pre-1948 film sale. It is assured of at least $29 million and the total may go as high as $40 million, depending on the amount of revenue the purchaser receives from TV stations."

CBS Inc. last week filled in the figures showing a dip in consolidated net income for the first quarter of 1960—as already reported by Pres. Frank Stanton (Vol. 16:17 p20)—which turns out to be a little less than 3% below the first-quarter 1959 figure. Net sales for the quarter were up about 9%. Chmn. William S. Paley said the profit decline resulted "primarily from the cost of an unusual & intensive campaign by the Columbia Record Club to secure new members." He said that as a result of the campaign, membership in this "world's largest record club" is at a record high. For 3 months ended April 2 (net income per share based on average shares outstanding during the period, adjusted for 1959 stock dividend):

	1960	1959
Net sales	$121,077,728	$111,052,290
Net income	6,829,367	7,032,686
Per common share	81¢	84¢

Crowell-Collier Publishing Co. (radios KFWB Los Angeles, KDWB Minneapolis-St. Paul, KEWB San Francisco-Oakland) plans to increase its present holdings of 129,000 (39%) of Macmillan Co.'s 337,562 outstanding common shares, but no merger of the publishing giants is in the offing. In a joint statement last week, Crowell-Collier Chmn. Wilton D. Cole & Macmillan Pres. Bruce Y. Brett gave the boot to trade rumors of a consolidation.

Allied Artists Pictures Corp. is inviting tenders for redemption of a maximum of 10,000 shares of 5½% convertible preferred stock at $10.50 a share. The offer is through Emanuel, Deetjen & Co., and expires next week (23). If more than 10,000 shares are tendered, Allied Artists may use its discretion to redeem any or all of the additional shares.

MCA posted record earnings in the first quarter ended March 31 as the net soared some 40% above the year-ago level, Chmn. Jules C. Stein reported. Net earnings climbed to $1,654,354 (41¢ a share) from $1,165,078 (29¢) in the same 1959 quarter. The per-share earnings are after allowing for preferred dividends and are based on 3,995,735 shares of common outstanding on March 31.

Filmways Inc. reports a net income of $116,443 (24¢ a share on 487,136 shares) on revenues of $3,035,422 for the 6 months ended Feb. 29. The net includes a special credit of $36,000; per-share earnings include 7¢ a share from special credit. Comparative year-ago figures not available. Cohn, now chmn., is expected to be elected pres.

Officers-&-Directors stock transactions as reported to SEC for April:

Allied Artists. Roger W. Hurlock sold 300, held 19,300.

Ampex. T. Kevin Mallen sold 3,990, held 55,500. Henry A. McMicking sold 10,000, held 67,235. Joseph R. McMicking sold 195,000 from trust in private transaction, held none in trust, 450,000 personally. Walter T. Selsted bought 1,500, held 2,625.

Amphenol-Borg. J. Frank Leach sold 150, held 850. William H. Rous exercised option to buy 200, held 1,000.

Belock Instrument. Donald C. Walton sold 600, held 19,571.

Cinerama. Sam Boverman bought 1,000, held 2,000. Hazard E. Reeves sold 12,500 and 5,000 more for sons, held 133,173 personally, 250 for sons in whose shares he disclaimed beneficial ownership.

Collins Radio. Robert T. Cox acquired 279 through exchange, sold 1,600, held 2,042. L. M. Schoon exercised option to buy 260, held 520.

Consolidated Electronics Industries. John Bentia exercised option to buy 6,250, held 10,000. E. A. Diemand excd. option to buy 125, held 125.

Desilu Productions. George Murphy sold 1,000, held none.

Emerson. Harold Goldberg bought 200, held 1,753. Harvey Tullo exercised option to buy 1,303, held 8,487.

Gabriel. Royal Firman Jr. bought 200, held 1,600.

General Dynamics. Vernon M. Welsh sold 1,000, held 8,000.

GE. George L. Irvine exercised option to buy 1,512, held 6,395. Gerald L. Phillippe sold 1,185, held 7,427 personally, 750 as custodian. Charles K. Rieger sold 1,166, held 5,825. Harold E. Strang sold 400, held 7,450. Arthur F. Vinson sold 1,134, held 10,731 personally, 465 as custodian. Glenn B. Warren sold 1,000, held 9,331.

General Precision Equipment. Edwin A. Link sold 2,000, held 36,811.

Herold Radio & Electronics. Morris J. Steelman sold 400, held 82,546.

Hoffman Electronics. C. E. Underwood sold 1,600, held 8,400.

International Resistance. Walter W. Slocum bought 200, held 300.

ITT. Louis T. Rader bought 100, held 100. Paul F. Swantee sold 1,300 (600 listed in amended Dec. 1959 report), held 3,546. C. Douglas Webb sold 600, held 3,599.

Lear. Harold C. Andrus received 134 as bonus, held 1,357. Roy J. Benecchi received 177 as bonus, held 2,166. Albus Durham received 157 as bonus, held 1,122. Philip E. Golde received 223 as bonus, held 4,327. T. K. Greenlee received 107 as bonus, held 2,006. Andrew F. Haiduck received 194 as bonus, held 194. William P. Lear bought 22,800, received 493 as bonus, held 446,060. Richard M. Mock received 277 as bonus, held 11,310. J. M. Walsh received 100 bonus, sold 523, held 100.

Litton Industries. Glen McDaniel sold 1,000, held 18,000.

P. R. Mallory. M. E. Hamilton excd. option to buy 1,169, held 1,730.

Microwave Associates. Julian Pathe sold 2,100, held 8,200.

Minnesota Mining & Mfg. William L. McKnight sold 3,000, held 924,824. Louis F. Weyand sold 300, held 75,425.

National Telefilm Associates. H. I. Bucher exercised option to buy 250, held 250.

National Video Corp. & Rico Electronics Inc. Asher J. Cole bought 100, held 100.

Philco. Joseph H. Gillies sold 800, held 5,402. Robert F. Herr sold 1,000, held 23,953. L. J. Woods sold 733 Jan. 1959-Feb. 1960, held 6,077.

Polarad Electronics. Lawrence J. Lieberman sold 5,000 for wife, held 39,946 for wife, none personally.

RCA. Kenneth W. Bilby exercised option to buy 400, held 1,323. Douglas Y. Smith exercised option to buy 1,100, held 1,430. David A. Thomas exercised option to buy 1,200, held 1,245.

Raytheon. Ivan A. Getting exercised option to buy 980, held 6,374. Richard E. Krafve bought 1,000, held 2,050.

Reeves Soundcraft. Milton F. Untermeyer sold 200, held 300. Henry S. Woodbridge sold 500, held 200.

Siegler. Philip S. Fogg sold 359, held 22,000.

Texas Instruments. Patrick E. Haggerty sold 900 in private transaction, held 121,075. S. T. Harris sold 2,200, held 20,020 personally, 1,017 in trusts. J. E. Jonsson sold 5,000 in private transaction, held 374,132. E. McDermott sold 5,000 in private transaction, held 296,328.

Thompson Ramo Wooldridge: Irwin A. Binder sold 400, held 2,000. Horace A. Shepard bought 1,000, held 5,400. J. D. Wright bought 500, held 10,838 personally, 3,500 for wife.

Trans Lux. Harry Brandt bought 600 for Pamela Amusement Co. and 900 more for foundations, held 1,000 in Pamela Amusement Co., 35,280 in foundations, 160,900 personally, 17,000 for wife, 100 in Barvic Theatres Corp., 2,000 in Brapick Inc., 100 in Marathon Pictures, 400 in Bilpam Corp.

20th Century-Fox. J. D. Codd sold 1,550, held 300.

United Artists. Robert S. Benjamin bought 400, held 1,406.

Varian Associates. Francis P. Farquhar sold 500, held 12,380 personally, 1,640 as trustee. H. Myrl Stearns sold 168, held 28,848 personally, 3,800 as trustee, 20 in joint tenancy. Sigurd F. Varian sold 900 from community property, held 80,348 in comm. prop., 8 personally.

Warner Bros. Wolfe Cohen exercised option to buy 5,000, held 5,000. Herman Starr exercised option to buy 7,500, held 7,500.

Westinghouse. Mark W. Cresap Jr. sold 400, held 6,460. Tomlinson Fort sold 1,400, held 2,658. W. Watts Smith exercised option to buy 1,900, held 1,930 personally, 1,600 jointly with wife.

■

Indiana General directors have voted a 2-for-1 stock split, to be issued June 10 to stockholders of record May 23. They have also approved a quarterly dividend of 30¢, payable June 10 to stockholders of record May 20. Board also directed Indiana General to apply for NYSE listing.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Axe Science & El.	—	$0.64	Jul. 5	May 23
CBS Inc.	—	.35	Jun. 10	May 27
GPE	Q	.25	Jun. 15	May 27
Indiana General	Q	.30	Jun. 10	May 20
Indiana General	Stk.	100%	Jun. 10	May 23

ITT registered a 7.5% increase in both sales & profits in 1960's first quarter, stockholders were notified at the annual meeting. Pres. Harold S. Geneen reported that the backlog of unfilled orders at the quarter's end totaled $565 million—down from $571 million on March 31, 1959, but ahead of the $551 million reported at the close of 1959. Geneen said U.S. & Canadian sales account for 40% of ITT's volume. Queried by a stockholder about speculation that ITT plans to merge with GT&E, Geneen said there is no possibility. In the table below, the 1959 net income is before a special credit of $923,000 (7¢ a share) which resulted from sale of ITT's hq building in N.Y. and a currency devaluation in Spain. For the quarter ended March 31:

	1960	1959
Sales & revenue	$183,956,000	$170,985,000
Net income	5,871,000	5,464,000
Per common share	38¢	36¢

Bendix Aviation, which will be renamed Bendix Corp. June 1 to reflect its major activities in the electronics, missiles, and automotive fields, tallied strong sales & profit gains in fiscal 1960's first 6 months ended March 31 (1959's shares & earnings-per are adjusted to reflect a 5% stock dividend):

	1960	1959
Net sales	$399,036,702	$323,490,430
Net income	11,676,693	10,926,801
Per common share	2.18	2.04
Common shares	5,366,624	5,345,836
For the quarter ended March 31:		
Net sales	$201,545,865	$168,996,402
Net income	5,923,110	5,768,937
Per common share	1.10	1.08

General Dynamics Corp., which includes Stromberg-Carlson among its many divisions, reports a decline in net income despite a healthy sales gain in the quarter ended March 31:

	1960	1959
Net sales	$473,368,568	$351,677,525
Net income	6,164,175	7,182,925
Per common share	62¢	72¢
Common shares	9,945,588	9,932,222

Axe Science & Electronics Corp. mutual fund reports strong gains in assets & stockholders for the quarter ended March 31:

	1960	1959
Net assets	$13,191,790	$11,146,891
Net assets per share	11.78	13.44
Capital shares	1,120,701	829,632

Webcor reports a decline in sales & earnings in the 9 months to March 31:

	1960	1959
Net sales	$24,008,000	$26,496,000
Net income	395,000	483,000
Per common share	61¢	74¢

Lafayette Radio & Electronics (parts wholesaler & mail-order house) announces record sales & earnings for 9 months ended March 31:

	1960	1959
Net sales	$13,526,182	$10,987,472
Net income	365,592	200,676
Per common share	36¢	25¢

Itek Corp. & Hermes Electronics have agreed in principle to megre, subject to stockholder approval & further study of their business & finances. Itek, based in Waltham, Mass., would be the surviving company and would exchange one share of its common for each 4¾ shares of Hermes common. Itek reported net sales of more than $25 million in its fiscal year ended Set. 30, 1959. Hermes, of Cambridge, Mass., posted sales of $3.8 million in its fiscal year ended Jan. 31, 1960.

P. R. Mallory expects its lagging 2nd-quarter sales & earnings to rise and approximate the year-ago performance, despite "very disappointing" volume in April, Pres. G. Barron Mallory reports. The company opened the year on a rising curve as sales & profits both increased 9% over the year-earlier levels (Vol. 16:16 p19). Despite the 2nd-quarter softening, the company is still projecting record volume & profits for the year. Mallory anticipates a 15% gain in profits on a 5% sales increase in 1960, he said. In 1959, the company reported record earnings of $4.3 million ($2.87 a share) on $86.5 million sales. Pres. Mallory said new orders have been running some 10-15% behind the year-ago pace. He attributed the decline largely to shorter lead time on deliveries to TV, radio & automotive customers.

Thompson Ramo Wooldridge expects 1960 sales to climb 10% above 1959's $417.7 million and to produce profits "somewhat higher" than last year's $9.7 million ($3.02 a share), reported Pres. Dean E. Wooldridge. TRW has a "continuing acquisition program," he said, and is primarily interested in electronics firms making non-military products. Wooldridge said 60% of TRW's products are military items, but the company hopes to reverse the ratio within the "next few years" by acquiring more commercial lines and switching product emphasis to industrial & commercial items. He described semiconductors as among TRW's most promising new products, forecast that its Pacific Semiconductors subsidiary would "double sales" this year.

GT&E anticipates a $100-million jump in 1960 revenues & sales to about $1.2 billion from $1.1 billion in 1959, Chmn. Donald C. Power told the N.Y. Society of Security Analysts last week. Consolidated net income, he estimated, will climb $9-14 million to a total of $80-85 million, compared with 1959's $71.3 million. Power said he was "extremely pleased" with the results of the merger with Sylvania Electric Products, and forecast that Sylvania will continue to improve its profit picture.

Control of Loew's Theatres (radio WMGM N.Y.) is sought by hotelman Laurence A. Tisch, who owns 23% of the firm's common stock. A special stockholders meeting has been called May 26 to increase the maximum number of directors from 10 to 15 and elect 5 additional Tisch-backed directors, including Jay Wells, head of Wells Television Inc. (TV set lease & multiple installation firm).

Pentron Electronics Corp. (tape recorders) reports net income of $108,604 on net sales of $2,168,214 for 8 months ended Feb. 29. No comparable 1959 figures are available.

Cornell-Dubilier common stock delisting is sought by the N.Y. Stock Exchange in an application to SEC which said the company's merger with Federal Pacific Electric (Vol. 16:7 p24) leaves less than 30,000 shares outstanding among less than 250 public holders. SEC set May 27 as a deadline for requests for hearings on a delisting order.

Avnet Electronics stockholders last week approved a 2-for-1 stock split to stockholders of record May 11 and authorized directors to sell $2 million of conv. debentures.

Reports & comments available: Magnavox, report, Francis I. duPont & Co., One Wall St., N.Y. 5 . . . ITT, analysis, Laidlaw & Co., 25 Broad St., N.Y. 4 . . . Precision Transformer Corp., prospectus, John R. Boland & Co., 30 Broad St., N.Y. 4 . . . Teletray Electronic Systems Inc., prospectus, R. P. & R. A. Miller & Co., Philadelphia National Bank Bldg., Philadelphia 7 . . . Zenith, profile in May 11 *Financial World*.

Educational Television

Part-time ETV station for Charlotte, N.C. is planned by a group of local businessmen who propose to reactivate uhf Ch. 36, already assigned to Charlotte but dormant since WQMC-TV went off the air in March, 1955. Subject to FCC approval, the group would revive Ch. 36 as WUTV, erect a studio & transmitting facilities, and operate the new facility as a commercial uhf station. However, it would grant a minimum of 6 hours of gratis air time (9 a.m. to 3 p.m.) to the local school board for ETV programming. The *Charlotte Observer* observes that "barring unforeseen delays, the station could be on the air by Sept. 1." Associated with the venture is local ad man Hugh A. Deadwyler, onetime CP-holder for Ch. 36.

GE will furnish schools with standard TV sets at minimum cost and update them with newer models every 12 to 18 months, under an ETV replacement plan announced recently by the TV receiver dept. at Syracuse, N.Y. GE estimates that the potential ETV set market will expand to 2,750,000 units by 1965. Educational institutions unable to make large capital outlays may finance through the GE Credit Corp. Under the ETV plan, the cost of using 100 sets would be less than $1 per set per week.

New ETV science series, *Lab 30*, is being offered free by Westinghouse Bcstg. Corp. to 52 ETV stations, and to 10 commercial stations, provided it is unsponsored. The benefit to Westinghouse lies chiefly in a residual mention of Westinghouse research labs cooperation in the series. Said producer Ben Park of *Lab 30*, which is being produced at WBC's KDKA-TV Pittsburgh: "We are not sugar-coating science for a mass audience. We are trying consciously to get into the rules & premises by which scientists work." Host for the series is Hugh Downs.

New govt. handbook on ETV, *Educational Teleguide*, has been compiled by the U.S. Office of Education's TV-radio staff headed by Franklin Dunham. The 79-page pocket-sized guidebook (available for 30¢ from the U.S. Govt. Printing Office, Washington 25) includes lists of FCC's educational assignments, operating ETV stations, state ETV networks, foundations supporting ETV, colleges & universities offering TV courses, bibliographies.

Fully-equipped ETV studios, operated for the use of non-profit TV organizations by Metropolitan ETV Assn., have been presented to N.Y.U. They are valued at $300,000 and were owned jointly by the Fund for Adult Education, the Carnegie Endowment for International Peace and META (currently in the process of dissolution). The studios are in the Carnegie Endowment Bldg., 345 E. 46th St.

Latest statistics on U.S. school systems is Office of Education's *Statistics of Local School Systems: 1955-56, Suburban Cities*. The 156-page book is one of a series, each of which is published as completed. Copies are available at $1 from the Govt. Printing Office.

Financial support for ETV at the state level was recommended in a report to the Cal. State Dept. of Education by special consultant William H. Allen. Allen proposed revising the Education Code to permit establishment by the state of ETV stations as educational facilities on the same basis as state colleges are operated.

Correction: International ETV seminar under UNESCO auspices (Vol. 16:18 p14) will be conducted at Purdue U. May 15-25, 1961, not this year, as reported in Vol. 16:19.

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WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

FCC

MAJOR FCC POLICY CHANGE—deep investigation of all phases of station performance to come from new 25-man complaints & compliance div., if Congress provides $300,000 (pp. 1 & 5).

MILLS FINALLY OUT; new talent hunt on for FCC member. Attorneys find no solution to conflict-of-interest problem (p. 4).

FCC RECOMMENDATIONS on station sales and network regulation—as submitted to House Commerce Committee (p. 6).

Congress

"GREAT TV DEBATE" PLAN peters out as Democratic & GOP spokesmen join industry against Magnuson-Monroney bill requiring free time for candidates (pp. 2 & 7).

Auxiliary Services

CATV BILL KILLED by crash lobbying; sent back to committee in 39-38 vote after 100 CATVers descend on Senators (pp. 3 & 8).

Film & Tape

COMEDY MAKING COMEBACK; viewers to find partial relief from Westerns as situation comedies prepare resurgence (p. 4).

WASSERMAN PLAN REVIVED in Ziv-UA defection from Alliance as latter disavows itself from plan. WGA votes Tues. on proposal to end 18-week-old writers strike (p. 12).

Networks

GROSS-TIME BILLINGS were up 9.8% in the first quarter to $171.8 million, reports TvB. March billings gained 5.4% to $58.5 million, to score 1960's highest monthly volume (p. 9).

Manufacturing & Distribution

1961 TV LINES are unveiled by Motorola & GE; RCA shows new color sets, will introduce complete line this week (pp. 17 & 20).

MOTOROLA'S 19-IN. CORDLESS TV stirs distributors at Grossinger's showing; sef-power unit is in production, carries $275 price tag, with energy cell $88 extra (pp. 17 & 21).

MORE IMPORTS SHOWN at Parts Show, concentrated in components & hi-fi fields. Sampson shows Hitachi color TV, plans no b&w TV imports (p. 18).

GE's L. BERKLEY DAVIS elected EIA president (p. 18). Outgoing Pres. Hull sees electronics future "unlimited" (p. 23). Stereo de-confusion drive scuttled (p. 19).

CHANNEL MASTER succeeds in new channels, selling half-million radios in year, grossing $33 million, antennas representing less than half. Picture tubes next (p. 21).

REPORT FROM JAPAN by Commerce Dept.'s Donald S. Parris: Transistor capacity "over-expanded," hi-fi components next big export item; dim view of TV exports (p. 22).

PHONO SALES up 30% at retail during 1960's first quarter; stereo increases to 75% of unit sales vs. 45% last year. Retail sales exceed output (p. 23).

Other Departments

STATIONS (p. 10). **PROGRAMMING** (p. 11). **CONGRESS** (p. 12). **ADVERTISING** (p. 15). **TECHNOLOGY** (p. 15). **FOREIGN** (p. 15). **EDUCATIONAL TV** (p. 15) **PERSONALS** (p. 16).

MAJOR FCC POLICY CHANGE—DEEP INVESTIGATION: In one of most powerful moves on record, FCC has acted to create a full-fledged "watchdog" division—a 25-man complaints & compliance div. designed to track down transgressions of every conceivable kind—right in stations' back yards.

Commission needs money to do it—$300,000. At the moment, it stands almost certain chance of getting it, because influential Senators & Representatives have been just begging Commission to request funds for this exact purpose.

Whether Commission gets the $300,000 or not, it's setting up the division June 1 with small staff, perhaps 2 or 3 (chief not yet selected).

Investigations will run the gamut—actually monitoring programs, checking program logs, payola-plugola, political broadcasts, stations' handling of public complaints, compliance with all pertinent laws, treaties & rules, etc. Investigators will even check on "participation by broadcast licensees in actual station management & operation." In "flagrant" cases, hearings will be ordered—in the field, if necessary. So significant is the Commission action that we reprint full text of FCC statement on p. 5.

Commission goes before Senate Appropriations Subcommittee May 24 (delayed from last week) to justify its request for funds. Group is headed by Sen. Magnuson (D-Wash.), chmn. of Commerce Committee, who constantly nags Commission to ask for "monitoring" & "investigating" funds. His House Appropriations counterpart, Rep. Thomas (D-Tex.) has done same thing.

Some field investigations have been conducted by FCC before, but only sporadically & in cases of

major alleged abuses. New division doesn't disturb work of field Engineering & Monitoring Bureau in technical field. It will replace the minor function of renewal & transfer div.'s compliance branch.

Effectiveness of whole program will depend on how well Commission supports staff. However, it's in nature of things that Commissioners would find it difficult to ignore strong cases prepared on basis of intensive field work.

There were no dissents to Commission action. Commissioners, noted in past for their "hands-off" policies, go for the new program on basis that, as one put it: "We must act more quickly on complaints. Some hang around for months or years. We can't have that."

Chmn. Ford had this to say after statement was issued: "I know there will be criticism, but I should think the responsible people in the industry would welcome it. We could get along without it when this was a small industry. But a lot of fly-by-nights have crept in—and some of them are clobbering the responsible broadcasters."

'GREAT TV DEBATE' PLAN PETERS OUT: Legislative proposals to give free prime TV time to Presidential candidates were analyzed in Senate hearings last week—to the point of probable death.

Unprecedented compulsory programming plan will have trouble surviving 3 days of Commerce Communications Subcommittee proceedings in which spokesmen for Republicans & Democrats alike—as well as TV industry—objected to it with more or less vehemence on Constitutional & other grounds.

Nearly one-fourth of Senate had endorsed idea of required donated time after it was suggested in March by Adlai Stevenson in "This Week" magazine article (Vol. 16:11 p13). But Stevenson and ex-Democratic Chmn. William Boyle were lone witnesses to appear at hearings in behalf of measure (S-3171) to implement his formula for "great debate" by Presidential nominees. And even Stevenson said it might be better if time were paid for—by govt. if not by parties.

"Unconstitutional," "confiscatory," "unfair" were some of words used by other witnesses—from NAB special counsel Whitney North Seymour & network chiefs to Socialist Labor Party's Eric Haas—to describe bill. It was co-authored by Sens. Magnuson & Monroney and co-signed by 21 other Senators.

Most telling blows against measure probably came from Republican National Chmn. Thruston Morton & Democratic National Chmn. Paul Butler, however. Morton, who once favored some such TV campaign himself, came out flatly against it. Butler's opposition was voiced in statement read by Democrats' TV-radio dir. Jack Christie. Both said TV should be given chance to show how it will handle issues of 1960 campaign before any legislating on coverage problem is attempted.

Also lined up against Magnuson-Monroney bill was one of its presumed beneficiaries—Vice President Nixon—along with former President Hoover and 2-time Republican candidate Thomas E. Dewey. They did not appear in person. Usually-voluble former President Truman was asked to testify or file opinion on bill, but he hadn't been heard from at week's end. In rare statement on pending legislation, Nixon said he wanted no part of scheme for "legal compulsion" which would "expropriate" TV's stock in trade. Hoover saw no need for change in practice of parties paying own way on air. Dewey called bill "fundamentally objectionable."

Only avowed support for free-time proposals, other than that offered by 1952-56 Democratic candidate Stevenson, came from 1949-51 Democratic National Chmn. Boyle and Sen. Humphrey (D-Minn.), who has withdrawn as 1960 candidate. They suggested (Humphrey in a written statement) that free time required by bill—hour each week for each major candidate for 8 weeks prior to Nov. election—wasn't too much for public to expect from publicly-licensed TV.

FCC took no position on measure. But Chmn. Ford, who was one of lead-off witnesses, pointed out technical flaws in it and warned against "possibility of adverse reaction by the public" if viewers were subjected to simultaneous political programs on TV across country—as contemplated—with no "alternative program choices."

Bill would require TV to do what it's prevented now from doing by Communications Act's Sec. 315, it was pointed out by CBS Inc. Pres. Frank Stanton, NBC senior exec. vp David C. Adams and ABC-TV Pres. Oliver Treyz. In amending equal-time rules last year, Congress turned down industry proposals that debate-type political programs—along with news shows—be exempted from equal-time rules.

Networks proposed alternative free-time plans of their own for full discussions of Presidential campaign issues on TV. Stanton offered minimum of one prime CBS hour weekly for debates by Republican & Democratic nominees. Adams promoted NBC's plan for pre-election series of one-hour "Meet the Press" interviews with candidates (Vol. 16:20 p14). Treyz came up with proposal that networks get together, with Justice Dept. permission, on rotating plan for prime-time political presentations, suggesting that each pre-empt big-audience shows. Big hitch in CBS & ABC plans: They'd require another Sec. 315 amendment or Congressional resolution lifting equal-time restrictions on such shows so that networks wouldn't be subject to minority-party demands. And nobody suggested that there's much chance Congress will vote any such relief now.

Hearings started out with full house & full Subcommittee to see & hear Stevenson. But toward end, Monroney—stubbornly holding out for his bill to make sure all voters have chance to see candidates & weigh issues—was almost only Senator on hand for testimony which virtually smothered it.

Issue of TV's handling of 1960 campaign is by no means dead, however. One thing which will keep it lively: questionnaires sent out to all TV stations by FCC last week at request of Subcommittee Chmn. Pastore (D-R.I.). Commission set June 6 deadline for replies to questions about stations' political-broadcast policies and what they propose to do in Sept.-Nov. election campaign (see p. 7). Subcommittee will be watching for answers—and for performance.

Note: In marshaling Constitutional arguments against compulsory free time, NAB found itself lined up solidly at hearings with its traditional enemies on equal-time issues—minority parties. They were effectively eliminated from Magnuson-Monroney bill coverage by requirement that they must have polled 4% of 1956 vote to qualify. NAB's counsel Seymour said this violated freedom-of-speech First Amendment, which makes no distinction between "popular & unpopular causes." Same point was made vociferously by Socialist Labor Party, Socialist Party's Milton Zatinsky, and Baltimore Presidential candidate Andrew Easter.

CATV BILL KILLED BY CRASH LOBBYING: CATV forces won an astonishing victory in their first full-scale Congressional showdown last week when Senate, by margin of one vote, 39-38, sent CATV-licensing bill (S-2653) back to Commerce Committee. Senatorial leaders of both sides of battle agreed this means death of the bill this session.

We've never seen anything like it in this industry. At very last minute, CATV operators pushed panic button, admittedly, called in colleagues from entire country. Some 100 responded, talked to virtually every Senator in Washington. They walked corridors, held strategy meetings, compared notes. Their battle plans got into hands of the "enemy," Sen. McGee (D-Wyo.), who quoted them on the floor. Campaign was naive & crude by most lobbying standards—but it worked.

Until final vote, CATV forces figured they didn't have a chance, hoped only for fair number of votes, perhaps 20-25. Time & intensity of Senatorial attention given to subject was frankly amazing. Debate took entire time of Senate for 2 days, filled some 50 small-type pages of Congressional Record. Dispute became nasty at times, brought cautionary words from presiding officer.

Couple of dozen Senators participated actively. Leading group for bill was Sen. Pastore (D-R.I.), chmn. of subcommittee that had done the work for Commerce Committee. Though bill means nothing to him politically—and he said so—because Rhode Island has no CATV or small-town stations, he fought extremely vigorously. He was assisted mainly by Western Senators, notably McGee, Allott (R-Colo.) & Mansfield (D-Mont.). Opposition was headed by Sen. Monroney (D-Okla.), who had considerable help from Senators Kerr (D-Okla.) & Cotton (R-N.H.).

Pastore's prime pitch was that bill is mild, imposes only minimum federal regulation necessary to keep CATV from hurting small town TV. He was amenable to several amendments designed to make impact on CATV lighter. He made point of resisting Allott's tough proposed amendment to require CATVs to get permission of originating stations to use their signals.

But Monroney was adamant—and he had the votes. He insisted that bill would put undue & unnecessary burden on small-business CATV to protect a few TV stations from competition. He contended that the number of amendments accepted on floor by Pastore was proof of need for more Committee consideration. To try to help bill along, Pastore occasionally implied that alternative might be state public-utility regulation.

To recapitulate bill's major provisions, FCC would be required to: (1) License CATV systems. (2) Put conditions in CATV licenses to "significantly facilitate the continued operation of a TV station which is pro-

viding the only available locally originated TV broadcast program service." (3) Require CATVs to carry local stations' signals, maintaining technical quality as good as other signals carried. (4) Prohibit CATVs from duplicating programs carried by local stations, i.e., carrying them from outside stations.

Another unique thing about battle was coincidence which permitted several FCC members (Ford, Craven, Cross) & staff to listen to debate first day, May 17. Commission was due to testify on appropriations while debate was on; its appearance was delayed and it had time to kill. Commission sat in for about 1½ hours until it was called out—but only to learn that appropriations hearing was scheduled for another day anyway. It was first debate on a communications bill ever witnessed by many of the FCC entourage.

Commission figured in CATV in another more important way last week, sending its recommendations to House Commerce Committee, giving views on HR-11041 (identical with Senate bill). Commission has changed its mind somewhat. It now recommends prohibitions against duplication of local-station signals. It also believes CATVs should get originating stations' permission, thus going further than Senate bill. And it recommends that CATVs be required to carry local stations' signals & maintain them at good quality.

Commission fears bill may go too far in favoring local stations, saying: "The bill may well have the effect of requiring that a substantial, if not a complete preference be given to a local TV station against any new CATV system or any enlargement of an existing one, without adequate regard to the multiple program services which would thereby be provided."

Upshot is that there will be a new fight next session. CATV spokesmen want no regulation now, but they may be willing to compromise on something as inevitable. "This bill just wasn't fair," said NCTA exec. dir. Edward Whitney. A station spokesman, Harry Butcher of KIVA-TV Yuma, Ariz., sounded rather philosophical about it. Said the wartime aide to Gen. Eisenhower: "During the war, when we were struggling with adversity, the Allies were brought closer together. I think that has happened to our little group. We've only lost a battle. We've made friends. Everyone learned a lot. Monroney & Kerr assure us that they'll try to protect small stations. Maybe there's a common ground and we can both give a little. The wiser CATV people know they'll get state common-carrier regulation if FCC doesn't get it. Some Southern Senators, who believe in states' rights, have said they voted against the bill because of that."

(For lineup on the vote, see p. 8.)

MILLS FINALLY OUT, NEW TALENT HUNT ON: The Edward Mills saga is over, with the President officially withdrawing his nomination to FCC. This action followed govt. attorneys' conclusion that there's no way out of his conflict-of-interest dilemma (Vol. 16:20 p4).

There were regrets all around, with kudos for Mills's candor & high sense of propriety expressed in editorials & in Congress. Mills is now "at liberty," to use the show business expression, says he doesn't know what his next move will be.

Talent hunt is on again, therefore, as Administration seeks new nominee. Customary speculation is gathering steam, as candidates & their supporters start name-dropping. Generally, the man named is a surprise, following glut of rumors.

Still no action on Comr. Lee's confirmation to new term. Senate Commerce Committee met on other business last week, but we're told there was nothing deliberate in its failure to act—that reason was lack of time. Same goes for FTC Chmn. Kintner's reappointment.

COMEDY MAKING COMEBACK: Not since heyday of "I Love Lucy" has comedy been in such demand as in this buying season. Accordingly, situation comedy series—at least 21—will give viewers relief next fall, from surfeit of Westerns.

Westerns will still be around, but not with such frequency. They'll drop from this season's 30 to about 21. Significantly, most pilots still being considered for what's left of prime network time are comedies. Hollywood producers say this has been a bad year to peddle Westerns. Only 4 new ones (Four Star's "Stagecoach West," Revue's "The Tall Man," and NBC's "The Outlaw" and "Lone Westerner") are scheduled for next fall, all others being renewals. In contrast, the fresh entries include at least 10 comedies.

New season will also include 13 action-adventure shows, 5 private eyes, 7 anthologies, 4 dramatic series. Hour series will be more profuse—26, compared with 20 this season (of which 7 have been cancelled).

The FCC

More about

FCC'S WATCHDOG DIVISION: Here is the full text of Chmn. Ford's statement to Senate Appropriations Subcommittee (see p. 1), due to be presented May 24:

"We took this step because of our conviction that vigorous, timely and systematic action in this area is essential to ensure that broadcasters fully discharge their obligation to operate in the public interest. I wish to emphasize that our decision in no way undercuts or limits the basic responsibility of licensees to take self-corrective measures, where these are required. But we believe that these self-corrective measures will be more effective—and enduring—if the commission has adequate resources & machinery to discharge its obligations under the Communications Act.

"Our program contemplates stepping up very sharply our thoroughness and effectiveness in handling complaints. Currently, we receive 120-150 complaints weekly on broadcast matters, in addition to the matters recently brought to light, among others, by the Federal Trade Commission, by Congressional committees, and by the replies from stations and networks to our recent questionnaire on Section 317 practices. To arrive at a sound judgment as to the merits of some of the practices complained of we must be able to send trained staff directly into the field to dig up the essential facts—objectively and thoroughly. While there is a place for and some utility in obtaining formal, written statements of explanation from licensees involved in individual cases, it is not an adequate substitute in many instances for direct, field investigation.

"I don't want to convey the impression that the Commission has never sent investigators in the field before. However, where the complaints on their face are substantial, whether they involve an individual station or go to a general industry practice, we must have the wherewithal to look into all such substantial complaints by going to the source and drawing together all of the relevant facts—pro and con—needed to dispose of complaints on their merits. This is a prime obligation we owe to the public.

"The second prong of our program involves checking into selected stations on a regular, continuing basis. We have some 1,700 stations coming up annually for renewal, and while we have some information on each of these stations when we make our renewal decisions, we do not have available an analysis in depth of the operations of each such station. We rely primarily on information, statistical and otherwise, submitted by the stations and on the presence or absence of any complaints filed against the stations or other information coming to the Commission's attention which bears on the operations of licensees.

"Now, we propose to undertake an audit in detail of a limited number of selected stations so that we can have a much more penetrating and more rounded view of how effectively stations discharge their stewardship in the public interest. We intend, among other items, to check on program logs, Section 317 compliance, political broadcast records, and other pertinent station controls, records, and procedures related to the Commission's non-technical rules and regulations and other statutory and treaty requirements; to examine the extent, nature, and disposition of complaints coming directly to the stations; to ascertain whether representations made in connection with license applications are reasonably complied with, as, for example, participation by broadcast licensees in actual station management and operation.

"For these station audits, we will use, as one of our tools, sample monitoring of station programs which will be compared with the logs of the stations, and the representations of the stations to the Commission, as well as a general check on station compliance with Commission rules and regulations.

"This is an ambitious program and it requires men and money for its effectuation. As I have said, we have gone ahead and set up a complaints and compliance division. But, as you well know, the personnel and funds we can draw off from other vital Commission tasks are very limited. We will go ahead with the available resources in any event. However, it is the Commission's considered judgment that substantial additional funds are needed to put this program over.

"We estimate that an appropriation of $300,000 is required for the first year of our program as outlined. This sum, if made available to the Commission, would restore our appropriation to the level recommended by the Bureau of the Budget (aside from the reduction in the appropriation for the uhf study). While this would restore the monies cut by the House ($315,000), I should make clear that the program for which these funds are urged is new and was not previously before the House.

"The $300,000 needed for the program divides into $210,000 for personal services, $42,000 for travel, and $48,000 for monitoring service and "other objects." To permit us to use the travel funds which we are herein requesting, the language of the appropriations bill as approved by the House must be amended to increase our total travel limitation to $186,000 ($42,000 for this program, and $144,000 for all other travel).

"We would have a staff of 25 persons (exclusive of secretarial and clerical assistants) who may be in the field at least half of the time. Obviously, the first year will be experimental. We cannot tell at the moment with precision the specific number of complaints we will designate for full-field investigation, or the number of stations we will audit.

"There are some 5,000 broadcast stations operating in 2,000 communities throughout the nation. We would do well with the proposed staff if we could reach as many as 100 communities for full audit. The stress, however, will not be placed on mechanically covering a prescribed number. Rather we intend to develop means of effectively screening various types of situations and to focus our resources where they will do the most good.

"If abuses are uncovered, remedial action will be required. In those cases where licensees are found to have abused their trusteeship flagrantly, provision has been made for formal hearing proceedings. Moreover, hearings in the field will be required in some cases, to provide a proper forum to determine whether the service provided by stations has been in the public interest.

"The decision reached by the Commission that systematic investigation of complaints and regular station audits, including program monitoring, are required in the public interest has come only after a full consideration of all the facts. We are persuaded that without impairing the basic responsibility of licensees, the program as outlined is essential to strengthening the Commission's processes. The program undoubtedly will have a very significant impact on the industry. It should stimulate licensees to establish and maintain policies and practices more closely related to the public interest; and may well serve to raise the general level of broadcasting service."

FCC RECOMMENDATIONS ON STATION SALES & NETWORK REGULATION

Submitted to House Interstate & Foreign Commerce Committee

FCC's important recommendations on pending bills affecting station sales & network regulation, sent to the House Commerce Committee (Vol. 16:20 p1), contained the Commission's proposed additions & changes to the language of the bills. The texts of FCC's suggestions are reprinted below. Appendix A covers transfers. Appendix B affects network regulation. FCC recommended that the words in italics be added and that words in brackets be deleted from the bills now under consideration—HR-11340 on transfers, HR-11340 & HR-5042 on network regulation:

APPENDIX A

SUGGESTED AMENDMENT OF SUBSECTIONS (d), (e), AND (f) OF SECTION 310 OF THE COMMUNICATIONS ACT AS PROPOSED BY SECTION 1 OF H. R. 11340.

(d) The holder of a broadcast station license or *construction permit* may not voluntarily transfer such license *or* permit within three years after acquiring it hy grant (otherwise than as a renewal of the license) from the Commission or by transfer from another licensee or *permittee*, unless—

(1) both the licensee *or permittee* and the proposed tranferee of such license *or permit* shall first file with Commission applications for approval of the transfer;

(2) [the Commission has given public notice of such applications, including the terms and conditions of, and the consideration which is to be paid hy the licensee to the transferee* by reason of the proposed transfer, and] *public notice has been given of such applications, and the Commission* has designated the applications for a puhlic hearing in the area which will be served by the station; and

(3) it is affirmatively found hy the Commission, after hearing, that due to inadequacy of operating capital, death or disability of key management personnel, or other changed circumstances affecting the licensee *or permittee*, occurring subsequent to the acquisition of the license *or permit*, approval of the proposed transfer will serve the public interest, convenience, and necessity.

The provisions of paragraphs (2) and (3) of this subsection shall not be applicable to pro forma transfers or to transfers in connection with which the Commission finds, and states the reasons for such finding, that the tranferor has made the affirmative showing required by paragraph (3) by submitting without hearing, independent probative evidence to corroborate his assertion of changed circumstances affecting the licensee.

(e) No voluntary transfer of a broadcast station license or *construction permit* (except *a pro forma transfer* or a transfer to which subsection (d) of this section applies) [and no transfer of a permit for the construction of a broadcast station] shall he made unless the proposed transferor and the proposed transferee shall first file with the Commission applications for approval of such transfer, and unless [the Commission] either—

(1) [has given] public notice *has been given* of such applications and *the Commission* has designated such applications for a puhlic hearing in the area which will be served by the station, or

(2) *the Commission* has made a finding (which shall be entered in the records of the Commission and be kept available for inspection by the public) that the public interest, convenience, and necessity will be served by approving the transfer without a hearing, and there shall he included in such finding of the Commission a statement of the reasons for such finding.

(f) Public notice of applications, required to be given [by the Commission] under subsections (d) and (e) of this section, *shall be the responsibility of the applicants.* The Commission shall prescribe appropriate rules and regulations to carry out the provisions of this subsection.

APPENDIX B

1. Section 3 of the Communications Act of 1934 (47 U.S.C. 153) is amended hy adding at the end of the following new suhsection:

"(hh) 'Network' means a person or organization which, as a part of its regular business, hy contract or agreement, express or implied with two or more affiliated broadcast stations, offers or supplies program service to such stations under prescribed conditions for the purpose of effecting a coordinated broadcast of identical programs hy such stations.

2. Title III of the Communications Act of 1934 is amended by adding the following new sections:

"Section ..... Each network shall file an informational statement with the Commission which shall contain such information and set forth such facts regarding (1) the ownership and (2) the operational policies, practices and activities of such network which affect the ability of broadcast licensees to operate their stations in the puhlic interest, as the Commission shall require; and each such network shall file with the Commision amendments to such statement, from time to time, as the Commission shall deem to be necessary to keep current the facts and information required in such statement. The Commission, at any time after the filing of such statement, may require the filing of further written statements of fact by each such network to assist the Commission in the enforcement of the Act and in determining whether such network has complied with the provisions of the Act and the rules and regulations thereunder. Each such statement, amendment thereto, or further statement shall be in writing and shall be signed by the principal officer of such network under oath or affirmation."

"Section ..... No network shall he owned or operated by—

(1) Any alien or the representative of any alien;

(2) Any foreign government or the representative thereof;

(3) Any corporation organized under the laws of any foreign government;

(4) Any corporation of which any officer or director is an alien or of which more than one-fifth of the capital stock is owned of record or voted by aliens or their representatives thereof or by any corporation organized under the laws of a foreign country;

(5) Any corporation directly or indirectly controlled by any other corporation of which any officer or more than one-fourth of the directors are aliens or of which more than one-fourth of the capital stock is owned of record or voted after June 1, 1935, by aliens their representatives, or by a foreign government or representative thereof, or by any corporation organized under the laws of a foreign country.

"Section ..... The Commission shall, from time to time, as in its judgment, the puhlic interest, convenience, or necessity may require, (1) classify television and radio networks; and (2) issue such rules and regulations with respect to each such class of networks, as the Commission may determine to be necessary or appropriate to assure that the policies, practices, and activities of such networks shall not adversely affect the ability of broadcast licensees to operate their stations in the public interest. Such rules and regulations may include, hut shall not be limited to, rules and regulations (A) to require networks to exercise supervision and control over the prparation of, and to prohihit discriminatory practices in the selection of, all matter supplied by such network to any licensee for hroadcasting; (B) to prohihit any network from giving unfair advantage, hy means of any matter supplied to any licensee for hroadcasting; to any person affiliated with, controlling, controlled hy or under common control with such network or in which such network has any direct or indirect financial or beneficial interest, in connection with promoting the sale or distrihution of any product or service of such person; (C) to prohibit networks from entering into a contract or understanding with any broadcast station licensee which would limit the ahility of such licensee to operate his station in the public interest, including, without limitation, provisions relating to exclusive affiliation or territorial exclusivity arrangements; the duration of affiliation agreements; the optioning of station broadcast time; the acceptance or rejection of network programs; or the controlling or influencing of non-network rates; (D) to limit ownership of stations by networks; (E) to restrict the numher of networks that may be owned or operated hy any person; (F) to prohibit or limit network practices or activities in the representation of stations in the sale of non-network time; (G) to require networks to make reasonahle distrihutions of their programs to stations; (H) to prohihit discriminatory practices hy networks in the selection of affiliates; (I) to require networks to provide equal opportunities to legally qualified candidates for public office in accordance with the provisions of Section 315 of this Act; (J) to require views concerning puhlic issues; and (K) to require networks to identify the sponsor of and disclose the fact of payment with respect to matter supplied to any licensee for hroadcasting, in accordance with the provisions of Section 317 of the Act."

"Section ..... The Commission, as to matters within its jurisdiction, shall have power hy rules and regulations to define technical, trade, accounting or industry terms used in this Act insofar as such definitions are not inconsistent with the provisions of this Act."

"Section ..... Where any network has violated or failed to observe any of the provisions of this Act or of any rule or regulation of the Commission authorized hy this Act, the Commission may issue either affirmative orders or cease and desist orders to any such network, to compel compliance with this Act or any regulations issued thereunder. Such process shall be instituted hy the Commission hy the issuance of an order to show cause to the person or persons affected to appear hefore the Commission at a time and place stated in the order, hut in no event less than thirty days after receipt of such order and give evidence upon the matters specified therein. The burden of proceeding with the introduction of evidence and the hurden of proof shall be upon the Commission, except that the hurden of proceeding with the introduction of evidence and the burden of proof shall be upon a network to estahlish that the contents of an informational statement filed under Section ..... of the Act are not materially false or misleading or incomplete."

*There is an obvious transposition of terms in H.R. 11340, so that the bill should read, "to the licensee by the transferee."

Space communications are rising fast to the top of FCC spectrum allocations problems. Last week, the Commission reopened its proceeding covering the use of 840 mc & above—to gather comments on the immediate needs of industry & govt. Comments are due by July 8, and oral argument is scheduled for July 18. In a separate new proceeding, the Commission asked for comments on the long-range needs for space communications, setting March 1, 1961 as the deadline. Some remarkable ideas are expected. For example, GE aims to get a strong solar-powered satellite up by late 1961 or early 1962 to handle a variety of signals—including TV. GE says it can't give more details now; but there are reports it will radiate 50 kw.

More about

TV & CAMPAIGN POLITICS: All TV stations were called on by FCC last week to answer another questionnaire—this one designed to put them on record on how they are "carrying out their obligation to serve the public interest in the area of political broadcasting."

In a follow-up to Senate Commerce Communications Subcommittee hearings on the Magnuson-Monroney bill (S-3171) to require all TV networks & stations to donate free time for campaign discussions by Republican & Democratic Presidential candidates (see p. 2), Commission asked answers to 7 questions by June 6.

The information from the stations is needed not only by the Subcommittee, which requested it, but by FCC itself in "the discharge of its statutory responsibilities," Commission said. It cited last year's Supreme Court ruling in the S.D. Farmers Union vs. WDAY Inc. case, in which it was held that broadcasters aren't responsible for libel committed by politicians who get equal time under the Communications Act's Sec. 315 (Vol. 15:27 p1):

"The thrust of Sec. 315 is to facilitate political debate over radio & TV. Recognizing this, the Communications Commission considers the carrying of political broadcasts a public-service criterion to be considered both in license renewal proceedings and in comparative contests for a radio or TV construction permit."

The 2-part FCC questionnaire follows:

A. General Policy with Respect to Political Broadcasts

1. State whether it is your policy (A) to sell time, (B) make time available without charge, (C) both.
2. Does your policy as set forth in reply to question 1 differ with respect to broadcasts by or on behalf of candidates for (A) local, (B) state, or (C) national offices? If yes, please explain.
3. State whether it is your policy to sell time or provide time without charge for (A) programs, (B) spot announcements, (C) both.
4. Do you impose any general limitations with respect to the length & frequency of a program or spot announcement by or on behalf of a particular candidate? If yes, please explain.
5. Do you impose any general limitations with respect to the hours during the broadcast day in which you sell or make time available without charge for political broadcasts? If yes, please explain.

B. Political Broadcast Policy with Respect to Forthcoming Election Campaign (Sept.-Nov. 1960)

1. In connection with broadcasts by or on behalf of candidates for President & Vice President, describe your present or proposed policy with respect to clearing time for sales of such programs made either by the network with which you are affiliated or by non-network sources.
2. In this same connection, describe your present or proposed policy with respect to clearing time for sustaining programs offered either by the network with which you are affiliated or by non-network sources.

* * *

Political-broadcast plan for Westinghouse Bcstg. Co. stations on state, regional and local issues "under the concept of face-to-face debate," is being finalized, reports Pres. Donald H. McGannon. WBC stations will offer debate time "to certain offices . . . on a gratuitous basis."

FCC won't censor, it said last week, turning down complaints about newscaster Ben Henry Pooley of radio WEBY Milton, Fla., owned by Clayton W. Mapoles. A petition for revocation of WEBY and Mapoles' WBLO Evergreen, Ala., had been filed by the county commissioners, sheriff, state representative and state senator of Santa Rosa county, Fla. They charged that Pooley was hired by Mapoles for "the avowed purpose" of making "irresponsible personal attacks" on them. FCC said that stations shouldn't be used for "private interest, whims, or caprices" of licensees but at the same time the Commission can't "permit its processes to be used to resolve political differences in local communities." It said that the complaints could be brought up when Mapoles' licenses are up for renewal on Feb. 1, 1961. Meanwhile, it said: "Without passing on the propriety of the Pooley broadcasts, we feel that any attempts on our part to censor him would be unwarranted."

Talk of a "consumer panel" to advise FCC on programming is way off base as far as Chmn. Ford is concerned. He was recently reported hinting at favoring the formation of such a panel during a discussion at the Ohio State U. Institute for Education by Radio-TV. Ford says he must have been completely misunderstood. "How could I be for such a panel?" he asked last week. "We could do that only if we wanted to tell stations how to program. Creation of such a panel would be flirting with censorship. There's nothing wrong with our broadcasting system. I just want the broadcasters to work harder. I know that networks & stations can & do establish advisory panels and find them quite valuable—but the FCC couldn't. How many Commissions can you have?"

FCC needs no outsiders to investigate station programming "in its name," the Commission said stiffly in a public notice. It seems that Cal. stations had received copies of a questionnaire—represented as coming from FCC—demanding program information. "Inquiry shows that it was sent by an over-zealous college student in connection with the preparation of a thesis," Commission reported, pointing out that "it has not & does not authorize outsiders to request such data."

WESH-TV Daytona Beach has been granted permission to identify itself also with Orlando. WKBM-TV Caguas, P.R. was given permission to add San Juan to its identification. The FCC turned down objections of KARD-TV & KAKE-TV Wichita against authorization permitting KTVH to identify itself with both Hutchinson & Wichita. Lee dissented to the Daytona Beach & Hutchinson actions.

New international station, the nation's 5th, was granted to the Rev. John M. Norris, who also operates radio WGCB Red Lion, Pa. Rev. Norris plans to beam programs to countries around the Mediterranean, including Southern Europe, North Africa and the Near East. The schedule will run 3-7 p.m. daily, mostly sustaining, in English, Italian, French and Spanish initially. The programs will include news, music, religion, history, UN summary.

WTEN-TV (Ch. 10) Vail Mills, N.Y. temporary operating authority, granted to Capital Cities Bcstg. Corp., has been continued by the FCC. The Commission denied a petition of Veterans Bcstg. Co. which had urged that WTEN-TV be taken off the air pending a final decision in the comparative hearing for the channel between Veterans & Capital. The latter holds an FCC examiner's favorable initial decision in the case (Vol. 15:33 p5).

Auxiliary Services

More about

Senate CATV Vote: Defeat of CATV-licensing bill was by mere one-vote margin, 39-38 (see p. 3), but the majority held during a 2nd vote to reconsider, which ran 38-36. Here's how your Senators voted:

To block the bill and send it back to Senate Commerce Committee—Aiken (R-Vt.), Bridges (R-N.H.), Bush (R-Conn.), Byrd (D-W.Va.), Carlson (R-Kan.), Clark (D-Pa), Cooper (R-Ky.), Cotton (R-N.H.), Dirksen (R-Ill.), Dworshak (R-Ida.), Eastland (D-Miss.), Ellender (D-La.), Fong (R-Hawaii), Gore (D-Tenn.), Hickenlooper (R-Ia.), Hill (D-Ala.), Holland (D-Fla.), Javits (R-N.Y.), Johnston (D-S.C.), Keating (R-N.Y.), Kerr (D-Okla.), Long (D-La.), Lusk (D-Ore.), McClellan (D-Ark.), Martin (R-Ia.), Monroney (D-Okla.), Morton (R-Ky.), Mundt (R-S.D.), Muskie (D-Me.), Prouty (R-Vt.), Robertson (D-Va.), Russell (D-Ga.), Saltonstall (R-Mass.), Scott (R-Pa.), Smith (R-Me.), Sparkman (D-Ala.), Stennis (D-Miss.), Wiley (R-Wis.).

Against sending bill back to committee—Allott (R-Colo.), Bartlett (D-Alaska), Beall (R-Md.), Bible (D-Nev.), Butler (R-Md.), Cannon (D-Nev.), Carroll (D-Colo.), Case (R-N.J.), Case (R-S.D.), Chavez (D-N.M.), Church (D-Ida.), Curtis (R-Neb.), Dodd (D-Conn.), Douglas (D-Ill.), Engle (D-Cal.), Goldwater (R-Ariz.), Gruening (D-Alaska), Hart (D-Mich.), Hartke (D-Ind.), Hayden (D-Ariz.), Hruska (R-Neb.), Humphrey (D-Minn.), Jackson (D-Wash.), Kuchel (R-Cal.), Lausche (D-O.), Long (D-Hawaii), Magnuson (D-Wash.), Mansfield (D-Mont.), McGee (D-Wyo.), Moss (D-Utah), Murray (D-Mont.), Pastore (D-R.I.), Proxmire (D-Wis.), Schoeppel (R-Kan.), Thurmond (D-S.C.), Williams (R-Del.), Young (R-N.D.), Young (D-O.).

On the 2nd vote, Butler, Schoeppel & Wiley didn't participate.

* * *

Five CATV microwave CPs will be explored in evidentiary hearings ordered by FCC on the basis of protests filed by the TV stations. They are: (1) Mesa Microwave, to relay signals of WJXT, WFGA-TV & WJHP-TV Jacksonville to a proposed CATV system in Tallahassee. Protested by WCTV Thomasville-Tallahassee. (2) East Tex. Transmission Co., to relay WBAP-TV, KFJZ-TV, KRLD-TV & WFAA-TV Ft. Worth & Dallas to CATV in Tyler & Jacksonville, Tex. Protested by KLTV Tyler. (3) Mesa Microwave, to relay WOAI-TV, KENS-TV, & KONO-TV San Antonio to CATV in Laredo. Protested by KGNS-TV Laredo. (4) Carter Mountain Transmission Corp., to relay KTWO-TV Casper to CATV in Riverton, Lander & Thermopolis, Wyo. protested by KWRB-TV Riverton. (5) Montana Microwave, to relay KXLY-TV, KHQ-TV & KREM-TV Spokane to CATV in Helena. Protested by KXLJ-TV Helena.

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Translator starts: K76BA Libby, Mont. began May 15 repeating KXLY-TV Spokane. K75AS & K81AH Granite Falls, Minn. plan a June 1 start with KSTP-TV & WTCN-TV Minneapolis. K83AN & K77AT Carrizo Springs-Crystal City, Tex. plan a June 15 start with KONO-TV & KENS-TV San Antonio.

Translator grants: Ch. 74, Lihue, Hawaii, to Kaiser Hawaiian Village TV Inc., to relay KHVH-TV Honolulu; Ch. 78, Seaside, Ore., to Seaside Video Club Inc., to relay KPTV Portland.

Cal. Hears from Matty: Tolvision Inc., new name of Matthew Fox's pay-TV company, is ready to establish its system, after 6 years and an expenditure of $5.8 million, Fox told the Cal. State Assembly Interim Subcommittee on Public Utilities & Corporations last week in San Francisco. He said he had changed his firm's name to avoid confusion with Skiatron Electronics. Subcommittee Chmn. Rex Cunningham congratulated Fox for his "frank & lucid" testimony. Also testifying was Telemeter chief counsel & vp Chester I. Lappen, who termed his firm's Toronto experiment a success. He suggested there could be some form of state pay-TV regulation, but indicated he opposed granting of exclusive franchises in local areas. Cunningham said his subcommittee will issue its final report in Oct. William Bennett, chief counsel for the Public Utilities Commission, testified it had no jurisdiction over pay-TV systems using wire and could not regulate in any way unless pay TV was made a public utility. The committee will report in Oct. to the Cal. legislature on whether or not legislation is needed. A bill now before this legislature would disallow all pay-TV for at least another year. After the hearing, Fox told newsmen he was in negotiations with Metro and 20th-Fox on a pay-TV alignment.

* * *

Twentieth Century-Fox plans to enter the pay-TV business, and is negotiating to buy a pay "system," Pres. Spyros P. Skouras told the stockholders meeting in N.Y. last week. He said that although he believes in pay TV, he doesn't believe it's necessary to show first-run films for it to be successful, indicating that he wants regulations to keep new movies off pay TV for 5-7 years. Before the meeting, an offer was revealed for purchase of 20th Century's Los Angeles studios for $43 million. The prospective buyer is the N.Y. real estate firm of Kratter Corp., which said it had agreed to purchase Webb & Knapp's interest in the property as well as the bulk of the ownership, held by the movie company.

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FCC continues to mark time on vhf booster rules, waiting for the House to act on the Senate-passed bill that would excuse existing booster operators for having built without FCC authorization. Another reason the Commission won't act is that Comr. Bartley is in Europe. Commission has been split 3-3 on promulgating booster rules, with Bartley against issuing them in the past. Out of courtesy to him, his colleagues will wait until he returns. Said an FCC spokesman: "When the Commission is deadlocked, we don't try to slip something through in a member's absence. If we made a practice of that, we just couldn't live with each other." Meanwhile, House Commerce Committee Chmn. Harris (D-Ark.) has promised FCC to move quickly on the bill.

Illegal vhf booster in Lebanon, N.H., first in the East (Vol. 16:19 p15), won't be disturbed by FCC. CATV operators Paul Clark, Lebanon, and Phillips Lothrop, Burlington, Vt., complained to FCC and their Senators & Representatives, received a reply from the Commission to the effect that such boosters are operating in a "grace period" while rules to legalize them are under consideration.

Limitations on microwaves serving CATV systems are sought by NBC in a petition filed with FCC. NBC requests that microwaves to carry station signals to CATV systems be granted only when the microwave applicant has received permission from the originating station.

Networks

CBS Analyzes ABC Success: Normally the most dignified of networks when it comes to free-for-alls about ratings, CBS-TV has finally gotten around to giving ABC-TV's claims to nighttime rating "leadership" a brisk workout. The action turned up in a CBS research bulletin (now circulating among the network's executives) about ABC's gains & the status of the ABC-CBS rivalry.

For one thing (points out research dir. Jay Eliasberg's bulletin), CBS is still the national leader on the basis of Nielsen figures "for entire evening and for the entire country" for the Oct. 1959-March 1960 period. On this broad yardstick, CBS-TV's average-audience level of 21.9 is 15% bigger than the ABC-TV Nielsen AA figure of 19.1.

Slide-rule diplomat Eliasberg is quick to admit that "ABC has improved its rating position somewhat vis-a-vis CBS between last season and this." (Last season, in the comparable period, CBS was 21% ahead of ABC.) However, Eliasberg spotlights what CBS researchers believe to be the real reason for the ABC gain: "They increased the proportion of action shows in their schedule."

Last season, states the bulletin, 27% of the CBS-TV schedule was devoted to "action" shows. This season, 33%. ABC-TV last season devoted 44% of its schedule to action melodrama, this season 61%. "The importance of these facts is demonstrated," says Eliasberg, "when we consider the substantially higher ratings earned by 'action' shows than are earned by 'non-action' shows. This season, for example, 'action' shows rated 20% higher than 'non-action' shows on CBS, while 'action' shows on ABC rated 39% higher than 'non-action' shows. Obviously then the greater the proportion of 'action' shows in a network's schedule, the higher its average rating."

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Canada's New Web: A 2nd coast-to-coast TV network is being organized in Canada to compete with the existing network now operated by govt.-owned Canadian Bcstg. Corp. The Board of Bcst. Governors has announced that applications for network license will be heard in Sept. at a public hearing. The network is reportedly being organized by 8 new private stations now being licensed, along with Canadian film companies. (ABC International vp Donald Coyle has been there as "an interested observer.")

This year BBG has licensed new TV stations in Montreal, Toronto, Winnipeg and Vancouver, and decisions are pending on applications in Edmonton, Calgary, Ottawa and Halifax. Preliminary discussions indicated a network would be built on video-tape & film exchanges but now an attempt will be made to use the microwave facilities.

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No-defense pleas were suddenly offered by ex-MBS officers Alexander L. Guterma & Hal Roach Jr. in Washington's U.S. District Court last week—just 3 days after they went on trial on charges of failing to register as foreign agents of the Dominican Republic. Already sentenced to 4 years & 11 months in jail and fined $160,000 for illegal stock manipulations (Vol. 16:8 p24), Guterma withdrew his plea of not guilty after his onetime counsel Saul S. Nevins testified about an alleged $750,000 deal to use MBS facilities for Dominican propaganda. He was charged with failure to register personally as a foreign agent. Co-defendant Roach, accused of failing to register MBS, similarly pleaded no contest. Judge J. R. Jackson deferred sentences, which could be 5 years in prison & $10,000 fine.

Network Television Billings

March 1960 and January-March 1960

For Feb. report, see TELEVISION DIGEST, Vol. 16:18 p6

First Quarter Up 9.8%: Network TV's first-quarter gross-time billings closed out 9.8% ahead of the year-ago volume, although March business was only 5.4% ahead of March 1959. TvB reports that Jan.-Mar. billings rose to $171,842,575 from first-quarter 1959's $156,519,428. March produced 1960's highest monthly billings with a total $58,546,317 (compared with March 1959's $55,558,741).

CBS continued to outpace the other networks in dollar volume, both in March ($24,013,247) and year-to-date ($70,467,776). ABC registered the largest percentage gains: 22.3% for first-quarter 1960 over first-quarter 1959, 16.6% for March over March 1959.

First-quarter nighttime billings of the 3 networks increased 16.1% to $119,804,271 from $103,193,878 for Jan.-Mar. 1959. Daytime billings sagged 2.4% to $52,038,304 from $53,325,550. In March vs. March 1959, nighttime billings gained 9% to $40,496,627 from $37,166,297; daytime declined 1.9% to $18,049,690 from $18,392,444.

NETWORK TELEVISION

	Mar. 1960	Mar. 1959	% change	Jan.-Mar. 1960	Jan.-Mar. 1959	% change
ABC	$13,487,460	$11,565,031	+16.6	$ 39,424,580	$ 32,236,569	+22.3
CBS	24,013,247	23,265,395	+ 3.2	70,467,776	66,200,863	+ 6.4
NBC	21,045,610	20,728,315	+ 1.5	61,950,219	58,081,996	+ 6.7
Total	$58,546,317	$55,558,741	+ 5.4	$171,842,575	$156,519,428	+ 9.8

1960 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	$13,260,010	$23,477,358	$20,980,897	$57,718,265
February	12,677,110	22,977,171	19,923,712	55,577,993
March	13,487,460	24,013,247	21,045,610	58,546,317

Note: Figures revised as of May 6, 1960. These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on basis of one-time network rates or before frequency or cash discounts.

NETWORK SALES ACTIVITY

ABC-TV

Bourbon St. Beat, Mon., 8:30-9:30 p.m., particip. eff. July.
Alberto-Culver (Geoffrey Wade)

Daytime programming, participations, eff. July.
Minute Maid Corp. (Dancer-Fitz.-Sample)

Daytime programming, renewal of participations, eff. June.
Simoniz (Young & Rubicam)

CBS-TV

Captain Kangaroo, Mon.-Fri. a.m., alt. wk. quarter hrs. eff. Aug.
Kayser-Roth (Daniel & Charles)

Revlon Revue, June 2 & 9, half-sponsorship.
Schick (Benton & Bowles)

Tom Ewell Show, Tue. 8:30-9 p.m., alt. wk. sponsorship eff. fall 1960.
Procter & Gamble (Leo Burnett)

NBC-TV

World Wide 60 documentary marking 50th anniversary of Boy Scouts, July 30.
Campbell Soup (BBDO)

National Open Golf Championship, Sat. June 18, full sponsorship of windup match.
Minnesota Mining Thermo-Fax Products (Erwin Wasey, Ruthrauff & Ryan)

Stations

NEW & UPCOMING STATIONS: U. of Ga.'s educational WGTV (Ch. 8) Athens, Ga. began programming May 23 to boost number of U.S. operating outlets to 565 (87 uhf), including 48 non-commercial stations (13 uhf).

The new station has a 10-kw driver, a 25-kw RCA transmitter and a 1000-ft. Stainless tower with 18-section superturnstile antenna on Jacks Creek Mt., near Monroe, Ga., 17 mi. WSW of Athens. Transmitter connects via microwave with studios in Uinversity's $2.5-million Center for Continuing Education, which have been used for closed-circuit programming since April 1957. Gerard L. Appy, associate dir. of Center's communications div. is WGTV gen. mgr.; O. B. Land Jr., operations mgr.; Hill Belmont, production mgr. & film buyer; Edward Graham Jr., ex-WSM-TV Nashville, chief engineer.

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In our continuing survey of upcoming stations, these are the latest reports from other educational CP holders.

WFSU-TV (Ch. 11, educational) Tallahassee, awaiting arrival of 10-kw GE transmitter, hopes to begin programming in June, reports Roy Flynn, dir. of Fla. State U. bcstg. services. The transmitter house is under construction and building of a 777-ft. Klein tower began this month.

WIPM-TV (Ch. 3) Mayaguez, P.R., planned as non-commercial outlet by P.R. Dept. of Education, has changed its target to July, writes R. Delgado Marquez, gen. mgr. of the Dept.'s other station, WIPR-TV (Ch. 6, educational) San Juan. It has a 6-kw RCA transmitter nearly ready for use and expects to have a 202-ft. Ideco tower ready soon.

KERA-TV (Ch. 13, educational) Dallas, Tex. still hopes to begin full programming schedule in Sept., but initial start with limited programming has been delayed from July to Aug., reports E. O. Cartwright, pres. of grantee Area Educational TV Foundation. The transmitter it's taking over from WFAA-TV (Ch. 8) won't be ready for use until mid-July. Work on temporary studios, near the transmitter on Harry Hines Blvd., began in April. It will use a 300-ft. tower, also acquired from WFAA-TV.

KWCS-TV (Ch. 8, educational) Ogden, Utah, has a 1-kw RCA transmitter on order and still hopes to meet its Sept. target, according to T. H. Bell, Weber County School Supt. It will use a 112-ft. tower. John A. Larson has been named station director; Norman Barber, engineer.

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Small-market TV & radio stations need exemptions from overtime wage provisions of the Fair Labor Standards Act, NAB personnel & economics mgr. Charles H. Tower said in House testimony. He told the Education & Labor Subcommittee on Labor Standards that it's "awkward" or "impossible" for small stations to adhere strictly to the wage-hour law because of their "unusual & unique operating conditions."

Application for sale of WJDM (Ch. 7) Panama City, Fla. for $340,000 to the Herald Publishing Co., licensee of WALB-TV (Ch. 10) Albany, by owner Mel Wheeler, has been filed with FCC.

FTC's anti-payola drive has produced new complaints against: Nashboro Record Co. Inc., 177 3rd Ave., N., Nashville, and Pres.-treas. Ernest L. Young, accused of making under-the-table payments to TV & radio disc jockeys. Robert Field, operating as Pacific Record Distributors, 2663 W. Pico Blvd., Los Angeles, accused of paying off jockeys & other station personnel. Portem Distributing Inc., 601 W. 50th St., N.Y., and secy. Gladys R. Pare, accused of payments to jockeys, other station employes and radio stations themselves.

NAFI Buys Third Station: NAFI Corp. has purchased its third TV station, KFJZ-TV Fort Worth-Dallas, for "a total consideration within the area of $4 million," we're told by Kenyon Brown, president of the broadcast division of NAFI. The station was acquired from Texas State Network Inc., of which Gene Cagle is pres. and the Sid Richardson Foundation is principal owner.

As in other NAFI broadcast operations, Bing Crosby will serve as board chairman. NAFI also owns KCOP Los Angeles, KPTV Portland, Ore., and radio KXYZ Houston. Brown said NAFI plans to acquire the legal limit of 5 vhfs and 7 radio stations.

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NBC's proposed station purchases & swaps (Vol. 16:20 p2) produced no major developments last week. Applications for the transfer are due to be filed with FCC shortly, perhaps this week. Federal District Court in Philadelphia has postponed from May 27 to the first week in June or later the argument on Westinghouse's & KRON-TV's petitions to intervene in the case. Rep. Celler (D-N.Y.), chmn. of Judiciary Committee expects an answer this week from Justice Dept., telling why it didn't object to the transactions. It's assumed that Justice will explain that the terms of the consent decree, which governs NBC's purchases, leave no grounds for objection. Celler said that network option time is also entwined with the transactions because "both problems involve network power." "Last year," he said, "the Dept. of Justice stated publicly that option time is illegal *per se* under the anti-trust laws. However, the Dept. has not taken any action. I am deeply concerned about the Dept.'s failure to take action to enforce the anti-trust laws in connection with this most important matter." Though he scolded anti-trust chief Robert Bicks on the NBC deals & option time, Celler still thinks a lot of him. He says Bicks has done a good job of enforcing the anti-trust laws and is certain that the Senate will confirm his nomination as asst. attorney general.

Early-morning fire May 16 completely gutted the studios of WSPA-TV & WSPA Spartanburg, S.C., but caused only slight disruption to TV-program schedule and none to radio. The fire started in the air conditioning equipment and caused an estimated $250,000-$300,000 damages, according to Pres. Walter J. Brown. He said the TV station was dark only an hour or so during local program time, and attributed prompt return to air to the "splendid assistance & cooperation" of local & neighboring TV & radio station operators who loaned remote & other equipment so that he could start operations from auxiliary studios at the transmitter sites. He also gave a pat on the back to the telephone company for keeping the network line open. WSPA-TV is on regular schedule, using new RCA equipment rushed by truck from Camden. The only problem now, Brown said, is the hour-long trip to the transmitter site for people appearing on local programs. He said the studios will be rebuilt as soon as possible.

Application for purchase of ⅓ of WHNB-TV (Ch. 30) New Britain-Hartford, Conn. by William Putnam's WWLP (Ch. 22) Springfield, Mass. for $348,000 has been filed with FCC. WWLP is exercising the option which was part of the original deal when the station was bought from NBC last summer for $1,044,000 (Vol. 15:26 p3). The FCC approved the sale last Sept. (Vol. 15:39 p9) on condition that option rights held by WWLP not be exercised without prior approval of FCC.

Programming

Serving the Public: Stepped-up pace of public-service activities by many stations—along with increased promotion of public-spirited efforts—is reflected in the upsurge of news about public-interest TV in the last few months. Here are some recent examples:

Consolidated listing of their more uplifting TV programs was published recently by Chicago's 4 commercial stations and mailed to 8,000 schools, churches, legislators and civic leaders, reported CBS-TV stations div. vp & WBBM-TV Chicago gen. mgr. Clark B. George. Results: "We have received requests for more than 600 additional copies of the listings at our station alone. Response to the project has been very favorable at all 4 stations . . . The listings . . . clearly illustrate that during any 30-day period, Chicago TV stations have some 200 very worthwhile programs falling within [the categories of] cultural, informational, educational, sports and top drama programs."

WAVY-TV Portsmouth-Norfolk, Va., will inaugurate a water safety campaign this summer. The station will air announcements and a weekly 30-min. program on the subject, and will hold water safety exhibits in various public places throughout the summer. WAVY-TV is also running a $25,000 summer-audience promotion contest. Person telephoned by the station must identify a prize on the TV screen, in order to win the item.

WJW-TV Cleveland has started a 39-session course on marriage & the family, entitled *Family Life*, Mon., Wed., Fri. 7-7:30 a.m. It is produced in conjunction with the Family Health Assn. and includes lectures & informal talks by teenagers, parents and grandparents.

KTTV Los Angeles started a 30-min. series on art techniques & famous artists May 8 (Sun. 5-5:30 p.m.). *Art—Just for the Fun of It* will be presented under the auspices of the newly founded American Academy of Art.

WNEM-TV Bay City, Mich. has been cited by the Mich. Education Assn. "for distinguished interpretation & coverage of education through news reports, filmed series, live public service programming and national network presentations during 1959."

KFMB-TV San Diego has won the 1959 Newsfilm Station of the Year award sponsored by the Encyclopaedia Britannica, the National Press Photographers Assn. and the U. of Mo. School of Journalism. The award, presented by John V. Dodge, exec. editor of the Encyclopaedia Britannica, noted particularly the station's "special attention to coverage of local events of significance."

WJXT Jacksonville devoted "over 444 hours of special programs to inform viewers on matters of public interest during the 1959 season," reports the *Washington Post* outlet. In a special brochure, *Awareness 1959*, the station details its cultural, informational and public-service programming, notes the broadcast of "thousands of announcements for scores of organizations, institutions and worthy causes," and indicates "even greater achievements" in 1960.

Praise for TV-radio news coverage has come from the Associated Press. Said AP's annual report: "We commend broadcasting's notable increase in the exchange of news among fellow members." There are now AP-member stations in 692 communities in which there are no AP newspapers, and "two-thirds or more of these stations also are protecting the Association regularly on the news of their areas." The report also said there are now 2,042 TV-radio station AP members.

Questionnaire circulated in Syracuse, N.Y., to explore parental attitudes on TV for children, produced the following general conclusions on TV needs for the American Assn. of University Women: (1) More creative programs for children in the after-school hours. (2) More "family" programs in early evening hours, "to replace the violence & monotony of Westerns." (3) More stimulating programs for pre-teen & teen ages—educationally valuable but challenging & exciting in format. (4) More publicity for excellent existing programs like . . . *Conquest, Young People's Concerts of the N.Y. Philharmonic, G.E. College Bowl, American Heritage.*" (5) Greater selectivity by parents in their own viewing, "so that children may be encouraged to develop taste for excellence." (6) Parents to inform themselves about new, valuable programs like the Westinghouse story series, and to make their opinions on existing programs—both favorable & unfavorable—known to local stations & to the networks.

Not violence, but *profusion* of violence is TV's real danger for children it was agreed at an Academy of TV Arts & Sciences panel in Los Angeles last week. Dr. Frances R. Horwich of *Ding Dong School* said there are often as many as 2½ consecutive hours of violent shows. But she added, TV cannot be blamed entirely for juvenile delinquency, as it often is, because this begins at the toddling stage. Mary Field, chairman of The International Center for Films for Children, London, told the panel that in England children's programs shy away from violence. Other panelists were producer-dir. William Hanna and Mrs. Georgiana Hardy, of the Los Angeles board of education. Dr. Frank Baxter moderated.

ABC, CBS and NBC will each spend about $250,000 equipping their studios at the 1960 Democratic national convention in Los Angeles (July 11-15). Plans are finished for working area locations for 5,500 TV, radio and press newsmen at the Los Angeles Sports Arena, according to J. Leonard Reinsch, exec. dir. of the convention. He said TV will again be handled from the convention floor on a pool basis, ABC handling TV, CBS radio.

Nikita Khrushchev's Paris Summit-Conference walkout threw a neat wrench into the delicate time-schedule machinery of the 3 U.S. TV networks, but didn't prevent any from providing first-rate reportage. Nearly 14 hours of coverage were provided at an approximate cost (including lost sponsored time) of $600,000. All 3 networks relied on Eurovision for feeds from Paris to London, where film was taped and rushed, via jets, to the U.S. The earliest films were sent by slow-scan (facsimile) methods via the Atlantic cable (Vol. 15:25 p7).

Entertainment specials are waning in NBC-TV's fall plans. This season they (including such regular "specials" as the Ford series and *Sunday Showcase*) have been totalling about 200. In the coming 1960-1961 season, this figure will drop to less than 100. Rising, however, is the number of NBC-TV specials of a cultural, documentary or semi-news nature. This season, non-fiction and longhair specials on NBC-TV number about 50. Next season, they'll probably be "closer to 75, and with expanded production budgets," we're told by the network.

First group news venture by Corinthian Bcstg. Co. will take place in July when Corinthian's 5 TV & 2 radio stations will send a 13-man news team to cover the Presidential elections. Each station will attempt to bring "a regional & local character" to handling of convention reporting.

Congress

TV-radio money is king of big-league Baseball, according to Pres. Branch Rickey of the fledgling Continental League. Testifying at the opening of Senate Judiciary Anti-Trust & Monopoly Subcommittee hearings on proposals to exempt some sports business from anti-trust regulation (Vol. 16:20 p14), he said major clubs are "prisoners" of unequal broadcasting revenues from games. Rickey, urging enactment of a bill (S-10605) by Subcommittee Chmn. Kefauver (D-Tenn.), posed this question: How can the Washington Senators, with a $125,000 TV-radio cut, compete for players with the N.Y. Yankees, who got $1.4 million in 1959? Baseball Comr. Ford C. Frick & other major-club spokesmen denounced what they said were "discriminatory" provisions in the bill, which among other things would permit TV blackouts of major-club games to protect gates of minor-league home games.

FCC fee system by which Commission could pay for part of its operations by collecting unspecified assessments from license applicants is set up in a bill (HR-12268) by Rep. Younger (R-Cal.), a Commerce Committee member. He told us the measure, which also covers other Federal regulatory agencies that don't charge fees now, would correct situations in which "all expenses are paid by the taxpayers" when applicants are granted stations worth millions of dollars. Younger pointed out that SEC now collects 70% of its budget in fees, that operations of the Federal Reserve System are financed by member banks. He said objectives of his bill are supported by the President.

Broad grand jury probe, of influence peddling & conflicts of interest in govt. affairs, has been initiated by the Justice Dept., which filed a notification with Washington's U.S. District Court that it had named 3 attorneys to present cases for possible indictments. The Justice Dept. move followed exposures by the House Commerce Legislative Oversight Subcommittee of *ex-parte* influences on such regulatory agencies as FCC & FPC. But a Justice spokesman told newsmen that it would be a mistake to speculate that targets of the grand jury investigation have also been targets of the Oversighters.

FCC field trips to get more first-hand information about CATV & booster problems would be required under a bill (HR-12297) introduced by Rep. Magnuson (D-Wash.). It would amend the Communications Act's Sec. 303, covering general powers of the Commission, to instruct FCC to "consult with interested persons in small communities & rural & isolated areas on the technical & other problems in providing adequate TV service at a reasonable cost." Magnuson said FCC members aren't doing enough of that now. In fact, he said the Commission has displayed "stubborn opposition" to giving attention to small-town TV needs, and is guilty of bureaucratic sins of "redtape, lack of imagination, more concern for the administrator's problems than those of the people." He said Commission should name 3-5 field consultants to operate from scattered Western offices, traveling around communities and reporting back to Washington.

"Violence on TV" should be kept in mind by House members as they study "the kind of legislation required to correct some of the abuses recently uncovered" by investigations of the industry, according to Rep. Stratton (D-N.Y.). He said such legislation should "protect the impressionable minds of our childen" from excesses in shows.

Film & Tape

WGA MULLS ZIV-UA TV OFFER: In another hectic week, the 18-week-old Writers Guild of America film strike saw a defection from producers' ranks, as Ziv-United Artists-TV deserted the Alliance of TV Film Producers to make peace proposals to the writers. Ziv-UA's move stunned most Hollywood producers, who tried their best to dissuade the firm from making any offer on its own.

In a singularly weird situation, most writers were as confused as producers over the fast-breaking, off-again-on-again chain of developments. They liked the Ziv-UA proposal which embraced the plan originally conceived by MCA's Lew Wasserman, calling for abandonment of the present residuals system in favor of giving writers 2.2% of the gross, domestic and foreign. But they were not so certain as to details, and consequently their membership meeting Thursday was recessed to Tuesday to give negotiators time to work on the plan. (The Wasserman plan was first disclosed exclusively in TELEVISION DIGEST April 4—Vol. 16:14 p 12).

Complicating the picture was the election of 4 new members to WGA's TV-radio board, all candidates representing a Guild faction favorable to the Alliance offer rejected at a previous WGA membership meeting. The new makeup of the board could conceivably result in a discharge of the current negotiating committee (which has fought for a percentage of the foreign gross) and acceptance of the Alliance plan.

Even in the utter confusion and chaos emerging from the membership meeting, it appeared finally that the end of the strike was in sight. But no one would predict which plan—the Alliance or Wasserman proposal—would be accepted.

Unger Proposes 2% of Foreign Gross

The break in the telefilm ranks was signaled when WGA revealed it had an offer from Ziv-UA production chief Maurice Unger. This was a 6-year deal embracing the plan originally proposed 3 weeks ago by Morris Stoller of the William Morris Agency and later backed by the Alliance (Vol. 16:18 p12). But in addition Ziv-UA added 2 years with a 3% hike in minimums and, significantly, 2% of the "absolute" foreign gross. In its defection from Alliance ranks, Ziv-UA had apparently conceded on the crucial issue of the strike—foreign residuals.

As outlined by WGA, the plan called for establishment of a joint fact-finding committee which would work out a Wasserman plan-type formula, giving writers a percentage of the over-all gross. When such a formula was agreed on, it would take precedence over the previous plan involving 2% of the foreign gross. WGA said Ziv-UA agreed the 2% participation in foreign revenue would apply to all telefilms produced during the term of the pact and released abroad after March 31, 1964. In addition, WGA would get a 10% increase in minimums the first 2 years, and another 5% the second 2 years. The plan, conceived by WGA, actually was an amalgamation of the Alliance, Stoller & Wasserman proposals.

Behind the scenes, Alliance producers and others had been aware of the negotiations, and unsuccessful efforts were made to sidetrack the plan. The day WGA announced its deal, Unger told WGA it had "misunderstood" him, that he had agreed to pay foreign compensation on films produced after March 31, 1964, not released after that date. The difference—an important one—meant that

as Unger saw it, he would not pay foreign revenue on films produced from the date the contract was signed, but would pay only on films made after the March 31, 1964 date. WGA had understood him to agree to pay foreign monies on all films produced during the contract period.

As a result of this foul-up, which occurred the day of the membership meeting, there was an emergency session of the WGA council, and the same group which had previously approved the Ziv-UA offer now reversed itself by rejecting it.

At the membership meeting, WGA informed members of the Unger plan, and the area of disagreement. Then, dramatically, Donn Mullally of the negotiating committee came in with another film offer from Unger. He said Unger proposed a different plan, involving a system based on royalty payments (the Wasserman plan). This would give writers 2.2% of gross, foreign and domestic, against $1,000 advance on half-hour teleplays and $2,000 on 60-min. scripts. The Ziv-UA offer would be minimum scale, and a fact-finding committee comprised of WGA and Ziv-UA executives would be set up to determine equities of the plan, and go into other details, such as a health & welfare plan. Some members wanted a vote on the new offer immediately, on the basis of the principle even though details hadn't been worked out. However, TV-radio branch Pres. Kay Lenard, who was presiding, called a recess so that board members could caucus. Result was the decision to recess until Tue. (24) to give WGA negotiators a chance to look into the new Unger offer more thoroughly.

Meanwhile, Stirling Silliphant, Richard Collins, Phil Leslie and Fran van Hartesveldt, candidates of the group which originally preferred the Alliance offer, were elected to the TV-radio board, and the ramifications involved here were endless.

Producers Split on Unger Plan

In any event, the week was a disappointing one to WGA, since the original Unger offer had raised hopes it would set an industry pattern and end the strike. Among producers, the reaction was varied, some disliking it intensely, others finding some merit in it. Remarked one producer: "It's bad and it's good. You pick up a 6-year deal and only pay a 3% raise in minimums the last 2 years. Aside from the principle involved, the deal itself is not a bad one."

Alliance Pres. Richard Jencks was openly critical of WGA's negotiations with Alliance companies individually, and said it was a violation of the NLRB Act. He asked WGA to resume negotiations with the Alliance, and said its last offer still stands.

Other developments:

WGA negotiators rejected a feeler proposal from non-Alliance independents offering writers 2% of the net on foreign residuals, holding to its demand for a percentage of the gross. These groups meet again Tues.

NLRB issued a complaint charging the Alliance with unfair labor practices for refusal to bargain with the Screen Extras Guild. Hearing on the matter will be held June 20. SEG's Alliance contract expired April 2, 1959.

Meanwhile, the screen branch of WGA rejected a proposal from Assn. of Motion Picture Producers to settle its strike, which also began Jan. 16. WGA rejected the major movie studios' contention that pay TV is an extension of the theatrical box office, also was cool to an AMPP offer of $447,500 for a pension plan in lieu of payments on post-1948 movies.

No 'Show' in Show Business: Ad agencies have taken the word "show" out of show business; now it's just plain business—and dull, contends Betty Hutton, whose comedy series leaves CBS-TV after this season. The comedienne, whose series was plagued by a continual turnover of producers, directors and writers, told us: "I would do the series exactly the same again, except I'd eliminate the ad agency. They [Benton & Bowles] wanted to run the show, but I wouldn't hold still for it. I barred them from the set.

"Admen know nothing about our business, yet they're running a fantastic medium. Their agencies are destroying this wonderful field. I got along fine with our sponsor—even wrote commercials for the show. But the agencies want to be wined & dined, and they expect you to scrape before them. I've never seen stars & producers so terrified as they are of agencies. They're absolutely in awe of these idiots. Why? Because they're playing it safe. I am not going to be a hunk of vaseline. I'm open to suggestions for improvement, but not from non-creators.

"I spent about $100,000 of my own money in attempts to improve the show. I produced, directed, wrote and acted in it, but the people from the agencies don't like it if you tell them the truth. They're not showmen—they're money-grabbers. They don't want any independence in a star—they should get a robot. There are too many people in the agencies in N.Y. and Hollywood who tell you what to do. It's become a plain, cold, tough and hard business to them. You can't handle creative people like that. This is not show business, and I can't work under such tensions. TV should be freed of the mediocrity brought on it by the agencies. But agencies don't like it when you fight against such mediocrity."

Miss Hutton added that she'd had TV offers from several sources, including CBS-TV which wanted her to do her show as a comedy with music. But: "I'm going to quit for about a year. I intend to make $1 million on a personal appearance tour with my revue."

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Highest 60-min. film budgets of the coming fall season may well be those of *The Barbarians*, a 60-min., Mahin-Rackin-NBC co-production series now shooting at Rome's Cinecitta. The producers say they expect each episode to cost at least $140,000 (due largely to sizable casts, period sets & costumes). In nighttime network TV, Hollywood-made 60-min. filmed series generally cost about $85,000, a price that's considered the usual break-even level on what sponsors or networks will pay. A few 60-min. series, like TCF-TV's *Adventures in Paradise*, have gone far over budget, but a $140,000 price for *The Barbarians* might not be covered before a second or third TV run, unless NBC-TV asked for, and got, a near record program price.

San Francisco Television Arts plans to establish that city's first all-tape TV production center in Oct. It has arranged with RCA for Sept. delivery of three 4½-in. image-orthicon cameras, 2 video-tape recorders and transistorized video switching and special effects equipment. The equipment will cost nearly $500,000. The organization's executives, Lawrence Bedford, John Jerry and Robert Swisher, aim to produce 90-min. dramatic, musical, variety and public-service programming exclusively for TV—also commercials. "The ninety-minute length we plan is the same as most feature length movies edited for TV," Bedford said. "STA productions will compete with movies-on-TV and will supplant these movies as the quality of feature films continues to drop."

HOLLYWOOD ROUNDUP

Top writers Rod Serling and Leon (*Exodus*) Uris, became involved in a dispute last week over the merits of Serling's *Playhouse 90* drama on CBS-TV, "In the Presence of Mine Enemies," a story of the Nazi massacre of 500,000 Jews in the Warsaw ghetto. After seeing Serling's play, Uris wired CBS Pres. Dr. Frank Stanton that it was "the most disgusting dramatic presentation in the history of American TV. It is incomprehensible to me that such an insult, slander and affront was allowed to be perpetrated upon the Jewish people . . . I demand that CBS burn the negative and publicly apologize for this outrage." Annoyed and angry, Serling told us, "I have my own criticisms of the production and of the script, but to accuse me of anti-Semitism is blatantly ludicrous & absolutely undeserved."

Total of $2,337,848.65 in TV film residuals was collected & distributed to members by Screen Actors Guild during the 6-month period ended April 30. This brought the cumulative total of residuals earned since Dec. 1953 to $14,407,967.13. SAG is also distributing to members $615,000 paid for TV release of 82 post-1948 RKO movies and $172,500 for 12 post-1948 Warner Bros. features. Deals for these packages were made several years ago, before the recently-signed contract with the major studios whereby no payments will be made on post-1948 films.

About $15,000 in residuals was paid to 38 musicians, copyists and sideline men on the past-season Gene Kelly show after it was rerun recently. The residuals represented 75% of first-run payments. The program had originally been seen on CBS-TV in April 1959; the rerun appeared on NBC-TV May 13.

Tape will be used on some *Twilight Zone* episodes on CBS-TV next season. Producer-writer Rod Serling, whose Cayuga Productions films the show, told us Colgate has bought 26 segments with an option for 10 more, plus 13 reruns. Conferences are determining how many will be on film. "Some will be taped to keep budget down," he said.

Producer Les Hafner and Dennis O'Keefe have formed Hafner-O'Keefe productions for TV & movies. Their *Dennis O'Keefe Show*, on CBS-TV this season, will be placed in rerun next season by United Artists TV. The partners own almost 50% of the 39 episodes.

Jack Wrather Organization has signed a rental deal to film 35 new *Lassie* episodes at Desilu Gower beginning July 15. Robert Golden is producer.

Bonnaker Productions has been formed by Bill Friedberg, Neil Simon and Edward J. Montagne to film TV series, and has rented space at Republic studios . . . Don Sharpe has given Lever Bros. a 7-day option for the renewal of his *Mr. Lucky* series.

People: David Heilweil named producer of Desilu's *Guestward Ho*, starring Joanne Dru . . . Howard A. Singer appointed asst. to NTA Pres. Oliver A. Unger . . . Arthur Fellows has joined Quinn Martin's QM Productions as a production executive . . . Robert Bassler to produce 60-min. *Route 66* series for exec. producer Herbert Leonard's Lancer Productions and writer Sterling Silliphant's Edling Productions . . . Herbert Hirschman, ex-*Perry Mason* producer, will produce 20th-Fox TV's *Hong Kong*, starring Rod Taylor.

NEW YORK ROUNDUP

Grand Jury payola boom was lowered May 19 in N.Y. by District Attorney Frank S. Hogan, who arrested 5 local DJs and 3 radio station employes on charges of taking a total of $100,000 in under-the-turntable loot for pushing certain rock & roll records. Those now facing future trial, but paroled in the meantime, with stations where they work or were working at the time of the alleged violations: Alan Freed, WABC & WINS N.Y.; Peter Tripp, WMGM N.Y.; Tommy Smalis, WWRL N.Y.; Hal Jackson, WLIB N.Y.; Jack Walker, WOV & WLIB N.Y.; Mel Leeds, WINS N.Y.; Joseph Saccone, onetime record librarian, WMGM N.Y.; Ronald Granger, onetime record librarian, WINS N.Y. Hogan's move culminated a 6-month probe by his office, during which books of 86 firms were examined and 70 music-industry figures testified before a grand jury.

National Telepix Co., recently-formed distributors of silent screen films for TV syndication (Vol. 16:16 p9), has launched its first package: 40 of a total of 78 Hal Roach "Our Gang" oldies, renovated with original music, sound-effects and narration. Other recent NTC developments reported by Pres. David Dietz: Arthur Jarwood was named distribution vp; S. Olman has been elected secy.-treas.; home office hq has been established in N.Y. with sales offices in Los Angeles, Chicago, Dallas and Miami; NTC stock is now available in over-the-counter trading. NTC's backlog includes 500 silent films featuring old timers Will Rogers, Laurel & Hardy, Charley Chase, Ben Turpin, others.

WCBS-TV N.Y. will schedule the first televised religion courses for college credit starting June 6. Two 15-week series, *Introduction to Biblical Thought*, and *Religion & Modern Literature* will be televised Mon.-Sat., 6:30-7 a.m. in cooperation with the Protestant Council of N.Y.C. & the N.J. Council of Churches.

Screen Gems' promotion dept. is circulating an unusual mailing piece for *Ivanhoe*. "To demonstrate the merchandising possibilities of the costume series," the promotion is a board game in which each player's "knight" has to make his way through the forest. *Ivanhoe* has been sold in 36 markets to date.

Screen Gems' *The Donna Reed Show* has resumed production for next season . . . Producer Eugene B. Rodney and Robert Young (*Father Knows Best*) will produce six 60-min. specials next season . . . Green-Rouse Productions will produce *Alice in Wonderland* series for Screen Gems.

NTA's *Play of the Week* series, currently in syndication, has been drawing blue chip sponsors in each of the markets where it's seen, according to NTA exec. vp Harold Goldman. Sponsors include, in addition to Standard Oil of New Jersey, American Motors Corp., Studebaker-Packard Corp., P&G, National Carbon Co., P. Lorillard Co., Colgate-Palmolive Co. and Sears, Roebuck & Co.

MCA-TV's mystery-adventure series, *Shotgun Slade*, was sold to R. J. Reynolds (William Esty) for 3 markets in Virginia, Wisconsin and N.Y. state last week.

People: Hal Golden has been named vp & sales dir. MCA-TV . . . Howard A. Singer has been appointed asst. to Pres. Oliver A. Unger at NTA . . . Berton Schneider is named Screen Gems dir., business affairs . . . Robert J. Northshield has joined NBC's *Today* series as program mgr.

Advertising

Film Festival Winners: An audience of agency & film executives gathered May 20 in N.Y. for the grand awards luncheon staged by the first American TV Commercials Festival & Forum. Winners selected by a bleary-eyed committee of 50 agencymen, editors and producers from a starting field of 1,327 TV commercials:

Best Canadian-produced commercial: J. Lyons Tea (Robert Lawrence, Toronto).

Best local TV commercial: Minneapolis Gas Co. (Playhouse)

Best tape commercial: United Motors Service, for Delco Batteries (NBC Telesales).

Best introductory billboard: Tennessee Ernie Ford Show (Playhouse).

Best auto commercial: Chevrolet, "Family shopping tour" (Robert Lawrence).

Best auto accessory commercial: Delco (as above).

Best apparel commercial: Chemstrand, for Nylon stockings (Elliot, Unger & Elliot).

Best appliance commercial: GE, "Elaine May & Mike Nichols refrigerator-freezer spot" (NBC Telesales).

Best baked-goods commercial: Standard Brands, for Fleischman's Yeast (Elliot, Unger & Elliot).

Best beer-wine commercial: Renfield importers, for Martini & Rossi (Elliot, Unger & Elliot).

Best breakfast cereals commercial: Kellogg, for Rice Krispies, "Sounds of Morning" (Robert Lawrence).

Best cigarettes-cigars commercial: Dutch Masters, "Haydn spot with Ernie Kovacs" (ABC-TV, Hollywood).

Best coffee-tea commercial: General Foods, for Maxwell House, "Percolator" (TV Graphics).

Best consumer service commercial: Minneapolis Gas Co. (as above).

Best cosmetics-toiletries commercial: Pharma-Craft for Fresh deodorant (Elliot, Unger & Elliot).

Best dairy-products commercial: American Dairy Assn., "Remember the AlaMode" (TV Spots Inc.).

Best gasoline-oil commercial: Union Oil of Cal., "Cutout" (Universal-International).

Best household cleansers commercial: Lestoil Corp., "Penetrating agent" (Robert Lawrence).

Best home furnishings & maintenance commercials: Drackett Co. for Dran-O. "Wrenches" (Sarra).

Best institutional commercial: GE, "Where Does the Money Go?" (producer not listed).

Best jewelry-sports-toys commercial: Elgin Watch Co. (Sarra).

Best meat products commercial: Buring Packing for King Cotton Sausage (Fred A. Niles, Chicago).

Best paper-wraps commercial: Kaiser Aluminum, for Kaiser Foil (Stan Freberg co-production with Playhouse).

Best pet foods commercial: Calo pet food, for Calo cat food, "Tiger" (Cascade).

Best pharmaceuticals commercial: Johnson & Johnson, for Sheer Strip band aids (On Film, Inc.).

Best prepared foods & mixes commercial: Durkee Foods, for instant mixed onion (Fred A. Niles, Chicago).

Best soft drinks commercial: Seven-Up, "Old Movie Kitchens" (Ray Patin).

Best travel-transportation commercial: Northwest Orient Airline (Desilu).

Best 8-10 sec. ID commercial: Lestoil Co. (Robert Lawrence Animation).

* * *

FTC Chmn. Earl W. Kintner made a plea at the festival for "professionalism" in advertising to counter "the present threat to public confidence" in the trade. He said a professional adman is one who is willing to: (1) "Respectfully disagree with one's clients." (2) "Tell one's clients forthrightly that there are severe objections to a proposed course of action." (3) "Present an unobjectionable program." (4) "Resign from the service of the client if he persists in following a course of action that would violate the ethics of his advisor." Kintner said it sometimes seems to him that "advertisers are the last to weigh the American audience at its true value," but that: "Certain it is that today's consumer is aware, and that he resents being patronized as an unsuspecting boob."

Obituary

William L. Shinnick, 51, former Young & Rubicam vp, died May 15 of a heart attack at Jupiter Inlet, Fla. Surviving are his wife and 2 sons.

Educational Television

Skornia Leaving NAEB: Veteran educator & broadcaster Dr. Harry J. Skornia last week announced his resignation, effective this fall, as pres. of the National Assn. of Educational Bcstrs. He plans to devote full time to TV-radio teaching at the U. of Ill. Dr. Skornia has been with NAEB since 1953, initially as exec. dir. He became pres. last fall when full-time paid presidential post was created.

A NAEB nominating committee has been formed to recommend presidential candidates. Its members: educational WHA-TV Madison (Wis.) program dir. William G. Harley; Ohio State U. TV-radio bcstg. dir. Richard B. Hull; NAEB gen. legal counsel Leonard Marks; radio WBAA Lafayette, Ind. dir. James Miles; and educational KCTS-TV Seattle mgr. Loren B. Stone. The new pres. will take office in Oct., at the conclusion of NAEB's national convention in San Francisco.

National Educational TV & Radio Center begins its 3-day meeting at the LaSalle in Chicago today (May 23). Pres. John F. White will outline the proposed widening of services to the expanding network (46 affiliates) and prospects for increased financial support for educational TV from industry. Programs vp Robert Hudson will discuss with station managers coverage of the Presidential campaigns, and increased foreign programming on the NET network resulting from his trip to Poland, Czechoslovakia and other European countries.

KQED San Francisco will conduct its 6th annual fund-raising TV auction on 5 consecutive nights starting May 31.

Technology

New image-orthicon camera tube, introduced by GE at the Parts Show in Chicago last week, is claimed to produce a better picture by minimizing darkness & distortion at the sides & corners of the screen. The improved performance, said GE, is due to a field mesh in the scanning section of the tube. Designated GL-7293, it's interchangeable with the 5820 studio image orth, and is now available in sample quantities at $1,300.

RCA low-light color-camera tube which requires no greater lighting for color pickup than for b&w (a la GE's GL-7629 image orthicon—Vol. 15:49 p8), was announced last week by Pres. John L. Burns. "We feel that this development represents a real breakthrough in color TV technology," he said, reporting the completion of "highly successful field tests" in Boston. Burns noted that WGN-TV Chicago "already has one camera equipped with the tube" for colorcasting Cubs & White Sox baseball games. Four of the tubes have been ordered by NBC.

Foreign

International Festival of TV Arts & Sciences, first TV trade fair in Switzerland, will be held in Montreux May 15-27, 1961. Applications by U.S. exhibitors are due before July 31 at festival offices, Grand-Rue, Montreux.

TV in Cambodia is planned by the govt. there, which seeks bids until June 20 for network equipment at Phnom Penh. Specifications are available at the Cambodian Embassy, 4500 16th St., N.W., Washington, or from the Ministere des Travaux Publiques, Direction des Postes et Telecommunications, Phnom Penh.

Television Digest

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Personals: Oliver Treyz, ABC-TV pres., elected an AB-PT dir. . . . Martin Brown, AB-PT asst. treas. and ABC vp & asst. treas., elected AB-PT treas. . . . Richard D. Windatt named financial vp, Wometco Enterprises; Arthur Hertz named comptroller . . . Edward Bleier promoted from account exec. to daytime sales vp, ABC-TV.

Russ Coughlan promoted from sales rep to gen. sales mgr., KGO-TV San Francisco, succeeding David M. Sacks, recently named gen. mgr. . . . Ben K. West, ex-WTVP Decatur, Ill., named gen. mgr., KOCO-TV Oklahoma City . . . Arthur T. Faircloth promoted to sales mgr. WRC-TV Washington . . . Saul Messer appointed asst. dir. of accounting, CBS-TV, Hollywood . . . Otto A. Goessl named ad & promotion mgr., KELP-TV & KELP El Paso, Tex., succeeding Jack McElrath . . . Paul Bain named PR & promotion dir., KOB-TV & KOB Albuquerque.

T. Harold Scott, FTC legal advisor whose assignments have included TV-radio monitoring supervision, nominated by President Eisenhower to Indian Claims Commission . . . Victor E. Bluedorn resigns as exec. dir., Sigma Delta Chi, to return to journalism; Floyd G. Arpan, recently named to journalism professorship at Indiana U., temporarily named acting administrator . . . James Higson, program dir. of KHG-TV Los Angeles, resigned to form Higson-Frank radio enterprises with Peter Frank . . . Ken Welch resigned as WOOD-TV & WOOD Grand Rapids, Mich. public affairs & production dir., for health reasons. Carol Duvall replaces him as public affairs dir.; Charles Leipham named TV production dir.

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Donald N. Martin, ex-NAB PR chief, appointed exec. dir. of European Travel Commission, retaining his N.Y. PR firm, Donald N. Martin & Co. The Commission comprises representatives of all 21 Western European nations and is designed to promote tourism. Martin reports that within 3 years a million Americans will have spent $1 billion annually in Europe.

Meetings next week: International Advertising Assn. 12th annual congress (June 1-3), Waldorf Astoria, N.Y. . . . Assn. of National Advertisers workshop on advertising administration & financial control (1-2), Westchester-Biltmore, N.Y. . . . Western Assn. of Bcstrs. (Canada) annual meeting (2-4), Banff Springs Hotel, Banff, Alta.

Irving Gitlin is moving from CBS News, where he has held the post of program executive, creative projects, to NBC. He has been a creative newsman at CBS for the past 14 years. His new NBC News title will be exec. producer, creative projects. Gitlin has been responsible for the creation of some of CBS-TV's glossiest public-affairs shows, including *Twentieth Century, Conquest, Woman!, The Last Word* and *The Great Challenge*, along with numerous specials. Announcement of Gitlin's move came from NBC News vp William R. McAndrew.

Nine TV-radio scholarships totaling $4,450 are offered to students & graduates of N.C. & S.C. high schools by the Jefferson Standard Foundation—established in 1951 by Jefferson Standard Bcstg. Co.'s WBTV & WBT Charlotte, and WBTW Florence. The major grant is a $2,500, 4-year scholarship for study in the creative aspects of TV-radio at the U. of N.C. Five $100 scholarships also are offered for the University's annual high school TV-radio institute. The other awards are 2-year grants for technical study of TV-radio at Charlotte College and at Gastonia (N.C.) Technical Institute, a summer-session scholarship for study at the Transylvania Music Camp, Brevard, N.C. Since its inception, the Foundation has awarded more than $60,000 in scholarships & student loans.

RAB budget of $2.2 million was predicted for 1965 at a directors meeting in N.Y. May 17. By doubling the present budget, RAB Pres. Kevin Sweeney reported, "additional income at the rate of $650,000 annually is anticipated in 5 years from expanded supplementary services RAB will offer its members." RAB hopes to have 1,900 members by 1965, Sweeney added.

Folksy, party-line informality that marked radio in the 1930s is not entirely gone from the medium, reports *Sponsor*. In a town in the Northwest there's a daytime small-watter run by the widow of the station's founder. After opening up the day's schedule with local news and gossip, she tells the listeners: "Sorry to leave you, but I have to go down and sell a little advertising and do some shopping. If I'm not with you at noon, it's because my boy, Ronnie, has been ailing and I want to make sure he has a good warm lunch."

Obituary

Ted R. Gamble, 54, pres. of Mount Hood Radio & TV Bcstg. Corp. (KOIN-TV & KOIN Portland, Ore.), died May 18 of a cerebral hemorrhage in San Francisco. He was national chmn. of the War Finance Committee during World War II. Prominent in civic affairs, he was a past Junior and Senior First Citizen of Portland. He was awarded the Medal of Merit by President Truman for his War Bond work. Before entering TV-radio, he was pres. of Northwest Theatrical Enterprises and of his own coast-to-coast theater chain. Surviving are his wife, a son and 2 daughters.

Louis E. Caster, 63, pres. of WREX-TV Rockford, Ill. and KOCO-TV Enid-Oklahoma City, co-holder of a CP for Duluth Ch. 10 and past pres. of the American Institute of Baking, in which industry he also had wide interests, died May 15 of a heart attack in Rockford. His wife survives him.

Anthony Leighton, 45, ABC photo div. mgr., died May 19 in N.Y. after a long illness. He is survived by 2 sons and a sister.

Trade Report . . . .

MAY 23, 1960

MOTOROLA'S 19-IN. CORDLESS TV: Self-powered portable TV is impractical without large screen for direct, multi-person viewing, Motorola has always insisted, sluffing off earlier small-screen developments. Last week, Motorola revealed what it was driving at—a completely transistorized, big-picture 19-in. cordless TV that operates a minimum of 5-6 hours on one charge of its rechargeable (at least 500-times) silver-cadmium energy cell.

Motorola is already producing its 19-in. cordless "Astronaut" for early-June delivery to distributors. TV set is priced at $275; energy cell is $88 extra. "Astronaut" is a 2-in-1 portable, also operates as a standard TV from 120-volt power source. Consumer-products exec. vp Edward R. Taylor told us production this year will be in "tens of thousands." Cordless TV, along with Motorola's complete 1961 TV line (see page 20) was unveiled for Eastern distributors May 16-17 at Grossinger's. Midwest distributors saw it May 19-20 in St. Louis; West Coast distributors get the picture this week (23 & 24) in Beverly Hills.

We viewed "Astronaut" at Grossinger's, came away impressed by its styling, performance, pricing and obvious impact on distributors. Grossinger's is more justly renowned for food & entertainment than for its TV reception. Hotel is about 100 miles from N.Y., gets less than best TV reception. However, "Astronaut," which generates 15,000 volts of picture power, produced a good, clear picture. Actually, picture performance was better on battery than on AC, but this was attributed to probable voltage drop caused by numerous appliances operating on Grossinger's power system.

Distributor enthusiasm both during & after set unveiling was impressive. Consensus of distributors we spoke with later was that Motorola has come up with an image-builder that is bound to enhance its reputation for engineering, attract customers to dealers' stores, produce ample sales on its own. Our own opinion: 40-pound "Astronaut" is not final answer to cordless TV, but it will certainly do—and do well—until something better comes along. We think Motorola's got a traffic-builder in this one. (For details & data on "Astronaut," see page 20).

3 TV MAKERS UNVEIL 1961 LINES: TV's "New Faces of 1961" had its first showings last week as Motorola, RCA and GE introduced new lines to distributors. RCA's showing was limited to 13 new color TVs; complete 1961 color and b&w line will be unveiled this week (25-28) in Miami. Motorola & GE showed broad b&w lines which feature 19s & 23s, accent on high-end merchandise. Sensation-maker of 3 showings was Motorola's 19-in. cordless portable TV (see story above).

Indicative of 1961 TV trends, each of the 3 lines incorporates first TV-radio-stereo theater models. Motorola unveiled industry's first 19-in. consoles. GE introduced a transistor sonic remote control for low-end sets, retains transistor radio remote for deluxe TVs. Both bonded & non-bonded tubes are well represented. All of GE's 19s & 23s are non-bonded. Motorola uses Corning bonded throughout, except for 19-in. "Astronaut" & 23-in. stereo theater. Consumer products exec. vp Edward R. Taylor contends that the bonded tube shows off "new look" of TV to better advantage, but told us that economy of non-bonded tube, which he estimated at $2-3 at factory, could change Motorola's thinking.

For details on these 3 new TV lines, see pp. 20.

TV-RADIO PRODUCTION: EIA statistics for week ended May 13 (19th week of 1960):

	May 6-13	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	103,861	103,432	98,343	2,210,448	1,985,666
Total radio	315,619	316,261	269,812	6,330,385	5,152,224
auto radio	115,443	110,266	119,725	2,488,291	2,018,771

GE'S DAVIS HEADS EIA: L. Berkley Davis, vp-gen. mgr. of GE's electronic components div., was elected president of EIA May 20 at the 36th annual convention in Chicago. He succeeds Raytheon vp David R. Hull, who headed the manufacturer group for 2 years and received EIA's Medal of Honor for outstanding contribution to the electronics industry at the annual award dinner May 19.

Davis, at 48, becomes the 38th EIA president and the 2nd GE official to hold that post—former electronics vp W. R. G. Baker having been 1956-58 president. Davis began his electronics career in 1934 as an engineer for the former Ken-Rad Tube & Lamp Co. which was acquired by GE. His components div., headquartered at Owensboro, Ky., is composed of the cathode-ray tube, receiving tube, semiconductor products and power-tube depts., and the advanced planning operation.

New EIA vps elected last week were Ben Adler, Adler Electronics, for EIA's industrial electronics div., succeeding C. Russell Cox, Andrew Corp.; and W. S. Parsons, Centralab div. of Globe Union, for the parts div., succeeding Russell E. Cramer Jr., Radio Condenser Co. Re-elected were exec. vp-secy. James D. Secrest, gen. counsel John B. Olverson, treas. Leslie F. Muter, senior vp Robert S. Bell, and vps Sidney R. Curtis & Arthur L. Chapman.

Eight new EIA directors were elected by the 5 product divs.: Consumer products, C. J. Witting, Westinghouse; military products, David F. Sanders, Lockheed Electronics; tube & semiconductor, Mark Shepherd Jr., Texas Instrument; parts, Allen W. Dawson of Corning Glass, Allen K. Shenk of Erie Resistor, and Walter Slocum of International Resistance; industrial electronics, Ben Adler of Adler Electronics, and Howard C. Briggs of Collins Radio.

New division chairmen & vice chairmen: Consumer products, Edward R. Taylor, Motorola, chairman, succeeding Marion E. Pettegrew. Military products, L. L. Waite, North American Aviation, chairman; Richard B. Leng, Packard Bell, & G. T. Scharffenberger, Westrex, vice chairmen. Parts, W. Myron Owen, Aerovox, chairmen; J. A. (Shine) Milling, Howard W. Sams & Co., vice chairman. Industrial electronics, Irving Koss, Motorola, vice chmn.

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New plants & expansions: Eitel-McCullough will add 60,000 sq. ft. to its San Carlos, Cal. plant (for a total 240,000 sq. ft.) and 23,000 sq. ft. to subsidiary National Electronics' Geneva, Ill. facilities (for a total 66,000 sq. ft.) in a $1,350,000 expansion program to be completed this year . . . Globe-Union will begin building this fall, at a Delaware site still to be selected, a $1.5 million, 110,000-sq.-ft. battery plant . . . Itek Corp. has begun construction of a 7-building center (totaling 400,000 sq. ft.) in Lexington, Mass. which eventually will consolidate operations now at 3 separate locations in Waltham & Boston.

Canadian TV gained in March, as distributor sales to dealers increased to 26,420 units from 25,732 in March 1959. However, the March volume was down from Feb.'s 28,564, and the Jan.-Mar. cumulative continued to trail the year-ago totals—79,801 TVs vs. 89,174. The first-quarter breakdown (corresponding 1959 figures in parentheses): portables, 13,361 (14,637); table models, 15,994 (27,585); consoles, 46,652 (43,161); combinations, 3,794 (3,791). For March 1960 (vs. March 1959): portables, 5,680 (4,860); table models, 5,306 (7,222); consoles, 14,481 (13,078); combinations, 953 (572).

MORE IMPORTS SHOWN: Foreign-made TV, hi fi & radio was more in evidence than ever at last week's Parts Show. And more & more, the imports are being served up without an apology. We're beginning to hear the phrase, "fine Japanese craftmanship," used to describe many products.

Not that Japan is the only source of imports. In the hi-fi and tape-recorder fields, as in former years—only more so this year—the parts show has become a veritable world-trade fair, with equipment offered from Britain, Germany, Holland, Belgium, Switzerland, Italy, Austria, Sweden & France. But Japan is still the only foreign country offering a real competitive threat in a mass-production home-electronics field.

Whether the Japanese will make any inroads into the U.S. TV field was a point of sharp debate at the Parts Show. One of the largest importers of Japanese radios, tubes & parts—the Sampson Co. (Hitachi line)—took direct issue with such importers as Delmonico International, now assembling complete Japanese TV lines (Vol. 18:20).

Sampson showed a Hitachi production-model color set (which incidentally produced excellent color & monochrome pictures). No other TV sets were displayed by Sampson, and Pres. Robert L. Sampson made it quite clear he has no plans to import any black-&-white sets. "To sell an imported set," he told us, "you either have to offer a set as good as an American one for a lower price, or a better one for the same price. We don't think you can do this with black-&-white TV." He dismissed the impending crop of 8-in. battery sets as novelties, too expensive & too small.

Color is something else again, in Sampson's view. The Hitachi set displayed at Chicago's Sheraton-Blackstone Hotel was obviously too bulky for American homes, and we were told that freight charges alone on such a set would amount to $45-60. But Sampson hopes to import Hitachi color chassis, mount them in American cabinets, probably with American tubes, to hit the market in fall.

The price? Not yet known, but Sampson implied his company hopes to match the price of RCA's low-end color sets with the heavy-duty super-duper Hitachi set, which he compared in quality & performance with RCA's high-end "Mark" series. He said he has had inquiries from private-brand merchandisers about the Hitachi color chassis.

Japanese sets aren't the only TV imports. Majestic International has been doing a quietly good business for several years with high-end German Grundig TV-radio-phono-recorder units. Of a combination which lists at $1,995 (although it is often sold quite a bit lower), vp Sam Jenkins told us: "We've sold thousands of 'em." Nevertheless, Grundig's 2 TV combinations (the 2nd is a 24-in. set at $2,995) are being replaced by lower-priced 23-in. models —probably the first 23-in. sets to come from abroad.

Majestic will soon offer its first TV-only model—a 23-in. console in the $500 range. And a 23-in. combination will list at about $800, picture tubes in both cases being made by Telefunken or Siemens & Halske for Grundig.

* * *

What are the next big items in the consumer electronics import field? Judging by the displays at the Parts Show, we would say that both Japan & Europe are aiming at 2 relatively new fields—portable tape recorders & portable AM-FM radios.

We saw nearly a dozen different Japanese & European makes of tiny transistorized recorders—many no bigger than a cigar box—list-priced anywhere from under $100

to over $200. Many were developmental samples. AM-FM portables were being pushed, too, and most distributors seemed to think they'd find a place on the consumer market. Most are list-priced well over $100.

Japanese hi-fi components (amplifiers, tuners) are seen in greater abundance, but they don't seem to be making any really impressive headway on the market against well-known U.S. brand-name components. One unique item demonstrated at the Parts Show was "the world's first fully transistorized AM-FM stereo tuner," made by Sony and distributed by Kingdom Products Ltd., N.Y., at $159.95 list. The 12-transistor unit plugs into the power line, and in this case the transistors are claimed to supply stability & freedom from heat, rather than portability.

Perhaps the most unusual item offered at the Parts Show was a compact "fish camera" by Nippon Electric Co., offered by Sampson. Made to sell at about $200 to amateur or professional fishermen, the transistorized sonar-type gadget draws the outline of fish detected underwater, indicating its depth on a graphic scale.

Japanese tubes & components again were displayed by Sampson and Channel Master, with several large component houses carrying Japanese & American lines.

German packaged hi-fi merchandise is still going strong here, according to importers, despite reports to the contrary. Majestic vp Jenkins told us his company's first-quarter sales (mostly Grundig products) were 27% ahead of the same 1959 period. "We grossed $20 million last year," he said. "This year, we're shooting for $25 million. If the present pace keeps up we'll wind up ahead of that."

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Philco's new consumer-product lines will be shown to dealers by closed-circuit TV, just before the TelePrompTer showing of the Johansson-Patterson heavyweight championship fight. Philco has contracted for a minimum of 25,000 tickets at $5 each for its dealers to view the fight in hotel ballrooms in key cities (Vol. 16:20 p9). The pre-fight new-line presentation will take 60 minutes. Philco will sponsor a 30-min. ABC-TV pre-fight show 10-10:30 p.m. the night before the bout.

Stromberg-Carlson announced its entry into the "on-premises" background-music business last week at the Parts Show in Chicago. S-C will supply long-playing tape decks manufactured especially for it by Concertone, amplifiers, speakers and a specially selected tape music library. An optional feature is an automatic tape device which inserts pre-recorded commercials or announcements between musical selections.

Sylvania TV sales at the factory set a record for the month of April and for the first 4 months of this year, Sylvania Home Electronics Corp. Pres. Peter J. Grant said last week. April sales were 43% greater than in April 1959, and 4-month sales were up 22% from the 1959 period, he stated, adding that radio sales for the year through April are 21% over 1959.

IUE wants to start negotiations early—in June or July—on a new contract with GE to replace the one which expires Oct. 1. So said union Pres. James B. Carey last week at a Boston news conference. He said a poll of GE & Westinghouse workers indicated the most important issues in order of preference: (1) Employment security, including supplementary unemployment benefits. (2) Improved pensions. (3) General wage increases ("at least 3½% annually.") (3) Continuation of the cost-of-living escalator.

EIA Kills Stereo Drive: Like its companion TV-promotion campaign (Vol. 16:12 p19), EIA's proposed stereo de-confusion program died last week from a severe case of manufacturer disagreement compounded by disinterest.

Meeting at last week's convention, EIA's consumer-products div. overruled the recommendation of its phonograph section for a limited public stereo-information campaign. Following refusal of several major phono makers to go along with the program, the phono section (L.M. Sandwick, Pilot, chmn.) voted for a far smaller-scale program, centering around a study of the advisability of issuing a booklet giving straight facts on stereo, for distribution by manufacturers, distributors & dealers.

But at the later meeting of the consumer-products div. exec. committee, even this limited program—which would have cost about $5,000 initially—was dropped after long debate. Consensus of the committee was that the program wasn't definite enough.

In a relatively uneventful meeting, the consumer-products div. reviewed a reply from FCC to its request that the Commission insist that imported radios meet the same radiation standards required of U.S. sets. FCC agreed to the request, but stated it plans to work toward this goal through foreign embassies rather than through manufacturers outside the U.S.

In his annual report, outgoing consumer-products exec. committee Chmn. Marion E. Pettegrew reported TV sales for the last 12 months totaled 6.1 million (up 17% from year ago), radios at 9.3 million (up 10%), auto radios 6.5 million, phonos 4.7 million (up 10%). Consumer electronics, he said, "appears to be headed for another good year in 1960, with all major categories ahead of 1959." Pettegrew was succeeded as chairman by Motorola's Edward R. Taylor, Packard Bell's Robert S. Bell continuing as EIA vp for the division.

* * *

Other EIA convention actions:

(1) The credit committee reported a gain of 15% in the number of electronics firms "experiencing financial difficulties" in the year ended March 31 compared with the like 1958-59 period, for a new high. One-third were component manufacturers, followed by makers of test equipment & instruments. Only one manufacturer of TV or radio receivers was in trouble during the year. During the 12 months, 63 new distributorships were formed, vs. 30 in the preceding year.

(2) The educational coordinating committee announced preparation of an educational TV guidebook, a non-technical volume giving an "authoritative & up-to-date treatment of broadcast & closed-circuit TV as they apply to education."

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FM car radio was introduced at the Chicago Parts Show last week by Eric Engineering Co., Santa Monica, Cal., to retail at $99.95. The compact set has 6 tubes, 6 germanium diodes & 2 transistors, uses a 6 x 9-in. Jensen concert speaker. Frequency response of 60-15,000 cycles is claimed, along with 10 watts output & automatic frequency control. The same company also offers an FM converter to play through an automobile AM radio at $79.95.

Why buy a car radio? That's the pitch being made by R-Columbia Products, Highwood, Ill., for a new gadget—"Cardio master"—introduced last week at the Parts Show. The $4.95 device grips any transistor radio firmly, holding it to the car dashboard with a powerful permanent magnet.

More about

1961 TV LINES: The first look at 1961 TV, provided last week by Motorola, GE and RCA, left little doubt that this will be the year of the "square look," in 19- & 23-in. sizes. The new lines also reflect greater industry attention to public desire for variety, gimmicks & gadgets, and furniture-styled high-end merchandise. Motorola unveiled its line to distributors (with MCA-produced shows) at Grossinger's and in St. Louis last week, will continue on the West Coast this week (23 & 24). GE had a showing in Syracuse. RCA raised the curtain on its color line at Las Vegas, before 700 Western distributors & dealers. Here's the rundown on the new models:

Motorola Shows First 19-in. Consoles

Highlights of Motorola's 1961 TV line include its 19-in. cordless portable, five 19-in. consoles, two 19-in. table models and a portable, thirty 23-in. models, and its first TV-stereo theater. Except for the TV combination, Motorola showed no stereo equipment and won't until a separate showing in late August. We attended the Grossinger's meeting, and consumer products exec. vp Edward R. Taylor told us separate shows are essential for effective introduction of today's large home-entertainment lines.

Motorola's 19-in. consoles (the Harbinger series) range in suggested list from $279.95 to $289.95. The 19-in. table carries a $219.95 tag, and is also available in a wireless remote-control version at $259.95. The sole tube-type 19-in. portable lists at $199.95. The 23-in. line is available in a standard series, ranging from a $229.95 table to a $319.95 swivel console; a deluxe series, ranging from a $299.95 consolette to a $499.95 lowboy model with wireless remote; and two 23-in. combinations with 4-speed stereo hi-fi, priced at $525 in walnut and $550 in cherrywood. An FM-AM radio tuner is available optionally at $89.95. Motorola's 1961 Drexel-furniture TV series also features the 23-in. look, in models ranging from the $429.95 "Dutchess County" to the $600 "Triune." Drexel merchandising vp David J. Brunn, told the distributors that Drexel has progressed from a $2-million volume pre-war to $40 million in 1959. He told us later that Motorola accounts for about 10% of that volume.

The 19-in. models (except the all-transistor cordless portable) utilize a plated-circuit chassis that produces 20,000 volts of picture power. The 23-in. TVs use a hand-wired, transformer-powered chassis, featuring a new Motorola-designed video amplifier tube, which produces up to 23,000 volts of power in models with 90-degree tubes.

Motorola also is holding over 14-, 17-, and 21-in. models, some of which were dropped-in last March. Uhf is $30 extra.

Taylor also had good news about Motorola's distributor-to-dealer sales. Projecting to June from June 1959, he reported these gains: TV 20%, stereo 25%, portable radio 105%, table radio 81%, clock radio 88%. In 1960's first 4 months, portable & home radio sales are up 70% over a year ago, stereo is up 43%. For industry in 1960, Taylor forecast these gains: 6.5 million b&w TV sales, 70% increase in stereo, 15% for portable radios, 20% clocks, 10% tables, 15% autos.

He told the distributors that there have been "interesting changes" in the color-TV situation, but that the market is still miniscule, with peak annual sales of under 100,000 sets. Motorola is "watching" and will be ready when the market is ripe. Incidentally, among the scuttlebutt picked up at the Grossinger's session: Motorola is progressing on a single-gun color tube.

Motorola also showed its table & clock radio lines, including one FM-only set ($49.95), 2 FM-AM table models.

GE Has 22 Basic TV Models

TV at GE in 1961 will be represented by 22 basic 17-, 19-, 21- and 23-in. models ranging from about $169 to $629. The TVs use the same 2 chassis in GE's current line. The new line also marks GE's entry into the combination TV-stereo field, with a 23-in. model. Approximately half of the TV line is in 23-in. models, topped by 2 deluxe furniture models which will retail at $450 & $525.

GE also announced broad lines of portable & console stereo phonographs for fall availability. The console line embraces 7 basic models with a total of 21 variations in style, finish and features, ranging to a high of $650. The stereo portables comprise 5 basic models & a total of 6 sets ranging in price from $49.95 to $169.95. The portable line also includes a single-channel automatic model (RP-1112), with 4-speed changer, which carries a suggested list of $59.95. A feature of the phonograph line is the "Vacu-Magic," a development which GE says vacuum cleans records while they're playing. Dust picked up by a stylus-mounted brush is sucked in by an "acoustically-sealed vacuum cleaner" and passed through a tube into a container in the interior of the cabinet. The "Vacu-Magic" is featured in the top-of-the-line "Canterbury" and "Mount Vernon" series of consoles.

RCA Unveils 13 New Color Sets

Thirteen color TVs, including its first color TV-stereo-radio combo, were unveiled by RCA last week. Six of the models incorporate a 7-function remote control. Like the 1960 line, RCA's new models begin at $495. At the same distributor-dealer showing, NBC color-sales executive Paul Klempner reported that NBC-TV color programming in 1960 will total 920 hours, up 27% over 1959. Summer colorcasting will increase 16%. The fall lineup, he said, starting the first week in Nov., will be up 31% over the year-earlier color volume.

Pres. John L. Burns attended the RCA preview in Las Vegas and let the Western distributors in on some news. Before year's end, he said, RCA will establish the nation's first center for "radical experimentation with advanced styling concepts which can eventually be incorporated into the whole range of home instruments." The style center, working in concert with RCA's advanced engineering center now operating in Princeton, N.J., will develop new concepts of design & technology for TV, stereo and other home entertainment equipment as far ahead as 1970.

"In developing this program," Burns said, "we are bringing together a small group of front-rank industrial designers who will oversee & evaluate developments in the world of art, interior decorating, fashion and furniture. Any developments that look promising will be tried out immediately . . . Just as the styling center will concentrate on improving the outsides of our home instruments, the engineering center is focusing on improving the insides."

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Test-marketing of Jerrold's "Magic-Carpet" flexible printed-circuit TV antenna has been successful, distributors were told last week at the Parts Show in Chicago. Jerrold introduced the item to parts distributors at the show. List-priced at $9.95, the 6 x 2½-ft. unit is designed for attic or under-the-rug installation.

More about

MOTOROLA'S 19-IN. BATTERY TV: The self-powered 19-in. "Astronaut" (Model 19P1) unveiled by Motorola last week as the world's first large-screen, all-transistor portable TV (see p. 17) seemingly packs the styling, power and picture size essential for a successful journey to market. Consumer-products exec. vp Edward R. Taylor views the development as "the practical beginning of the evolution from tubes to transistors in the TV industry"—an evolution he calculated would take about 4 years.

The Astronaut's appearance is trim. Its face is its 19-in. non-bonded Kimble picture tube, shielded behind a plastic safety plate. The tube & chassis are encased in a form-fitting fiberglass cabinet which is covered with a scuff-resistant, washable material. Dimensions: 15½-in. high, 18-in. wide, 12¾-in. deep, including a removable front cover which serves to protect the picture tube during transport. Total weight: 40 pounds, including its 5-pound silver-cadmium energy cell.

In a technical nutshell, the Motorola cordless TV is powered by 23 transistors & 12 diodes. It uses a 114-degree, 19AEP4 picture tube. The tube is a standard 19XP4 bulb with modified electron gun to permit low G2 voltage (100 volts) without increasing spot size or defocusing the picture. Filament power requirements are reduced to 12.6 volts at 150 ma. to avoid excess battery drain. The low G2 voltage permits full-contrast range with only 50 volts of video driving signal, well under the maximum output of the transistorized video amplifier. The net result is 15,000 volts of picture power.

Heart of the portable is its silver-cadmium energy cell, supplied by speciality power-supply maker Yardney Co., Long Island, N.Y. The 5-pound cell, described as a miniaturized version of a type used in missiles, jets & satellites, will operate 5-6 hours on a single charge. The cell can be recharged at least 500 times. The recharging occurs automatically by plugging the TV's line cord into a home AC power outlet. The regeneration process automatically cuts out when the cell is fully charged. Recharge time: 3 hours for each discharge hour.

Taylor said that the all-transistor Astronaut uses 500% less current than comparable tube TVs and has 300% less heat rise. Both the set & energy cell carry a 1-year warranty. All operating controls are topside. He said uhf strips for the transistor tuner also are available.

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Federal fair-trade bill, approved nearly a year ago by the House Commerce Committee but tabled in April by the Rules Committee (Vol. 16:17 p16), is being pushed again by its author, Commerce Chmn. Harris (D-Ark.). Pleading for support for his measure (HR-1253), he filed a motion to discharge the Rules Committee from further consideration of the bill so that it may be brought to the floor for a vote. Harris said the proposed law would protect "small business from the onslaught of unrestrained, cutthroat competition of large chainstores, dept. stores and discount houses which have been flourishing as a result of a breakdown of effective state fair-trade laws."

New technical manual, *Tabulation of Data on Receiving Tubes,* has been published as National Bureau of Standards Handbook 68. Compiled from manufacturers' published specifications, the manual (110 pp., $1) is available from Supt. of Documents, Washington 25, D.C.

CHANNEL MASTER'S NEW CHANNELS: Channel Master of all trades—with plenty of jack. That's the leading manufacturer in the TV-antenna field, which has successfully diversified into other branches of consumer electronics, and which expects some day to be in the TV-set business itself.

Think of Channel Master, you think of antennas. Yet, surprisingly, less than half of its gross last year was in antennas & accessories. The firm, headquartered in pleasant Ellenville, N.Y., is entirely owned by the Resnick brothers—Pres. Harry, Chmn. Joseph & vp Louis. In 1959 its gross sales were about $33 million. Only $20 million of this was represented by electronic equipment sales to distributors. The other $13 million, by & large, was in by-products—sales of aluminum products, principally to the summer-furniture industry. For Channel Master has its own complete aluminum mills in Ellenville.

Of the $20 million in electronic equipment sales, antennas & accessories represented about $11 million. The remainder was accounted for by its relatively new electronic products—mostly radio imports, tubes & hi fi.

Channel Master has been in the radio business for nearly 2 years, importing transistor radios made by Sanyo, one of Japan's top producers. In the last year, according to electronics-sales mgr. Sam Schlussel, the company sold 500,000 radios.

Taking advantage of strong distributor loyalties to its products—loyalties which showed up strikingly last week at the Parts Show in Chicago—Channel Master has built up a radio-sales program with a warranty, servicing & parts program that'd do credit to any U.S. radio maker.

Warranties, Parts & Service Available

Channel Master radios don't compete with the cheapest. They're sold through standard retail outlets, and they're backed by a written 90-day warranty. And Channel Master's parts-jobber distributors carry a complete stock of all replacement parts for the Japanese-made sets, each part boxed & unmistakably labeled. For universal servicing, Channel Master sets are diagrammed in the Howard W. Sams Photofact service, and Sams-designed service manuals are also available for each set.

The company's component hi-fi line is being distributed on a 2-step basis—through distributors to retail outlets—rather than the one-step (distributor to public) basis which has characterized most component hi-fi sales. Its line consists of U.S.-made AM-FM tuner and stereo amplifier, a Japanese-made transcription-type phono turntable (already being used by some radio stations as well as hi-fi hobbyists) and Japanese speakers with American-made enclosures. The line is short & relatively inexpensive, and will be the subject of a sales push this year.

What's next? Picture tubes. With its sturdy distributor setup (it already has a line of Japanese-made receiving tubes), Channel Master believes it can make a nice profit in this traditionally feast-or-famine business. After a West Coast marketing test in which it handled picture tubes made by others, Channel Master has decided that it must do in the CR tube field what it is doing in antennas —build them from the ground up.

A 50,000-sq.-ft. picture-tube plant is being built in Port Jervis, N.Y.—"the most modern in the world"—with a capacity of 1,500 tubes a day. The company, keeping its supply lines short, will sell the tubes (all new, with reused glass) only to distributors within a 700-mi. radius of Port Jervis. If the company decides to expand its picture-

tube operations, other plants will be opened to serve other parts of the country.

"We'll probably be in TV itself some day," said Schlussel, displaying an 8-in. transistorized prototype battery set manufactured by Sanyo. But he indicated that his company isn't at all sold on the small-screen approach, and that even these tiny sets wouldn't be available on a mass basis this year. He didn't know if Channel Master would ever handle the midget battery set which he had on hand to test distributor reaction.

Sales of Channel Master's first product, the TV antenna, are still high, said Schlussel. "They've leveled off to a high plateau—not like early days, but still very good."

Unlike many privately-held electronics companies, Channel Master has "absolutely no plans" for a public stock issue. "We can raise all the money we want through private sources," we were told.

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Component Hi Fi Slow: Most manufacturers of hook-'em-up-yourself audiophile component hi-fi equipment displaying at the Parts Show in Chicago agreed that this year's sales so far have been about the same as last. In other words, okay, but not as good as expected.

Some blamed limited distribution. Hi-fi components are generally sold to the public by parts distributors or special audio dealers who buy direct from the manufacturer, and there was talk by some manufacturers of beginning "2-part distribution"—that is, sale through regular distributors to many of the same outlets which now handle packaged hi fi.

Philco formally entered the component hi-fi field with a set of components which will be handled largely through its regular distributors. Its initial line includes an AM-FM stereo tuner at $149.95, a stereo amplifier at $184.95 and "Stereo-Phone" mid- & high-range speakers at $59.95, plus 12- & 15-in. woofers.

Tape-recorder manufacturers generally agreed that sales for the past 12 months had picked up somewhat. Unlike last year, when talk of stereo-tape cartridges plunged recorder makers & the manufacturers of pre-recorded tape into deepest gloom, the feeling this year was that the coming of cartridges isn't throwing consumers into confusion.

Only one manufacturer showed tape-cartridge machines —and that was Bell Sound Systems (Thompson Ramo Wooldridge), with 6 models designed for the RCA-type cartridge, beginning with a tape player at $99.50. A spokesman said these had been "moving extremely well."

A representative of United Audio Tapes, big Ampex-controlled pre-recorded tape distributor, told us that business in "open-reel" (non-cartridge) taped music has been very good, and that dealers & public are no longer thrown into panic at the announcement of new tape-cartridges system such as the 3M-CBS and Armour Research Foundation developments announced in March (Vol. 16:13 p18).

Perhaps some of this is whistling in the dark—because it's inevitable that there will be a clash between the cartridge & the open-reel approach. Neither 3M nor CBS—both of which had displays at the Parts Show—demonstrated their new tape system. Even RCA's tape display featured the standard open reels rather than cartridges.

But the truce was uneasy, and it's a good bet that infighting will flare up July 10-12 at Chicago Music Show.

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New model Fleetwood TV, designed for custom installation by Conrac Inc., uses Sylvania 23-in. bonded tube with diffused no-glare safety panel.

REPORT FROM JAPAN: The Japanese transistor industry has over-extended itself by setting up more productive capacity than it can immediately use. That statement was made by director Donald S. Parris of the Electronics div. of Commerce Dept.'s Business & Defense Services Administration at the EIA annual convention in Chicago last week. Parris had just returned from a one-month trip to Japan (Vol. 16:20 p17).

At the same time, Parris's office released a tabulation of Japanese electronics-production statistics for 1957-59, showing that last year's total output was valued at $935.7 million, nearly double the $497.9 million of 1958 and up from $362.2 million in 1957. (The complete table, with U.S. electronics industry comparisons, will be printed in these pages next week.)

One figure stands out sharply in the tabulation of Japanese production: Japan passed the U.S. last year in number of transistors produced—by 86,500,500 to 82,294,000 made in this country. (Japanese figures are total production; U.S. are factory sales.)

Parris predicted that Japanese transistor output will increase further this year—judging by the "tremendous pace" of capacity build-up. He compared the Japanese transistor expansion with the U.S. TV industry in the early and mid-'50s—when "everybody was building TV plants until we had far more capacity than we could use." He said there are also indications of over-expansion of TV & radio production facilities in Japan—which turned out 2,873,000 TVs & 10,025,200 radios (vs. 6,349,380 TVs & 15,622,000 radios produced in U.S.) last year.

"I don't think the Japanese can crack the American TV market," said Parris in answer to a question from the floor—pointing to high shipping charges because of weight & bulk, import duty, etc. He was met with disagreement from several manufacturers. Parris thinks hi-fi components—tuners, amplifiers, speakers—will be the next big competitive Japanese export item, and the step-up in hi-fi imports at Chicago's Parts Show provided confirmation.

As to Japanese wage rates—they're not really as low as they appear to be at the first glance, he declared. In addition to the regular (and highly publicized) low hourly wages, he pointed out, the Japanese traditionally have many fringe benefits—including the tradition of a bonus equal to 2 to 4 months' pay every 6 months. "The basic wage rates are really only a fraction of the labor costs."

Like other electronics specialists who have visited Nippon, Parris was particularly impressed with the quality of the products and the research & development being carried on in Japan. "They're not just copying," he said. For example, he saw a model of a home video-tape recorder being developed by Sony. "The quality of the picture was very good," he stated, "although the recorder isn't nearly ready for production yet."

He said he had talked with govt. officials about the coming voluntary export quotas on transistor radios, but he couldn't predict the outcome. The Japanese Electronic Industries Assn. has asked for export quotas equal to 1959's shipments to the U.S. of 3,990,000 radios with 3 or more transistors, but there are some in the govt. who favor a lower quota.

* * *

Seeking a policy on imports, the EIA board at week's end recommended that gen. counsel John B. Olverson review all existing proposals to cope with the situation and come up with a plan that the Association can sponsor. A report by EIA's international dept. exec. committee, under

acting Chmn. Ray C. Ellis, had recommended that a special group be formed from all EIA divisions to develop a policy toward imports. This was considered a complete about-face for this division—composed of companies active in the export market—which has traditionally taken a laissez-faire attitude toward import control of any kind.

Ellis indicated that exporters feel the problem is now completely different from that of a few years ago when the electronics industry's "balance of trade"—exports over imports—was about 40 to 1. In the first 9 months of 1959, Commerce Dept. figures indicated this balance had dropped to 5 to 1, and was still on the way down (Vol. 16:2 p18).

National Electronic Distributors Assn. elected these officers last week in Chicago: V. N. Zachariah, Zack Electronics, San Francisco, chmn. Mauro Schifino, Rochester Radio Supply, Rochester, N.Y., pres. Roy J. Schneider, Walder Radio & Appliance, Miami, first vp. Rubin Green, Green Tele-Radio Distributors, Brooklyn, 2nd vp. Sam Poncher, Newark Electronics Co., Chicago, industrial vp. Mayer Spiro, Meyer's Electronics, Bluefield, W. Va., secy.-treas. Gail S. Carter, formerly NEDA executive officer, was elected exec. vp.

Phono record sales by manufacturers last year totaled $230,520,000, a 16½% increase over the $197,776,000 in 1958, the Record Industry Assn. of America estimated last week on the basis of Internal Revenue excise tax figures.

PHONO SALES UP 30%: Retail sales of phonographs during the first 3 months of this year were 30% higher —in number of units—than in last year's relatively poor first quarter. In dollar volume, the increase probably was considerably greater, inasmuch as more than 75% of the units sold to the public this year were stereo, while in the same period last year, only about 45% of the sales were stereo. These facts are indicated in official first-quarter EIA figures, released last week.

March saw the usual seasonal dip from Feb. this year —and then some. Total March retail sales of phonos were only 11% higher than March 1959. March 1960 retail sales totaled 210,746 stereo & monaural units, while the March 1959 figure was 279,652.

The production rate of phonos has slowed down somewhat to keep pace with sales, according to the figures. For the first quarter of this year, total factory sales (1,181,036) were lower than retail sales (1,278,526). Last year, with great expectations, factories sold 1,002,298 units, while only 997,899 sets were moved at retail during the first quarter.

Here are the first-quarter monthly stereo & mono phono sales figures for 1960 & 1959 as tallied by EIA:

1960	Factory Sales		Retail Sales	
	Mono	Stereo	Mono	Stereo
January	118,400	341,329	150,688	368,964
February	90,854	324,666	100,268	347,860
March	63,264	242,523	61,249	249,497
TOTAL	272,518	908,518	312,205	966,321

1959	Factory Sales		Retail Sales	
	Mono	Stereo	Mono	Stereo
January	184,147	177,336	231,429	159,214
February	164,873	188,750	171,127	156,477
March	119,075	168,117	139,577	140,075
TOTAL	468,095	534,203	542,133	455,766

'Future Unlimited'—Hull: The electronics industry's potential for expansion is "unlimited," outgoing EIA Pres. David R. Hull said in his annual report last week. "Not only will we double our sales in the next decade," he said, but "with every new technical breakthrough, new opportunities for industrial expansion arise."

The 2 biggest industry problems facing EIA in the last 12 months, he said, were the Walsh-Healey minimum-wage determinations and the competition from Japanese imports. In the wage proceedings, "thanks to the prompt action of EIA and the solid support of our membership, we prevented the electronics industry from being forced to pay substantially higher wages through coverage of most of our military products in a proposed new aircraft-industry definition." He added this would have cost electronics manufacturers $500 million to $1 billion a year. Walsh-Healey determinations still remain uncertain in the component, tube & semiconductor, and electronic equipment fields.

He called the Japanese radio flood "just the beginning of a broader invasion of our markets." Commenting on the present export quota proceedings in Japan (Vol. 16:20 p17): "I am pleased to see that the Japanese are aware of this problem and appear to be taking steps at least to slow down their U.S. exports of electronic products . . . If so, the efforts of EIA over the past year will not have been in vain."

EIA, with about 350 members, has shown a net gain in membership of only about 12% since 1950, despite the rapid growth of the industry and of the services provided by the Association, Hull said. While new members have been added at the rate of 30-40 a year, "our losses from [company] mergers, acquisitions and departures from the industry have greatly reduced our net gain."

Trade Personals: O. John Hayles, ex-Pyle National (Canada) Ltd. and onetime chief of Sylvania's Canadian TV-radio manufacturing operations, rejoins Sylvania as gen. mfg. mgr. of its home electronics div., succeeding Harry H. Martin, promoted to corporate dir. of purchases; James H. Brewster III promoted from Sylvania Electronics military mktg. vp to operations vp, Sylvania Electronic Systems, succeeded in military mktg. by Frank D. Langstroth, ex-Philco and formerly with Sylvania; Frank H. Russell, ex-Lenkurt Electric, named Sylvania Electronic Systems ad mgr. . . . Herbert L. Brown, Ampex, reelected pres. of Magnetic Recording Industry Assn. at the annual meeting May 19 in Chicago; all other officers were reelected . . . E. Wallerstein, Everest Records, elected to MRIA board . . . Lester L. Kelsey, ex-Stewart-Warner and Hallicrafters, appointed to new post of vp & merchandising mgr., Trav-Ler.

Edward P. Sykes Jr. named mktg. dir., Stromberg-Carlson's commercial products div.; Henry M. Wales named govt. relations mgr., S-C's Western region; Jerome E. Johnson named Western regional mgr., automotive product sales, commercial products div. . . . George Y. Wheeler II, RCA Washington vp, resigns, continues duties pending selection of successor, will become RCA consultant. Meanwhile, he has offered political services to Adlai Stevenson "for whatever chores he may want to give me" . . . Curtis R. Hammond named to new post of commercial sales development dir., Raytheon . . . Hilmer Lindahl appointed radio bcst. equipment vp, International Radio & Electronics Corp. . . . Albert Belge, ex-Aro Equipment Corp., named mfg. engineering mgr., International Resistance Burlington, Ia. div.; Harry Johnson named senior sales engineer, control components div.

Finance

AB-PT Looks Up: Second-quarter results of AB-PT will be better than last year's. AB-PT Pres. Leonard H. Goldenson so informed the company's stockholders in N.Y. May 17. Reviewing 1959's record sales and first-quarter 1960's record earnings (Vol. 16:17 p20), he said: "The most significant progress in our operation has been in TV." He noted that the 1960 evening schedule for the fall quarter on ABC-TV "is already over 80% sold out."

Theater business is "somewhat softer currently in this quarter," he said, principally because of the recent SAG strike which caused extended release schedules.

Although music-industry figures Gloria Parker and Barney Young (who in recent seasons have been a stormy influence at network shareholder meetings) were present, there were remarkably few fireworks. Miss Parker rose to read a resolution proposing that AB-PT divest itself of its holdings (some 3% of the total, according to Goldenson) in Broadcast Music Inc. because BMI "pushes rock & roll stuff that encourages sex." Young followed-up with a request that the BMI stock be sold "at a proper price." Then came a surprise move by Goldenson. "Are you prepared to make us a firm offer in writing from a substanial group for the stock? If so, we will be glad to consider it," Goldenson told Young, who quickly sat down. (The Parker-Young duo have suits pending against CBS & NBC, charging monopoly practices in the music field thru BMI.)

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Paramount Pictures reports a decline in earnings in the first quarter compared with the year-ago period. In the table below, the 1960 net includes a special income of $754,000 (45¢ a share) derived mainly from installments on the sale of the pre-1948 library. The 1959 net includes a special income of $2,327,000 ($1.35), derived from the sale in Jan. 1959 of Paramount holdings in Metropolitan Bcstg. Corp. (formerly DuMont Bcstg. Co.). Consolidated report for 13 weeks ended March 31:

	1960	1959
Net income	$1,699,000	$3,645,000
Per common share	1.02	2.11
Common shares	1,672,398	1,727,316

20th Century-Fox Film Corp. posted healthy revenue & profit gains in the 13-week period ended March 26 and seemingly is headed for "one of the best years since I have been president [19 years]," Pres. Spyros Skouras reported last week. For 13 weeks ended March 26:

	1960	1959
Gross income	$28,653,252	$27,609,189
Net income	1,602,282	929,976
Per common share	69¢	41¢
Common shares	2,338,536	2,293,186

Warner Bros. reports less profit on higher revenue in the first half of fiscal-1960. In the table below, the net income reflects profit on sales of capital assets of $196,000 in 1960 and $707,000 in 1959. The consolidated report for 6 months ended Feb. 27:

	1960	1959
Film rentals, etc.	$45,983,000	$40,373,000
Net income	3,422,000	4,626,000
Per common share	2.27	2.91
Common shares	1,504,000	1,585,196

Reports & comments available: AB-PT, report, Shearson, Hammill & Co., 14 Wall St., N.Y. 5; analysis, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 . . . Varian Associates, report, White, Weld & Co., 20 Broad St., N.Y. 5 . . . Newark Electronics Corp., prospectus, H.M. Byllesby and Co., 405 Lexington Ave., N.Y. 17.

Walt Disney Productions reports a net loss for fiscal-1960's first half. The company attributed the loss to the fact that 2 of its major TV shows were not telecast during the period and to "disappointing earnings on recent theatrical releases." Although a pickup in income is anticipated for the 2nd half, the company forecasts "net earnings will be substantially below the level of last year." For 26 weeks ended April 2:

	1960	1959
Total income	$18,805,820	$23,430,211
Net income (loss in '60)	(90,485)	906,485
Per common share	—	57¢
Common shares	1,626,023	1,581,011

Federal Pacific Electric Co. reports a net income of $2,905,416 ($1.94 a share after preferred) on sales of $74,296,500 in the 9 months ended March 31. For the quarter ended March 31, the net totaled $839,792 (54¢) on $24,007,030 sales. The per-share earnings are based on 1,441,534 shares of common; 581,040 shares are excluded. The financial report includes the operations of recently-acquired Cornell-Dubilier Electric Corp. (Vol. 16:7 p24), and comparative figures for the year-ago periods are not available.

Movielab Film Labs Inc., N.Y. TV & movie-processing firm, plans public sale of 100,000 Class A common stock shares, 62,500 to be offered by the company, 37,500 by Pres.-Chmn. Saul Jeffee, according to an SEC registration statement (File 2-16549). Underwriters of the offering, in which 5,000 shares will be reserved initially for Movielab employes, are headed by Granbery, Marache & Co. Proceeds would be used for additional equipment & working capital.

Foto-Video Electronics Inc., Cedar Grove, N.J. developer of TV operating & test equipment and closed-circuit systems, plans a public offering of 125,000 class B common stock shares at $4 per share through D. F. Bernheimer & Co. Inc. In an SEC statement (File 2-16507) the company said $100,000 of the proceeds would be used for research & development, $200,000 for working capital, the balance for sales promotion.

Martin Co. now holds 14% of the voting stock of General Precision Equipment Co., which it purchased on the market at a cost of around $10 million, Martin Chmn. George M. Bunker told the N.Y. Society of Security Analysts in a talk recently. He said a merger was "a possibility—but there is nothing now in the works."

General Instrument Corp. & General Transistor Corp. have agreed in principle to merge, subject to further study & stockholder approval. The proposed terms would exchange 7/10 of a share of General Instrument common for each outstanding share of General Transistor common.

Skiatron Electronics & TV, scheduled to submit a defense brief to SEC last week in its stock-registration case (Vol. 16:18 p21), obtained a week's delay until May 26 at the request of counsel James M. Landis.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
AT&T	Q	$0.82½	Jul. 11	Jun. 10
Dresser Industries	Q	.30	Jun. 15	Jun. 1
Famous Players Canada	Q	.37½	Jun. 10	May 25
Globe-Union	Q	.25	Jun. 10	Jun. 2
Hazeltine	Q	.20	Jun. 15	Jun. 1
Newark Electronics "A"	New	.06¼	Jun. 30	Jun. 15
Standard Radio Ltd.	Q	.15	Jul. 8	Jun. 17
Storer Bcstg.	Q	.45	Jun. 15	Jun. 3
Storer Bcstg. "B"	Q	.12½	Jun. 15	Jun. 3
Time Inc.	—	.75	Jun. 10	May 26
20th Century-Fox	Q	.40	Jun. 30	Jun. 15

WEEKLY **Television Digest**

NAB LIBRARY MAY 31 1960

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The authoritative service for executives engaged in all branches of the television arts & industries

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Congress

SENATORS UNEASY ABOUT FCC 'COMPLAINTS' PLAN, fearing invasion of programming. Ford insists there's no thought of "censorship" (pp. 2 & 6). Dept. (p. 14).

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SEATTLE 'DUAL AFFILIATION' IS CBS ANSWER to long-standing anti-trust suit of KTNT-TV Tacoma-Seattle. After June 1, both that station & KIRO-TV will be nework's outlets in the market (p. 3). Dept. (p. 14).

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GLOBAL TELEFILM MARKET will gross $37.5 million for American producers this year (pp. 4 & 7). Our exclusive Background (No. 7) presents prices paid, special restrictions, dubbing requirements for nations around the globe (p. 8).

WGA REJECTS LATEST PEACE BID but ad agencies are reported to be moving to settle & end the strike (p. 10).

FOUR STAR & REVUE tied for lead as producers of network series; Revue is still No. 1 in production, via syndicated series (p. 11).

FCC

LEE CONFIRMATION IN DOUBT as Senate Commerce Committee again passes over renomination to FCC. Outlook for FTC Chmn. Kintner also uncertain (p. 4). Dept. (p. 5).

Manufacturing & Distribution

U.S., JAPANESE OUTPUT comparison for 1959 shows Japan produced 66% as many radios, 44% as many TVs as U.S. Table shows contrasts in unit output, price (p. 16).

REVERBERATION—NEW GADGET in Philco & Zenith stereo lines—gives "concert hall" feeling to music, based on Hammond Organ's electronic delay line (p. 16).

PROBLEM FOR IMPORTS: Approval by Underwriters Labs essential for sale of TVs in many markets, but procedure for gaining UL seal is complex & expensive (p. 17).

RCA'S 1961 B&W TV line features 30 models in 17-, 19-, 21-, & 23-in. sizes; introduces Henredon-made furniture-cabinet line which includes color model (p. 18).

EIA MEMBERS seek FTC rules on foreign component labeling; board makes legislative proposals; other EIA actions (p. 18).

ELECTRONICS EXPORT BEEFS are filed by industry spokesmen at Commerce Dept. conference on foreign trade problems. Situation worsening, they say (p. 19).

RETAIL SALES of TV up 16% over last year, radio up 23% in first quarter. Rises over last year shown at all levels, including uhf TVs & FM radios (p. 19).

Auxiliary Services

UHF BOOSTERS OKAYED BY FCC. New rules allow uhf stations to put up co-channel repeaters to fill holes within Grade A contours. No action yet on vhf boosters (p. 6).

Other Departments

PROGRAMMING (p. 13). **ADVERTISING** (p. 13). **PERSONALS** (p. 15).

WESTINGHOUSE'S AFFILIATION-TAX CASE: Hundreds of millions of dollars in station values & profits ride on tax appeal heard in U.S. Tax Court, N.Y. May 24—in which Westinghouse Bcstg. Co. contested govt.'s ruling that the value of network affiliations can't be amortized.

This key case is the first appeal involving a TV affiliation contract. It has been avidly followed by industry ever since Internal Revenue Service turned down WBC in 1957 (Vol. 13:35 p6) in Ruling No. 57-377, Aug. 26. Govt. seeks $985,782 in back taxes for 1953-54, saying WBC owes that sum on the earnings of its KYW-TV Philadelphia.

Westinghouse presented only one witness, govt. none, and the case is "in"—except for filing of briefs Sept. 21, replies Oct. 21.

Background of case: In 1953, WBC bought KYW-TV (then WPTZ) from Philco for $8.5 million. It allocated $5 million of price to NBC-TV affiliation contract; sought to amortize it at rate of $1 million annually for 5 years. Internal Revenue Service refused to accept WBC's bookkeeping; disallowed it. Govt.'s theory was that an affiliation is nearly permanent because a station is as important to a network as the reverse—if not more so. IRS ruled that intangible assets are subject to tax depreciation if they have value "for only a limited period." Since NBC-TV cancelled KYW-TV affiliation 2½ years after WBC took over (before swapping NBC's

Cleveland stations for WBC's Philadelphia outlets), the appeal now seeks amortization of the $5 million over 2½ years instead of 5.

Station broker Howard Stark was WBC's witness last week—and WBC attorneys' questions were designed to show: (1) An affiliation is extremely valuable to a station. (2) NBC-TV affiliation was worth $5 million more than one with ABC-TV in 1953. (3) A station can't assume it will keep affiliation indefinitely. (4) Competition can increase as more stations are assigned to cities by FCC. (5) Value of affiliation can decrease because of other industry developments—such as pay-TV, etc. Hence—TV affiliations are both valuable & impermanent, and rapid depreciation of their value should be permitted.

Stark testified that $8.5 million was fair price for WPTZ in 1953, using as a formula 5 times station's 1952 earnings of $1.9 million before taxes.

Attesting to fragility of affiliation, Stark noted that WBC in 1953 faced danger that a network might buy own outlet in Philadelphia—and in fact both NBC & CBS later did so.

Govt. attorneys cross-examined Stark very briefly, seeking to show that network needs a particular affiliate as much as affiliate needs network—and that network is really a "customer" of affiliates. They got little satisfaction out of Stark.

Case was heard by Judge Russell E. Train, and observers thought WBC had put its & industry's case in excellent light. Much hinges on his decision, for IRS regional offices have been coming up with variety of interpretations of law, some more favorable to stations—and all appeals to courts are being delayed pending WBC decision. WBC was represented by Albert Connelly & George Tyler of Cravath, Swaine & Moore, N.Y.

SENATORS UNEASY ABOUT FCC 'COMPLAINTS' PLAN: FCC's proposed 25-man watchdog Complaints & Compliance Div. had a real down & up session before Senate Appropriations Subcommittee last week. After first day's hearing, chance of FCC's getting necessary $300,000 seemed bearish. Next day, however, in rather impromptu unscheduled session, prospects brightened. At any rate, Chmn. Magnuson (D-Wash.) ended hearings with remark to the effect that when Committee comes to write its report it will make clear its views on FCC's program-investigation role—which sounds like a bullish comment.

In first day's hearing, Magnuson was a different man from the irate Senator who, wearing other hat as chmn. of Commerce Committee, recently lambasted FCC for not keeping tabs on industry, for not seeking funds to "monitor" station activity (Vol. 16:18 p3).

"What bothers me," he said last week, "is the danger of getting into censorship & programming. I've seen these things get started. It would be almost a police organization to police the industry. However, I'm not passing judgment yet."

Absolutely no censorship is in FCC's mind, Ford stated emphatically. He said that Commission wants to check such things as false representation, inadequate sponsor identification, etc. For example, he said, Commission would look into cases where licensees told FCC they'd spend 90% of their time running stations—but would "then spend 90% of their time in Fla."

If the federal govt. gets into examining what is good & bad in programming, he said, "the system would be complete chaos." FCC seeks to "compare programs with representations, not content," he added.

Ford said Commission needs investigators to find out what's going on in industry. It had not known anything about payola, he noted. Very drily, Magnuson remarked: "That's the understatement of the year."

Sen. Allott (R-Colo.) was the other member of Subcommittee similarly concerned. He said he had seen programs with "salacious situations as bad as profanity or obscenity." However, he said, he didn't know how to draw the line, noting that others would come along with judgments differing from his. Like Magnuson, he said he wasn't committing himself one way or other on the $300,000.

There was considerable discussion of "falsification of logs." Magnuson wanted to know if these are "willful," implying that there's no great dereliction if they're not. Otherwise, he said, "the FCC should revoke their licenses." Ford repeated: "We just don't know. We don't have facilities to check."

"If you have field hearings," Magnuson asked, "how are you going to get away from programs? You'd have to hire a hall. Everyone has an idea on programs."

An organization of 258 ex-FBI men has offered to help FCC, Magnuson told Ford. It aids National Assn. of Security Dealers and Thoroughbred Racing Assn. and "would save the govt. some money."

FCC's proposed uhf experiment in N.Y. (Vol. 16:17 p3) received relatively little attention. Most important angle was that Magnuson asked for & got FCC's assurance that it would keep industry informed of the work and enlist its cooperation. Sen. Robertson (D-Va.) was bearish about uhf, said he had tried to discourage his son who seeks to operate a religious-type uhf in Norfolk. Robertson also wanted to be sure that the N.Y. uhf doesn't give "free advertising for cigarets & beer." Comr. Lee noted that city has few uhf sets.

Magnuson asked whether FCC is investigating program ratings. Ford said it has "no active project," though it has conferred with FTC which is probing subject. Then Magnuson said: "My other committee wants to turn some jobs over to you." Ford replied that Commission would be glad to help. In audience was Walter Winchell, who has had some caustic things to say about ratings.

Magnuson then turned to FCC's workload & backlog. Comr. Hyde assured him "we're getting further in the hole all the time." Hyde reiterated Commission's constant complaint: Congress has so loaded FCC with "due process" procedures that it can't get its work done. Magnuson was sympathetic, said same is true of all agencies, insisted next Congress must do something about it.

He elaborated after Commerce Committee meeting next day. Situation is "somewhat of a mess" and "the regulatory lag is almost appalling," he said. "This Committee next session will look into the whole kit & caboodle, the whole thing, something like a little Hoover Commission on regulatory agencies."

A review of Administrative Procedure Act is planned next year by Committee, he said. "We want to simplify & expedite their work. As it is now, everyone admits things are so complex they are falling behind. People who deal with them are disgusted." Magnuson expects to name a subcommittee to do spadework.

CBS Pres. Frank Stanton dropped in on session, told us afterwards: "I hope there are a lot of second thoughts" on FCC's proposal for the Complaints & Compliance Div. of industry leaders. He is adamant in belief that FCC can't & shouldn't do anything that might possibly impinge on programming (Vol. 16:5 p2).

Ford got chance to improve his pitch by appearing again next day (25), though Magnuson hadn't made it clear previous day that he wanted more testimony.

Ford introduced into record breakdown of 309 TV & 255 radio complaints received during last 1959 quarter. It showed most TV complaints were about programming—84 against "crime & horror," 63 "poor quality," 42 "rigged quizzes," 20 "bad taste." Ford emphasized that new div. couldn't touch such complaints, is forbidden to do so because of anti-censorship section of Communications Act. "The only way that we can possibly look at programming is the overall review of programming." He then gave his views about requiring stations to seek out community needs and show FCC how they've met them.

Sen. Monroney (D-Okla.) complained about a station in his state that "bucked over" high-quality public-service programs to an educational station in order to carry "crime shows." Ford said, again, that new div. couldn't do anything about that. But, he added: "I think we have in the works a proposal which will reach that on an overall basis"—referring to his concept of making stations more accountable. Magnuson urged stations to do more editorializing.

Neither NAB nor individual broadcasters are offering public comment on FCC's plans, but this doesn't mean they're complacent. And it was apparent that Magnuson & Co. is well aware of their views. There's been some adverse editorial comment (see p. 6).

'DUAL AFFILIATION' IN SEATTLE: KTNT-TV Tacoma's long-standing anti-trust suit against CBS-TV was settled last week with creation of something new to U.S. broadcasting: situation where there are 2 full-time affiliates of same TV network in same major market. Starting June 1, both KTNT-TV and KIRO-TV will carry CBS-TV in Seattle-Tacoma area and either, or both, will be available to network advertisers.

Originally, KTNT-TV had CBS-TV affiliation for the market. Then, when KIRO-TV went on the air (Feb. 1958), CBS switched to the newcomer. Tribune Publishing Co. (KTNT-TV owner) promptly sued CBS and KIRO-TV for $15 million in damages (Vol. 14:37 p8). Now, both stations are in the CBS-TV lineup for an electronic double-take.

The station patterns aren't identical by any means, despite obvious coverage overlap between them, we're told by CBS. As the network views the situation at N.Y. sales hq, advertisers will now be able "to inten-

sify their coverage" of the 2 cities. The 2-outlet combination will be available to advertisers at current class "A" nighttime rate of $1,000 until Jan. 1, 1961. After that, there'll be a $1,300 "combination rate," although advertisers may then buy either outlet individually for $1,000.

Nobody was saying how the money will be divided, when we asked parties concerned. It's doubtful, however, that it's a 50-50 split. KTNT-TV's attorney said that "an amicable adjustment" was made with CBS.

Presumably, a similar conclusion vis-a-vis KIRO-TV will be reached.

As far as we know, the settlement of the case represents the first time a network has been forced, through pressure in the courts, to give a TV affiliation back after taking it away.

TELEFILM'S GLOBAL MARKET: Syndicators will gross about $37.5 million overseas from sale of U.S. TV shows during 1960. (They'll be mostly film, with a few on tape.) That's the consensus figure of program exporters queried by us while preparing our exclusive chart on the foreign program market (see p. 8).

Program exporting is "gradual, steady-growth business," we're told by veterans in the field. There hasn't been, & won't be, a booming growth period in the overseas program market for several reasons. A few: growing nationalism, program quotas, currency controls, fewer-than-U.S. programming hours, tight govt. control of TV in many foreign areas.

Earning potential of $19,795 gross is attractive lure in foreign market for the average U.S.-made 30-min. telefilm episode. Even after deduction of maximum sales costs, dubbing, handling & other expenses, what's left is still a nice slice—about $14,000 per episode. Such a sum goes far toward reducing original costs of production, or enabling the U.S. producer or network to sell first-run U.S. exposure at break-even level and make a profit in the foreign market (as most movie majors do with features).

Cross-section of telefilm industry distributes overseas. Members of recently-formed TV Program Export Assn. include: ABC Films, CBS Films, Desilu, Danny Thomas Enterprises, Four Star Productions, MGM-TV, MCA-TV, NTA, Screen Gems, United Artists, all working in the foreign film field. Not TVPEA members but active in market are: Fremantle International, Warner Bros., TCF-TV and William Morris Agency (which represents several independent producers overseas).

Foreign market is no cinch to crack, exporters told us. Said one: "No overseas program sale is made without a problem." They're many & varied, and range from growing threat of program quotas & censorship to currency problems & shipping hazards. For more details see p. 7.

LEE CONFIRMATION IN DOUBT: Republican FCC Comr. Lee, nominated by President Eisenhower for another 7-year term, is in real job trouble—and through no fault of his own. He has been caught up in a tangle of Presidential-year politics, and he may be left dangling in it when his present hitch in office runs out June 30.

Lee remains very confident, despite gloomy forebodings, says he's betting 20-to-1 he'll be confirmed.

He handily survived battering given FCC at Senate Commerce Committee confirmation hearing last month, when his personal position seemed unimpaired (Vol. 16:18 p3). Two weeks ago Committee met again, failed to act on Lee, but explained other business preempted time (Vol. 16:21 p4). It became apparent last week, however, that election-year situation had become ominous for Lee.

Lee's reappointment was passed over once more by Committee May 25, when it was decided to take no vote for at least 2 more weeks. At same time Committee put off any action on nominations of Republican FTC Chmn. Earl W. Kintner and 3 others to regulatory agencies (2 to FPC, one to ICC).

Main reasons for balking by Committee, headed by Sen. Magnuson (D-Wash.): (1) Move by President to get rid of FPC Comr. William R. Connole, who has been championed by consumer-conscious Democrats. (2) President's choice of Timothy J. Murphy, who seconded Vice President Nixon's nomination in 1956, for Democratic vacancy on ICC. (3) Outlook for Democratic patronage if party wins in Nov.

Immediate buck (on action for Lee & Kintner) was passed to House Commerce Committee by Magnuson, however. He told us that Senate Committee—Republican members concurring—wouldn't take up their nominations again until after June 7. That's when House Committee Chmn. Harris (D-Ark.) has scheduled hearings for Senate-passed bill (S-1965) by Magnuson giving continuity to FCC & FPC service. Measure, approved by Senate last July, brings FCC & FPC into line with laws governing other agencies in which members whose

terms expire can carry on until successors are confirmed by Senate. Kintner's term runs through Sept. If he lacks confirmation, he presumably would stay in office under FTC law permitting such continuation in case of lack of any successor.

Lee could stay on job after June if House completes action on Magnuson bill. Magnuson wouldn't predict what would happen if Harris fails to push legislation through. But likelihood is that Senate Committee would let nomination ride through adjournment of Congress for July political conventions. Only hope then for Lee to hang on to job would be recess appointment by President.

Meanwhile, Harris wound up 12-day FPC hearings, closed his House Commerce investigative season, and put his Committee to work on payola & other legislation—job which he said will run through this week and probably rest of month. Last scheduled Harris hearings (by Communications & Power Subcommittee) will take in not only Magnuson's FCC-FTC bill on June 7 but 2 other subjects—boosters & daytime broadcasting.

Long-hanging booster bill will be first up at Harris hearings June 6. Authored by Sens. Moss (D-Utah) & Murray (D-Mont.) and passed by Senate last Sept., measure (S-1186) gives FCC authority over rebroadcasting operations but legitimizes illegal boosters constructed "on or before the date of enactment of this act."

Radio daytimers will get their House innings in 3-day Harris hearings starting June 13. Finally called up will be bill (HR-6676) introduced more than year ago by Rep. Shipley (D-Ill.)—along with 4 identical House measures—to change FCC's daylight definition from sunrise to sunset to "at least" 6 a.m.-6 p.m.

No book was being made on Capitol Hill on whether Harris will end this session with any new FCC or broadcasting laws actually enacted. However, any study of his Committee's form over the past several years, which has been marked by much investigation & nearly no legislation, would indicate that odds probably are against it.

NEW 'CONSUMER ELECTRONICS' DEPT: "Consumer Electronics" is the new name for our sections on manufacturing, distribution & finance, starting this week.

We've changed the heading of this department (formerly "Trade Report") to describe more accurately the fields it covers. In the manufacturing-distribution sections of this department, you'll find our coverage is centered almost exclusively around those electronics fields aimed at the consumer—and this includes TV & radio receivers, stereo & hi-fi equipment, parts & servicing as they relate to these consumer fields, and new consumer electronic devices on the horizon, such as electronic refrigerators and remote-controlled appliances.

Our subscribers represent all branches of TV & related fields—broadcasting, film, advertising, finance, manufacturing, distribution, sales. No matter what your principal interest, we suggest that a perusal of our Consumer Electronics department may be well worth the few minutes it takes to help you keep abreast of all developments in the expanding TV-electronics field. For example, our continuing reports (the latest was last week, Vol. 16:21 p17) on developments in cordless TV may point the way to an eventual new type of out-of-home TV audience, with ramifications for all branches of TV industry.

The FCC

Radio KDB Santa Barbara disputed FCC's implication that it may not be operating in the public interest. In March (Vol. 16:13 p15), FCC wrote KDB a letter saying that a hearing on its license renewal may be needed because of its "overall programming operations & disparity between program representation & actual operations." The FCC questioned, among other things, whether the station is over-commercialized. Responding to FCC's query, KDB described its schedule, said it includes public service spots, and added that it doesn't "alienate its audience by uninteresting interview shows." It said that "numerous spots spread over days or weeks reach more listeners." There's no sudden rush at FCC to question "over-commercialization"—but there has been a substantial increase during the last year in its willingness to compare promises made in renewal forms with actual performance—insofar as it can on the basis of information supplied by stations.

Complex Ch. 6 case, involving New Bedford & Providence, took another step last week, when FCC permitted WNBH to amend to a new site and expanded the hearing to include an issue on whether co-channel spacing with WCSH-TV Portland, Me. should be waived. There had been 4 applicants for the New Bedford assignment. In a merger deal, the application of WNBH remained, ready for grant. Then, problems with a Coast Guard station developed, and WNBH had to specify a new site—one too close to WCSH-TV's. Meanwhile, FCC has proposed to move Ch. 6 to Portland. At the same time, WCSH-TV has pending an application to move to a site adequately spaced from WNBH's new site. The New Bedford principals look upon FCC's latest move as something of a lift.

TV-FM stereo operations by educational KNME-TV Albuquerque and commercial KHFM there have been authorized by FCC for an additional 6 months under a waiver of the rules. Comrs. Ford & Craven dissented.

More about

FCC 'MEDDLING' FEARED: First dissent to FCC's plan for a Complaints & Compliance Div. to check on station performance (Vol. 16:21 p1) came from the *Washington Star* in a May 23 editorial titled "Big Brother."

"It may be," the editorial stated, "that the Congressional furor over various aspects of the broadcasting industry merely has imbued Frederick W. Ford, the new FCC chairman, with an excessive zeal to 'do something.' His plan to set up a team to 'monitor' radio & TV programs would lead to a serious mistake, however, and it should be squelched at the outset . . . [The plan] smacks of a step toward govt. meddling."

Second editorial blast came next day from *Washington Daily News*. Under the heading "TV Police," it stated: "TV & radio are a public-service industry and as such their livelihood depends on public acceptance of the industry's programs & general behavior.

"FCC police here in Washington may have their own ideas of 'public service' and what the 'level' of TV & radio should be. But it doesn't necessarily follow that they are the best ideas, or that they coincide with what the public would prefer to have. As viewers & listeners, we look upon this policing plan with suspicion."

Alarm was expressed also by a much more experienced source—TV-radio station attorney Harry M. Plotkin, who once headed all FCC staff activity in the broadcast field as asst. general counsel. Addressing the Ky. Bcstrs. Assn. in Louisville May 26, he asserted:

"In my opinion, this is one of the most significant & disturbing developments on the Washington front of the past decade. Do you know what it is going to be like to have 25 gumshoes looking over your shoulder, peeking into your records, and fine-tooth combing your files?

May Cause Excessive Delays

"Under the new procedure, any time the Commission receives a complaint about a station, you can be sure it will be routed to the new division for processing. Until a full report is received from this division, the Commission will not process any application you may have on file. This means that so long as a complaint is outstanding against a station, not only will its renewals be held up but so will all applications to build a new station, improve the facilities of an existing station, sell a station, buy a station and a host of other applications."

FCC has plenty of employes to conduct "proper" investigations, Plotkin said. "However, to establish a special office of 25 investigators with no responsibility except to investigate is to tempt fate."

Disagreement with the foregoing critics was expressed by the *N.Y. Times* in its May 23 editorial: "The decision of the FCC to set up a special group to guard the public interest by keeping close tabs on what is broadcast over radio & TV is to be welcomed. . . . Behind this move is the whole melancholy history revealed these past several years of the failure of self-regulation in radio & TV industries . . .

"In welcoming this move, however, mention must also be made of a danger, the danger of censorship. There are likely to be difficulties in particular cases in distinguishing between legitimate regulation and censorship aimed at curbing unpopular views. The danger of censorship, as well as the importance of the broadcasting industry, requires that those chosen to act as monitors are persons of the highest quality that can be found . . ."

Auxiliary Services

Uhf Boosters Okayed: After 3 years of consideration, FCC finally has finalized rules authorizing uhf stations to build low-power co-channel stations to fill weak-signal holes in their coverage areas.

The move shouldn't be confused with action on vhf boosters—something entirely different. The uhf boosters will be licensed solely to uhf stations, and will not be permitted to extend mother stations' service areas beyond their potential maximum Grade A contours—which is 68 miles, assuming 5 megawatts ERP and 2,000-ft. antenna height above average terrain. Vhf boosters, still not approved by the Commission, would provide service to towns anywhere and would be operated by anyone meeting reasonable qualifications. Here are the provisions of the new booster rules:

(1) Licensed to uhf stations only.

(2) Not permitted to extend mother station's maximum potential Grade A service.

(3) Maximum power 5-kw ERP.

(4) Must be able to turn booster on & off by transmitting a cue signal from the parent station.

(5) No call letters required for boosters.

(6) Type-approved equipment not required—but equipment must be designed & installed by qualified engineers.

(7) Interference complaints must be satisfied.

The purpose of the boosters, to use FCC's words: "To provide reasonably uniform coverage over [a uhf station's] normal service area, and under severe terrain conditions, without resorting to extremely high powers."

Translator grants: Ch. 78, Lihue, Hawaii, to Radio Honolulu Inc., to relay KONA Honolulu. Ch. 79, Manson & Chelan, Wash., to Manson Community TV Co. Inc., to relay KHQ-TV Spokane.

Nearly 3,700 Toronto-area homes have been wired into Telemeter closed-circuit system from a total subscriber list of 5,057, we're told by Telemeter's N.Y. hq. Installations, according to Telemeter, are progressing "at a rate of 300 homes per week." What the break-even point in Toronto installations will be, Telemeter didn't say, although we learned that Price-Waterhouse Inc. is currently making a study of the Canadian pay-TV operation for Telemeter's parent, Paramount. "Theatrical movie business hasn't suffered because of Telemeter," a Paramount N.Y. executive told us. "In some cases, since Telemeter advertising is making Toronto more movie conscious, theatrical film business has actually increased."

Reported pay-TV plans of MGM and 20th Century-Fox (Vol. 16:21 p8) may run into anti-trust trouble. The Justice Dept. hasn't decided whether entry of movie producers into the subscription TV business would raise issues involving the 1949 consent decree divorcing them from theater ownership & exhibition. But a Justice source told us that anti-trust lawyers are getting information from MGM and 20th Century-Fox—"and other sources"—for an "evaluation" of questions posed by reports that the producers are negotiating with Matty Fox for a Skiatron system deal. Anti-pay-TV movie exhibitors have been pressing Justice for several years for an opinion that such deals would violate the consent decree.

Community Engineering Corp., manufacturer of community antenna equipment, has appointed the Glendon Co. Ltd., Toronto, sales rep for Eastern Canada.

Film & Tape

More about

GLOBAL FILM MARKET: "There are 260 exportable U.S.-made 30-min. telefilm series competing for the overseas market, but only one in every 20 will actually score a foreign sale this season." We heard that recently from CBS Films dir. of international sales Ralph Baruch. But abundance of supply of filmed (or taped) programs is only one of many headaches syndicators face in the increasingly lucrative overseas program market (see p. 4).

Problems emerge in the foreign sales field almost as fast as old ones are solved. The recent decision by Japan's Finance Ministry to raise the artificially-controlled price ceiling of $300 per 30-min. U.S. telefilm to a new level of $450 was considered a minor victory for U.S. program exporters—but the financial gains, syndicators say, are counterbalanced by the fall-off in telefilm sales to Cuba in the wake of Castro's takeover of communications and threats of film quotas in Australia & Canada.

As for the Japanese price structure for U.S. shows, most distributors believe it's "nowhere near adequate." In contrast, Japanese advertisers pay as much as $2,220 per 30-min. Japanese-produced film show or a Japanese-dubbed U.S. telefilm and $1,950 for a Japanese live show. Moreover only 9 American series are permitted on Japanese TV in any week under Japanese govt. restrictions designed primarily to encourage Japanese production.

The biggest quota problem is easily that of the United Kingdom, where ITV may take only 14% foreign-produced product and usually programs less. While there's no official quota on BBC-TV, the usual practice is to program-schedule only 10% U.S.-produced product. In France there is no quota, but a govt. TV monopoly exists and programming officials take "le view dim" of American shows. Said Ziv-owned International TV Programs Inc. Pres. Ed Stern: "In many markets where a TV monopoly exists, stations won't carry any U.S. film programs at all."

Foreign Revenue Now 10-25% of Total

"Prices vary, depending upon the status of the TV industry within a country—whether it is commercial or non-commercial, competitive or non-competitive," added Stern. "Eventually there will be increased prices as increased competition & service bring higher circulation . . . For American telefilm producers, foreign revenue now represents 10 to 25% of total revenue and a much bigger percentage of net profit. In the next 5 years, in my opinion, foreign revenue will determine the financial success of any U.S. telefilm property."

Most TV distributors prefer foreign sales staffs which cut out high travel costs, hotels, etc., and give native sales flavor to U.S. product. "It is essential to have local representatives in each market in order to have complete competitive coverage in the area," ABC Films foreign operations div. executive Raul Conangla told us.

Top overseas sales problem cited by Fremantle International Pres. Paul Talbot is the relatively (compared with revenue) high cost of communications and sales trips for U.S. personnel in markets, such as Latin America, where film prices are low. Most large distributors, such as CBS Films & Ziv-UA, maintain foreign sales offices. Screen Gems uses the sales facilities of its parent company, Columbia Pictures. Local salesmen are in a better position to make day-to-day checks on TV prices and keep up with general information important to the home office, most big distributors believe.

"Because of nationalistic tendencies & programming restrictions, most countries are choosy about what U.S. telefilm programs they take," CBS Films Pres. Merle Jones told us. There is an increasing interest in national programming. Added Ed Stern: "With the growth of a market, the local TV system expands local-program production." Fremantle's Talbot added: "Nationalism is growing both in Latin America & in Europe, and so are the desires of the individual countries to develop their own TV industries to the maximum just as they are concentrating on building up their own industries in fields other than TV. With this comes growing pressure—from unions, politics and newspapers—for quotas."

Dubbing Is A Must

Not, strictly speaking, a problem, but a standard inconvenience in the foreign telefilm market is the language barrier. As our chart of the overseas market shows, virtually every major non-English-speaking market wants its TV-film shows in the language of the purchasing country. Sometimes, as in the case of Spanish-language dubbing, there are enough Spanish markets to produce a profit for distributors after dubbing costs. (Most Spanish dubbing of U.S. shows today is done in San Juan, Puerto Rico, rather than in Mexico City, where costs have risen sharply in the past few seasons.)

In cases such as the Japanese market, local purchasers arrange the dubbing deal and pass the cost on to advertisers, since dubbing costs in Japan would exceed the purchase price. French dubbing is done for the most part in Paris, which has a thriving industry set up to re-voice feature films under the protection of French govt. statutes which require French soundtracks in French theaters. German dubbing is done in West Berlin or in Munich (although Ziv-UA once explored the idea of dubbing German in Mexico City with refugee actors, and later dropped the plan). Portuguese dubbing is nearly always done in Brazil (which, as a TV market, is substantially better than Portugal itself). Italian dubbing is done in Rome.

Co-production deals were cited by several distributors as a possible solution to quota hassles in England & Japan. "Feasible or not, importing or engaging in more co-production with countries who object to our sending film, would solve the quota problem," said Stern. "It is definitely less expensive to produce in the foreign market," added ABC Films' Conangla. "In Great Britain you can get around the quota by producing there and you can sell this product easily in Canada."

Despite sales problems, the world market shapes up as a major attraction. There are more than 37 million sets in use and about 500 TV stations in 43 countries (see chart) outside the U.S. They cover about 10% of the total world population.

Great Britain, Canada and Australia account for 55% of the outside-U.S. program market, on a dollar-volume basis. They have about 16 million receivers. Japan, with 4.3 million sets, takes about 14% of U.S.-exported telefilm product. Latin America also takes 14%, for its 2.5 million sets. Western Europe, described by some distributors as "a major problem area," has about 10 million sets, but very few commercial stations. Australia & Latin America are generally considered the markets with the most potential

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BACKGROUND
No. 7

FOREIGN MARKET FOR TELEFILMS — June 1960

Country, Sets in Use, No. of Stations	Price Per 30-min. Episode	Special Restrictions	Dubbing Requirements
Algeria (38,100) 4 govt.	Tie-ins with sales to France; no direct sales made.	None	French
Argentina (400,000) 1 commercial 5 planned for first half 1960	$200	None	Spanish* ($800-$1,000 per 30-min.)
Australia (825,000) 9 commercial 3 govt. 1 commercial & 3 govt. due first half 1960	$1,000-$1,500	No quota; only stations may obtain dollars for film	None
Austria (27,500) 16 govt. 1 govt. planned	$150	No quota; distributors must open bank accounts locally	German $1,400 per 30-min.
Bermuda (8,500) 1 commercial	$15-$20	None	None
Brazil (1,000,000) 17 commercial 1 experimental 2 educational 1 planned	$600	No quota; minor currency restrictions	Portuguese** ($800-$1,000 per 30-min.)
Canada (5,534,000) 70 stations 7 satellites	$3,500-$5,000 in English $1,500-2,500 in French	No quota but expect 1961 quota of 45% Canadian programs and 1962 quota of 55% Canadian origin.	French in French Canada.*** $1,400 per 30-min.)
Colombia (150,000) 13 including govt. satellites 10 planned	$150	None	Spanish* ($800-$1,000 per 30-min.)
Cuba (365,000) 27 govt.	$200	None	Spanish* ($800-$1,000 per 30-min.)
Czechoslovakia (559,000) 8 govt. 8 govt. planned	$100	None	Purchaser does dubbing or voice-over on documentaries
Denmark (420,000) 8 govt. 3 govt. planned	$200	None	Purchaser does sub-titling or arranges dubbing
Dominican Republic (15,000) 4 commercial	$50	None	Spanish* ($800-$1,000 per 30-min.)
El Salvador (22,000) 3 commercial 1 planned	$50	None	Spanish* ($800-$1,000 per 30-min.)
Finland (50,000) 10 govt. 1 commercial	$150	None	Purchaser does own sub-titling
France (1,500,000) 56 govt. 17 planned	$900	None	French*** ($1,400 per 30-min.)
Germany, West (3,500,000) 29 limited comml. 1 non-commercial 9 uhf 46 satellites (over 1 watt) 7 on-channel boosters 106 satellites (under 1 watt) 2 main stations planned	$2,000	None	German ($1,400 per 30-min.)
Guatemala (22,000) 2 commercial	$50	None	Spanish* ($800-$1,000 per 30-min.)
Honduras (3,800) 1 commercial	$40	None	Spanish* ($800-$1,000 per 30-min.)
Iran (22,000) 2 commercial	$25	None	Purchaser does voice-over narration in Persian
Iraq (35,000) 1 govt.	$25	None	Purchaser does voice-over narration in Persian
Italy (1,666,400) 26 govt. limited commercial 340 low-powered satellites	$500	None	Purchaser arranges Italian dubbing
Japan (4,288,000) 41 NHK (non-comml. non-govt., financed by listeners' fees). 44 commercial 11 comml. planned 7 NHK planned	$450	Quota of 10 30-min. foreign programs per week per major station; dollars may be obtained only by stations for "approved" films	Purchaser arranges Japanese dubbing or sub-titling
Lebanon (10,000) 2 commercial	$25-30	None	Purchaser arranges Lebanese narration
Luxembourg (4,000) 1 commercial	$150	None	French*** ($1,400 per 30-min.)
Mexico (660,000) 15 commercial 5 repeaters, commercial 8 planned	$350-550	None	Spanish* ($800-$1,000 per 30-min.)
Monaco (11,000) 1 commercial	$100	None	French*** ($1,400 per 30-min.)
Netherlands (650,000) 8 commercial	$200	None	Purchaser arranges for Dutch or Flemish sub-titles
Nicaragua (5,000) 1 govt.	$40	None	Spanish* ($800-$1,000 per 30-min.)
Nigeria (5,000) 2 commercial	$20	No quota; shipment must be by freighter.	None
Panama (9,000) 1 commercial 1 planned	$40	None	Spanish* ($800-$1,000 per 30-min.)
Peru (32,200) 4 commercial 1 non-commercial 2 planned	$50	None	Spanish* ($800-$1,000 per 30-min.)
Philippines (30,000) 3 commercial 6 comml. planned	$100	No quota; but severe currency restrictions	None
Poland (250,000) 6 govt. 3 repeaters 9 planned	$75	No quota; but severe currency restrictions	Purchaser arranges Polish narration
Portugal (35,000) 5 commercial 3 planned	$50	None	Portuguese** ($800-$1,000 per 30-min.)
Saudi Arabia (4,000) 1 commercial (owned & operated for American employes by Arabian-American Oil Co.)	$50	None	None
Spain (160,000) 4 commercial 6 planned	$50	No quota; but severe currency restrictions	Spanish* ($800-$1,000 per 30-min.)
Sweden (765,000) 32 non-commercial 8 planned	$400	None	Purchaser arranges Swedish sub-titling
Switzerland (85,000) 18 non-commercial	$100	None	French*** ($1,400 per 30-min. German: same.)
Thailand (42,000) 2 commercial	$30	None	Purchasing stations arrange own narration
United Arab Republic 4 stations planned	$40-50	None	Voice-over Arabic narrating done by purchaser
United Kingdom (10,500,000) 24 BBC 10 ITA 5 ITA planned	$2,500 (non-quota) $1,000 (quota)	Quota on ITA is 14% foreign programs; BBC has no quota but, by policy, doesn't use more than 9%; modest currency restrictions	None

Country Sets in use, No. of Stations	Price Per 30-min. Episode	Special Restrictions	Dubbing Requirements
USSR (4,000,000) 138 govt.	Exchange program; no money involved.		
Venezuela (200,000) 8 commercial 3 satellites 1 govt.	$350	None	Spanish* ($800-$1,000 per 30-min.)

TOTALS

Total sets-in-use outside U.S.	37,909,066
Maximum 30-min. telefilm world-wide price	$19,795
Maximum 30-min. telefilm dubbing expenses	$4,800

* SPANISH—Soundtrack re-voicing for all Spanish-speaking TV markets, including Spain, is done mostly in San Juan, Puerto Rico, although some dubbing is done in Mexico City.

** PORTUGUESE—Virtually all Portuguese telefilm dubbing is done in Brazil, even for eventual sale in Portugal. Portuguese dubbing usually represents a loss on first telefilm run, but additional plays because of limited availability of Portuguese-voiced shows usually produce a profit.

*** FRENCH—Virtually all French dubbing is done in Paris, and is acceptable in all French-speaking markets, including French Canada. France, however, will not accept French dubbing done in other countries, even though the cost of Parisian dubbing nearly always exceeds revenue from a telefilm sale in France.

(Continued from p. 7)

for U.S.-made film product, mainly because of recent & planned TV stations.

On a long-range basis, distributors expect great things from the telefilm export business. Some predict exports will double by 1965 and that overseas sales will account for 35% to 40% of the TV film-business gross. They cite as encouraging signs the increases in countries which are getting TV, rise in stations in countries equipped with TV, and rapid increase in total sets-in-use.

Although Western Europe presents a limited sales market to exporters, most feel the outlook is good. Distributors expect German commercial network TV broadcasting to get under way within the next 2 years and "possibly set a pattern for the rest of the continent." In Italy, where TV is under strict govt. control, there is lobbying for an independent channel to compete with state-owned TV by a group of Milanese broadcasters organized as TV Libra. France is unlikely to have commercial TV but the French govt. is talking of adding a second network, thus opening up additional air time.

Several companies made specific predictions about their individual businesses. "Screen Gems will increase from 35-40% in overseas billings within the next 3 years," said international sales dir. Lloyd Burns, adding that "these billings should represent close to 20% of the company's overall business." Ziv predicted a "200% foreign sales increase over the next 3 years." CBS Films expects to increase its 1959 gross of around $7 million by 25% in '60.

TCF-TV, heretofore inactive in this area, said recently in its annual report that "in view of the growing importance of the foreign market, the forthcoming year will see utilization of our foreign sales force in distribution."

All distributors, however, do not expect a near-future boom. "Wherever the TV market is abroad, it won't grow like the American network and syndication markets because foreign markets have only a few programming hours a day and they seem to be satisfied with that," said CBS Films' Merle Jones. "Most foreign TV is in the hands of the govt. and if they don't have to compete, why should they expand?" From an exporter's point of view, Jones added, "the TV program export business will have a gradual, steady growth, if not restricted, over the next 10 years. But if prices remain prohibitive, there is no chance for healthy growth."

It's in this area that the newly-formed TV Program Export Assn. hopes to fit into the picture. TVPEA plans to represent member companies in all countries of the world to improve conditions and prevent telefilm export restrictions. Gen. counsel George Muchnic told us: "Our group, which will act as a sort of Johnston office for our industry, hopes to convince TV-equipped countries that free trade is the best policy." Should agreements be stymied, U.S. distributors could boycott a purchasing country until feasible arrangements could be made, one member-company executive explained.

To be eligible for membership in TVPEA, a company must be actively engaged in exporting film programs. At present, 80% of active exporters are members. The cost of joining is $15,000 for major companies, and about half that amount for smaller organizations. John G. McCarthy, dir. of the U.S. office of economic affairs, Paris, is pres.

Video-tape program-exporting is the newest horizon for distributors operating overseas. So far, it's just a drop in the export bucket, with one syndication firm pres. telling us that "foreign TV program sales are about 99% on film, and about 1% on kinescope or tape." One problem, of course, is TV tape standards. Virtually every TV station in the world is equipped to televise 16-mm or 35-mm film. Only a handful of foreign stations are equipped with conversion units to play U.S.-recorded tapes. A few U.S. live-tape shows (*Perry Como Show, Dinah Shore Show,* and some specials) are being syndicated overseas—usually in kinescope form—by NBC International, under an AFTRA residual formula that pays performing talent 45% of minimum scale for worldwide talent rights. ABC and CBS are not active in syndicating live shows, and most film distributors see no need to handle them.

The telefilm export business has its headaches, but it rarely is a bore. CBS Films recently received a letter from a Scandinavian station client which read: "We're closing our station for 2 months this summer because of the midnight sun. We would appreciate it if you could arrange a pause in our film shipments during that period." In Venezuela, an ABC Films Western episode was returned unused because a sheriff was shot. ("In Venezuela, senors, sheriffs are not permitted to be killed," ABC Films was told.) And Fremantle International recently received back from a Lebanese TV station 4 episodes in a boxing series which featured Max Baer wearing a "Star of David."

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Ampex Videotape installations made during the first 2 weeks of May: WIIC Pittsburgh, WSIX-TV Nashville, WHAS-TV Louisville, WJW-TV Cleveland, KDUB-TV Lubbock, WRGB Schenectady, WTIC-TV Hartford, WSPD-TV Toledo, KVAR Phoenix, WNEM-TV Saginaw, WLWA Atlanta, WECT Wilmington, N.C.; Teletape Productions Inc., Chicago; Ft. Gordon, Ga.; Redstone Arsenal, Huntsville, Ala.; Vicoa Inc., Chicago. Total of Ampex installations now stands at 630. These are among shipments made in April: Two machines each went to KSL-TV & KUTV Salt Lake City, KING-TV Seattle, and KGW-TV Portland. Single recorders were shipped to KTVH Hutchinson, Kansas; WBZ-TV Boston; WHEN-TV Syracuse, and WHEC-TV Rochester. Other shipments during the period included 2 each to Radio Rio, Brazil; RAI, Rome; CBC, Montreal; 4 to England; one each to CFQC-TV Saskatoon, Sask.; XETV Tijuana, Mexico; and U.S. Signal Corps, Washington.

WGA REJECTS LATEST PEACE BID: Holding out for a guaranteed percentage of foreign residuals on telefilms, Writers Guild of America last week rejected 281-198 a new peace proposal to end the 19-week-old strike.

In apparent retaliation at week's end, the Alliance of TV Film Producers, the Assn. of Motion Picture Producers and Ziv-United Artists informed the press that they were withdrawing all their offers to WGA. At press time, however, WGA had not been officially notified.

The rejected proposal—from Alliance and AMPP—amounted to the previously-rejected Alliance offer. It called for a 10% hike in minimums the first 2 years, 5% in 3d & 4th years, and a 5% pension, with an important addition: establishment of a fact-finding committee to explore the (MCA chief Lew) Wasserman plan for royalties to writers in lieu of the present residuals. WGA was given the right to put such a plan into effect on May 1 of any year in the 6-year pact offered. In addition, WGA was offered a 3% hike in minimums for the last 2 years of the contract.

The Alliance-AMPP plan had been rejected by the negotiating committee, but accepted by the TV-radio board 5-4, and by the council 6-4, with the screen members of the council abstaining. It marked the second time a proposal has been rejected by the negotiation committee, accepted by the board and council, and subsequently rejected by the membership.

WGA's meeting last week was noisy & confusing. At one point, WGAW Pres. Curtis Kenyon grabbed a floor mike to demand that TV-radio branch Pres. Kay Lenard, who was presiding, "tell all the facts!" Petitions seeking ouster of Miss Lenard were circulated and there were shouts from the floor for her resignation. Miss Lenard, who has incurred the animosity of some writers by favoring acceptance of both Alliance offers, told us she "absolutely" does not plan to resign.

Unger A Key Factor

Another factor which played a strong role in the vote was the role essayed by Ziv-United Artists TV production vp Maurice Unger, who had submitted 2 proposals to WGA (Vol. 16:21 p 12).

Unger and WGA had verbally neared a deal on the 2nd offer, but he suddenly withdrew all his proposals and joined with the Alliance in its joint offer with AMPP. Unger's defection from the Alliance originally had created considerable resentment in Alliance circles.

However, WGA formally proposed the so-called Unger plan, entailing a guarantee of 2% of the gross, as the solution to the strike, offering it to the Alliance, the non-Alliance independents, the networks and AMPP the day after the Alliance-AMPP deal was rejected. As for the non-Alliance independents, the only group not yet struck, WGA told it to accept this proposal or face a strike.

Producer circles were increasingly bitter. Said one: "The writers have had their last opportunity with the Wasserman plan. I'm glad they turned it down, because it was too generous."

Alliance production executives are opposed to WGA's insistence on a foreign gross guarantee because, they say, this would mean other Guilds would also want a cut of such grosses. Said one executive: "We could easily wind up paying 15% of our gross to the various guilds. Then there is a 35% distribution fee. In addition, creators, stars and producers often own a piece of the series. There's also IATSE waiting. What would we wind up with?"

Writers counter-argued by saying the other Guilds wouldn't take a risk as offered in the Wasserman formula. The directors & actors guilds were mum on the subject, waiting watchfully.

One of the most potent arguments raised by writers speaking out against the Alliance plan was the time factor. They maintain that the strike is now 19 weeks old, and that production companies, hurt badly, are in need of scripts. (One producer-writer has admitted "scabbing," and faces a WGA trial, writers were told).

There was no question of the validity of the writers' claims regarding production. We visited several studios last week and saw an industry virtually paralyzed. For example, the leading studio, Revue, for the first time in 4 years, doesn't have a thing before the cameras.

Producers were angry & confused. One head of a leading company told us: "I'll just shut down my studio for 2 months." Several executives hoped they could persuade Madison Ave. to begin fall programming Jan. 1 instead of in the customary fall weeks.

Some non-Guild writers & WGA members were scripting, despite Guild edicts, but not enough of them to meet next season's needs. A private eye, hired by a WGA member to identify "scabs," failed to deliver. The marathon strike has created bitterness which may linger on among producers & writers long after settlement.

WGA negotiators, twice upheld by the Guild's membership although overruled by the TV-radio board and council, believe that factionalism within WGA, which has strongly hampered negotiations, is now beaten, and that they are in a position of strength for negotiations.

WGA met with independents outside the Alliance following the membership rejection of the Alliance-AMPP plan, and it seemed possible that any break in the lengthy strike might come from this area. While predictions are hazardous in the emotional atmosphere of the strike, there are indications that some companies may settle on WGA terms within 2 weeks. If so, this could lead to a break in the entire dispute, with other companies following suit. When we checked some non-Alliance independent producers last week, they indicated readiness to give in on the controversial foreign issue. It's expected that clarification of WGA's internal problems will expedite settlement.

Ad Agencies May End the Strike: A new development in which N.Y. agencies are said to be moving for a deal with WGA may well bring about an end to the writers' strike. As we went to press, we learned of the agency overtures. Coming on the heels of WGA's rejection of an Alliance-Assn. of Motion Picture Producers offer (see story to left), the move was apparently motivated by agency concern over product for next season.

It's understood a N.Y. agency vp contacted WGA late last week, on behalf of 3 large agencies. He said they were ready to sign on terms proposed by the Guild (WGA to be guaranteed 2% of the foreign gross after 4 years of a 6-year contract) and wanted to know the procedure involved in signing contracts with the Guild.

The executive indicated the agencies would either form their own production company or finance new ones which would operate under terms proposed by WGA.

WGA immediately sent him applications for the agencies to become signators to the proposed pact. Because of the Memorial Day holiday, however, nothing was expected to be concluded until the latter part of this week—or next.

STRIKE SITUATION AT A GLANCE

Union	Strike vs. Movies' TV Operations?	Strike vs. Alliance of TV Film Producers?	Strike vs. Non-Alliance TV Producers?	Strike vs. Network TV Film?	Strike vs. Live Network?
WGA (Writers Guild of America)	Yes. Began Jan. 16, mainly over demand for foreign residuals. Assn. of Motion Picture Producers latest proposal, embracing Alliance and Wasserman plans, was rejected by WGA last week on grounds it could result in losses for writers. Acute script shortage is being felt by studios.	Yes. Began Jan. 16, mainly over foreign residuals demand. WGA rejected latest Alliance offer, made with AMPP, whereby writers offered 10% increase in minimums first 2 years, 5% second 2 years, 5% pension plan, with so-called Wasserman plan to take precedence when equitable formula evolved. WGA rejected terms of royalty plan offered by Alliance and AMPP. Production hurt badly by strike.	No. Extension of WGA pact lapsed March 26, but few talks have been held because of negotiations with Alliance. WGA demands percentage of foreign gross from independents, as it has of Alliance & AMPP. This group hasn't been hurt by strike, since it's only Hollywood producer TV film combine not struck by WGA.	Yes. WGA struck March 18. Has since rejected network offer of recognition on crucial foreign residuals issue. Is also cool to net formula for payment in foreign area. Producers face shortage of scripts on next season's films.	No. WGA reached agreement with networks for live TV-radio & staff writers.

FOUR STAR TIES REVUE FOR VOLUME: Four Star Television, which has sold more new series than any other TV-film company for next season, is now tied with Revue Studios for first place in number of shows turned out for the networks—12. Revue still maintains its overall production dominance with 16 series —one a rental deal and 3 others being syndicated.

Four Star's rapid rise to a dozen series challenges Revue's superiority and dominance in the industry for the first time in years. While some sales still remain to be made, it's doubtful they will change the scales much. Revue sold 2 pilots this spring; Four Star sold 7.

Screen Gems has notched down 3rd spot with a total of 9 series. Warner Bros. is next with 7, and the other series are scattered among various companies.

The most impressive sales record for next season, that of Four Star, with the William Morris agency as its sales rep, saw the Dick Powell-David Niven-Charles Boyer company sell pilots on *The Tom Ewell Show, Peter Loves Mary, Stagecoach West, Willy Dante, The Lone Westerner, Michael Shayne* and *The Law & Mr. Jones.* In addition, Four Star has renewals on *Dick Powell's Zane Grey Theater, the Rifleman, The DuPont Show With June Allyson, The Detectives, Wanted—Dead or Alive.*

Revue network series are *The Tall Man* (co-production with Nat Holt); *Checkmate* (being done with J&M Productions); *Wagon Train, Alfred Hitchcock Presents, Laramie, Riverboat, Bachelor Father, Bringing Up Buddy, Wells Fargo, GE Theater, Leave It to Beaver* and *The Deputy.* Syndicated series are *Coronado 9, Johnny Midnight* (co-production with Jack Chertok) and *Shotgun Slade.* The company's single rental deal is Hubbell Robinson Jr.'s *Thriller.* Revue has completed production on its *Markham* and *Whispering Smith* series.

There may be slight changes in the power lineup after final sales are wrapped up, but there's no doubt that Four Star and Revue will dominate the production field. Probably the most notable decline was that of Warner Bros. TV, which slipped from 10 series to 6.

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Two NTA executives have resigned, reportedly because of the company's lack of product or emphasis on new film production. The pair: Harold Goldman, NTA exec. vp & sales chief, and one of its founders; and dir. of creative programming Mort Abrahams.

Jackpot in Residuals: A guaranteed 6-yr. residual income, which may reach a total gross of $9 million, will come to producers, actors, directors, writers etc. who have been participants in the *Father Knows Best* series, co-producer (with Robert Young) Eugene Rodney told us recently. As finally resolved, the rerun deal—most lavish in network history—shapes up like this:

Phase 1: Depending on summertime pre-emptions of the existing series for political coverage by CBS-TV, a weekly 30-min. rerun series of 104 episodes culled from the show's backlog will begin somewhere between mid-Sept. and Oct. 5. CBS-TV is selling the show on the basis of three 60-sec. participations per episode, and has already lined up longtime *FKB* sponsor Scott Paper Co. as one participant. (Total talent price for the rerun shows, split between the 3 sponsors, is far from inexpensive. The amount exceeds $40,000—a figure not out of line with pricing for new shows.)

Phase 2: When the CBS-TV deal is concluded, the backlog will move to ABC-TV for a 4-yr. daytime-stripped run, again sold on a premium participation basis. Although ABC is not shut out of nighttime reruns, the chances of evening ABC exposure for the *FKB* backlog are not great, Rodney explained. ABC, incidentally, is not "buying" the series; it is strictly a leasing deal, with the negatives returning to the owners for "possible future reruns after that," according to Rodney.

Careful, Craftsmanlike Work is Secret

The secret of successful TV situation comedy, Rodney stated, lies in "good writing, believable casting, and the kind of careful camera work you see in a $2-million feature film." He admitted that *FKB* owed much to the adult comedy style of Charles Chaplin—"the lump-in-the-throat story with a comedy twist at the ending."

Rodney, who described week-to-week TV production as "a deluxe form of penal servitude," has no immediate plans for a new show, but, "When Bob Young and I come up with the right property, we won't hesitate to go." Rodney is not contractually committed to Screen Gems to use it as a co-production or marketing outlet, but has "very friendly relations" with the firm and may tie up again with the Columbia Pictures subsidiary. "Meanwhile," said Rodney, "I want to sit on the beach for awhile and watch the money roll in."

NEW YORK ROUNDUP

Fremantle International has obtained international TV & radio distribution rights to the June 20 heavyweight title bout between Ingemar Johansson & Floyd Patterson, in an agreement with TelePrompTer Corp. which holds all ancillary rights to the match. The fight will be sent to TV stations in about 40 countries outside the U.S. and Canada "by a variety of devices, including microwave relay, tape, kinescope and edited film," Fremantle said. Radio announcers will relay the fight live in Spanish, Portuguese, French, German and English. Far Eastern TV stations will be serviced by off-the-line TV recordings made on the West Coast, while Latin America and Europe will be serviced by recordings separately made in N.Y. Meanwhile ABC has sold exclusive radio coverage of the bout. Fiat Motors through Grant agency joined Bristol-Myers as co-sponsor of the rematch. Rights to the fight had been purchased from TelePrompTer last month for $250,000, "the highest price ever paid for a single broadcast."

UAA feature films have been sold to 14 stations in the past 2 weeks, announces vp & gen. sales mgr. Robert Rich, including KHJ-TV Los Angeles, WHEN-TV Syracuse, WTVT-TV Tampa, and KOCO-TV Oklahoma City. WMAR-TV Baltimore and KGMB-TV Honolulu renewed their UAA contracts for WB features.

International TV Programs Inc., foreign distributors of Ziv-UA, made 2 expansion moves last week. Pres. Edward J. Stern announced that new hq were opened in Rome by European operations dir. Joseph Brandel, and in central Canada by new sales vp Colin O'Shea.

HOLLYWOOD ROUNDUP

An action-adventure series, *Silent Investigators*, to be made in cooperation with Post Office Dept., is planned by 20th-Fox Television . . . **Screen Gems** has named UCLA student John Rhone as the winner of the first SG TV Fellowship. He begins a 5-month apprenticeship in all phases of TV film production in Sept. at SG.

Warner Bros. has added Richard Long, star of its axed *Bourbon Street Beat*, to the starring lineup of *77 Sunset Strip* . . . **Screen Gems** has resumed production on *Two Faces West*, starring Charles Bateman, with Matt Rapf producing.

Pilot on *Yes, Yes, Nanette*, starring Nanette Fabray and produced by Larry Berns, is being filmed at Revue Studios . . . **Screen Gems** has signed vps-exec. producers Harry Ackerman and William Sackheim to new contracts.

Screen Extras Guild's annual membership meeting will be held June 3 at the Academy Award Theater. The agenda calls for discussion of contract negotiations, pension and health & welfare plans and the new Screen Actors Guild contract as it pertains to extra players.

Latest Western to be axed: Revue Studio's 60-min *Overland Trail* . . . **Hampshire Productions** plans a series based on Mack Sennett's 2-reel comedies, using Sennett's slapstick format . . . **Format Films** will move into new quarters with more space, in North Hollywood.

Stations

Payola consent orders, forbidding record firms to make under-the-turntable payments to anyone for broadcasting their products, have been obtained by FTC in its clean-up campaign from: Jamie Record Co., 1330 W. Girard Ave., Philadelphia. Time Records Inc. and Brent Music Corp., 2 W. 45th St., N.Y. and Robert Shad, an official of both firms, which also do business as Shad Records and Brent Records Inc. Volkwein Bros. Inc., 632 Liberty Ave., Pittsburgh, and Pres. Carl R. Volkwein & vp-treas. Walter E. Volkwein. Edward D. Cohn, trading as Lesco Distributors, 17 S. 21st St., Philadelphia. Records Inc., 790 Commonwealth Ave., Boston, and Pres.-treas. Cecil Steen. Fury Records Inc., 266 W. 123rd st., N.Y., and Pres. Morgan Robinson & secy.-treas. Clarence L. Lewis. Cosnat Distributing Corp. and Jay-Gee Record Co. Inc., 315 W. 47th St., N.Y.; Cosnat Distributing Detroit Corp., 3727 Woodward Ave., Detroit, and Cosnat Distributing Corp. of Cleveland, 1233 W. 9th St., Cleveland, and officers Jerry & Elliot Blaine of all 4 firms, Charles Gray of Cosnat Detroit and Bennett Blaine of Jay-Gee Atlantic Recording Corp., 157 W. 57th St., and officers Ahmet M. & Nesuhi Ertegun, Mirian Bienstock, Gerald Wexler and Vahdi Sabit. All South Distributing Corp., 630 Baronne St., New Orleans, and officers Henry J. Hildebrand Jr., Evelyn K. Hildebrand and Henry J. Hildebrand. Superior Record Sales Co. Inc., 656 10th Ave., N.Y., and Pres. Sam Weiss. Dumont Record Distributing Corp., 1280 Tremont Ave., Boston, and Pres. Donald E. Dumont. FTC's score so far in its anti-payola drive: 75 complaints against record manufacturers & distributors, 28 consent orders. New payola complaints were filed against: Hugo & Luigi Productions Inc., 155 E. 24th St., N.Y., and Pres.-secy. Hugo Pietti & vp-treas. Luigi Creatore. Specialty Records Inc., 8508 Sunset Blvd., Hollywood, and Pres. Arthur N. Rupe. Starday Recordings & Publishing Co. Inc. & Starday International Sales Co. Inc., P.O. Box 115 Madison, Tenn., and Pres. Donald F. Pierce.

More creative use of words for broadcast has been intensified by the TV-radio div. of Triangle Publications, Inc. with the appointment of former *Pennsylvania Gazette* editor William Schramm Jr. to the new post of project writer for its stations. Announcing the appointment, div. vp Roger W. Clipp emphasized that for "all of us in broadcasting, 'word power' should be considered as important as transmitter power." Schramm (a BS, MA and now completing credits for his Ph.D) will operate out of Triangle Stations' Philadelphia hq, and will work closely with the various stations in preparing written material both for print & broadcast. He will also undertake various long-range writing assignments, including the development of institutional public-information series.

Unfair labor charges filed by NABET against Gross Telecasting Inc. (WJIM-TV & WJIM Lansing) have been partially sustained in an intermediate report by NLRB trial examiner Henry S. Sahm. Recommending that a cease-&-desist order be issued by NLRB against the stations, he held that management representatives tried to intimidate employes who were union members. At the same time Sahm said that NABET hadn't proven charges that employes had been dismissed because of union membership.

New reps: KTBS-TV Shreveport to Katz June 5 from Petry. KARD-TV Wichita to Peters, Griffin, Woodward May 15 from Petry.

Call letter change: WNBC (Ch. 30) New Britain-Hartford switched to WHNB-TV May 22.

Programming

AUDIENCE? ONWARD & UPWARD: Network advertisers in 1959 got 8% more for their money than they received only 3 years before, reported an NBC-prepared, Nielsen-based study we saw last week.

The average evening program in network TV has been gaining audience impressively, the study revealed. In 1956, the average-audience level of a typical network show was 18.7, producing a homes-reached audience of 6,084,000. In 1959, the AA level had declined slightly to 18.4, but with the increase in TV homes & stations, and a rise in TV penetration of total U.S. population from 1956's 74.1% to 1959's 86.2%, the average evening network show was delivering a homes-reached audience of 7,679,000. That's a gain of 26% more people than were delivered by the average evening show in 1956.

One result of such long-term gains, noted NBC in the study, has been to make TV's commercial efficiency "better than it has been in the last 3 years." In 1956, the cost efficiency of all network TV shows averaged $3.05 per 1,000 homes (328 homes per dollar). In 1959, cost was reduced to $2.82 (355 homes per dollar). "This means," said NBC research dept., "that for every dollar, last year's TV advertiser reached 8% more homes per commercial minute than he did 3 years before."

Among the categories, one-hour straight-drama shows are decreasing steadily in number, and attracting steadily smaller audiences. Westerns, although they've multiplied like prairie dogs in the past few seasons, have gained noticeably in average-audience levels over the 60-min. drama shows, the report also found.

The average Nielsen-measured audience of 3 Westerns rose 9% between 1956 and 1959 (from 20.7 AA to 22.5), even as their numbers grew from 7 to 32. But in the same period drama shows showed a 12% drop in average-audience level while their numbers declined from 11 to only 4.

When the 2 program types are compared with each other (rather than against themselves), the results are even more pronounced. In the 1959-1960 season, Westerns have been 31% above one-hour dramas in average-minute audience. Just 3 years ago, Westerns were only 6% ahead.

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ASCAP feuding will be explored next term by the U.S. Supreme Court, which has agreed to hear a complaint by 4 publisher-members that an amended anti-trust judgment against the music-licensing organization doesn't protect them "from the dominating publisher-members." The 4 complainants—Sam Fox Publishing Co., Movietone Music Corp., Pleasant Music Publishing Corp., Jefferson Music Co. Inc.—protested refusal by U.S. District Court in N.Y. to permit them to participate individually in anti-trust proceedings last year. Barred from the case, they were unable to appeal the amended judgment by Judge Sylvester J. Ryan which revised ASCAP's accounting procedures (Vol. 15:43 p8). A written opinion by the Supreme Court will follow arguments in the appeal during term starting in Oct.

Reduction in Emmy-award categories from last year's 42 to 21, and nominees for the 12th annual presentations, were announced in N.Y. May 23 by Academy of TV Arts & Sciences Pres. Walter Cronkite. Apart from news & public affairs shows, CBS received most nominations—43. NBC took 27; ABC 5. New York entertainment shows, received 28 nominations; Hollywood took 33.

Advertising

TvB Likes Magazine Study: "The advertising profession owes the magazine industry a debt of gratitude for its study, 'The Profitable Difference,'" TvB Pres. Norman E. Cash said last week. "Not only does this study report new findings concerning magazines, but it explodes once & for all the myths of the unrealistic exposure claims some publications have been promoting by replacing them with actual audience figures."

Findings in the magazine study cited by Cash as "startling" include: (1) Almost one of every 5 homes doesn't see any of the nation's leading 35 magazines in a 6-week period. (2) More than half the nation's homes see less than one issue of these 35 magazines in a week. (3) The median income for a magazine-reading home is lower than the median income of a TV-viewing home. (4) TV's exclusive audience is 57% larger than magazines' exclusive audience. (5) The TV-exclusive audience represents almost $33 billion in income—83% more money than the magazine-exclusive audience represents. (6) Magazines reach 85% of the dentifrice market, TV 94%.

The magazine study, Cash pointed out, used 35 selected magazines to represent their medium, covering 78% of all magazine circulation. For TV, however, MAB selected 30 nighttime network programs. These 30 include only 26% of all nighttime network TV "circulation."

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Local program spot-TV billings of 238 companies (spending $50,000 or more) in 1959 totaled $80 million—or 13.2% of the year's total spot expenditure of $605 million, reports TvB. Leading spenders in spot programs were Colgate-Palmolive and Procter & Gamble. A total of 236 companies spent $50,000 or more in ID's last year, accounting for $64.5 million, or 10.7% of the total TV spot expenditure. Companies using ID's for 10 or more brands included American Home Products, Bristol-Myers, C-P, Helene Curtis Industries, General Foods, Nalley's, P&G.

Standard spot billing-form for TV-radio is now being urged on stations by 65 top ad agencies. The new form, developed by *Sponsor* magazine's standard spot-practices committee, aims to avoid agency confusion resulting from the variety of size, shape and color of present bills. Lamented one adman: "We often refuse to pay a station invoice because we can't figure out what we're being billed for."

TV commercials festival final summary last week revealed that Robert Lawrence Productions had scored 7 firsts—high score. Elliot Unger & Elliot came close with 6 and NBC Telesales placed 3rd among producers with 3. Young & Rubicam, J. Walter Thompson and BBDO were the most heavily represented ad agencies.

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Ad People: Harold Tillson named media dept. mgr., Leo Burnett; George Wilcox succeeds Tillson as media group supervisor; John W. Setear appointed mktg. supervisor . . . Stanley J. Quinn Jr. named Doherty, Clifford, Steers & Shenfield vp & dir. of TV-radio programming & production . . . Elliot Plowe, Grant Advertising N.Y. office senior vp, promoted to pres., in a transferral of the agency's domestic hq from Chicago to N.Y. Will C. Grant, founder, named chmn. & chief exec. officer; Christopher Cross promoted from vp to senior administrative vp, Chicago.

Networks

NBC's 'Entente Commerciale': The wartime underground hero who today is the nearest thing to a major commercial broadcaster in France—Marcel Bleustein-Blanchet—and NBC signed a precedent-setting "reciprocal representation agreement" last week. Under the pact, each will represent the other's interests in their countries, and the way is now clear for NBC to develop French-American TV shows and seek investment outlets in French-area TV-radio stations.

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Greater inter-union cooperation among the 3 major labor groups representing live performing TV talent—the American Federation of TV-Radio Artists, the American Federation of Musicians and American Guild of Variety Artists—is foreshadowed by AFTRA national exec. secy. Donald F. Conaway's latest move. Conaway has accepted invitations to address the June 6-9 national conventions of AFM and AGVA, both of which are to be held in Las Vegas, Nev. He'll discuss, AFTRA said last week, "mutual problems." Already a major labor power in the TV field (Vol. 16:20 p4), AFTRA has lately been active in encouraging more liaison between talent unions, and in discussing a possible merger with Screen Actors Guild. For its own national convention (July 20-24 in Washington), AFTRA has invited Secretary of Labor James P. Mitchell as guest speaker. A total of 312 delegates (representing more than 15,000 AFTRA performers) are expected to attend the Washington conclave.

Co-op sales in NBC-TV shows are being offered to affiliates as a special inducement to keep long station lists cleared for several shows in NBC's summertime program lineup. Programs in which NBC-TV stations will have the local option of selling 1-min. spots if not fully sold to network advertisers: *Cimarron City, Laramie, Law of the Plainsman, Overland Trail, Music on Ice, Moment of Fear, Head of the Class.* The local spots, however, are pre-emptable by the network on 14 days notice if sold nationally.

NETWORK SALES ACTIVITY

ABC-TV

American Bandstand, Mon.-Fri. 4-5:30 p.m., renewal of participations eff. Sept.
General Mills (Dancer-Fitzgerald-Sample)

The Alaskans, Sun. 9:30-10:30 p.m., particip. eff. summer.
Procter & Gamble (Compton)
Scripto (Donahue & Coe)

Bourbon Street Beat, Mon. 8:30-9:30 p.m., participations eff. May 30.
Procter & Gamble (Compton)
eff. Sept.
Scripto (Donahue & Coe)

Walt Disney Presents, Fri. 7:30-8:30 p.m., particip. eff. Sept.
Scripto (Donahue & Coe)

Adventures of the Nelson Family, Wed. 8:30-9 p.m., half-sponsorship eff. fall 1960.
Coca Cola (McCann-Erickson)

NBC-TV

The Loretta Young Show, Sun. 10-10:30 p.m., sponsorship renewal eff. fall 1960.
Warner-Lambert (Lambert & Feasley)

The Tab Hunter Show, Sun. 8:30-9 p.m., half-sponsorship eff. fall 1960.
Westclox (BBDO)

Congress

Suspension of equal-time rules during the upcoming election campaign, to permit TV networks to stage debates by Presidential candidates, was advocated last week by Senate Commerce Committee Chmn. Magnuson (D-Wash.). Endorsing a proposal by CBS Inc. Pres. Frank Stanton as an alternative to legislation requiring all TV outlets to donate prime time to the nominees, Magnuson told us he was prepared to introduce a resolution lifting application of the Communication Act's Sec. 315 to such debates. But Magnuson, co-author of the bill (S-3171) for mandatory time which was virtually smothered by objections at hearings a week earlier (Vol. 16:21 p2), wasn't hopeful that such a resolution could be pushed through the Senate & House before this session adjourns. Stanton & ABC-TV Pres. Oliver Treyz told the Commerce Communications Subcommittee at the hearings that their networks were ready to offer prime time to Republican & Democratic nominees if the networks would not be subjected to equal-time demands from a flock of minority-party candidates. NBC-TV's plan to put the major candidates on a *Meet the Press* series wouldn't be subject to amended Sec. 315, which exempts news shows. Meanwhile, the legislative outlook for S-3171 remained dim. The Subcommittee headed by Sen. Pastore (D-R.I.) made no move to act on the measure, which was denounced at the hearings on Constitutional & other grounds.

Sports anti-trust bill (S-10605) by Sen. Kefauver (D-Tenn.), permitting professional baseball & football clubs to control broadcasts of games, has been sent to his Judiciary Anti-trust & Monopoly Subcommittee to the full Committee—without recommendations for action. Following quickie hearings on the measure, which was opposed by baseball Comr. Ford C. Frick (Vol. 16:21 p12), the Subcommittee modified it to remove some proposed limitations on the number of players a club could control. But the Subcommittee left it up to the full Committee to decide what—if anything—should be done about the bill, which probably will be shelved.

Criminal penalties of $1,000 fines and/or 3-year jail terms for malicious damage to commercial communications systems ("used or intended to be used" by the govt. in Conelrad or other operations) are provided in a bill (S-3560) by Senate Judiciary Committee Chmn. Eastland (D-Miss.). The measure, approved by the Justice Dept. & Eastland's Committee, amends the U.S. Code to extend anti-sabotage penalties which apply now only to govt.-owned or operated facilities. A similar House bill (HR-8138) was introduced last year by Rep. Dowdy (D-Tex.).

Equal network time for Adlai Stevenson to answer President Eisenhower's May 25 TV-radio report on the Paris Summit Conference failure has been asked by 47 House members & 8 Senators, all Democrats. Released by Sen. Monroney (Okla.), a telegram bearing the 55 signatures "respectfully" requested Democratic National Chmn. Paul Butler to seek a half-hour June 1 from the networks in which Stevenson could "discuss in a constructive way our party's position."

FCC control of CATV receiving towers is provided in a Commission-recommended bill (HR-11877) introduced by House Commerce Committee Chmn. Harris (D-Ark.). His measure is similar to one (S-3343) sponsored by Senate Commerce Committee Chmn. Magnuson (D-Wash.) at FCC's request (Vol. 16:17 p10).

Television Digest

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Personals: William Randolph Hearst Jr. named Hearst Corp. chmn., succeeding **Martin Huberth**, named exec. committee chmn. Hearst Corp. owns WBAL-TV & WBAL Baltimore, WISN-TV & WISN Milwaukee, WCAE radio Pittsburgh, 50% of WTAE Pittsburgh.

George H. Allen ex-gen. mgr. & asst. publisher of *McCall's* magazine and formerly with the Cooperative Analysis of Bcstg. and WOR radio, appointed Meredith Publishing Co. special asst. to the pres. . . . **Charles P. Ginsburg** promoted to advanced video development mgr., Ampex Professional Products, succeeded as video engineering mgr. by **Lawrence (Larry) Weiland**, formerly NBC engineering advanced planning mgr.

Rogan Jones, the veteran Bellingham (Wash.) broadcaster (KVOS-TV & KVOS), having failed in his efforts to secure TV franchises in Nigeria, is now reported seeking them in several Eastern African countries, offering to install automated equipment costing about $50,000 per transmitter . . . **Roy Thomson**, Canadian TV-radio station owner (CKWS-TV & CKWS Kingston and CHEX-TV & CHEX Peterborough, Ont.), newspaper publisher and chmn. of Scottish TV Ltd., was guest May 18 at an informal "meet-the-people" luncheon given by Queen Elizabeth and the Duke of Edinburgh; Thomson, who publishes the *St. Petersburg* (Fla.) *Independent* and the *Glasgow Scotsman*, has also been revealed as a stockholder in the new TV station project due for debut in Nov. in Salisbury, Rhodesia.

Mortimer Weinbach, ABC vp & gen. counsel, designated by network to represent it on NAB radio board, replacing Edward J. DeGray, who resigned in April as ABC radio pres. (Vol. 16:16 p14) . . . **Betty Jane Southard**, ex-NLRB, and **Morris J. Levin**, ex-Post Office, join communications law firm of Roberts & McInnis.

C. Wrede Petersmeyer, Corinthian Bcstg. Corp. pres. & dir., elected to board of trustees of Committee for Economic Development . . . **John F. Dickinson**, vp of Harrington, Righter & Parsons reps, elected a dir. . . . **William W. Joyce**, vp-TV sales mgr., Katz Agency Chicago office, named mgr. of Detroit office; **Alan T. Axtell**, St. Louis office mgr., named TV sales mgr., Chicago office; **James E. Muse** replaces Axtell in St. Louis office.

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RCA-NBC counsel Cahill, Gordon, Reindel & Ohl has moved to 80 Pine St., N.Y.

RTES-Broadcast Pioneers recent luncheon named the following as industry's "oldest" (in service, not age) members: oldest member of RTES, William Hedges, vp, NBC. Oldest bcst. licensee, Ida A. McNeil, KGFX Pierre, S.D. Oldest announcer or on-the-air personality, Thomas H. Cowan, chief announcer, WNYC N.Y. Oldest script writer still at it, Goodman Ace. Oldest performer, Wendell Hall. Most venerable public-service broadcaster, Miss Judith Waller, consultant, NBC Chicago. Most ancient radio producer, Julius F. Seebach, producer-consultant, N.Y. Oldest engineer, Raymond F. Guy, NBC. Oldest station salesman, Arthur M. Tolchin, WMGM N.Y. Oldest program mgr., John Royal, NBC. Oldest rep salesman, Edward Voynow, Petry Co., Chicago. Oldest transcription salesman, Charles Michelson, N.Y. Agency timebuyer around the longest, Elizabeth Black, Cohen, Dowd & Aleshire, N.Y.

Frank V. Bremer, broadcasting pioneer who served for more than 50 years service with the same station & its predecessors, retired last week. In 1908, Bremer founded an amateur spark station (call letters FV) in Newark, which in 1919 acquired the first CW transmitter and operated under the call 2-IA, becoming commercial station WAAT in 1922. In 1948 Bremer founded companion station WATV (Ch. 13), serving as engineering vp of the TV & AM outlets. WATV & WAAT were sold in 1958 to NTA and call letters changed to WNTA-TV & WNTA. Bremer, who has been consultant to WNTA-TV & WNTA for the last 2 years, was honored May 26 in special ceremonies by the stations' officials.

Canadian CATV operators elected J. C. Couture (Victoriaville, Que.) pres. of the National Community Antenna TV Assn. of Canada at its 4th annual convention in Montreal. Other NCATA officers: A. Cross (Rediffusion Inc., Montreal), vp. Kenneth J. Easton (Toronto), secy. Omer Girard (Magog, Que.), treas. NCATA directors are P. Guerette (Kedgewick, N.B.), A. Rousseau (Sherbrooke, Que.), J. Beauchemin (Shawinigan, Que.), J. Poulin (St. George de Beauce, Que.), W. H. Cranston (Midland, Ont.), F. T. Metcalf (Guelph, Ont.), G. W. Rymal (Hamilton, Ont.), I. Switzer (Saskatoon, Sask.), B. Shepard (Vancouver, B.C.), I. H. Holloway (Port Alberni, B.C.).

NAB's TV Finance Committee will be headed for the 1960-61 term by W. D. (Dub) Rogers (KDUB-TV Lubbock, Tex.), succeeding C. Howard Lane (KOIN-TV Portland, Ore.). Chmn. of the Radio Finance Committee is Merrill Lindsay (WSOY Decatur, Ill.). They will be co-chairmen of the General Fund Finance Committee. The NAB Policy Committee headed by Clair R. McCollough (Steinman Stations), which announced the appointments, also named Dwight W. Martin (WAFB-TV Baton Rouge) & John F. Patt (WJRT Flint) as co-chairmen of By-Laws Committee.

New NAB TV Code Affairs staffer in the Washington office is James J. Gillis, 33, appointed exec. asst. to dir. Edward H. Bronson. Gillis, a graduate of Notre Dame, where he majored in journalism & radio, has worked since 1952 in the Justice Dept., assigned to administrative work in FBI offices. In his new job, which was authorized in the TV Board's Code expansion program (Vol. 16:13 p5), he'll report to asst. TV Code affairs dir. Harry H. Ward.

Washington State Assn. of Bcstrs. elects: Chmn., W. W. Warren (KOMO-TV & KOMO Seattle). Pres., Ronald A. Murphy (radio KUEN Wenatchee). Vp Thomas C. Bostic (KIMA-TV Yakima, 2 TV satellites & 3 radio stations). Secy.-treas., Allen Miller (KWSC Pullman).

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

U.S. & JAPANESE OUTPUT COMPARED: Differences between U.S. & Japanese electronics industries stand out sharply in the table on page 19, which compares 1959 factory output of the 2 countries in selected product categories.

It shows the strength & capacity of Japan's consumer-electronics plant—which accounted for 57% of that country's electronics output, as compared with the 22% of total U.S. electronics industry output represented by consumer goods. Japan last year produced 66% as many radios as did the U.S. (including twice as many transistor sets as were produced here), 44% as many TVs.

Cost differences show up strongly. Japan produced more transistors than did the U.S. last year, but their total factory value was only 20% of U.S. transistor output. The total output of Japan's electronics industry last year was computed at $935.7 million. Using a comparable method of figuring, U.S. electronics output would total more than $11 billion—or nearly 12 times as much.

The unit & dollar output comparisons were developed by us from figures supplied by the electronics div. of Commerce Dept.'s Business & Defense Services Administration (Japanese production) and EIA (U.S.).

REVERBERATION—NEW STEREO GADGET: "Electronic echo" will be big new feature this fall for high-end stereo units of at least 3 big manufacturers. "Reverberation" concept, used for many years by record companies to enhance feeling of "presence" in symphonic recordings and to make rock-&-roll vocalists sound like singers, is being applied for first time to home music instruments.

Philco & Zenith are already on record as planning to use a reverberation unit developed by Hammond Organ Co. last year for its electronic organs. Another "major manufacturer"—possibly Motorola—is due to use the device. Motorola officials declined comment, stating only that stereo line will be shown in Aug.

We attended demonstration of Philco unit—called "Reverbaphone"—last week. Our opinion is that it is a highly demonstrable gadget, probably a real selling point if properly used by dealers. When used with such "large-group" music as symphonies, operas, big choruses, we found it provides definite illusion of a larger space—achieving much of the "concert-hall realism" claimed for it.

Philco's version of the unit has 4-position switch which varies the "delay time" between original music and echo. The greater the delay, the greater the illusion of spaciousness. It can also be turned off completely, of course. It will be incorporated in all Philco phono units listing at over $300, first deliveries by June 15.

Basic Hammond Organ reverberation unit is relatively simple—no tubes or transistors, just couple of coils of wire running through small magnets—whole item being about the size of a necktie box. These 2 delay lines generate the echo or reverberant component from the signal source, feeding it to the amplifiers a few microseconds after the original signal. Reverberation is applied only to the middle frequencies—200-4,000 cycles. A byproduct of reverberation illusion, as it appeared to us, is enhancement of high-frequency notes.

Reverberation can be applied to all sound sources—monaural or stereo, phono or tape, AM or FM.

Zenith's reverberation unit, called "Reverba-Tone," will have continuously variable control instead of the calibrated 4-step switch of the Philco Reverbaphone.

Hammond Organ treas. Robert H. Nelson told us that 3 "prominent manufacturers of stereo hi-fi equipment" have placed orders for the item. As supplied by Hammond, it contains no controls, and is worked into the circuit by the end-equipment manufacturer, who supplies his own type of control. There are presently no plans to supply it in kit or accessory form to the consumer.

Another method of producing reverberation for home-music systems is planned by Minnesota Mining & CBS Labs in their new 1⅞-in.-per-sec. tape cartridges. As described last March by CBS Labs Pres. Peter

Goldmark, the pre-recorded tapes will contain an "optional 3rd track" to supply reverberation. Special tape players with a 3rd amplifier would pick up this "much more exciting & realistic sound" (Vol. 16:13 p18).

Whether reverberation will catch consumer's fancy or just inject another element of confusion, only time will tell. Hammond Organ Pres. Stanley M. Sorenson wasn't sure himself at the recent stockholders meeting, when he said: "We believe this is an important development, but it is too early to predict its acceptance and hence its contribution to [Hammond's] earnings."

PROBLEM FOR IMPORTS—UL APPROVAL: Imported TV, stereo & appliances will run head-on into a problem which may ban their sale in many cities—lack of approval by Underwriters Laboratories. The exact dimensions of the problem are difficult to determine, but at least one importer plans to set up what amounts to a factory in the U.S. in order to win the necessary safety seal.

There's no complete tally of cities & states which ban sale of electrical equipment not approved by UL—but one importer estimates that they encompass about 10% of market. They include all of Northern California, states of Oregon & Virginia—although in some of these locations a local electrical inspector's okay will substitute for UL's. National Electrical Mfrs. Assn. estimates that 15 years ago some 50 communities had ordinances prohibiting sale of non-approved equipment, but no up-to-date list is available.

UL regulations require inspection of equipment at the factory, using factory-owned facilities & test equipment. Anticipating demands for approval facilities in Japan, UL is now in process of setting up office in Tokyo—as it already has done in England, Belgium, France, Italy, Austria & Israel—solely for purpose of inspecting products destined for U.S. So far, there's been only trickle of UL-approved goods from Europe, Underwriters officials tell us—and none from Japan.

That's because UL inspection procedure is complex to begin with, and facilities for test of foreign-made TVs would compound this complexity many times over. UL regulations require manufacturers to have their own test facilities meeting Underwriters standards. But on top of this, according to UL executive engineer N. H. Davis, every component going into an electrical device—right down to resistors, capacitors and even hook-up wire—must pass UL muster.

Most U.S.-made components have long since been UL-approved, so problems in getting seal on a new-model American TV set, for example, aren't serious. But to begin test & inspection procedures for Japan-made TVs will require approval not only of every set model (at charge of $1,000 per model plus cost of setting up test facilities), but also prior testing & approval of Japanese components.

One of the largest importers tells us, however,that he plans to win UL approval for his Japanese-made sets. Delmonico International exec. vp Herbert Kabat says that his firm is setting up assembly plant to match Japanese chassis & cabinets with U.S. picture tubes (Vol. 16:20 p17), that UL standards, procedures & tests will be followed—and that he has no doubt Delmonico Japanese TVs will win the UL seal. UL officials concede that approval could be gained by this method, but say that this would necessarily be a vast undertaking—a testimonial to the large scale on which Delmonico views its entry into the TV market.

A big importer of German hi fi, Majestic International, is planning to redesign its German Grundig sets to get the UL tag. According to vp Sam Jenkins, the modifications will be made in the factory with the hope of getting the nod from UL's field man in Germany.

UL problem isn't faced by transistor radios, since they operate on low voltage, present no potential safety hazards. But UL's Davis ventured opinion that transistor TV, which has high-voltage circuit, probably would come under UL scrutiny. Most European hi fis & radios have been sold here without UL seal, avoiding markets where approval is mandatory.

Toshiba enters electric shaver field in the U.S. with a battery-operated rotary shaver with many unique features & accessories: (1) Easel mirror houses 3 flashlight batteries for power. (2) Manicure attachments (felt buffing cylinder, abrasive cylinder for filing, nail clipper). (3) Zipper travel case. The entire package carries a suggested list of $19.95, is being imported by Transistor World Corp.

Price increases of 5-10% on some capacitors, filters, vibrators & power supplies were announced last week by Cornell-Dubilier.

"Largest airlift ever conducted by a consumer-electronics manufacturer" is claimed by Admiral for its upcoming dealer meetings at Miami Beach (June 3-8) & Las Vegas (June 13-18). For 5,000 dealers, Admiral will run 86 chartered flights to & from Miami, 58 to & from Las Vegas.

"World's first electronic highway" will be demonstrated jointly by RCA & GM at Princeton, N.J. this week (2). Specially-outfitted standard automobiles on the RCA-built roadway will be started, accelerated, steered and stopped electronically.

RCA'S 1961 TV: RCA completed the 2-step introduction of its 1961 TV line this week (30) by adding a full range of 30 b&w models and one color set to the 13 color TVs initially announced at the close of its May 17-20 Las Vegas preview for Western distributors & dealers (Vol. 16:21 pp17 & 20). Here are the highlights of the complete b&w and color line, which had its Eastern preview May 25-28 in Miami:

RCA's first 19-in. models and first 23-in. combinations; a top-of-the-line TV tuner, built around the nuvistor tube, which reportedly is "30% more effective" than standard tuners; a series of Henredon-made the-furniture's-the-thing consoles (à la Motorola's Drexel, Capehart's Tomlinson lines); and a new 5-year warranty on TV & radio printed circuitry. RCA also reaffirmed its faith in old-size TV by introducing five 21-in. models and by adding a low-end 17-in. portable ($159.95 "Campaigner") to the four 17s introduced in March (Vol. 16:13 p21).

Sales Corp. Pres. Jack S. Beldon said the TV tuner heralds "performance substantially beyond anything offered before, including unequalled fringe-area reception." He added: "The new long-range tuner, using RCA's thimble-size nuvistor tube, provides up to 30% better performance in extreme fringe areas than the best tuner previously available. Laboratory & field demonstrations of the new tuner, which will carry the trade name 'New Vista,' have shown us that in these extreme fringe- & difficult-reception areas it is now possible to provide the viewer with a usable TV picture where before reception by any receiver was unacceptable." The "New Vista" tuner is a feature of the 4-model Henredon series and the $1,000 "Yorkshire" TV-radio-stereo combination. (RCA does not have list prices as such, and all figures noted here are approximate guides.)

Greater Price Range, More Variety

Overall, the 1961 RCA b&w line features greater depth & variety and new top & bottom pricing, compared with the year-ago line. Prices range from the $159.95 "Campaigner" 17-in. portable to the $1,000 "Yorkshire" 23-in. combo. The 1961 color line (reviewed in Vol. 16:21 pp17 & 20) has the same starting price of $495, but now ranges up to $1,500. Beldon said most of the new models are available for immediate shipment, and that distributors will be stocked in time for dealer meetings slated to begin the week of June 6. The Henredon series, however, will not be available until late this summer.

The 4-model Henredon series (3 b&w's, 1 color) marks RCA's first return to the accent-on-furniture, deluxe instrument field since the demise of its elaborate Berkshire series a decade ago. The move reflects increasing consumer appetite for quality instruments housed in discriminating furniture. The b&w Henredons: "Cherbourg" lowboy ($800), "Bellini" Italian provincial ($850), "Wallington" lowboy ($850). These models feature 23-in. 110-degree bonded tubes, 5-function remote controls, fold-back doors. The 4th Henredon is the 21-in. color "Manchester" lowboy console ($1,400), which has a 7-function remote control, fold-back doors.

RCA's first 19-in. TV line comprises 3 table models, ranging from $199.95 to a remote-equipped $279.95 set. The 19s use bonded tubes. The complete 23-in. line embraces 21 models, ranging from a $219.95 table to the Henredon consoles and including 3 combinations priced from $595 to the $1,000 "Yorkshire." The new 21-in. TVs include 2 tables ($199.95 & $209.95), 2 consolettes ($249.95 & $259.95), a console ($259.95). No new stereo equipment was shown, but is expected to be dropped in later.

* * *

RCA's first FM-only radios were announced last week by Sales Corp. vp Ray Saxon who forecast record industry sales of 750,000 AM-FM radios in 1960. He reported that RCA's first-quarter sales of AM-FM radios were up 40% over the year-ago quarter. The 2 new FM-only radios are priced at $39.95 & $42.95. RCA also announced 2 new AM-FM models: a $54.95 set and a deluxe $79.95 table model which features automatic frequency control.

———— ■ ————

EIA Actions: Labeling of electronic equipment using imported components was sought by EIA's tube & semiconductor div. at the manufacturer group's annual convention in Chicago (Vol. 16:21 pp18-23). In a resolution, the division asked the EIA staff to seek FTC fair trade practice hearings to discuss labeling.

In addition to those convention actions reported here last week, EIA announced these actions were taken in the various closed-door meetings:

(1) The board of directors endorsed legislation requiring Walsh-Healey & Bacon-Davis minimum wage determinations to conform with the Fair Labor Standards Act. In organizational changes, it redefined the qualifications for active & associate membership, and authorized a proxy membership meeting to vote on increasing directors representing the tube & semiconductor div. from 6 to 8.

(2) The board approved legislative-policy committee recommendations supporting HR-7123 to permit income-tax deductions for certain expenses incurred in normal legislative activities. It opposed provisions of HR-10959 which would require reporting of retired military officers employed by defense contractors. It also opposed HR-9996 "which would permit the dumping of foreign surplus parts & equipment in the U.S. unless the Secy. of Commerce determines such action would be injurious to the economy."

(3) The industrial electronics div. formed an instrumentation section (Howard Allen, General Mills, chmn.) and an educational-systems mktg. committee (Philip Jacobsen, Motorola, chmn.).

(4) Outgoing Pres. D. R. Hull appointed a President's Advisory Committee, as previously approved by the EIA board, to represent the electronics industry in advising new Pres. L. Berkley Davis on matters requiring high-level contacts. Advisory committee members are North American Aviation Pres. J. L. Atwood, Packard Bell Pres. Robert S. Bell, J-B-T Instruments Pres. Robert M. Bixler, Siegler Pres. John G. Brooks, Sperry Gyroscope Pres. Carl A. Frische, Motorola Pres. Robert W. Galvin, Hoffman Electronics Pres. H. Leslie Hoffman, Hazeltine Chmn. W. A. MacDonald, Muter Co. Pres. Leslie F. Muter, Stromberg-Carlson Pres. James D. McLean, Philco Pres. James M. Skinner Jr., Sprague Electric Chmn. Robert C. Sprague, Litton Industries Pres. Charles B. Thornton.

(5) Ten new companies were approved for EIA membership: Astron Electro-Dynamics Corp., Hialeah, Fla.; Crowley div., A. O. Smith Corp., West Orange, N.J.; Crystalonics Inc., Cambridge, Mass.; Erskine Precision Wire Corp., Emporium, Pa.; Lear Inc., Santa Monica; Electronic Chemicals div., Merck & Co., Rahway, N.J.; Microwave Electronic Tube Co., Salem, Mass.; Simplex Wire & Cable, Cambridge, Mass.; Weller Electric Corp., Easton, Pa.; Wilmington Group Inc., Wilmington, Del.

SALES, OUTPUT UP: First-quarter retail sales of TV sets were 16% higher than last year's first quarter, while radio sales were up 23% for the period, according to official EIA figures, released last week. TV sales for March totaled 501,829 sets, up from 425,751 in March 1959, while March radio sales totaled 664,441 vs. 515,563 in March 1959.

TV-radio production also showed a rise for the 3 months. Output of uhf-equipped sets for the period was 139,067, compared with 102,631 in the 1959 period and 121,213 for the first quarter of 1958. FM-set output took a big jump in March, to 83,127, compared with only 32,112 in March 1959. Here are EIA's monthly production-sales figures for 1960's first quarter:

TELEVISION

Month	Total Production	Uhf Production	Retail Sales
January	526,494	50,119	590,867
February	503,453	43,537	507,673
March	549,500	45,411	501,829
Jan.-Mar. 1960	1,579,447	139,067	1,600,369
Jan.-Mar. 1959	1,390,550	102,631	1,375,628

RADIO

Month	Total Production	Auto Radio Production	FM Radio Production	Retail Sales (excl. auto)
January	1,355,788	632,461	33,816	803,388
February	1,442,368	596,872	50,963	611,479
March	1,667,550	633,761	83,127	664,441
Jan.-Mar. 1960	4,465,706	1,863,094	167,906	2,079,308
Jan.-Mar. 1959	3,597,676	1,363,822	92,374	1,690,941

Electronic Export Beefs: It's getting tougher for U.S. manufacturers of TV, radios, phonos and other electronic products to compete freely in foreign markets, the Commerce Dept.'s Bureau of Foreign Commerce was told last week by spokesmen for the industry.

In one of a series of Washington meetings called by the Bureau and Business & Defense Services Administration to help American industry develop exports, electronics producers & traders complained about worsening trade restrictions in Latin America, Europe, Middle & Far East.

In many cases, they said, foreign controls have resulted in exclusion of U.S. products—even where local industry can't meet a country's needs. They were asked by Asst. Commerce Secy. Carl F. Oechsle to furnish examples of difficulties experienced in attempts to make sales abroad.

EIA was represented at the conference by exec. vp James D. Secrest & international dept. mgr. Tyler Nourse. Others participating included S. T. Harris (Texas Instruments), E. J. Girard (Standard Electric), R. C. Frost (Collins), Ray C. Ellis (Raytheon), Hans Mannheims (International Resistance), F. A. Mazzarco (Westinghouse), John A. Miguel Jr. (Zenith), H. Deming (GE), Charles D. Cushman (RCA), Ad. Auriema (Ad. Auriema Inc.), Robert Adams (Packard Bell), Leonard K. Adams (Fansteel Metallurgical), George T. Scharffenberger (Westrex), Dudley Scholten (Sylvania), E. Del Smith (Leach), Frank Thomas (Frathom).

Obituary

Georges Claude, 89, inventor of the neon light, died May 23 at his home in St. Cloud, France. Successor to the U.S. company formed in 1924 to exploit his invention (Claude Neon Lights Inc.) is Dynamics Corp. of America, manufacturer of electronics equipment and TV transmitters.

More about

U.S.-JAPAN COMPARISON: The table below compares 1959 factory output in selected electronic product categories in U.S. & Japan (see p. 16). Some of the figures aren't directly comparable, because of product definitions or methods of calculation. The total of Japanese production, as computed by Commerce Dept., contains some duplication, since components used in end-products are included in both the component (or tube or transistor) category and in the value of the end-product. EIA figures, on the other hand, don't have this duplication, as components used in end equipment manufacture aren't included in the grand total.

Most of the U.S. figures represent factory sales, while Japanese figures are identified as production. In the table below, quantities are in thousands of units, values in millions of dollars.

U.S. & JAPANESE ELECTRONICS OUTPUT, 1959

Product	United States Quan. (000)	United States $(000,000)	Japan Quan. (000)	Japan $(000,000)
TOTAL ELECTRONICS		($9,200.0)*		$935.7
Consumer Electronics		2,000.0		531.4
TV receivers	6,349.4	896.4	2,873.0	336.4
(including kits)				
Total radios	15,622.0	330.9	10,025.2	156.6
Tube type	11,700.4	‡	2,103.5	33.5
Transistor	3,921.6	‡	7,921.7	131.4
Total phonos	4,390.0	373.0	873.1	21.9
Radio-phonos	829.0	‡	222.8	10.9
Phonos	3,475.0	‡	84.3	2.6
Record players	86.0	‡	565.9	8.5
Recorders	650.0†	120.0†	232.4	14.5
Other consumer elec.		259.7		1.8
Commercial, Industrial Military		6,300.0		110.6
Electron Tubes		775.0		141.1
Receiving	432,936.0	368.8	118,637.9	71.9
TV picture	9,522.5	138.8	3,211.3	59.4
Transmitting & special purpose	‡	222.4	2,365.6	6.6
Semiconductor devices		377.0		52.9
Transistors	82,294.0	222.0	86,500.5	44.5
Diodes & other	‡	155.3	41,796.0	8.4
Other components		1,681.0		99.7
Capacitors	‡	267.0	727,620.0	31.9
Resistors	‡	194.0	555,095.0	15.3
Transformers	‡	129.0	23,212.7	14.9
Speakers	‡	**	9,902.9	11.5
Other	‡	1,091.0		26.1

* Not directly comparable with Japanese over-all total. If computed on the same basis, U.S. total probably would exceed $11 billion.
‡ Not available.
† Estimate.
** Included in "other."
U.S. dollar equivalents converted from yen at rate of 360 yen = $1.

Trade Personals: Henry E. Bowes, former mktg. vp, becomes vp-gen. mgr., Philco consumer products div., in a top-level realignment of consumer products executives. He succeeds Larry F. Hardy, who takes new post of public relations vp. Bowes is succeeded as mktg. vp by Robert G. Urban, former vp & asst. to Bowes. Frederick D. Ogilby, ex-vp & dir. of mkt. planning, becomes sales dir.

Joseph B. Elliott, onetime RCA Victor consumer products exec. vp, June 1 joins Borg-Warner Corp. as pres.-gen. mgr. of its York div. (air conditioners). Elliott is exec. vp of Raymond Rosen Inc., Philadelphia RCA distributor, and will remain on the Raymond Rosen board. He served with RCA from 1935 to 1954, except for a period in 1944-45 when he was sales & advertising vp of Schick Inc. He rejoined Schick in 1954 as pres., joining Rosen in 1956 and becoming pres. of Rosen's communications equipment manufacturing subsidiary Tele-Dynamics Inc., which was sold this year to American Bosch Arma (Vol. 16:6 p21). He is chmn. of EIA's small business committee.

Finance

General Instrument Corp., whose merger with General Transistor Corp. has been agreed on "in principle" (Vol. 16:21 p24), reports that the fiscal year ended Feb. 29 was the "most successful" in its 37-year history, with record sales & profits—pre-tax earnings up 117%, net earnings 59%, sales 21%. Chmn. Martin H. Benedek projected further sales & earnings records for the current fiscal year. The company, he said in the annual report, has achieved its goal of a 50-50 mix between military-industrial & entertainment electronic products. Military backlog is currently about $37 million, an all-time high, up from $30 million Feb. 29 and $15,925,000 a year earlier. At the end of the fiscal year, current assets were $19,915,029, current liabilities $8,127,779, working capital $11,787,250. Working capital has since been increased to $16,787,250. For 12 months to the end of Feb:

	1960	1959
Sales	$56,175,270	$46,562,300
Net profits	2,104,547	1,317,828
Earned per share	1.37	93¢
Shares outstanding	1,534,123	1,416,173

Clevite Corp. anticipates a sag in 2nd-quarter sales & earnings from the $1.21 a share on $25,978,895 sales posted in the first quarter. However, Pres. William G. Laffer forecast that first-half sales will total about $50 million, up from $42.8 million a year ago, and will produce a net of more than $2 a share vs. $1.78 in 1959's first half. For the 1960 year, he added, "we're still saying earnings will be at least $3.75 a share, up from $3.36 in 1959, with sales showing a 10-12% gain over 1959 to some $95 million." Clevite's most marked gains will be scored by electronic components, which now account for 40% of total volume, Laffer noted. He said that a major portion of the $10 million earmarked for 1960 capital expenditure will go for expanded production of both germanium & silicon transistors & diodes. Clevite recently acquired Shockley Transistor Corp. from Beckman Instruments (Vol. 16:17 p19).

Ling-Altec Electronics and Temco Aircraft boards have approved the proposed merger into Ling-Temco Electronics Inc. (Vol. 16:18 p23), and the consolidation is now subject to the agreement of stockholders. Under newly formulated terms, Temco stockholders would receive for each share of Temco the equivalent of .6% of a share of the new Ling-Temco, comprising .48% of a share of common and .12% share of preferred. Ling-Altec stockholders would exchange one share of Ling-Altec for one share of Ling-Temco common. Ling-Altec Chmn. James J. Ling will be president of Ling-Temco, Temco Pres. Robert McCulloch becoming chairman and Temco exec. vp Clyde Skeen will retain his present post.

Philco has set aside 412,160 shares of common stock for use in its stock-option plan, according to a registration statement (File 2-16597) filed with SEC.

Reports & comments available: Standard Coil Products, report, Schweickart & Co., 29 Broadway, N.Y. 6 . . . Daystrom, analysis, Boenning & Co., 1529 Walnut St., Philadelphia 2 . . . ITT, review, Fahnestock & Co., 65 Broadway, N.Y. 6 . . . Precision Circuits Inc., prospectus, Myron A. Lomasney & Co., 39 Broadway, N.Y. 6 . . . Electronic Assistance Corp., prospectus, Amos Treat & Co. Inc., 79 Wall St., N.Y. 5 . . . Keystone Electronics Co., prospectus, J. A. Winston & Co., 11 Broadway, N.Y. 4 . . . Magnavox, report, Dempsey-Tegeler & Co., 210 W. 7th St., Los Angeles 14.

Beckman Instruments, Fullerton, Cal. maker of electronic components & instruments, anticipates record sales & profits for the 1960 fiscal year ending June 30. Financial vp William W. Wright foresees sales of $55 million and earnings equal to $2.30 a share (on 1,377,412 shares), compared with fiscal 1959's $44.7-million sales and per-share earnings of $1.30 on 1,363,094 shares. "It would not surprise me if we did better than $55 million," Wright added. "We certainly won't do less." Alluding to Beckman's recent sale of its Shockley Transistor Corp. div. to Clevite Corp. (Vol. 16:17 p19), Wright said the div. had been operating at a loss because of research & experimental costs. He estimated that Shockley's overhead had cost Beckman 17¢ per-share net in the 9 months ended March 31.

Raytheon reports lower profits on higher sales in 1960's first quarter. "Despite somewhat disappointing results in the first quarter, we are optimistic about the outlook for the year as a whole," notes Chmn. Charles F. Adams. "March showed substantial improvement in the trend of sales & earnings over the first 2 months, and, barring unforeseen developments, we expect 1960 to be a better year than 1959." For the first quarter ended April 3:

	1960	1959
Net sales	$134,752,000	$113,302,000
Net income	2,160,000	2,512,000
Per com. share (after pfd.)	56¢	72¢
Common shares	3,714,418	3,494,336

Standard Coil Products Co. reports a 47% increase in profits on sales 32% higher than the 1959 period in the first quarter of 1960. Pres. James O. Burke attributed the "exceedingly fine first quarter" results to the company's diversification & expansion program begun several years ago. The company proposes to change its name to Standard Kollsman Industries Inc. subject to approval of stockholders at the June 14 annual meeting. For 3 months ended March 31 (per-share earnings based on 1,983,533 shares outstanding March 31, 1959):

	1960	1959
Sales	$21,871,820	$16,591,852
Net income	572,125	390,397
Earned per share	29¢	20¢

Philips' Lamp Works (N. V. Philips' Gloeilampenfabrieken), the big Netherlands-headquartered electrical-electronics firm, reports a 40% increase in profits on 16% more sales for the first quarter, as compared with the same 1959 period. Liquid assets at the end of the period totaled $177 million vs. $166 million a year before. Total employes increased to 192,000 from 176,000. For 3 months ended March 31 (converted from guilders at the rate of .265=$1):

	1960	1959
Sales	$275,865,000	$237,175,000
Net profit	23,055,000	16,430,000

CBS Inc. has filed an SEC registration (File 2-16591) for 72,000 common stock shares to be used in its employes' stock-purchase plan.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Amphenol-Borg	Q	$0.35	Jun. 30	Jun. 16
Bendix Aviation	Q	.60	Jun. 30	Jun. 10
MGM	Q	.30	Jul. 15	Jun. 17
Minnesota Mining	Stk.	3-for-1	Jun. 10	May 20
Sprague Electric	Q	.30	Jun. 14	May 31
Textron Inc.	Q	.31¼	Jul. 1	Jun. 15
Wells-Gardner	Q	.30	Jun. 15	Jun. 2

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

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AYER WARNS REPS to use their influence with stations to stop rate chiseling or the agency will seek its own off-card deals (p. 1).
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HOW THE TOP 100 spread their 1959 budgets (pp. 11, 12, 13).

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MUST NEW SEASON DEBUT BE DELAYED? Hollywood asks networks to do so, but nets aren't talking. McCann-Erickson strengthens production arm (p. 2). Arnaz, WGA talk compromise (p. 7).
WHAT'S BEHIND HOLLYWOOD'S LONGEST STRIKE? Foreign residuals is the crucial issue (p. 8).

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BIRTH OF FCC 'WATCHDOG' DIV. now official. John Harrington named chief, but extent of operations uncertain pending Congress's action on appropriation (p. 3). Dept. (p. 14).

Congress

STOPGAP EQUAL-TIME EXEMPTION adopted by Senate committee, which shelves mandatory TV debate bill, urges suspension of Sec. 315 for 1960 Presidential nominees (p. 3).
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Finance

ELECTRONICS FUNDS GAIN: Television-Electronics Fund and Electronics Investment Corp. announce record total net assets in latest financial reports (p. 23).

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NEW TV TRENDS: More for more money, longer lines, big-name furniture cabinets, "home theater" combinations. Admiral & Sylvania lines shown (pp 18 & 22).
AUTO & ELECTRONICS: Full-scale demonstration of electronic highway by RCA & GM herald opening of new "consumer electronics" field—the family car (p. 19).
RCA SENSES COLOR BREAKTHROUGH, devoting Miami Beach meeting to stimulating dealers & distributors to ride "genuine groundswell" (p. 20).
STANDARD COIL buys Casco Corp., diversifying into small-appliance field. Leonard Cramer to head consumer products (p. 20).
BRITISH ARE COMING with TV for U.S. market test, but staple item will continue to be hi-fi components, of which Britain exported $14 million to U.S. in '59 (p. 21).
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VHF CHANNEL HUNT nears dead end, with Adm. Burke first military spokesman to blast "campaigns against the limited military frequencies" (p. 4).
FRESH SET-COUNT & penetration figures to be released by ARB & Nielsen. County-by-county and market totals plus number of households and penetration percentages to be included (pp. 4 & 5).
NBC DEALS LEGAL, Bicks says in letter to Rep. Celler defending Justice Dept. inaction in Philadelphia-Boston-Washington-San Francisco station plans (p. 6).

Other Departments

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AYER WARNS REPS ON SPOTS: Rate-chiseling must be stopped in spot TV & radio, and station reps may no longer maintain innocent bystandership toward the industry's perennial local-vs.-national-rate problem. That's the gist of what N. W. Ayer & Son media vp Leslie D. Farnath told some 50 top reps in N.Y. June 1 at a special by-invitation luncheon.

Atmosphere of meeting was "friendly but realistic," we learned from rep executives present. Ayer's prime beef: Clients of rival agencies have lately been able to obtain spot time at prices lower than Ayer is paying—usually by persuading a station through special field men to accept national spot business at off-card rates or at local rates. Ayer's warning: Ayer will be forced to bypass reps and put its own timebuying squad in the field to make local deals unless stations stick strictly to card rates.

Agency's ultimatum produced few complaints, inasmuch as firms have vital stake in preserving agency-to-rep-to-station procedure. "We're very much in favor of Ayer's stand," the TV sales vp of one of the 3 largest N.Y. rep concerns told us privately. "TV should be justifying its rates, not trying to undermine them. Ayer should be congratulated on its gentlemanly approach."

Meeting had produced much advance speculation. Several reps we contacted in advance of June 1 luncheon were convinced meeting would deal with an Ayer request for a downward revision of summertime

TV spot rates, as did a recent station letter from BBDO (Vol. 16:19 p18). Reps who thus went to the session with chips on their shoulders wound up being surprised that Ayer was actually on their side in maintaining rates, although in no mood to ignore preferential rate-cutting.

Objective of the meeting was later characterized as naive by one uninhibited leading figure in the industry. And he believed, too, that calling such a meeting with regard to rates was flirting with anti-trust. He did not see how reps could possibly go about the impossible task of getting station operators to standardize their varying interpretations of local & national business, eliminate their competitive attitudes, and—in some cases—upgrade their personal integrity.

Anti-trust worries kept some reps away from the meeting. In Washington, one experienced attorney said: "Any time competitors get together to talk about prices they're in danger." Another took a less anxious view: "It depends on what they do. Are the agencies threatening to boycott stations & reps if rates aren't respected? That would give them trouble. But if Ayer is just urging people to stick to their rates, I don't think there's anything wrong with that." It was recalled that some in the industry once considered agreeing on a uniform graduation of quantity discounts for spots but got worried about anti-trust angles and dropped it.

MUST NEW SEASON DELAY DEBUT? New fall film shows may be seriously delayed by 20-week-old WGA strike which has steadily dried up the supply of telefilm screenplays. Evidence that problem was reaching a crisis stage—despite earlier network assurance that fall season would start as planned (Vol. 16:20 p5)—was plentiful in N.Y. last week.

Sextet of top telefilm executives appealed to key program customers to keep premiere deadlines on new shows extremely flexible so long as WGA strike is in effect. The 6 men—exec. producer William T. Orr of Warner Bros, Pres. Taft Schreiber of MCA's Revue, exec. vp Thomas McDermott of Four Star, vp & gen. mgr. Jerry Hyams of Screen Gems, production vp Maurice Unger of ZIV-UA, and Pres. Peter Levathes of 20th Century-Fox TV—told networks & agencies that it may become necessary for producers to make expensive (to program buyers) settlement with WGA if firm premiere deadlines must be met. Recommendation of the film executives: Extend the summer rerun period until strike picture clarifies.

WGA meanwhile is attempting to counter this move, and has protested to American Assn. of Advertising Agencies against breathing spell that would be afforded to producers by late start on new film shows. Replied Pres. Fred Gamble: AAAA plans no official action in strike; it's up to individual members.

It's in the agency area that a breakthrough may come, however. Theoretically, there's nothing to stop an agency signing some form of "minimum basic agreement" with WGA, and then going into union-approved TV production for itself. At least one major agency, reputedly McCann-Erickson, has already contacted WGA to explore this possibility (Vol. 16:22 p10).

McCann-Erickson move is not really surprising. For one thing, M-E last week hired ex-CBS-TV Pres. Jack L. van Volkenburg as pres. of its semi-autonomous M-E Productions, reporting to Chmn. C. Terence Clyne. (M-E's official statement to us concerning the reason for bringing in the former network pres., however, was that "we are merely filling out the ranks of our top hierarchy, since each M-E division has a pres. & a chmn.") For another, M-E Productions is virtually the framework for a full-fledged production organization, since it produces no TV commercials (the job of M-E's creative dept.) and exists only to service programming.

M-E agency is no stranger to program production. In past season, house-produced shows have been primarily in realm of specials ("America Pauses" series for Coca-Cola, "Some of Manny's Friends" special) with the agency preferring to buy bread-&-butter film shows from networks and independent producers as basic TV program vehicles. Admen with long memories were also recalling last week that it was M-E that held the production reins, or directly commissioned shows like the original radio "Dr. Christian" series and the spot-placed "Death Valley Days" in TV.

Networks, concerned about situation, are preparing special plans to meet it. ABC-TV has a greater percentage of film programming (nearly 90%) in its nighttime schedule. Program vp Tom Moore tolds us the network has had under wraps for past 6 weeks a blueprint for an extended summer rerun season and a delayed on-air start for new fall shows and older film shows hit hard by WGA strike. CBS-TV and NBC-TV, we also learned, have mapped comparable plans.

Situation stirred up rumor storm in both N.Y. & Hollywood last week and created trade press headlines (actually incorrect) that networks had firmly agreed to postpone fall starts, subject to agency & client

approval. In both cities, officials of 3 networks denied June 3 that this was so—and from Hollywood, Alliance and AMPP issued a joint statement that 2 networks were "re-examining their schedules . . . wherever required" and the 3rd "already has prepared a revised schedule." On agency front, "no comment" was the rule, although one enterprising trade paper carried a June 2 story that agencies & producers had agreed to a postponement—some 24 hours before meetings were held.

BIRTH OF FCC 'WATCHDOG' DIV: FCC's new Complaints & Compliance Div. has started—on paper. At least it's got a chief—Broadcast Bureau attorney John C. Harrington, who has served as a top level advisor to bureau chief Harold G. Cowgill, to whom he'll still report in the new job.

Harrington still doesn't know exactly who will be on his staff, won't know until Congress decides whether to give Commission the $300,000 it wants to make the division a full-fledged operation. He will have, however, at least the personnel of now-abolished Compliance Branch of the Renewal & Transfer Div.—LeRoy Schaff, William H. Hunter, Louis Bryan. It's expected more people will be transferred from Renewal Branch.

Most observers regard Harrington as an excellent selection, capable & careful. He has been a top-notch trouble-shooter on all phases of broadcast activity, working on many of Commission's tougher problems. He was born in Fall River, Mass. in 1911, received Holy Cross A.B. in 1932, Georgetown LL.B. in 1940.

He started with FBI in 1936, served with Federal Security Agency 1939-1943, Justice Dept. Lands Div. 1943-1946, FCC 1946-1948, back to Justice Lands Div. 1948-1956, then with FCC since 1956.

Asked for his concept of job, Harrington pointed to FCC's announcement: "The new Division will serve as a clearing house for all complaints concerning the conduct of radio & TV broadcast operations and compliance with statutes, international agreements, and policies & rules of the Commission. It is charged with the responsibility of ascertaining facts, in response to specific complaints or on its own initiative, and keeping the Commission informed of developments in the broadcast industry. Its purpose is to enable the Commission to better discharge its own obligations under the Communications Act, and ultimately to assist broadcasters in discharging their obligations to operate in the public interest, without impairing their basic responsibility as licensees."

STOPGAP EQUAL-TIME EXEMPTION ADOPTED: Shelving hotly controversial plan to compel TV networks & stations to give free time to Republican & Democratic Presidential nominees, Senate Commerce Commitee last week approved alternative proposal: suspension of equal-time rules to permit debates by 2 candidates on air (Vol. 16:22 p14).

Broadcasters won big—if not unexpected—victory with pigeonholing of mandatory TV debate bill (S-3171), which was denounced at hearings last month as unconstitutional. Networks (CBS Inc.'s Frank Stanton in particular) won argument—with Committee, at least—that Communications Act's Sec. 315 was only thing preventing them from voluntarily offering free time to major candidates anyway. It was Stanton who first proposed suspension of Sec. 315 to accomplish professed "great debate" objectives of measure, co-sponsored by Committee Chmn. Magnuson (D-Wash.), Sen. Monroney (D-Okla.) and score of other Senators.

But big question remained: Will Congress act before adjournment early next month to lift application of law so that networks won't be subjected to equal-time harassment by minor candidates?

Easy passage of recommended joint resolution in Senate was predicted by Committee sources, despite expected opposition of some holdouts for Magnuson-Monroney bill, such as Sen. Yarborough (D-Tex.). Committee report on stopgap proposal was being rushed so Magnuson could submit resolution on floor early this week. But House must approve resolution, too, and it may run into pre-adjournment legislative logjam there.

Sec. 315 suspension resolution is simple & short. It says law's requirement that broadcasters must provide equal air opportunities for all candidates for same office isn't applicable in 1960 campaign so far as candidates for President are concerned. It also charges FCC with responsibility for seeing how exemption works out and for filing report to Congress by March 1, 1961—implication being that Magnuson-Monroney bill will be revived then if networks haven't fulfilled promises under exemption to give nominees full opportunities.

Proposed temporary abrogation of law has no precedent in broadcasting's legislative history, nevertheless. And such a joint Congressional resolution, in effect repealing law for specific purposes for specific period, is rarity on Capitol Hill. Office of Senate Parliamentarian told us no similar proposals have come up in recent years, at least, although joint resolutions & private bills providing individual exemptions in such areas as tariff & immigration laws are common.

Note: FCC wasn't waiting for Congressional action on Sec. 315 resolution before proceeding with its own 1960 campaign watchdog operation. It sternly reminded TV stations last week that all questions in political policy-&-planning questionnaire sent out last month (Vol. 16:21 p7) must be answered. Replies so far from stations "indicate a neglect by many to answer 2 specific questions," FCC said. One deals with general policy on free political time, other with plans for clearing time for sustaining Presidential election broadcasts. FCC will carry out its role by asking all stations to report just how they've handled political broadcasting during the campaign. Even if the suspension resolution isn't approved, it will ask licensees to tell how they've implemented Sec. 315 as it stands.

Milestone in electronic journalism—that was NBC Chmn. Robert W. Sarnoff's praise June 3 of Senate Commerce Committee's action re suspension of Sec. 315 during the Presidential campaign. The measure, if passed by Congress, would "free responsible broadcasters to do what they have long sought—to exercise their initiative in presenting the major-party candidates without incurring the penalty of giving equal time to 15-odd minor & splinter-party candidates," said Sarnoff. Meanwhile, he added, NBC would stand by its plan to present major-party nominees in 60-min., prime-time telecasts of "Meet The Press" prior to Election Day.

VHF CHANNEL-HUNT NEARS DEAD END: Always-dim prospects of getting more vhf channels for TV from the military have just about flickered out. There's nothing official yet, and FCC Chmn. Ford has yet to conclude negotiations with OCDM and inform Senate Commerce Committee of results.

Outlook has always been bleak, but no military spokesman had ever said so publicly—until Adm. Arleigh Burke, Chief of Naval Operations, spoke up at recent convention of Armed Forces Communications & Electronics Assn. He didn't mention TV or any other service, but there was little doubt about what he meant when he said:

"All of us must be alert in fighting this silent enemy, high cost, which robs us of our defense dollars. We must guard against unnecessary use of expensive materials, against costly modifications, which fail to produce significant improvements.

"Unwarranted criticism, and campaigns against the limited military frequencies of the radio spectrum are a good example of non-productive expense. Should the armed forces be forced to shift to new frequencies, to change equipment to do so, the result would be harmful; not just in waste of the taxpayer's money, but also in prolonged reduced readiness. The money could be employed elsewhere in the advancement of electronics, and be reflected in a stronger national defense."

If Adm. Burke's views are typical of military attitude—and there's scarcely any doubt they are—FCC will go back to trying to implement what it has, 12 vhfs & 70 uhfs. This will mean more pressure for vhf mileage-cut drop-ins and vhf-uhf deintermixture.

FRESH SET-COUNT & PENETRATION FIGURES: Both ARB & Nielsen are coming up with brand-new industry tools in the form of updated county-by-county set counts.

ARB reports that its tabulations, to be released June 13, will include Alaska & Hawaii for the first time. The results are based on sampling done last Nov. & March. Unusual angle: There are 700 "reversals" —i.e., counties showing fewer sets than in Advertising Research Foundation's 1958 figures. However, all markets (county groups) show a net increase. ARB will follow up, at end of June, with market-by-market and metropolitan area totals.

Nielsen releases U.S. state & Canadian province totals today, June 6 (see next page), following up with county-by-county tabulations June 13. As usual, figures of both will show number of sets, households & percentage penetration. (For Nielsen's last estimates, as of spring 1959, see TV Factbook No. 30, pp. 37-47.)

Stations

Ban on use of American TV & radio stations by candidates for public office in Canada has been proposed to the House of Commons elections committee. Examples of current use are KVOS-TV in Bellingham, Wash. and several radio stations in northern Maine and along the border, where candidates seeking election to Parliament need U.S. TV & radio facilities to cover their constituencies.

American TV stations along border points will also lose revenue to Canadian stations under a new change in Ontario regulations permitting breweries, distilleries and wineries to advertise on TV and radio. The new code, effective Sept. 4, will allow these advertisers to use public-service programs with sponsor identification, but no spot announcements. The Ontario action is expected to spread to other provinces following next month's Banff conference of provincial liquor commissioners.

More about

TV NOW IN 87% OF U.S. HOMES: The growth of TV continues, although the "mature" expansion of the medium has now become gradual. As of Jan. 1960, there were 45,200,000 U.S. TV homes, representing 87% of the 52 million households in the nation, according to A. C. Nielsen's newest state-&-county U.S. TV ownership estimates. This compared with 44 million TV homes and 86% a year earlier. (See next column.)

"Practical estimates" is what Nielsen terms its figures (which were seen by conventioneers recently in its NAB hospitality suite). They were derived by applying Nielsen-calculated "growth rates" against estimates of total U.S. homes made by *Sales Management*. Full data in the Nielsen Study, available in a $5-per-copy book, shows TV ownership county by county.

The most-saturated area, indicates the report, is the North East, which includes the industrialized, heavily-urban New England and Middle Atlantic states. There, TV reached 92% saturation and a TV home count of 12,043,800 in Jan., as compared with 91% saturation and 11,851,960 homes 12 months before.

The South is still the least-saturated area, although slowly catching up. In the South, TV is now in 80% of homes (11,908,000) as against 78% (11,425,320) the previous year.

There's a 5-way tie for first place among individual states in terms of TV penetration. Conn., Mass., R.I., N.J. and Ohio all have 93% TV saturation. On the low end of Nielsen's TV totem pole is Miss., with only 64% saturation.

Canadian TV ownership, for the first time, is also measured in the new Nielsen report. Of the 4,266,800 homes in Canada's 9 major provinces, 80%—3,423,410 homes—are TV-equipped. The heaviest saturation—88%—occurs in the province of Quebec. Due soon from Nielsen: a report, to complete the Canadian picture, on Newfoundland.

* * *

Results of ARB's new 100-market overnight rating system experiment, being conducted this week, will be made public "within 10 days," ARB's N.Y. mgr. Jack Gross told us last week. ARB has set up 100 sample areas, of which 24 will be equipped with automatic Arbitron meters. Coincidental telephone calls to pre-selected homes will be conducted in the remaining areas. The initial plan calls for use of about 800 homes per 30-min. period, with figures supplied the next morning for national ratings & homes reached in all network periods.

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Uhf plan for N.Y. City, endorsed by Mayor Robert Wagner, has been lauded in a *N.Y. Times* editorial. "The proposal to erect an experimental ultra-high frequency TV station in N.Y. promises to serve a variety of useful purposes. We hope the Senate will endorse the action of the House in approving the necessary appropriation of $2 million. With commendable alertness, Mayor Wagner recognized that this experiment may present a heaven-sent opportunity for N.Y. City to engage in non-commercial TV," said the *Times*. On May 19, Mayor Wagner sent a telegram to Sen. Warren G. Magnuson (D-Wash.), urging the approval of the recently-recommended FCC $2-million allotment for a 2¼-year N.Y. City uhf research program (Vol. 16:16 p2). If the project is approved, the mayor will ask the city's Board of Estimate for $100,000 a year to supply station programs.

Television Ownership by Geographic Area

	Total Homes	Television Homes	
TOTAL U.S.	52,000,000	45,200,000	87%
North East	13,057,000	12,043,800	92
New England	2,951,800	2,725,060	92
Connecticut	707,700	655,550	93
Maine	260,900	234,580	90
Massachusetts	1,461,700	1,358,160	93
New Hampshire	168,200	153,320	91
Rhode Island	249,800	232,810	93
Vermont	103,500	90,640	88
Middle Atlantic	10,105,200	9,318,740	92
New Jersey	1,751,500	1,628,530	93
New York	5,084,000	4,694,940	92
Pennsylvania	3,269,700	2,995,270	92
North Central	15,611,500	14,061,900	90
East North Central	10,917,100	10,032,610	92
Illinois	3,106,600	2,848,170	92
Indiana	1,424,200	1,297,250	91
Michigan	2,336,700	2,151,580	92
Ohio	2,898,200	2,700,660	93
Wisconsin	1,151,400	1,034,950	90
West North Central	4,694,400	4,029,290	86
Iowa	859,800	775,950	90
Kansas	675,300	557,660	83
Minnesota	974,300	847,360	87
Missouri	1,373,300	1,215,750	89
Nebraska	443,000	372,520	84
North Dakota	170,600	124,890	73
South Dakota	198,100	135,160	68
South	14,968,000	11,908,440	80
South Atlantic	6,971,300	5,700,400	82
Delaware	126,900	116,850	92
Dist. of Columbia	243,500	223,900	92
Florida	1,448,500	1,177,440	81
Georgia	1,024,400	809,900	79
Maryland	865,600	776,940	90
North Carolina	1,115,400	877,480	79
South Carolina	594,900	459,800	77
Virginia	1,039,500	854,550	82
West Virginia	512,600	403,540	79
East South Central	3,188,300	2,336,000	74
Alabama	838,600	638,230	76
Kentucky	831,100	622,170	75
Mississippi	555,700	354,310	64
Tennessee	962,900	751,290	78
West South Central	4,808,400	3,842,040	80
Arkansas	482,100	344,100	71
Louisiana	855,800	676,420	79
Oklahoma	679,700	556,310	82
Texas	2,790,800	2,265,210	81
West	8,363,500	7,185,860	86
Mountain	1,946,600	1,528,330	79
Arizona	357,200	297,940	83
Colorado	514,600	425,520	83
Idaho	185,600	142,100	77
Montana	213,900	137,040	64
Nevada	89,600	69,040	77
New Mexico	245,900	182,150	74
Utah	243,500	216,060	89
Wyoming	96,300	58,480	61
Pacific	6,416,900	5,657,530	88
California	4,901,300	4,401,480	90
Oregon	588,500	466,920	79
Washington	927,100	789,130	85

CANADA

	Total Homes	Television Homes*	
Canada (9 Provinces)†	4,266,800	3,423,410	80%
Maritimes	319,000	228,930	72
Prince Edward Island	23,200	14,390	62
Nova Scotia	165,700	129,980	78
New Brunswick	130,100	84,560	65
Quebec	1,123,000	983,130	88
Ontario	1,547,700	1,336,930	86
Prairie Provinces	810,700	536,860	66
Manitoba	230,800	159,610	69
Saskatchewan	243,300	148,000	61
Alberta	336,600	229,250	68
British Columbia	446,400	337,560	72

*Includes TV homes for counties with less than 10% ownership. †Newfoundland available at later date.

Westinghouse Bcstg. Pres. Donald H. McGannon last week debated former Harris Subcommittee chief counsel Dr. Bernard Schwartz on FM radio WFUV N.Y. Subject was problem of federal control of broadcasting in first of Fordham U.'s new series, "Current Problems & the Law."

NBC DEALS ARE LEGAL, BICKS SAYS: "Careful investigation & review" by the Justice Dept. of NBC's proposed station swap-&-purchase deals in Philadelphia, Boston, Washington and San Francisco (Vol. 16:21 p10) disclosed no evidence that they "run afoul" of the 1956 RCA-NBC consent decree, anti-trust chief Robert A. Bicks said last week.

In a letter to House Judiciary Committee Chmn. Celler (D-N.Y.), Bicks wrote that he & his aides could find no legal basis for intervention now. He suggested that complainants (such as Westinghouse, whose WBZ-TV Boston would lose its NBC affiliation to NBC-acquired WNAC-TV; or KRON-TV San Francisco, which would lose out to NBC-acquired KTVU) could "plead their cause in other judicial forums or before the FCC."

Bicks said that neither Justice's hands-off decision nor the 1956 Philadelphia decree "intrudes upon powers or responsibilities of the FCC in its application of the statutory standard of 'public interest, convenience and necessity.'"

Network critic Celler wasn't pleased by the word from Justice. He had told Bicks he was "profoundly disturbed" by Justice inaction, which he said "makes a nullity" of the decree. After reading Bicks' letter, he warned: "I am seriously considering resumption of hearings [by the Judiciary Anti-trust Subcommittee] on the TV industry."

In the course of Justice's study of NBC's multi-faceted proposals, Bicks said, anti-trust lawyers fanned out across the country from Jan. 21 to April 27, interviewing principals, parties and protestants. He listed these participants in the interviews: 8 NBC-RCA, 6 RKO General, 4 KRON-TV, 10 KTVU, 7 WBC, 4 ABC—and 4 brokers.

Findings Reported By Bicks

These were among findings reported to Celler by Bicks:

NBC negotiations with RKO General for WRC-TV Washington: "Evidence obtained . . . showed no economic leverage by NBC . . . As a matter of fact, the evidence obtained seems more consistent with the proposition that RKO General occupied a stronger bargaining position than NBC."

NBC negotiations with KRON-TV: They "were carefully scrutinized for any acts or conduct relating to the negotiations showing abuse of the network affiliation power. From facts obtained, we concluded that acts or conduct of NBC amounting to a restraint of trade cognizable under the decree could not be established."

"Persistence of the RCA-NBC conspiracy": "In light of the presumption that the conspiracy had ended with entry of the final [consent] judgment, we thought it highly unlikely that the court would find this initial conspiracy . . . to have been resurrected . . . solely on the ground that one end sought by the conspirators had been achieved with the acquisition by NBC of stations in Boston & San Francisco."

NBC negotiations with Westinghouse: Facts couldn't be developed to establish "that the network power of NBC had been used with respect to one market in order to gain an economic advantage in another. True, the loss of NBC affiliation by Wesinghouse & KRON-TV may result in economic injury to their broadcasting operations in Boston & San Francisco. Such injury, however, is attributable to exercise by NBC of its option to terminate the affiliation relationship rather than to acts or conduct of RCA or NBC improper under the decree."

At week's end, NBC & RKO General filed voluminous applications for transfer—supplying details on the whole series of transactions.

Search for NAB Chief Narrows: The 2 divergent camps in NAB's hierarchy may come to an agreement during its June 17 board meeting and decide when to pick a president to succeed the late Harold E. Fellows. One group says: "Let's do it now." The other: "Wait for the elections and see how the political wind blows."

Special selection committee under C. Howard Lane, KOIN-TV Portland, is said to have been concentrating on 2 or 3 outstanding prospects. One mentioned very frequently is Norman P. Mason, administrator of the Housing & Home Finance Agency—described as "a true administrator." He's a businessman, spent his career in lumber & hardware before becoming Federal Housing Administration Commissioner in 1954. In addition to participating in many civic activities, he has served as advisor to many govt. groups—NPA, OPS, etc. in 1947-48 and he was pres. of the National Retail Lumber Dealers Assn. He's 63, was born in Willsboro, N.Y. Before joining FHA in 1954, he headed Cooperative Reserve Supply Inc., Cambridge, Mass., a lumber warehouse.

Also mentioned by some is Fla. Gov. LeRoy Collins, who will be presiding officer at the Democratic convention.

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NBC's purchase of KTVU San Francisco may develop another complication. Last week, FCC wrote KTVU that there's a discrepancy between its originally-stated programming plans and its actual performance. The Commission said the station had proposed that 4.6% of its schedule would be educational, 3.9% devoted to discussions. The performance, FCC said, looks like 0% educational and .5% discussion.

Second TV outlets in Edmonton & Calgary have been licensed by Board of Broadcast Governors, which also licensed outlet for Prince George, B.C. BBG awarded Ch. 4 Edmonton to CBC over 4 competitors (Vol. 16:11), stating this will give network a basic station enabling it to "discharge completely the corporation's national bcstg. responsibilities between Winnipeg & Vancouver." Ch. 4 Calgary was awarded to CFCN TV Ltd. (wholly-owned by H. Gordon Love & family, who operate radio CFCN); the losing applicant was Chinook Communications Ltd. (Vol. 16:11). Radio CKPG Ltd. was awarded Prince George's Ch. 3 over Aurora TV Ltd. (Vol. 16:18), BBG stating economies of joint radio-TV operation make success possible in small markets, also make for better service.

Tall tower proposed by WITN (Ch. 7) Washington, N.C. will extend 1,602 ft. into the air—130 ft. higher than the Empire State Bldg. Cost of the tower, which will require over 500,000 pounds of steel, is estimated at $300,000. Completion of construction at the site of the station transmitter will require 6 months after FCC & FAA approval.

Promotion idea: KSL-TV Salt Lake City promotes its shows & advertisers via a specially-painted transit bus that travels a different route of the city daily. Passengers receive a TV-program folder. Each Friday, a KSL-TV hostess rides the bus and distributes samples from advertisers.

Promoting color TV in cooperation with Norfolk-Portsmouth-Newport News RCA Victor dealers, WAVY-TV is scheduling top-rated color movies every Saturday night, beginning June 18. The station is also scheduling regular announcements calling attention to the advantages of owning color sets and the ease of color viewing.

Helffrich Joins Code Staff: One of network broadcasting's most knowledgeable arbiters of taste in programming & advertising—NBC continuity acceptance dir. Stockton Helffrich—will run NAB's new N.Y. branch TV Code office.

Helffrich's appointment as N.Y. office dir., a post set up in expanding operations of the industry's self-policing agency, was announced June 5 by the TV Code Review Board following its first post-NAB convention meeting in Washington. No office site has been picked yet, and Helffrich probably won't take over his new job before Aug., but the office will be opened before then with a secretarial staff.

Except for World War II service as a Navy lieut., Helffrich has put in 27 years of uninterrupted work for NBC—almost all of them in script-&-commercial areas. He joined the network after graduating from Pa. State U. in 1933, was assigned to NBC's script div. the next year, and advanced from asst. script mgr. in 1935, to continuity acceptance mgr. in 1942, to dir. in 1955.

He has headed a 36-member NBC staff covering both TV & radio networks. In 1948, Helffrich originated *Cart* ("Continuity Acceptance Radio & TV Monthly Report") which has wide distribution among industry executives & newspaper TV editors.

As NAB's N.Y. Code representative he "will concentrate at the outset on providing service & advice to agencies & advertisers wishing to create material in conformity with the TV Code," the Review Board said. Helffrich will report to NAB's Charles H. Tower, who becomes TV vp June 20 (Vol. 16:20 p7).

Helffrich's appointment was the only major action reported taken by the Review Board under Chmn. E. K. Hartenbower (KCMO-TV Kansas City) at NAB's Washington hq in its first post-NAB convention sessions June 1 & 2. G. Richard Shafto (WIS-TV & WIS Columbia, S.C.), of NAB's 3-man policy committee, sat in on the meetings.

On the Review Board's agenda were "possible" Code amendments, a review of station monitoring finding since Jan. 1, drafting of a report for the TV Board at its scheduled June 15 meeting in Washington. No announcements of any new Code moves were made after the closed sessions adjourned, however.

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New NAB engineering handbook—first revised edition since 1949—has been mailed to station & network members. Published by McGraw-Hill, the 5th edition is available free to members as of June 1. Stations joining NAB later may order one copy for $16.50. The book will retail to the public at $27.50 when it is released generally about Aug. 1.

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NAB convention keynote speech by Clair R. McCollough (Steinman Stations) in Chicago April 4 (Vol. 16:15 p9) was inserted in the May 23 *Congressional Record* by Sen. Frear (D-Del.). He said the Senate should find "much interest" in the address by McCollough, who won NAB's 1960 Distinguished Service Award.

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"FTC & the Broadcaster" will be the subject of a speech by that agency's Chmn. Earl W. Kintner at a luncheon meeting of the Federal Communications Bar Assn. June 9 in the Willard Hotel, Washington. Members of the Assn. of Federal Communications Consulting Engineers have been invited to attend.

Film & Tape

More about

ARNAZ, WGA TALK COMPROMISE: Possibility of an end of the 5-month-old Writers Guild of America strike against TV film producers arose late last week in discussions between Desilu Productions owner-producer-star Desi Arnaz and officials of WGA. From the conversations came a new proposal, reported to be considered a "workable & reasonable compromise" by both parties.

Arnaz, confirming these talks, told us "there will be further meetings" with WGA. He also indicated that he will convey the compromise proposal to the Alliance of Television Film Producers, of which Desilu is a member. It's understood the compromise contains concessions in the crucial foreign residuals area.

Arnaz's entry into the critical strike situation came about as the result of full-page ads he inserted in Hollywood trade papers, in which he called for a resumption of negotiations on a round-the-clock basis to end the strike.

The producer-star had also asked WGA membership to nominate a committee which could negotiate & sign a deal without membership ratification. WGAW Pres. Curtis Kenyon and other Guild officials met with Arnaz, and pointed out it would be unconstitutional for a negotiating committee to sign a deal without membership ratification. However, WGA told Arnaz it liked his suggestion for resumption of negotiations on the basis he had outlined, and it was from these talks that the compromise emerged.

Meanwhile, Hollywood TV film factories were virtually idled by the strike. The paralysis of production has caused widespread unemployment among all unions & guilds in Hollywood—and the lack of scripts, originally a Hollywood problem, has now brought the networks & advertising agencies into the picture (see p. 2).

McCann-Erickson has quietly, unofficially queried the Guild regarding possible production under WGA terms, apparently via its M-E Productions, of which ex-CBS-TV Pres. Jack Van Volkenburg has just been named pres.

Producer sources in Hollywood said the request for N.Y. talks was made of the American Assn. of Advertising Agencies, but AAAA Pres. Frederic R. Gamble, in Hollywood on business, told us the 4As had received no such request. Furthermore, said Gamble: "We can't control our members. It's a matter of individual decision by the agency or sponsor involved."

Revue studios, hard-hit by the strike, has been forced to postpone production of 3 pilots—*Detroit Police*, *Texas State Trooper* and a third based on the Del. state police.

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Screen Extras Guild postponed its annual membership meeting from June 3 to July 8 because of the Writers' Guild strike which has delayed negotiations and because SEG has filed on unfair labor practices against the Alliance of Television Film Producers. Hearing on the complaint against the Alliance is set for June 20, and inasmuch as it involves negotiations, SEG delayed its session.

Buckeye Corp., the diversified poultry-equipment firm already in the TV film business (Pyramid, Transfilm, Flamingo), has offered 296,236 shares of its common stock for all outstanding stock in King Bros. Productions Inc., independent Hollywood movie producer. Buckeye common currently is being traded at about $4.50 a share.

What's Behind Hollywood's Longest Strike

MANY INDUSTRY figures in & out of Hollywood are baffled by the 5-month-old Writers Guild of America strike which has virtually paralyzed production. The walkout, which began Jan. 16, is jeopardizing production of next season's product. It has caused widespread unemployment among TV's union & guild members and large losses for talent agencies which represent writers, actors, directors and producers.

The strike is clouded by such an emotion-filled atmosphere that the real issues are often unclear.

Inasmuch as the producers have already agreed to give the writers a raise in minimums and a pension plan, the sole issue preventing settlement is foreign residuals.

In the contract which expired in Jan., writers received no revenue from their films which were sold abroad. Today they have demanded a percentage of the foreign gross (to go into effect in 4 years) as the price of settlement. Just as adamantly, the producers have refused (with one exception—Ziv-United Artists, which did offer concessions in this area, but then withdrew its bid).

Foreign Market Seen as Profit Margin

Briefly, the producer argument is that even the present residual system is burdensome, and his only chance to make any money is in the foreign area. Under the present system a writer gets 140% of minimum. Minimum for a half-hour story & teleplay is $1,100, for a 60-min. story & teleplay, $2,000. All residuals end after 140% has been paid.

In addition, argues the producer, if he should grant the foreign concession to the writer, he would also have to make it to the actor, director, IATSE, etc. Impossible, he concludes.

Ironically, both disputants agree that the foreign TV market does not represent much in the way of revenue today, but they are hopeful of its potential.

The controversy contrasts with that which resulted in the Screen Actors Guild's recent strike against the major movie studios. Whereas SAG struck for something in the past—payments to actors for post-1948 movies sold to TV—the writers are striking for something in the future—a bonanza foreign market. The fact that no one knows what will happen tomorrow has tended to complicate and sometimes obscure the demands.

Playing an important role in the negotiations is the so-called Wasserman plan (named after MCA chief Lew Wasserman, who originally suggested it). Under this proposal, the present residuals system would be dropped, and writers would share instead in a percentage of the gross, foreign & domestic. WGA is for the Wasserman plan in principle, and the Alliance of Television Film Producers and Assn. of Motion Picture Producers also offered this in their recently-rejected peace bid.

While Wasserman's original plan offered writers 2.2% of the gross, foreign & domestic, the Alliance-AMPP proposal raised it to 2.5% of a film grossing $50,000, 3% of films grossing more than that.

While they like the principle, the writers don't like those figures. They argue that under percentages offered by the producers, they would take a loss. Accordingly, they want a guarantee in the foreign field. This the producers have refused, challenging WGA to gamble, as it once said it would. WGA's reply is that while it's willing to gamble via the royalty plan, it won't do so if new terms entail a rollback from present contractual terms.

Another factor that has been preventing a settlement is disunity within the ranks of both producers & writers. Originally the Alliance and majors refused to grant WGA so much as recognition in the foreign area. But the solid employer front in Hollywood was broken when the networks offered WGA such recognition. Again, the Alliance & majors originally refused to offer a royalty plan. But when Alliance member Ziv-United Artists defected and unilaterally offered such a plan to WGA, the Alliance first brought the firm back into its fold so that it withdrew the offer, then proposed a royalty plan of its own.

As for WGA, internal politics & disunity have prevented progress and have lulled producers into the wishful sentiment that this strife will end the strike on the producers' terms. However, although a faction within WGA has twice overruled the negotiation committee and, via the TV-radio board & council, voted acceptance of Alliance offers, the membership on both occasions overruled board & council by rejecting these offers. But at this point WGA appears finally to have solved its internal factionalism.

The producers have suggested that writers accept the contract offered and let a fact-finding committee explore the explosive foreign field until the next set of negotiations. To this the writers reply negatively, saying that this would merely mean that the fight would have to be waged all over again on expiration of a new contract.

Rerun Profits Low, Say Producers

Producers say distribution costs & residuals have taken such a big bite out of rerun grosses that there's little chance of making money in reruns today unless one has his own production company or controls his distribution. (MCA-TV and Ziv-United Artists are distributors; some executives such as Don Sharpe control their own distribution.)

A number of producers say the proposed royalty plan may be the solution to the problem—the present residual system. But on details, the disputants are miles apart.

WGA rebuttals declare that when the residual system was established about 8 years ago, producers argued then, too, that this would put them out of business. It hasn't, they contend, and on the contrary, producers on the whole have prospered.

Being a strike for principle, it's long & complicated. Meanwhile, behind the scenes, SAG has given validity to producer arguments that a major concession to WGA would have to be given other guilds also. SAG, rebuffed on milder foreign residual terms by the producers, has quietly let it be known that if WGA gets what it seeks in the foreign field, SAG will expect the same—only instead of WGA's 2% demand, it has proposed 6½-8%.

Meanwhile, Hollywood TV production has been hurt as never before, and prospects for a normal season of programming are bleak, barring any unforeseen, dramatic settlement of the strike in the immediate future.

NEW YORK ROUNDUP

To keep post-1948 features off TV, Twentieth Century-Fox has signed an agreement with a joint committee of Motion Picture Investors Inc. and the American Congress of Exhibitors for non-TV theatrical re-issue of 12 post-1948 feature "blockbusters." The agreement will have to be approved by TCF stockholders, probably at a July 6 N.Y. meeting. "There aren't any other negotiations with feature distributors presently in the works," an ACE official told us. In line with keeping theaters supplied with movie product, 5 top exhibitors, National Theatres & TV, Loew's Theatres, RKO, Stanley Warner & AB-PT, have approved a plan whereby "original financing for a new motion picture production-distribution company would be provided." NT&T announced it would deposit $400,000 in escrow with the Chase National Bank, subject to deposit of like amounts by the other 4 circuits.

Videotape Productions of N.Y. will be piping into agencies commercials which were taped at the Videotape Center, through a closed-circuit arrangement with the N.Y. Telephone Co. Commercials also will be cast in agency offices through the use of taped files of models & announcers than can be piped in from the Center. Subscribing agencies will pay a monthly rental plus installation charge.

NTA's *Third Man* has been picked up for over 100 markets ("virtually covering the entire U.S. except for N.Y.") by Anheuser-Busch Inc. All 39 episodes in the Michael Rennie-starrer have already been filmed, with a total production budget of $2 million, NTA reported last week. Budweiser will make the program available for co-sponsorship on an alt.-wk. basis in about half the markets. Rheingold beer will sponsor the series in N.Y.

HOLLYWOOD ROUNDUP

Campaign against "runaway" foreign production of movies has been reactivated by the Hollywood AFL film council, consisting of unions and guilds representing over 24,000 employes in the movie industry. H. O'Neil Shanks, exec. secy. of the Screen Extras Guild, will chairman the Foreign Film Production Committee's drive. So-called "runaway" production is so labeled by Hollywood unions, with the claim that producers go abroad to get lower labor costs. Not so, say the producers; they seek authenticity.

MGM-TV is reported close to signing Rory Calhoun for a series . . . It also plans to begin production on *The Islanders* in mid-June and *National Velvet* July 1, despite the writers' strike. Also scheduled for production is a 60-min. pilot, *The Adventures of Hercule Poirot*, produced by & starring Jose Ferrer. It will be aimed at the 1961-62 season.

Obituary

Mrs. Martin Leeds, 38, wife of Desilu Productions exec. vp, died June 3 in Los Angeles, from overdose of barbiturates, according to authorities. Her husband and 2 sons survive.

Congress

TV-RADIO BILLS LANGUISH: Chances grew dimmer last week that the House Commerce Committee—let alone Congress itself—will accomplish much this session by way of a new broadcasting-control legislation.

The Committee headed by Rep. Harris (D-Ark.) had been expected to get down to TV & radio business in a series of executive sessions last week (Vol. 16:22 p4). But his Communications Subcommittee didn't get around to a preliminary bill-polishing session until June 2. And the full Committee, not reaching Subcommittee recommendations on its agenda, recessed June 3 after acting on a string of unrelated measures.

This week's schedule for Harris calls for June 6 & 7 Communications Subcommittee hearings on a Senate-passed booster bill (S-1886) and a June 8 hearing on a continuity-of-agency-service measure (S-1965), also passed by the Senate (see p. 10).

No further executive sessions of the full Committee to act on pending legislation—including stripped-&-watered-down proposals recommended by the Subcommittee to ban payola—had been set at last week's end.

Harris planned to break into this week's public hearings to hold quickie closed sessions with his Committee, and he may call for full-day executive sessions June 9 & 10 in hurried attempts to clear some Communications Act amendments to the House floor. Probable adjournment of Congress will be less than a month away then.

Time Running Out on Broadcast Bills

As legislative days go by it will become increasingly unlikely that any changes in broadcasting law can be pushed through the already-jammed House calendar—and then through the Senate.

As shaped up tardily last week by his Communications Subcommittee, however, this session's Harris TV-radio law-making program will be streamlined to fit in amendments to a Senate-approved FCC procedural bill (S-1898) to substitute pre-grant hearings for protests. By tacking proposals onto the Senate bill, Harris hopes that the Senate won't bother with hearings on them if they get past the House.

Abandoned by Harris & the Subcommittee was his Omnibus bill (HR-4800), pending since early in 1959, to reform *ex-parte* practices of FCC & other govt. agencies. Also dropped was his catch-all 1960 bill (HR-11341) which contained drastic preventives against payola, plugola, etc., banned trafficking in station licenses, required public hearings on all license applications, etc.

Pieces of legislation picked up from these 2 measures, modified and affixed tentatively to the Senate bill by the Subcommittee, would: (1) Rewrite much of the Communications Act's Sec. 317 to clarify definitions of payola & plugola in line with suggestions by FCC & networks at hearings (Vol. 16:16 p1). (2) Forbid rigging of contest shows. (3) Set up "disclosure" rules requiring packagers producers, etc., to inform stations when they're being paid for plugs on shows. (4) Authorize—but not require—FCC to hold local license hearings.

Harris also was expected to make a pitch to the full Committee for giving FCC authority to discipline offending stations by suspending their licenses instead of revoking them.

The proposed amendments were drafted & redrafted by communications counsel Kurt Borchardt before they

went to the Subcommittee. He had been in off-&-on consultation with network & NAB lawyers since last month (Vol. 16:20 p14) on revisions. When they reach the full Committee, Harris may run into more trouble & delay, however. There's no reported Committee opposition to anti-payola-&-rigging provisions, nor is there any opposition to the Senate's pre-grant hearing plan. But there's no such Committee unanimity on less-than-revocation penalties for licensees.

Meanwhile, a dozen witnesses were being lined up for this week's 2-day hearings on the booster bill, authored by Sen. Moss (D-Utah). It would make existing boosters legitimate but give FCC control over rebroadcasting.

Note: Pending completion of Congressional action on the booster problem, FCC currently is considering this approach: Permit existing vhf boosters to continue for a substantial number of years in a specific "zone" of a half-dozen or so Northwestern states. Permit new vhf boosters in that zone only upon a strong showing that uhf can't do the job. Outside the zone, give vhf boosters a specific period, perhaps 2 years, to move to uhf or quit. Allow no new vhf's to start outside the zone under any conditions.

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FCC Comr. Lee's renomination by President Eisenhower for another 7-year term starting July 1 was ignored again—as expected (Vol. 16:22 p4)—by the Senate Commerce Committee last week. Chmn. Magnuson (D-Wash.) stuck to his plan to wait out House action on his continuity-of-agency-service bill (S-1965) before bringing Republican Lee's appointment up for a Committee vote. This delaying maneuver will keep Lee's status uncertain until at least after the House Commerce Committee conducts a scheduled June 8 hearing (postponed from June 7) on the Senate-passed measure to permit FCC & FPC members whose terms expire to stay in office until successors are confirmed. The move had been intended to benefit Democratic FPC Comr. William R. Connole, whose term runs out June 22 and who was refused reappointment by the President. But Connole said last week that because of "compelling personal reasons" he wouldn't stay in his job, anyway. Meanwhile, the Commerce Committee did let loose one bottled-up agency nomination, voting 11-5 to send the ICC appointment of Timothy J. Murphy to the Senate floor for an expected confirmation fight. Murphy, named to the ICC to fill a Democratic vacancy, supported the Republican Presidential ticket in 1956.

"Truth programs" broadcast nightly to Cuba by commercial shortwave radio WRUL Scituate, Mass., purchased last Dec. by Metropolitan Bcstg. Co. (Vol. 15:50 p8), have been hailed by Sen. Keating (R-N.Y.). In a Senate speech he said the news shows—*Por Cuba y Para Cuba* (*On Behalf of Cuba & for Cuba*)—are helping "to pierce the curtain of censorship drawn by the Castro govt. over all press, radio and TV in Cuba." Directed by ex-Cuban UN Ambassador Andres Vargas-Gomez, the programs are recorded in Miami, relayed to WRUL's N.Y. studios for editing, then transmitted from Scituate 9-9:30 p.m. to Cuba in a regular Mon.-Fri. schedule.

Equal time demand by Democrats in Congress for an answer by Adlai Stevenson to President Eisenhower's TV & radio report on the Paris Summit collapse (Vol. 16:22 p14) has been held up. Democratic National Chmn. Paul Butler said he wouldn't decide whether to ask networks for time until he could see how Senate investigations of the U-2 spy plane incident turn out.

INVESTIGATING THE INVESTIGATORS: Remember those headlines back in 1958, when the newly-organized House Commerce Legislative Oversight Subcommittee got off to a fast investigative start (Vol. 14:4 p3 et seq.) by exposing FCC expense accounts?

Remember how then-Chmn. John C. Doerfer & other FCC members went through public agony over their travel vouchers? How demon prober Dr. Bernard Schwartz, the Subcommittee's first chief counsel, made them writhe under charges that they wrongfully collected $9-&-$12 govt. per diem allowances while they were on junkets with their wives? How they were subjected to the embarrassment of explaining bar chits on hotel bills?

Well, govt. expense accounts were back in headlines again last week—and this time Oversighters themselves were the targets in the news.

Noting that "nobody investigates the investigators," reporters Don Oberdorfer & Walter Pincus tried to make up for the lack. They riffled through 25,329 expense vouchers for 1957-59 in the House Disbursing Office to see how members of Congress had been making out while traveling on "official business."

In copyrighted reports for the Knight Newspapers & *Life*, Oberdorfer & Pincus found that many House members not only lived high on the road at the govt.'s expense, but that "dozens" of bills they turned in had been altered "to obscure the spending of public funds for Congressmen's liquor & music and the hotel expenses of their wives."

Oversighters' Names Featured Prominently

The reporters also observed: "Ironically, the loose practices are concentrated in the expense accounts of House investigating committees—the very groups which have been busy scrutinizing everybody else."

Item: Commerce Committee Chmn. Harris (D-Ark.), among other things, ran up a $39.20 "bar d-rm" (presumably bar-dining room) bill one day in Dec. 1957 at the Royal Hawaiian Hotel, Honolulu. A parenthetical note "(food)" had been added opposite the entry on the bill at the hotel, where Harris & 5 other Committeemen holidayed on their way back from an IGY trip to the Antarctic.

Item: Similar Honolulu stop-over expenses were charged to the govt. by Oversighters Derounian (R-N.Y.) & Flynt (D-GA.). Hawaiian stay cost public $851.51 in all.

Item: Rep. Moulder (D-Mo.), original chmn. of the Oversight Subcommittee, charged the govt. $282.17 for 4 days at the Plaza Hotel, N.Y., including $90.38 he ran up in the Persian room. He was on a study mission for the un-American activities committee.

All House members mentioned in the Oberdorfer-Pincus story who could be reached for comment said their govt.-paid travel expenses were legitimate, that they knew nothing about alteration of bills. For one, Harris said the story was "nothing but a smear," that his Royal Hawaiian hotel bill was for food, that he has "an ironclad rule that absolutely no liquor bills are to be paid by the govt." Flynt took the House floor, denounced the story, said he had paid personal Honolulu expenses, won a standing ovation from his colleagues.

One result of the story, however, was that Chmn. Omar Burleson (D-Tex.) of the housekeeping House Administration Committee promised a hold-down on disbursements to House members for any night-clubbing, liquor or vacation expenses. Burleson himself had been reported as collecting $12 per diem for 84 of 88 days—including Thanksgiving & Christmas—from Oct. 1 to Dec. 27, 1958.

Advertising

Net & Spot Rising With Total Index: The national ad volume in first-quarter 1960 rose a healthy 11% above the level of the year-ago quarter, indicates the latest *Printers' Ink* index. With the sole exception of network radio (down 16% for the quarter), all major media contributed to the gain: magazines (18% ahead), newspapers (13%), spot TV (13%), network TV (7%).

The March volume was 13% ahead of March 1959. Here too, radio, off 4%, was the only medium which failed to gain. Magazines, ahead 26% for the month, led the percentage gainers, followed by newspapers (14%), spot TV (13%) and network TV (2%).

In March-over-Feb. volume, however, only magazines & newspapers showed percentage gains. Network TV was down 5%, network radio dropped 8%. Weekly magazines outgained all media both for the 1960 quarter over the 1959 quarter (25%) and for March over March (40%).

Medium	Index March 1960	Index March 1959	% Change from 1 month ago	% Change from 1 year ago	% Cumulative Change
General Index	241	214	+ 1	+13	+11
Total Magazines	198	157	+ 5	+26	+18
Weekly	229	164	+ 5	+40	+25
Women's	141	125	+ 8	+13	+ 7
General Monthly	228	205	+ 2	+11	+ 8
Farm	111	104	+ 1	+ 7	+11
Newspapers	216	190	+ 4	+14	+13
Network Television	468	458	— 5	+ 2	+ 7
Network Radio	24	25	— 8	— 4	—16
Business Papers	247	229	0	+ 8	+ 7
Outdoor	155	141	— 5	+10	+10
	1st Qtr. '60	1st Qtr. '59	4th Qtr. '59	1 year ago	
Spot Television*	762	672	+ 3	+13	+13

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-1949 except for the TV base, which covers the years 1950-52. Spot TV is not reflected in the general index. *Spot TV data, although shown monthly, report the preceding quarter's actviity.

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Illegal promotional allowances by manufacturers & distributors to retailers for advertising & special services are defined in a new FTC guide for businessmen. The 16-point manual covers the terms of the Robinson-Patman amendment to the Clayton act. It is intended to help remove "a common excuse for non-compliance [that the law's] prohibitions are too complex for the non-lawyer to understand," FTC said. (For details, see p. 20.)

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Ad People: Albert Ward, ex-Donahue & Coe, named Kudner vp & TV-radio programming dir. . . . **Richard S. Mulford**, ex-Desilu TV commercial div., named D'Arcy TV-radio dir. . . . **Robert A. Wulfhorst**, ex-Dancer-Fitzgerald-Sample, named vp and media research dir., Needham, Louis & Brorby . . . **John Lyden**, Ted Bates senior vp, elected to new post of vice chmn. **James C. Douglass**, exec. vp, named administrative vp, also a new post.

S. Heagan Bayles named Sullivan, Stauffer, Colwell & Bayles chmn. & chief exec officer, succeeding **Raymond F. Sullivan**, who becomes founder chmn. . . . **Roger N. Peterson** named J. M. Mathes vp.

William E. Steers, Doherty, Clifford, Steers & Shenfield, appointed chmn., 4As media relations committee; **Thomas B. Adams** named vice chmn.; Reappointed to offices: Best. Media: **Leonard S. Matthews**, Leo Burnett, chmn.; **Ruth Jones**, J. Walter Thompson, vice chmn. TV & Radio Administration: **David Miller**, Young & Rubicam, chmn.; **Hildred Sanders**, Honig-Cooper & Harrington, vice chmn.

How Top 100 Spent: As the new *Advertising Age* chart on p. 12 reveals, of 1959's 100 leading advertisers, 95 used spot TV and 88 bought network time. Of the 3 who used neither spot nor network, 2 were distillers. The 3rd non-TV advertiser, American Cyanamid, has been a TV user in past seasons, but was inactive in 1959.

Biggest gross ad spender was General Motors Corp., with a total of $110.6 million in all media and $23.7 million in TV. Procter & Gamble, runner-up, spent a gross total of $105.6 million, but a proportionately much larger slice ($95.3 million) in TV. These TV expenditures do not, of course, include the amounts expended for talent and other production costs.

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Station Reps Assn. has evolved a proposed, standardized "conformation of broadcast order form" after nearly 36 months of study by a special SRA committee. The form would backstop telephone orders (between reps & agencies, and between reps & stations) and would solve present confusions arising from the wide variety of conformation forms now in use. Approval for the SRA-proposed form will be sought shortly from ad agencies, reps, stations, etc. SRA has already endorsed the standard spot billing form developed by *Sponsor* magazine (Vol. 16:22 p13).

Location-taped commercials within major industrial plants are indeed possible, says CBS-TV Production Sales. As a prime example, it cited a tape commercial produced recently at U.S. Steel's Chicago South Works plant. Crowed CBS: "Real-life quality that could not have been obtained through any other medium." On another tape commercial front, NTA Telestudios Ltd. Pres. George K. Gould snapped off a pro-tape rebuttal to anti-tape comments from Filmways Inc. Pres. Martin Ransohoff made recently to *N.Y. Herald-Tribune* ad news editor Joseph Kaselow. "By headlining his frustations with nonsense like 'you can't make tape on location,' 'maintenance is tremendous,' and 'networks are the only ones who can afford to play with the thing' he (Ransohoff) is demonstrating clearly the growing impact & importance of video tape."

Sindlinger & Co., business analysts, has moved from Ridley Park, Pa. to new offices at 20 E. Winona Ave., Norwood, Pa. (LU 6-5100).

New reps: KTEN Ada, Okla. to Raymer April 1 from Venard, Rintoul & McConnell. • KRBC-TV Abilene, Tex. to Headley-Reed April 15 from Raymer. • KROC-TV Rochester, Minn. to Venard, Rintoul & McConnell July 1 from Meeker. • CHEK-TV, Victoria, B.C. to Young Canadian Ltd. May 20 from Forjoe. • KTVB Boise, Ida. to Headley-Reed July 1 from Blair.

Station Rate Increases

Station	Base Hour	Minute	Date
KGO-TV San Francisco	$1700 to $2100	$660 to $725	May 15
WJZ-TV Baltimore	1540 to 1732	425[1]	[2]
WMAR-TV Baltimore	1500 to 1650	400 to 425	May 1
WTMJ-TV Milwaukee	1450 to 1500	300 to 325	June 1
KCOP Los Angeles	1500 (no change)	500 to 600	June 1
WFAA-TV Dallas	1200 to 1300	325 (no change)	May 1
WKRC-TV Cincinnati	1300 (no change)	350 to 360	May 1
WTVN-TV Columbus, O.	1000 (no change)	250 to 260	May 1
WLOS-TV Asheville, N.C.	700 to 800	100 to 175	June 1
WRVA-TV Richmond	700 to 750	175 to 160	May 1
KOOL-TV Phoenix	550 to 625	100 to 120	April 16
WDSM-TV Duluth	500 to 550	110 to 125	June 1
KHVH-TV Honolulu	400 to 450	90 to 110	April 1
WXIX Milwaukee	395 to 425	60 (no change)	[2]
WITN Washington, N.C.	350 to 400	70 to 80[3]	[2]
WCYB-TV Bristol, Va.	300 to 350	60 to 70[3]	July 1
WHIS-TV Bluefield, W.Va.	250 to 300	75 to 85	June 1
WKYT Lexington, Ky.	175 to 250	35 to 45	May 1

[1] Min. rate added, 20 Sec. remains $350. [2] Not reported. [3] 20 Sec. rate.

The Top 100 National Advertisers of 1959

Dollar Expenditures in Major Media, Compiled by 'Advertising Age'

Sources: Bureau of Advertising, ANPA; Publishers Information Bureau; Farm Publication Reports; Associated Business Publications; Television Bureau of Advertising; Radio Advertising Bureau; Outdoor Advertising Inc.

	Company	Total	Newspapers	General Magazines	Farm Magazines	Business Publications	Network Television	Spot Television*	Spot Radio	Outdoor
1.	General Motors Corp.	$110,602,039	$38,622,558	$29,420,343	$ 1,612,051	$ 3,179,000	$20,021,744	$ 3,797,290	$ 4,115,000	$ 9,834,053
2.	Procter & Gamble	105,616,190	6,249,563	3,566,075	———	460,200	50,293,552	45,046,800	———	———
3.	Ford Motor Co.	61,682,606	19,679,542	10,682,742	1,856,956	305,300	12,048,187	4,389,940	7,280,000	5,439,939
4.	General Foods Corp.	61,063,624	13,738,272	10,295,444	225,466	248,000	20,890,321	14,599,400	705,000	361,721
5.	Lever Bros. Co.	56,767,363	6,876,767	2,976,280	60,421	———	32,734,955	14,118,940	———	———
6.	American Home Products Corp.	52,184,538	3,967,967	6,483,084	516,557	1,013,800	28,109,458	10,657,620	616,000	820,052
7.	Colgate-Palmolive Co.	49,531,959	7,300,542	5,352,667	156,836	363,500	22,478,524	13,879,890	———	———
8.	Chrysler Corp.	47,468,667	17,193,094	12,178,515	388,383	766,000	9,507,266	2,013,180	4,129,000	1,293,229
9.	R. J. Reynolds Tobacco Co.	38,673,265	8,192,351	4,843,251	461,386	———	16,123,827	4,252,450	4,800,000	———
10.	American Tobacco Co.	34,622,793	9,257,883	7,192,259	219,428	———	9,881,440	3,467,440	3,090,000	1,514,343
11.	General Electric Co.	31,666,263	7,591,773	12,905,441	476,195	4,060,000	6,194,634	438,220	———	———
12.	General Mills Inc.	30,823,439	7,064,547	6,317,093	211,833	388,500	12,919,237	3,237,710	594,000	90,519
13.	Distillers Corp.-Seagrams Ltd.	28,706,637	11,373,763	11,994,197	7,650	250,000	503,350	1,973,510	415,000	2,189,167
14.	P. Lorillard Co.	28,605,747	6,779,442	1,410,619	———	———	12,825,558	4,177,170	3,100,000	312,958
15.	Bristol-Myers Co.	27,943,794	909,483	4,631,454	———	141,500	12,616,707	7,744,650	1,900,000	———
16.	Liggett & Myers Tobacco Co.	25,902,172	3,262,609	4,280,859	28,180	———	11,591,507	2,948,590	3,600,000	190,427
17.	American Telephone & Telegraph Co.	22,912,502	5,987,885	8,819,431	504,997	550,000	1,406,190	5,036,980	———	607,019
18.	Philip Morris Inc.	22,320,599	4,923,560	2,834,981	324	———	8,595,078	4,387,270	710,000	869,386
19.	Sterling Drug Inc.	22,018,578	2,017,570	1,924,450	100,985	314,200	12,975,463	3,660,910	1,025,000	———
20.	National Dairy Products Corp.	22,015,870	6,545,894	6,325,250	268,239	196,000	6,395,377	1,526,810	———	758,300
21.	Kellogg Co.	21,766,988	3,927,363	2,750,251	152,209	120,000	7,454,261	5,988,600	———	1,374,304
22.	Brown & Williamson Tobacco Corp.	21,565,288	2,063,356	1,619,203	11,255	———	8,592,953	9,252,640	———	25,881
23.	Gillette Co.	20,277,178	1,977,553	852,601	———	———	13,642,174	2,745,350	1,059,500	———
24.	Campbell Soup Co.	19,033,517	4,906,207	7,155,760	154,749	———	4,766,675	492,060	1,400,000	158,066
25.	Miles Laboratories Inc.	18,893,708	1,636,860	444,203	2,500	458,800	7,420,515	7,830,830	1,100,000	———
26.	Adell Chemical Co.	18,392,234	260,204	———	———	———	———	18,132,030	———	———
27.	Warner-Lambert Pharmaceutical Co.	18,334,659	1,817,364	2,913,681	———	550,200	2,362,794	10,690,620	———	———
28.	Standard Brands Inc.	17,704,212	3,388,216	2,087,900	362,984	———	6,254,610	4,135,040	1,000,000	475,462
29.	Continental Baking Co.	16,057,138	2,177,571	86,500	———	75,000	776,135	10,806,480	1,215,000	920,452
30.	National Distillers & Chemical Corp.	15,944,682	8,069,376	5,445,668	2,075	450,000	———	———	———	1,977,563
31.	Corn Products Co.	15,858,780	1,459,015	4,040,299	147,950	253,900	4,521,697	4,226,190	800,000	409,729
32.	E. I. du Pont de Nemours & Co.	15,761,575	1,806,412	5,565,963	289,793	2,637,000	4,684,494	481,250	———	296,663
33.	Pillsbury Co.	15,753,965	5,305,357	3,300,095	101,919	112,000	4,222,514	2,712,080	———	———
34.	Anheuser-Busch Inc.	15,368,201	1,374,218	1,252,001	———	134,200	343,427	4,125,250	3,683,000	4,456,105
35.	National Biscuit Co.	14,485,927	2,500,723	2,001,065	12,917	241,200	7,599,142	2,130,880	———	———
36.	Eastman Kodak Co.	14,461,387	1,965,392	5,076,217	2,043	1,650,000	5,660,265	107,470	———	———
37.	Quaker Oats Co.	13,674,600	4,060,609	3,435,390	71,028	501,000	2,810,056	1,859,690	800,000	136,827
38.	American Motors Corp.	13,599,689	8,507,433	2,325,556	———	403,600	———	1,928,100	435,000	———
39.	Schenley Industries Inc.	12,885,113	7,624,421	3,354,945	———	375,000	136,379	28,210	———	1,366,158
40.	Borden Co.	12,002,475	3,799,166	1,565,026	11,131	100,000	1,626,436	2,824,470	900,000	1,176,246
41.	Goodyear Tire & Rubber Co.	11,972,241	3,207,669	5,421,891	658,955	1,003,400	1,559,205	74,980	———	46,141
42.	Texaco Inc.	11,870,946	580,640	1,270,283	307,300	715,000	6,198,830	713,560	1,840,000	245,333
43.	Coca-Cola Co.	11,856,521	1,197,957	4,264,663	———	72,800	375,180	3,567,960	———	2,377,961
44.	Westinghouse Electric Corp.	11,799,946	2,212,259	2,238,142	193,890	1,946,700	5,166,205	42,750	———	———

45.	Shell Oil Co.	11,663,356	2,566,606	1,093,547	127,605	427,500	112,185	2,553,850	1,500,000	3,282,063
46.	J. B. Williams Co.	11,418,389	324,452	16,900	———	———	10,658,987	418,050	———	———
47.	Revlon Inc.	11,335,918	1,074,990	2,706,765	———	———	4,216,914	3,284,050	———	53,199
48.	Armour & Co.	10,704,716	1,544,650	2,211,944	141,994	915,600	4,599,368	1,291,160	———	———
49.	U.S. Steel Corp.	10,526,217	927,458	2,110,135	285,596	3,837,900	3,225,820	48,660	———	90,648
50.	Jos. Schlitz Brewing Co.	10,497,151	295,724	1,991,886	———	———	1,410,407	2,175,520	2,710,000	1,913,614
51.	Standard Oil Co. (New Jersey)	10,325,499	2,471,139	1,295,284	54,835	234,800	839,069	2,722,270	1,200,000	1,508,102
52.	Ralston Purina Co.	10,269,806	860,455	213,083	839,687	142,000	4,414,520	1,808,340	1,352,000	639,721
53.	Standard Oil Co. (Indiana)	10,251,873	3,252,097	56,722	323,473	417,800	424,573	2,269,490	610,000	2,897,718
54.	Radio Corp. of America	10,204,736	1,748,709	3,579,245	844	472,100	3,841,836	501,530	———	60,472
55.	Firestone Tire & Rubber Co.	9,853,413	1,954,355	3,811,422	553,374	276,900	2,108,612	48,750	1,100,000	———
56.	Carter Products Inc.	9,327,964	195,996	179,157	10,446	———	5,468,065	3,474,300	———	———
57.	S. C. Johnson & Son Inc.	9,315,001	271,447	762,499	470	56,000	7,125,705	1,098,880	———	———
58.	Studebaker-Packard Corp.	9,264,581	3,743,778	2,717,974	9,795	66,000	568,524	80,210	750,000	1,328,300
59.	Swift & Co.	8,955,385	2,919,317	2,323,029	191,108	82,700	2,301,794	827,170	———	310,267
60.	Pepsi-Cola Co.	8,808,516	3,222,211	1,519,925	12,660	112,500	———	2,984,590	———	956,630
61.	Carnation Co.	8,773,096	2,987,661	1,719,073	254,592	249,600	2,640,848	584,590	———	336,732
62.	Aluminum Co. of America	8,594,022	1,211,128	1,799,160	45,083	1,000,000	3,912,921	625,730	———	———
63.	Chesebrough-Pond's Inc.	8,432,621	714,100	2,187,897	37,215	67,100	2,271,639	1,484,670	1,670,000	———
64.	Hiram Walker-Gooderham & Worts Ltd.	8,404,825	3,445,156	4,243,150	———	130,000	———	———	———	586,519
65.	Scott Paper Co.	8,319,155	419,165	2,454,769	———	137,100	4,100,596	1,011,750	———	195,775
66.	Johnson & Johnson	8,165,616	1,111,384	3,726,425	74,927	47,700	3,001,115	168,800	———	35,265
67.	Stanley Warner Corp.	7,909,465	462,840	48,203	2,512	———	14,570	7,381,340	———	———
68.	Wm. Wrigley Jr. Co.	7,794,626	1,444,073	712,744	———	———	———	2,749,420	500,000	2,388,389
69.	Nestle Co.	7,388,139	1,309,016	909,742	17,230	———	1,980,761	2,581,390	590,000	———
70.	Beech-Nut Life Savers Inc.	7,264,227	1,049,407	637,410	———	101,200	4,839,370	636,840	———	———
71.	H. J. Heinz Co.	7,231,019	2,843,715	1,425,265	1,109	105,400	2,847,490	28,040	———	———
72.	Bayuk Cigars Inc.	6,920,421	180,469	594,270	———	20,000	5,962,772	162,910	———	———
73.	Kimberly-Clark Corp.	6,883,630	814,949	2,341,413	———	381,300	3,291,632	———	———	54,336
74.	Canadian Breweries Ltd.	6,675,643	195,467	846,879	———	———	330,007	3,022,220	2,000,000	281,070
75.	Alberto-Culver Co.	6,675,537	———	———	———	———	5,140,407	1,535,130	———	———
76.	Helene Curtis Industries	6,592,743	1,874,654	1,083,817	———	113,900	1,733,022	1,787,350	———	———
77.	B. F. Goodrich Co.	6,375,701	1,758,200	1,942,467	275,130	1,365,500	495,160	78,870	———	460,374
78.	Union Carbide Corp.	6,356,397	824,145	1,569,077	105,554	1,662,300	914,291	481,030	800,000	———
79.	Falstaff Brewing Corp.	6,317,008	220,759	33,444	———	———	1,634,569	2,174,600	730,000	1,523,636
80.	Vick Chemical Co.	6,245,919	413,102	861,282	443,494	140,100	1,272,741	3,115,200	———	———
81.	Eastern Airlines	6,041,216	4,294,856	———	———	———	———	246,360	1,500,000	———
82.	Prudential Insurance Co.	5,938,576	1,913,440	74,710	34,800	58,000	3,776,169	———	———	81,457
83.	American Chicle Co.	5,828,120	———	———	———	———	3,331,580	2,496,540	———	———
84.	Mobiloil Co.	5,797,415	2,850,711	836,750	122,972	103,000	1,139,832	605,900	———	138,250
85.	Sperry Rand Corp.	5,741,714	545,857	1,780,186	430,720	557,000	2,427,951	———	———	———
86.	Trans World Airlines	5,741,515	3,635,011	491,010	———	55,400	———	21,500	925,000	613,594
87.	Drug Research Corp.	5,736,269	415,195	124,825	———	———	2,453,349	2,742,900	———	———
88.	Armstrong Cork Co.	5,723,875	207,850	2,105,360	12,400	400,000	2,998,265	———	———	———
89.	Sinclair Oil Corp.	5,685,314	1,026,169	478,946	108,023	650,800	127,050	230,060	2,500,000	564,266
90.	Gulf Oil Corp.	5,546,727	478,319	1,135,850	62,650	400,000	1,492,450	857,470	415,000	704,988
91.	American Airlines	5,528,941	3,302,266	542,891	———	102,400	———	101,670	1,311,000	168,714
92.	American Cyanamid Co.	5,469,766	190,702	1,314,923	1,146,141	2,818,000	———	———	———	———
93.	Texize Chemicals Inc.	5,418,460	47,560	———	———	10,000	———	5,360,900	———	———
94.	Theo. Hamm Brewing Co.	5,365,511	101,756	261,881	———	———	600,461	1,887,060	900,000	1,614,353
95.	Wesson Oil & Snowdrift Co.	5,332,383	163,324	2,181,519	———	104,100	———	2,883,440	———	———
96.	Florida Citrus Commission	5,328,066	2,452,765	1,852,309	———	———	1,022,992	———	———	———
97.	Seven-Up Co.	5,303,988	401,971	2,056,783	90,000	18,500	1,419,930	507,770	———	809,034
98.	J. A. Folger Co.	5,270,103	532,509	38,788	977	———	———	3,722,440	735,000	240,389
99.	Plough Inc.	5,143,958	1,263,772	822,416	33,479	———	———	1,405,460	1,420,000	198,831
100.	Pabst Brewing Co.	5,079,706	694,618	———	7,890	———	———	3,067,210	675,000	634,988

*In some instances spot TV figures include both parent company and dealer or distributor expenditures.

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The FCC

Oral argument on 21 unbuilt uhf's was scheduled by FCC last week, date not set. The 31 replied to the FCC's letter of Feb. 17 (Vol. 16:8 p2) which in effect told them to either fish or cut bait. Of 54 CP holders who received the letter, 32 requested oral argument. Twenty-one others have been canceled. One, KBAY-TV San Francisco, was advised by the Commission that because of their transmitter site problem, action on their application would be withheld pending final decision on proposals of KGO-TV & KRON-TV for increases in the height of their antenna towers. Set for oral argument are: WBMG (Ch. 42) Birmingham; KMYR (Ch. 34) Los Angeles; WELI-TV (Ch. 59) New Haven; WNLC-TV (Ch. 26) New London; WEHS-TV (Ch. 26) Chicago; WTLE (Ch. 32) Evanston; WJDW (Ch. 44) & WXEL (Ch. 38) Boston; WBID-TV (Ch. 50) Detroit; WMCN (Ch. 23) Grand Rapids; WHLS-TV (Ch. 34) Port Huron, Mich.; WOCN (Ch. 52) Atlantic City; WHCU-TV (Ch. 20) Ithaca; KTRB-TV (Ch. 14) Modesto, Cal.; KFMX-TV (Ch. 27) San Diego; WCBF-TV (Ch. 15) Rochester, N.Y.; WTMV (Ch. 54) Utica; WTVX (Ch. 48) Gastonia, N.C.; WTLC (Ch. 29) Canton, O.; WCIN-TV (Ch. 54) Cincinnati; WERE-TV (Ch. 65) Cleveland; WTOH-TV (Ch. 79) Toledo; KMPT-TV (Ch. 19) Oklahoma City; WQCY (Ch. 39) Allentown; WAZL-TV (Ch. 63) Hazleton, Pa.; WLAN-TV (Ch. 21) Lancaster, Pa.; WPHD (Ch. 23) & WSES (Ch. 29) Philadelphia; WRAK-TV (Ch. 36) Williamsport, Pa.; WAMT (Ch. 48) Memphis; WFOX-TV (Ch. 30) Milwaukee.

Miami Ch. 10 "influence" case finally was heard in oral argument by FCC last week—and attorneys for the 4 applicants repeated their well-known positions. The Commission has many alternatives ranging from letting National Airlines keep its grant of WPST-TV to wiping the entire slate clean and starting a completely new hearing open to any applicant. FCC is required next to inform the Court of Appeals of its plans. Unusual aspect: The most active principals of 3 of the 4 applicants have died since the hearings began—L. B. Wilson of L. B. Wilson Inc., Walter Compton of North Dade Video, A. Frank Katzentine of WKAT.

Sale of WHCT (Ch. 18) Hartford, Conn. to RKO General's Hartford Phonevision Co. by Edward Taddei & his associates for approximately $900,000 (Vol. 16:14 pp3 & 6), has been approved by FCC. The station will be used for experimental Phonevision subscription tests under an RKO General-Zenith agreement. Approval of the test system has not yet been obtained from the FCC but an application will be filed "in the very near, foreseeable future," according to company spokesman. FCC's action was misinterpreted by some newspaper headline writers, including those on the *N.Y. Times* and *N.Y. Herald Tribune*. The former said "pay TV approved," latter "FCC approves Hartford pay TV experiment"

Share-time WHEC-TV & WVET-TV (Ch. 10) Rochester remain untouched by the latest effort of radio WSAY Rochester, which has been attacking their authorizations. On Feb. 24, FCC dismissed WSAY's protest against their licenses. Recently, the Commission turned down WSAY's request that it reconsider the dismissal.

Bakersfield deintermixture case was not discussed at FCC last week, but all indications there are that it will go all-uhf as did Fresno—with KERO-TV (Ch. 10) to shift to a uhf channel.

Removal of uhf Ch. 37 (608-614 mc) from TV and its assignment to radio astronomy, as proposed by the U. of Ill. (Vol. 16:20 p15), is opposed by the Assn. of Maximum Service Telecasters. "Although the amount of spectrum space required for TV broadcasting is large in terms of number of megacycles," it told the FCC, "it is clear that more persons directly receive service from spectrum space allocated to TV than would receive service if such space were allocated for other uses. Petitioner has failed to make a showing adequate to justify depriving the TV industry and the public of one of the channels exclusively reserved for TV broadcasting." At least, AMST added, the Commission should defer decision until it has concluded its TV-allocation reconsideration and determined just what it's going to do about the long-range allocation of uhf & vhf. WWLP (Ch. 22) Springfield, Mass., seeking the assignment of Ch. 37 to Syracuse, opposed the U. of Ill. proposal on the grounds that no uhf channel should be shifted to other services lest it create a dangerous precedent.

FCC's 770-kc clear channel decision, requiring WABC N.Y. & KOB Albuquerque to operate with directionals, was upheld by the Court of Appeals last week. In turning down ABC's appeal, however, it gave the network a little encouragement in its contention that it's at a competitive disadvantage because other networks have clear channels in the East. Judges Reed, Bazelon & Washington stated: "We do not believe that ABC has been or should be precluded from a hearing on its claim that the public interest requires that the loss of service in the East, which Class I broadcasting from Albuquerque produces, be absorbed by some Eastern broadcaster other than WABC. Any failure by the Commission to give due consideration to ABC's claim for treatment comparable to that accorded to other networks, when raised in an appropriate manner, may be brought to the courts for review."

FCC won another in the Court of Appeals last week. KTAG-TV (Ch. 25) Lake Charles, La. had protested and asked a stay of FCC's grant of a site move to KPAC-TV (Ch. 4) Port Arthur, Tex., claiming that the latter would put a Grade A signal over Lake Charles and hurt it economically. FCC dismissed the protest but weighed KTAG-TV's petition for reconsideration, concluding that the greater coverage KPAC-TV would render outweighed any injury to KTAG-TV. FCC contended further that KTAG-TV is losing money badly and doesn't have a chance of surviving anyway. In a rare action, Judges Prettyman, Edgerton & Danaher gave their decision from the bench, affirming the Commission without even allowing asst. gen. counsel Max Paglin to present FCC's argument.

Permanent operation of WTEN (Ch. 10) Vail Mills, N.Y. on that channel was given another boost by FCC when it instructed its staff to prepare a document looking toward the action. An initial decision by examiner J. D. Bond last Aug. (Vol. 15:33 p5) also favored the grant.

Fresno "all-uhf" rule-making (Vol. 16:19 p6), which would shift KFRE-TV from Ch. 12 to uhf, brought reply comments generally supporting the Commission proposal. KJEO (Ch. 47) urged that FCC require KFRE-TV to effect the shift by Sept. 1.

Type-approved frequency & modulation monitors won't be required by TV stations until Nov. 30. FCC has extended the deadline from June 1.

Ch. 7 was assigned to Lander, Wyo. as FCC concluded rule-making on the drop-in.

Networks

Certain newspaper critics "equate popularity with inferiority . . . advance the thesis that the few truly creative TV statesmen have fled the industry, only to be replaced by shallow businessmen who lack scope, sensitivity and a sense of responsibility to the public interest . . . We are beginning to adopt a defensive attitude toward our profession & our own roles in that profession . . . We must inoculate ourselves and each other against these viruses which would destroy our self-esteem, our professional pride . . . It's time we closed ranks. We know we have created and are constantly improving the greatest medium for entertainment, information and advertising—for the communication of ideas and emotions—the world has ever known . . . Let's not be ashamed of our success. Let's be proud of it."—Oliver Treyz, pres., ABC-TV, to Academy of Television Arts & Sciences.

CBC's refusal to release its contract time on Saskatchewan TV stations for a political network broadcast has been upheld by the Board of Broadcast Governors. The stations had proposed a 60-min. telecast in a time slot under contract for network programs. BBG said it "could not make a practice of overruling CBC on its affiliation arrangements with the private stations."

Network TV's first-quarter ad leader, by product classification, was food & food products, despite a mild sag in gross time billings to $30,048,729 from $30,969,922 a year ago, reports TvB. Food was also the March leader, with $10,059,547 billings. The top percentage gainer for the quarter was the gas & oil category, which increased its time-buying more than 490% to $4,134,698 from $700,008 in Jan.-Mar. 1959. Procter & Gamble was the leading network advertiser both for the quarter ($11,638,542) and for March ($4,346,236). Dristan was the leading network-advertised TV brand in both periods with first-quarter billings of $2,572,758, March billings of $903,739.

NETWORK SALES ACTIVITY

ABC-TV

Naked City, Wed. 10-11 p.m., participations eff. fall 1960.
General Motors (D. P. Brother)
Bristol-Myers (Ogilvy Benson & Mather)
Brown & Williamson Tobacco (Ted Bates)
DuPont (BBDO)
Shwayder Bros. (Grey)

Adventures of Ozzie & Harriet, Wed. 8:30-9 p.m., half-sponsorship eff. fall 1960.
Coca-Cola (McCann Erickson)

Lawrence Welk, Sat., 9-10 p.m., new order eff. Sept. 1960.
Burlington Hosiery Co. (Donahue & Coe)

CBS-TV

All-Family Classics, 7:30-8:30, two successive nights, half-sponsorship eff. fall 1960.
John H. Breck (Reach McClinton)

NBC-TV

Bat Masterson, Thu. 8:30-9 p.m., sponsorship renewal eff. fall 1960.
Sealtest (N. W. Ayer)

Michael Shayne, Fri. 10-11 p.m., full sponsorship eff. fall 1960.
Oldsmobile (D. P. Brother)

First labor-union network-TV purchase—by the Retail Clerks International Assn., AFL-CIO—has been made on NBC-TV's *Today* program. The May 31 purchase was for twice-weekly spots on the Dave Garroway show for 52 weeks running to June 1961. The Clerks have sponsored local TV shows in such centers as Washington & Los Angeles; the United Steelworkers & other unions have used TV for regional promotion; and AFL-CIO itself produces "public service" films showing members at work. But the $500,000 investment by the Clerks in *Today*—for a soft-sell announcement-&-animated-cartoon campaign to recruit members is labor's initial national TV venture. The account was handled by the West Coast's Leonard Shane agency. In radio, AFL-CIO has renewed for one year ABC Radio's Edward P. Morgan newscasts.

"Elections 1960," an 8-page teacher's aid for the coming political campaigns, was published recently by the National Education Assn. and CBS-TV. The guide points the way toward complete election coverage for the student via TV, radio, newspapers, periodicals, pamphlets and films, with particular emphasis on broadcasting media. *1960 Convention Handbook*, edited by NBC News and written by Chet Huntley & David Brinkley, is being published this month to offer similar political guidance. The handbook, to be sold at newstands and illustrated with photographs, old prints, charts and maps, will include an introduction by NBC Pres. Robert E. Kintner.

NBC-TV's "staged" coverage of anti-segregation demonstrations by Negroes in Montgomery, Ala. should be investigated by Congress, Ala. Public Service Comr. Ralph Smith told Rep. Harris (D-Ark.). In a letter to the House Commerce Committee chmn., Smith protested that he could get no action from FCC or the Justice Dept. on his complaints that the network "staged & directed" news films of the sit-in campaign (Vol. 16:20 p13).

Technology

GE's Bright TV Projector: A new large-screen TV projector capable of movie-screen brightness in regular room lighting is being made by GE for military uses, and eventually will be offered for commercial & educational uses. It's similar in principle to the Swiss Eidophor system, a GE spokesman told us last week, but "contains a number of important differences."

GE's "Light-Valve" projection system, like Eidophor, employs a "control layer" of oil which reacts to an electron gun, modulating the light from a high-intensity Xenon lamp. Unlike Eidophor, the Light-Valve system requires no refrigeration for the oil layer, which is completely air-cooled. Light-Valve is manufactured under a license agreement with Telepatent, Swiss firm which holds Eidophor patents. The GE projector was largely developed by Dr. William E. Glenn, who was also responsible for GE's thermoplastic recorder, which uses similar principles for storage of visual information (Vol. 16:3 p2).

The Light-Valve unit, with a 2-kw Xenon lamp producing 1,000 lumens, can provide a picture with 20 ft.-lamberts of brightness on a 10x10-ft. screen. Like Eidophor, it can be adapted to color-TV projection.

The first units have been sold for military use, including 2 which are to be used by the Navy in a classified installation. One of the military units measures 63 in. high, 41 in. deep, 25 in. wide. GE is now working on commercial models, but has no information on cost or availability dates.

Programming

Mass entertainment media, reported a National Council of Churches study commission last week, is preoccupied with sex, violence and "the assumption in both the content of the media and the policies that govern them that man's end is material advantage, power and pleasure." The report was based on a 2-year study of mass media by a 34-member group that included CBS News Pres. Sig Mickelson and Twentieth Century-Fox Pres. Spyros P. Skouras. "There is much in the mass media to expand man's horizons, deepen his sympathies and increase human dignity," stated the study group. Positive proposals (to the 33 denominations affiliated with the Council) included FCC institution of local boards of review "to evaluate the performance of TV & radio stations in cases where questions have been raised as to their operation in public interest." The group further urged that FCC improve its means of enforcing the power it has to grant.

No adverse effect on children who watch TV regularly was reported by 80.3% of parents questioned in a recent Pulse Inc. survey. Only 19.7% claimed that certain programs (Frankenstein and Dracula features, mystery shows and Westerns) proved "upsetting" to the youngsters. *The Shirley Temple Story Book* was the sole children's program mentioned as one urged by parents. Most listed preferences by category: education, science, cartoons, music, etc. The survey, which queried 433 households with children 11 & younger, concluded that most parents have "a keen interest in what children are watching on TV."

TV confessions of a corespondent-for-hire in 120 divorce actions have whipped up a storm of excitement in Canada. In a 30-min. interview on CBC network, the 25-year-old divorcee disclosed her career as a provider of adultery evidence for lawyers & private detective agencies. The TV program was coincidental with current agitation in Canada to transfer divorce authority from Parliament to federal or regional divorce courts. At present, adultery is the only ground for divorce in Quebec & Newfoundland, and the TV show exposing fabrication of evidence drew both applause & criticism.

"I have never written anything I couldn't get on television. There is a far worse censorship on Broadway which says if you ain't got a star or a name director you can't put on a play. On Broadway they're solely concerned with money and economics, which is a far more crippling censorship than saying dirty words on the air."—Reginald Rose to John Crosby.

Impact of TV on politics & govt. will be the subject of the Academy of TV Arts & Sciences' final forum in N.Y. June 8. Democratic & Republican national committee chmm. Paul B. Butler and Sen. Thurston B. Morton (R-Ky.) will lead a panel including Sen. Jacob K. Javits (R-N.Y.), NBC News vp William R. McAndrew and marketing researcher Elmo Roper.

Continuing Conference on Communications and the Public Interest, chaired by Gilbert Seldes, dean, Annenberg School of Communications, U. of Pa., has been formed by 15 university professors in the mass media field to periodically evalute the principles & practices of mass communication.

WCAU-TV Philadelphia will answer policy & programming questions posed by viewers via *Inside WCAU-TV*, (3:15-3:30 p.m. Sun.), which debuts this week (12).

Radio news coverage is scoring "significant gains in the quantity, quality and depth" of newscasts, which now average nearly 3 hours daily at stations, NAB reported, following a survey by research mgr. Richard M. Allerton. Among findings in the study, first since 1953: (1) Of all radio news programs, 72% are locally produced by individual stations—15% more than in 1953. (2) Large stations' news programming has almost doubled in 7 years. (3) Nearly all (92%) of 330 stations surveyed employ local reporters in addition to wire services, and 55% also are served by stringers. (4) Nearly 82% of the stations have full-time or part-time news editors.

Chicago TV stations have won a major victory in their fight to cover meetings of the city council (Vol. 16:10 p14). In a move expected to lead eventually to unrestricted TV-radio coverage, the council's rules committee has approved full TV pickup of the 4 meetings remaining before the summer recess. The approval provides that each of Chicago's 4 commercial TV stations will cover one meeting, tape it, furnish a tape to the other 3 stations, and devote 2 hours the following day to broadcast the session. The stations also are permitted to use excerpts from the tapes for news broadcasts the day of the meeting.

When WFGA-TV Jacksonville joined the editorialists recently, it was greeted with a week of editorial salutes from local radio WMBR which "for about 20 months now had the lone editorial voice on the airwaves in Duval County." In one of a series of editorials, WMBR gen. mgr. Sid Beighley commented: "The entry of Ch. 12 into the editorial field is a good omen and WMBR hopes that more & more broadcast news media in & around Jacksonville will take a similar course. Jacksonville needs independent news & courageous views, which it is not getting from the local newspaper monopoly."

ETV programming: Commercial WTOP-TV Washington & George Washington U. have teamed up for a non-credit introductory course on art & design which will be telecast thrice weekly, 6:30-7 a.m., June through Sept. Registration fee for *Classroom 9: Art & Design* is $15, includes telecourse guide & home assignments. And in N.Y., WNBC-TV has debuted 60-min. Sunday *Summer School* which delves into art & famous paintings from 9:30-10 a.m. and concludes with a 30-min. exploration of history's most notable revolutions.

National Grass Roots Opera Company, the unique organization sponsored by WRAL-TV Raleigh, plans to telecast its 2nd full-length video-taped opera, "Die Fledermaus," on June 17. The first, "Don Pasquale," was shown to FCC members in Washington several months ago. Two of the cast are station employes—film editor Alec Dantre and promotion & public relations dir. David Witherspoon. The company was organized in 1948 by WRAL-TV Pres. A. J. Fletcher, a bass-baritone.

Voice of America listener panels are being set up by USIA overseas to test & increase effectiveness of the radio network. As a starter, letters have been sent to 1,300 VOA listeners in Latin America asking how often they listen, what programs they prefer & why, what new programs they'd like to hear.

Radio Moscow excerpts in English, accompanied by editorial comments, have been such a public-service success on radio WBT Charlotte that exec. vp Charles H. Crutchfield is offering the 3-times-weekly tapes to other stations. The series already is being broadcast by 6 other radio stations.

Television Digest

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Personals: Carleton D. Smith, WRC-TV Washington vp-gen. mgr., named RCA staff vp, Washington, succeeding George Y. Wheeler, is in turn succeeded by WRC mgr. Joseph Goodfellow . . . Edward T. Burns, NBC senior attorney, has resigned to open his own law office (745 Fifth Ave., N.Y.) . . . Robert E. Early, ex-USIA, named mgr., CBS News Information Services, Washington . . . Thomas B. Jones, ex-WJIM-TV & WJIM Lansing, Mich., named program dir., WNBF-TV & WNBF Binghamton, N.Y. . . . Edward A. Rogers, ex-NBC-TV & Jack Wrather Organization, takes leave from Ted Rogers Associates, Hollywood TV producer & packager, to join Vice President Nixon's campaign staff as TV advisor—post he held in 1952 & 1956 campaigns.

J. B. French named CBS-TV engineering services dir. . . . Merrill Myers named CBS News information services supervisor . . . Frank Miller appointed MBS programs & operations dir., succeeding Joseph F. Keating, named programs & operations vp (Vol. 16:7 p18) . . . Max Goldman, former FCC asst. general counsel in charge of litigation, recently with Puerto Rican govt., enters private practice, forming Rigau, Goldman & Santiago, 609 Conada Ave., Stop 17, Santurce . . . Dr. Eugene S. Foster, Syracuse U. TV-radio dept. chmn., awarded Academy of TV Arts & Sciences fellowship for 3-week survey of TV industry in N.Y.

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Meetings this week: Advertising Federation of America 56th annual convention (June 5-8). Speakers to include: FTC Chmn. Earl W. Kintner, Secy. of Commerce Frederick H. Mueller, Cunningham & Walsh Chmn. John P. Cunningham. Hotel Astor, N.Y. . . . Academy of TV Arts & Sciences forum on TV & politics (8), ABC . . . N.C. Assn. of Bcstrs. spring meeting (9-10), Carolinian, Nags Head.

Jones & Zwicky is new name of Washington TV-radio law firm as Warren C. Zwicky advances to partnership with Robert F. Jones.

Obituary

Stephen J. Angland, 45, staff attorney for the House Commerce Legislative Oversight Subcommittee during its 1957-58 FCC investigations, died May 30 of a heart attack at his Washington home. Surviving are 4 brothers.

Auxiliary Services

Common carrier regulation of CATV by states, in addition to federal controls, was encouraged last week by Sen. Moss (D-Utah). In a floor speech, he said that FCC should control program duplication and that "intensive further study" should be given to the question of whether FCC or the stations should set rates. "The legislatures of the several states," he said, "should feel entirely free to enact such local common-carrier regulations with respect to CATVs as may be necessary or desirable to protect the public against monopolistic practices or abuses." He also stated that "some tears have been unnecessarily shed for the little businessmen of the CATV industry," noting that systems have sold for up to $1 million. He suggested that the Senate Commerce Committee, to which CATV-control bill S-2653 has been recommitted, "would perform a public service by requesting full information from the industry as to its investments in plants, installation charges, rates & practices." He also cited Jerrold Electronics as an example of a major entity in the field, listing the systems in which it holds interests. "I am not opposed to cable TV," he said. "The CATV operators perform a valuable service" —but he said they should operate according to "the rules of the game." Predictions on the Hill are that the Senate Commerce Committee will seek to gather the CATV industry data that Moss wants. Committee sources complain that little is known about the industry.

Boxoffice potential of $3 million for TelePrompTer's closed-circuit coverage of the June 20 Patterson-Johannson championship fight, was seen last week by a TPT spokesman. TPT's pre-fight ABC-TV special, scheduled for June 19, 10:30-11 p.m., will feature actor James Cagney as host, and former world champions Jack Dempsey and Gene Tunney as guests. Film clips of last year's Patterson-Johannson fight will be televised for the first time on the show. TPT also hopes to feed the fight to at least 2 of its 4 CATV systems, and is currently sampling subscribers in Farmington, N.M., and Liberal, Kan., to see how many will agree to a virtual "honor system," i.e., a pledge to pay an extra $2 on their monthly charge, should the fight be fed, and should they tune in.

Latest CATV purchase by TelePrompTer is TV Cable Inc., serving 3,000 homes in Liberal, Kan. TPT also owns & operates systems in Silver City, N.M., Farmingdale, N.M. and Rawlins, Wyo.

First CATV in Georgia has been started by Al Dun Amusement Co. (L. J. Duncan, pres.-mgr.) in West Point. According to NCTA, 43 states now have CATV. The 7 without are: Alaska, Hawaii, R.I., Del., N.C., S.C., N.D.

TV ticker-tape system to transmit stock quotations by closed circuit has been announced by Sylvania-owned Argus Cameras Inc. at $298.50 plus installation. The "TV Ticker Reader" is designed to present Western Union ticker information to a closed-circuit camera with the proper illumination, enlargement, contrast & orientation.

Employment agency specializing in personnel for community antenna systems has been formed by Harlan Jacobsen and associates under the name of Help Associates, Room 204, 607 8th St., Rapid City, S.D. The service will act as a clearing-house for technicians and personnel for management, construction, microwave, sales promotion, etc., according to Jacobsen.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

NEW TV TRENDS—MORE FOR MORE MONEY: With Admiral & Sylvania due to join new-line parade this week, 1961 TV-radio-stereo trends are becoming apparent. Lines of these 2 manufacturers have enough in common with already-shown lines of Motorola, GE & RCA to warrant these conclusions about set-makers' 1961 thinking:

(1) New TV lines are longer, broader—invariably with higher top-end prices, usually with lower low-end prices. Example: Sylvania's new sets, shown to distributors at week's end, range from $179.95 to $550. Last year the range was $199.95 to $399.95.

(2) Fine-furniture approach is being stressed with a vengeance, high-end cabinetry being made more & more by well-known furniture houses. Latest such tie-in is Sylvania with Heywood-Wakefield for 3 top-end models, following trend set by Motorola with Drexel & Heritage cabinets, and later by Capehart with Tomlinson, RCA Victor with Henredon, Westinghouse with big-name designers.

(3) The 17- & 21-in. models are definitely a vanishing race, although a few are being held over in some lines. Admiral's 2-dozen basic (non-portable) b&w models will be entirely 19- & 23-in. sets. Sylvania's only old-size sets are popular hold-over low-priced portables. So far, the bonded tubes have won out over non-bonded in the 23-in. size, and race seems to be neck-&-neck in 19-in. between the 2 styles.

(4) "Home stereo theater" or "home entertainment center"—that is, TV-radio-stereo phono—is at top of nearly every line. Newest ones are four 23-in. combinations and a 19-in. from Admiral.

(5) Stereo lines are being segregated from TV. There's more of a tendency to show stereo separately (example: Motorola). Also, it appears that stereo lines are being shortened somewhat to relieve dealer inventory situation. Sylvania, dropping in several new phono models, announced the end of the "annual phono line," and that in the future, model changes would be in form of occasional drop-ins.

(6) FM radio is getting far bigger play. Nearly all console radio-phono combinations now include FM as well as AM. Every set maker now has AM-FM table models, and a new member has joined most radio families: the FM-only table set. Newest: Admiral's, at $29.95 & $39.95, Sylvania's at $39.95 (with matching AM set for simulcast stereo at $24.95).

(7) Color activity is accelerating—but no new color entries have been shown or announced yet this spring. RCA's big wingdings at Las Vegas & Miami for color dealers whipped up plenty of enthusiasm & optimism (see p. 20). Admiral increased its color line to 6 basic models ($595-$895) from last year's 5. Packard Bell home-products vp K. R. Johnson predicted his company's color TV operations will be in the black for the first time this year, and forecast million-a-year sales for color sets within 3 years.

Majority of industry still prefers to abstain from color for the time being, however. Zenith Sales Corp. Pres. Leonard C. Truesdell, addressing an Institute of Appliance Management Course (sponsored by Pa. distributor Pierce-Phelps) in the Bahamas last week, stated that less than 100,000 color sets were sold last year and Zenith—with a $5-million investment in color—will continue to hold off until "the time is ripe." Motorola executive vp Edward Taylor reiterated that his company will enter color market when it represents 10% of industry volume.

For details of this week's new lines, by Admiral & Sylvania, see p. 22.

TV-RADIO PRODUCTION: EIA statistics for week ended May 27 (21st week of 1960):

	May 20-27	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	123,492	113,976	109,239	2,446,759	2,211,712
Total radio	320,251	324,021	250,224	6,972,181	5,677,421
auto radio	120,339	112,129	000,000	2,721,234	2,262,390

CONSUMER ELECTRONICS—AND THE AUTO: We rode around a test track at RCA Labs in Princeton last week in a car without a driver. The car in front of us, driven by a human being, stopped—and we came to a gentle, safe halt. When the other car proceeded, we accelerated, stuck to a pre-set speed limit, stayed firmly in the center of our lane—and, look, Ma, no hands (or feet)!

It's Buck Rogers stuff, of course. But so was the airplane autopilot. We came away from the demonstration convinced that some form of electronic autopilot for autos is inevitable—if not in the RCA-GM form shown last week, in some other shape. But auto safety & reliability are just another job which will have to be done electronically—and another vast new market for electronic systems, components, tubes, transistors. Even if the "car of the future" contains only $100 worth of electronics, the automotive market becomes a better than half-billion-a-year electronics market.

The 7-year-old pet project of RCA honorary vp & senior scientist Dr. Vladimir K. Zworykin—the electronic highway—thus passed an important benchmark—a first full-scale working system. Developed by RCA & GM, it was demonstrated at week's end to highway dept. officials. Although it's far from ready for use, to us the important thing is that it heralds another completely new field for "consumer electronics"—the auto.

The conventional auto contains only one electronic gadget—the radio. But all auto makers are exploring ways & means to improve driving safety, reliability & comfort through electronics. GM's "dream car" of last fall—Firebird III—was virtually an electronic auto, from door-key to brake. And some of Firebird's electronic drive gadgets were crammed into the two 1958 Chevrolets which drove themselves around the quarter-mile test track at Princeton last week.

Officials of GM Research Labs and of RCA Labs, with whom we talked last week, are convinced that electronics holds key to auto safety and collision prevention, particularly on limited-access high-speed roads. Electronics already is widely used in traffic-light control, etc.—but biggest step will come when electronics actually goes into the automobile and takes over or assists in the driving functions.

The scientists used a familiar RCA word—compatibility—to describe their approach to the electronic highway. The buried cables & loops in the road can be used to warn non-electronic autos of hazards ahead (by means of lights imbedded in the road or on the roadside) and perform multitude of other jobs to help drivers or highway officials—while they take over operating functions in electronically-equipped cars. RCA has already sold several hundred of the "vehicular detector" loops for experimental or vehicle-counting use. This detector system eventually would become an integral part of the automatic electronic highway.

Next step in the automatic highway program—within next few years—is a broad-scale test on good-sized stretch of public road. This involves imbedding of cables & loops in the pavement, along with transistorized detector units & amplifiers (cost estimated at less than 10% of highway construction). Following the "compatibility" approach, such a system could warn conventional autos of other cars or obstacles ahead by means of electronic road signals, and could be used as practical lab for development of electronically-guided car. RCA & GM are currently making this pitch to state & federal highway officials.

Instant translations of foreign drama will be a new feature of the non-profit N.Y. City Center Theater. Made possible through a grant from the Joseph Martinson Memorial Fund, the City Center has purchased tiny single-channel receivers, built by Matsushita Electric Co. Theatergoers may rent the earphone-equipped sets for $1 and listen to running commentary of translation in English of foreign-language stage productions. Appropriately, the translation system is being employed for the first time during the current run of Japan's Grand Kabuki Company.

Sylvania has begun manufacture of 23-in bonded-shield picture tubes at its Ottawa, O. tube plant, to augment production at the hq plant in Seneca Falls, N.Y. Sylvania Electronic Tubes Pres. Matthew D. Burns said the company is now producing the bonded-shield line (19- & 23-in.) "in greater quantity than any other cathode-ray tube family."

Sylvania has purchased a "substantial part" of Corning Glass's interest in Sylvania-Corning Nuclear Corp.

Symphonic Electronic Corp., which calls itself the largest exclusive manufacturer of phonographs, may be acquired by Lynch Corp., Anderson, Ind. maker of glass forming & packaging machinery. Symphonic's sales for the year ended Jan. 31, 1960 were understood to have totaled about $20 million; Lynch's sales for 1959 were $7.2 million. Symphonic plans to introduce a TV line next month at the Music Industry Show in Chicago. Lynch stock is traded on the American Exchange. Lynch announced it has reached an agreement with Symphonic for the purchase, which would involve an exchange of stock.

Philco tunnel diodes have been reduced from $10 to $5 and a new series of tunnel diodes designed for low-level switching and small-signal applications has been introduced at $5.

Collins Radio has established a Paris-based French subsidiary, Collins Radio Co. S.A.R.L. The company recently formed subsidiaries in Australia & Germany.

More about

RCA SENSES COLOR BREAKTHROUGH: A "genuine groundswell" in color acceptance is in the works, according to RCA Pres. John L. Burns, and RCA is going all out to ride the crest as color's pioneer.

With an elaborate & expensive series of 2 distributor-dealer sales meetings (Las Vegas for the West, Miami Beach for the East), RCA pounded away at color (see p. 18). The dealers weren't even shown b&w sets; this was left for later distributor "open houses" to attract the dealers when they got home. (For description of b&w and color lines, see Vol. 16:21-22.)

The audience in Miami Beach last week was most receptive—for the 1,300 attendees were mostly dealers who had won their distributors' color contests—selling 10 or more color sets each. It was the biggest event of its kind by RCA since 1934. The Las Vegas & Miami Beach affairs are estimated to have cost RCA about $1 million.

Burns set the pace of the presentations by the whole galaxy of RCA executives. Color will provide "a massive thrust that will lift the whole consumer line," he said. "Color at its crest" will provide a volume of $3.5 billion a year, he asserted, adding that this will happen in "not many more years." He termed color "the only strikingly new item in the whole consumer line." It's not a rich man's plaything," he said. "Almost one-half of color-set owners have incomes of less than $10,000 a year."

Much of his talk was designed to keep distributors & dealers wedded to the RCA line in general. He stated that consumer products comprise 35% of RCA's volume—the largest single segment—hence is at vital as ever to RCA. He spoke proudly of the RCA insignia on space vehicles as a promotion plus for its home products. Of the nation's top 30 companies, he said, RCA showed the largest sales percentage increase last year—except for 2 auto manufacturers recovering from a "depressed state."

It wasn't difficult to tell what the dealers want most—more color programs. Greatest applause of the whole session was elicited by NBC-TV network sales vp Don Durgin as he outlined the network's color plans. NBC will have 920 hours of color this year, he said, 27% more than last. The schedule will include virtually all the same series carried in color this season—plus special pre-election candidate interviews in the Sat. 9:30-10:30 p.m. *World Wide 60* period, *Meet the Press*, all of *Continental Classroom*, a color mobile unit in Europe, "Tournament of Roses," Oct. "color promotion special," a Nov. "all-color day," and more.

According to dealers with whom we talked, the big trick is to get the set into the home. Several dealers said that they sell 75% of receivers so handled.

The "New Vista" tuner was demonstrated together with RCA's new "Neutralized Triode" tuner and the cascode unit they're replacing. No db figures were disclosed, but the Neutralized Triode was said to have 20% less noise & 60% more gain than the cascode, and the New Vista 25% less noise & 25% more gain than the neutralized Triode. RCAs theory is that reputations are being made at the fringe areas, even though few viewers live in them —just as cars can be touted as steep hill climbers.

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New emergency calling system, designed to offer a means of communication for motorists stranded on freeways or turnpikes, has been developed by Hoffman Electronics. Key feature is its "safety satellite," a miniature transmitter which uses sunlight as its power source.

FTC's Promotion Guide: The FTC issued a translation in layman's language last week of those portions of the 1936 Robinson-Patman Act which govern the giving & accepting of allowances & services for product promotion. Telescoped into a 10-page pamphlet are 16 "general rules of thumb" designed to help manufacturers, distributors and retailers interpret the ground rules in Sec. 2 (d) & (e) of the Act. Although the intent of the FTC guide is to help businessmen keep legal, Comr. William C. Kern is opposed to it on grounds that a capsule translation of the Act is neither wise nor sound. Nonetheless, here are some of the major points made by the FTC guide:

All competing customers must be notified & given a clear understanding of promotional programs extended to any one of their number.

The seller must make certain that services paid for are rendered.

Promotional payments or services must be offered on proportionally equal terms to all competing customers. The FTC suggests that the best plan for proportionalization would base payments or services furnished on the dollar volume or quantity of merchandise purchased in a given period. However, the seller may not provide allowances on the basis of a graduated scale tied to the amount of purchase—for example, 1% ad allowance for the first $1,000 purchases in a month, 2% of the 2nd $1,000, etc.

Indirect payments to a 3rd party in order to benefit a particular company are illegal. (Example: the purchase of radio ad time by a seller who then furnishes it free to a special customer who runs special in-store promotions of the seller's products.)

A promotion may be limited geographically, but it must cover all competing customers in the area.

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Standard Coil Buys Casco: Standard Coil's diversification program takes it into the consumer-products field with the $3.5-million purchase of majority interest in Casco Products Corp., Bridgeport, Conn. Due to be named as new president of Casco is Leonard F. Cramer, well-known in TV-radio as former Magnavox vp-gen. mgr. and previously as Crosley vp & TV-radio gen. mgr.

Casco makes automobile cigarette lighters, electric irons, griddles, massagers, electric blankets & heating pads. Standard is the largest producer of TV tuners, and its principal subsidiary, Kollsman Instrument Corp., makes electronics systems for aircraft. missiles & space vehicles.

Standard is buying about 66% of Casco's outstanding 511,356 shares—those owned by Casco Chmn. Joseph H. Cone—at $10.15 a share. Standard Pres. James O. Burke said his company plans to offer to buy the remaining Casco shares at the same price. Casco closed at 9⅝ on the American Stock Exchange May 31—up ⅜—the day the sale was announced. It ended the week by dropping to 9½.

Burke said the entry into the small appliance field will "counterbalance the seasonal characteristic of the TV industry." He said his company will soon announce "major new ventures" in the electronics field.

Casco's sales for the fiscal year ended Feb. 29 totaled $11,151,370, its net $387,405. Standard's 1959 volume was $74 million, its net earnings $1,523,379.

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First postwar survey of U.S. business enterprises under foreign ownership has been started by the Commerce Dept. It's expected to show foreign investments have more than doubled since 1941 when they totaled $2.3 billion.

BRITISH TV COMING? Having met success in exporting hi-fi components to the U.S. ($14 million last year), the British will cautiously dip their toes into the U.S. TV stream this month. The occasion will be the British Exhibition in N.Y., June 10-28.

One manufacturer—Bush—has announced it will show a TV set, built to U.S. standards, at the exhibition. The receiver is designed "with instantaneous push-button tuning, without electric motor assistance," to the 12 U.S. channels. It's not likely that there'll be any other home TVs shown at the British Exhibition this year, but this trial balloon could signal the start of a small quantity of British exports.

Electronic TV Contrast Control

British TV has built a reputation for high quality, and with some unique features. For example, the new Sobell sets feature an "electronic eye" contrast control which adjusts picture contrast automatically to suit the amount of light in the room.

Nevertheless, in the electronics field, the British will continue to concentrate on hi-fi equipment at the exhibition. In advance of the show, the British Radio Industry Council estimated that British radio-phono-parts exports totaled $155.3 million last year, of which 14.2% ($21.9 million) went to the U.S., which continues to be Britain's best electronics customer.

The $21.9 million in U.S. imports of British radio items compares with $14.1 million last year. In audio equipment, British exports to the U.S. increased more than tenfold in the last 6 years—from less than $1.4 million in 1954 to more than $14 million in 1959. Britain's principal audio exports are record changers, pickups and other phono components, amplifiers, speakers, microphones.

The Radio Industry Council released this table of British radio equipment exports to the U.S. in 1959 (converted by us at the rate of £1 = $2.80):

Audio equipment	$14,440,000
Communications, bcstg., navigational aids, radar	2,630,000
Tubes & parts	2,480,000
Components & test gear	1,520,000
Radio & TV receivers, phono combinations	530,000
Other radio apparatus	350,000
Total	$21,950,000

Industrial & military electronic equipment aren't included in the table.

Many Electronics Exhibitors

A score of audio & electronics manufacturers will be represented at the exhibition, either under the banner of the British Radio Equipment Mfrs., or with their separate exhibits. They include Brenell Engineering Co., Beam Echo, Bush Radio, Clarke & Smith Mfg. Co., EMI, Ferguson Radio, Gramaphone Co., Lowther Mfg. Co., Truvox, Automatic Telephone & Electric, British Insulated Callender's Cables, Ferranti, Garrard, H.J. Leak & Co., M.O. Valve Co., Multicore Solders, Pye Ltd., Standard Telephones & Cables, Taylor Electrical Instruments, Wharfdale Wireless Works.

Other features of the British Exhibition: (1) Two "sound halls" for continuous demonstration of hi-fi equipment. (2) Display of Pye's new compact 3-D industrial TV system which produces stereo pictures from a single camera. (3) A display built around BBC's new $45-million TV Center, due to begin operation June 29 in London.

Japanese Lift Shipment Ban Briefly: To ease pain of its sudden suspension of exports of transistor radios to U.S., Canada & Puerto Rico (Vol. 16:20 p 17), Japanese Govt. on May 23 lifted the curtain slightly & briefly, pending its setting of regular quotas limiting shipments in the future.

According to Commerce Dept.'s Business & Defense Service Administration, the Japanese Ministry of International Trade & Industry (MITI) lifted the ban with these 3 conditions:

(1) Contract concluded and letter of credit or other financial payment arrangements completed by May 9.

(2) Export shipment to be completed by May 31.

(3) Export request in keeping with 1959 level of individual exporter.

The MITI move was an effort to be fair to exporters caught badly off base. It's estimated that not more than 200,000 sets with 3 or more transistors were shipped under the temporary flow. The lid is now back on while quotas are being determined. There's no telling when quotas will be announced—because a massive administrative job is involved. Some observers wonder whether the 3rd condition indicates the quotas will be set finally at 1959 levels.

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Restrictions against imports were opposed by RCA Pres. John L. Burns in an address to the company's Eastern & Southern distributors at Miami Beach. Despite "a mounting clamor for tariff & quota barriers against certain foreign imports," he said, "most informed Americans believe that freer world trade is the realistic way to help our foreign allies stand on their own feet." At the same time, he urged foreign countries to "exert wisdom in their export policies," avoiding exploitation of "an unduly excessive combination of govt. subsidies and lower labor costs to force entree into the American market." The Japanese made headway in radio exports, he added, "because they filled a void" in vest pocket sets "made possible by the development of miniaturized components not available in this country." RCA now has tiny circuitry "which we believe is superior to any imported product."

"A Distributor Imports—to Live" is the title of a featured article in June 4 *Business Week*, profiling big Chicago distributor Sampson Co., national distributor for Hitachi products. Pres. Robert Sampson hints that his firm will return to domestic items—on a national basis. He is quoted this way: "We may be able to announce shortly national distribution of 2 domestic lines, one a household appliance and the other an electronic specialty. Neither would have come to us had we not made a success of national distribution with the imports."

Impact of imports on small U.S. firms will be explored by a Senate Small Business Subcommittee under Sen. Randolph (D-W.Va.) at a June 16 hearing. He said representatives of industries which have complained to the Committee that they suffer from foreign competition will be invited to testify, but that: "No one should infer that, by scheduling these hearings, the Senate Small Business Committee is taking or will take a position in opposition to our foreign trade policy."

New high-capacity batteries for transistor radios and other uses were announced by National Carbon Co. recently to round out the Eveready Alkaline Energizer line. Penlight size (E91) is claimed to give 10 times the service of a standard penlight cell at 2.25-ohm continuous drain, 7 times the service at 4-ohm drain. They list at 50¢ each.

Trade Personals: Rayford E. Nugent, ex-Philco consumer products sales vp, named vp & asst. to newly appointed mktg. vp Robert G. Urban; former PR dir. Robert M. Jones named to new post of personnel dir., in latest of series of top-level Philco organizational changes to "strengthen operations in line with the current trend toward larger dealership." Newly appointed consumer products div. vp-gen. mgr. Henry E. Bowes (Vol. 16:22 p19) announced these shifts within the division: John A. Winfield to asst. sales dir. (under sales dir. Frederick D. Ogilby) from controller, Gibson B. Kennedy to mgr. of associate distributor sales from gen. sales mgr., Robert J. Theis to gen. sales mgr. from TV mdsg. mgr., John J. Kane to mgr. of TV mdsg. from electronics market development mgr., R. B. Lambert to mgr. of direct accounts from asst. to the gen. sales mgr., Michael L. Severine to mktg. dept. controller from asst. controller.

Kenneth R. Johnson, Packard Bell home products div. vp, named chmn. of new marketing subsidiary Packard Bell Sales Corp.; Richard D. Sharp, home products mktg. dir., named pres.-gen. mgr. of the new subsidiary . . . Eldo H. Stonecipher, vp-gen. mgr. Arvin automotive div., elected pres.-gen. mgr., Arvin Industries, succeeding Glenn W. Thompson, who continues as chmn. . . . Dr. Charles H. Sutcliffe will head Philco Lansdale div.'s new special products operations, supplying specialized electronic components for military systems . . . Benjamin J. Pensiero named mktg. administration mgr., Philco govt. & industrial group . . . John E. Rhodes named Sylvania controller; Richard E. Clarke appointed Sylvania Waltham Labs personnel mgr.

Capt. Henry E. Bernstein (USN ret.) resigns Aug. 1 as EIA military engineering coordinator . . . Reynold J. Gouverneur promoted to mgr., advertising & sales promomotion, entertainment market, RCA electron tube div. . . . Martin Codel, associate publisher of TELEVISION DIGEST, due back about June 30 from 4-month survey of TV potential in 15 African & Near East countries . . . Dr. Victor J. Young, former asst. vp, elected vp, Hazeltine electronics div. . . . H. Kenneth Hudson, ex-Raytheon, named Hallicrafters Eastern div. sales mgr., headquartering in Washington . . . Edward C. Leeson, ex-Fairchild Engine & Airplane Corp., named mktg. vp. of Standard Coil's Kollsman Instrument Corp.

George R. Chambers III named research & development mktg. mgr., Eitel-McCullough . . . Lawrence T. Lindgren elected mfg. vp, Pacific Semiconductors, Thompson Ramo Wooldridge subsidiary; Dr. John W. Peterson named research & development vp; Sidney L. Spiegel, mktg. vp . . . Richard L. Knight, ex-GE financial personnel & administrative service mgr., named General Dynamics vp & treas. . . . John W. Spellman appointed to new post of product mgr., United Stereo Tapes div., Ampex Audio . . . Robert D. Hamilton, ex-Du Mont Labs and IBM, named head of Foto-Video Electronics systems engineering dept. . . . Mac T. Finley elected American Bosch Arma secy. . . . Robert S. Boring named commercial operations vp, American Electronics.

RCA Chmn. David Sarnoff, one of the distinguished Americans selected to contribute to a written debate series on "The National Purpose" by *Life* and *The New York Times*, repeats & elaborates on his proposals that the West, led by the U.S., seize the initiative in every cold-war arena. One of his suggestions, as previously proposed in 1955, is a Cabinet-rank federal dept. to plan & coordinate all cold-war activities.

More about

ADMIRAL, SYLVANIA LINES: Two new TV-radio-stereo lines being shown this week feature increased emphasis on furniture styling and wider price ranges than last year (see p. 18).

Admiral's TV line, now being shown to dealers at Miami Beach, stresses 23-in. sets. Its three 23-in. groups are the Presidential series (2 basic models in 6 variations), listing at $199.95 to $289.95, the Imperial group (9 basic models), $239.95 to $359.95, the Super Son-R remote control series (5 models), $319.95 to $459.95. Four basic 23-in. Stereo Theater combinations were introduced at $449.95 to $629.95. A new 19-in. Stereo Theater is available in 4 styles at $349.95 to $379.95. Admiral's 6 basic 21-in. color sets (13 variations) range from $595 to $895.

New stereo consoles in the Admiral line range from $189.95 to $599.95, stereo portables are $69.95 to $179.95, table AM-FM radios (3 finishes) $59.95, FM-only $39.95, table radios from $9.95, clock radios from $17.95.

Sylvania's TV line, ranging from $179.95 to $550, features "new approaches to furniture styling" and consists of fourteen 23-in. sets, three 19-in. table-consolettes and four 17-in. portables. At top of the line are 3 "custom consoles" with Heywood-Wakefield cabinets, all featuring new "woodblend" Halolight mask, colored to blend with furniture finish when set is off, changing to white when set is on.

Also new in Sylvania TV line is series of metal-&-wood cabinet lowboys, beginning at $259.95, said to "offer more furniture value than comparably-priced sets." Leader table model 23-in. sets start at $219.95.

Dropping its annual line change for stereo, Sylvania brought out 5 drop-in stereo portables, one portable AM-FM-stereo phono, one monaural portable, at $32.95 to $169.95. Also introduced were 2 stereo consoles with built-in extension speaker enclosures—$139.95 without radio and $189.95 with AM-FM.

The radio line features 2 AM-FM table models at $49.95 & $99.95, FM-only at $39.95. Its new American-made transistor radios: 4-transistor shirt-pocket sets at $19.95 & $24.95, larger 4, 5 & 8-transistor sets at $19.95, $29.95 & $39.95. Two 7-transistor clock portables are priced at $49.95 & $59.95. Other clock radios are $24.95 to $49.95.

Economical thermoelectric material which will be available commercially in mass production quantities by year's end is claimed by Montreal-based Needco Nucleonic Electric Equipment & Development Co. Pres. Roman Post described the new semiconductor alloy, "Neelium," as a "cost breakthrough" that makes thermoelectric refrigeration economical. He said a mass-production line is now being established in the firm's 30,000-sq.-ft. plant. Post also reported the formation of subsidiary Needco Cooling Semiconductors Ltd., which has joined with Princeton-based General Devices Inc. to establish General Thermoelectric Corp. The last organization, also Princeton based, will assemble & market thermoelectric products in the U.S.

Obituary

Edward W. Kellogg, 77, audio engineer, inventor & author, died May 29 in Camden, N.J. after a short illness. During his associations with GE & RCA, he received a total of 107 patents, and in 1953 won the Audio Engineering Society's John H. Potts Award.

Finance

Electronics Funds Gain: Record performances were reported last week by 2 major electronics investment funds. Television-Electronics Fund announced total net assets at a record high of $328.7 million at the close of its fiscal midyear on April 30. This was a 6.7% hike in resources reported at the close of the 1959 fiscal year on Oct. 31. Shares outstanding (43,375,682) and total shareholders (119,511) also increased to record levels. However, net asset value per share sagged 0.6% in the 6-month period to $7.58, after adjustment for a capital-gains distribution in the first fiscal quarter.

Electronics Investment Corporation had record total net assets of $32,345,263 at the end of its 1960 fiscal year, ended April 30. The net asset value per share increased from $7.98 at the start of the fiscal year to $8.02, after adjusting for a net capital gains distribution of 44½¢ per share paid in May, 1959.

Television-Electronics Fund's portfolio changes since the first-quarter report (Vol. 16:9 p19):

New stocks added: 15,360 shares of Systron-Donner Corp., market value $230,400. 22,777 Litton Industries $1,665,568 (Litton bonds converted into common stock). $368,000 Collins Radio 4¾% bonds (1980).

Holdings were increased in Air Reduction, Allis-Chalmers, Bendix, Borg-Warner, CBS, Curtiss-Wright, DuPont, Fansteel Metallurgical, Ford, General Dynamics, General Railway Signal, GT&E, General Tire & Rubber, Goodyear Tire & Rubber, IBM, International Nickel of Canada, Motorola, Otis Elevator, Reliance Electric & Engineering, Texaco, Union Carbide, Westinghouse, Zenith.

Part of holdings were sold in Address.-Multigraph, Aerojet-General, AMF, Central Hudson G&E, Cincinnati G&E, Cutler-Hammer, Eastman Kodak, Emerson Electric, ITT, Magnavox, RCA, Walt Disney, Warner Bros.

Holdings were eliminated in Barry Controls ("B"), Clark Controller, Consolidated Edison, Indiana General, Litton Industries (bonds), ORRadio Industries (bonds).

* * *

Electronics Investment Corp. portfolio changes since its last quarterly report (Vol. 16:10 p20):

Purchases: 6,900 shares of Aerojet-General (making total of 7,038). 3,109 Ampex (total 10,900). 66,000 Elliott-Automation Ltd. (total 66,000). 5,916 Garrett Corp. (total 15,000). 3,200 GE (total 7,200). 4,500 Litton Industries (total 4,500). 8,000 Microwave Associates (total 17,000). 600 Motorola (total 3,600). 6,500 Transitron (total 6,500).

Eliminated: 14,000 AMF. 20,770 Bell & Gossett. 6,083 Cutler-Hammer, 2,600 Epsco. 12,984 General Tire & Rubber. 3,500 Haloid Xerox. 5,000 Hoffman Electronics. 24,000 Stewart-Warner. 4,161 Worthington Corp.

———— ■ ————

Amphenol-Borg Electronics reports a 30% gain in earnings on a 19% sales rise during the first quarter of 1960 (see financial chart). Chmn. Arthur J. Schmitt noted that the first-quarter results "were substantially up to expectations." He added: "Although some of the present business indicators are somewhat cloudy, [Amphenol-Borg] has a healthy backlog of orders. Assuming the continuation of favorable business conditions 1960 should be the best year in the company's history."

Wilcox-Gay Corp., including subsidiary Majestic International (Grundig-Majestic and other imports) reports first-quarter net earnings of $202,644, up from $200,541 in the same 1959 period, on a 31.2% sales rise.

Reports & comments available: Raytheon, analysis, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4; discussion, Hornblower & Weeks, 40 Wall St., N.Y. 5 • **Amphenol-Borg,** memo, Auchincloss, Parker & Redpath, 2 Broadway, N.Y. 4 • **International Resistance** and **NAFI,** discussions, Newburger & Co., 14 Wall St., N.Y. 5 • **CBS,** analysis, Francis I. duPont & Co., One Wall St., N.Y. 5 • **Barnes Engineering,** report, Purcell & Co., 50 Broadway, N.Y. 4 • **Bendix,** analysis, Eisele & King, Libaire, Stout & Co., 50 Broadway, N.Y. 4.

Jerrold Electronics scored a 104% jump in profits on a 10% sales rise in its 1960 fiscal year ended Feb. 29 (see table on p. 24). Included in the $810,251 net is a nonrecurring income of $283,656 (23¢ a share) resulting from the sale of the concern's Key West CATV system. Pres. Milton J. Shapp said each of Jerrold's 3 sales divisions contributed to the increase. The industrial products div. more than doubled its fiscal-1959 volume; distributor sales were up 30%; system sales div. up 8%. The 9 Jerrold-operated CATV systems showed a gain during the year of more than 2,500 subscribers to a total 32,000. Shapp noted that expansion-minded Jerrold is still seeking acquisitions, is interested in acquiring an electronics company which can augment the company's test instrument operation.

International Resistance Co. expects to bring in record sales & earnings this year, barring any major changes in the electronics industry, reports Chmn. Charles Weyl. Pres. Walter W. Slocum forecast that IRC's present earnings position "will be substantially maintained" throughout the year. Record sales & earnings were reported for the first 15 weeks of 1960 (Vol. 16:19 p24). Weyl said that IRC is active in solid-state research and would like to acquire a semiconductor manufacturer. He added: "We'll go into the business ourselves" if no suitable acquisition can be made.

Hewlett-Packard anticipates record earnings for the 1960 fiscal year ending Oct. 31, reports Pres. David Packard. He forecasts earnings of some $4.9 million ($1.50 a share) on $60 million sales, compared with fiscal-1959's profit of $3.9 million ($1.19) on $47.7 million sales. Fiscal-1960's midyear profit also is expected to set a record for the period (see financial table). The Palo Alto test-equipment maker attributes the sales increases to new products.

Television Shares Management Corp., investment manager & principal underwriter for Television-Electronics Fund, reports moderate gains in revenue & net income in fiscal-1960's first half ended April 30 (see financial table). "Despite the rather pessimistic atmosphere which has pervaded the financial scene during this period," noted Pres. William H. Cooley, "the operations of both the Fund and the management company were heartening." He also announced that the 2 organizations had relocated their hq June 1 at 120 South LaSalle St., Chicago 3.

Industro Transistor Corp., Long Island, N.Y. manufacturer, reports a net income of $188,861 (34¢ a share) for the 9 months to March 31, compared with the loss of $75,000 registered in the year-ago period.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Aerovox	—	$0.05	Jun. 15	Jun. 1
American Bosch Arma	Q	.30	Jul. 15	Jun. 15
Arvin Industries	Q	.25	Jun. 30	Jun. 6
British Industries	Q	.12½	Jun. 30	Jun. 16
Clevite	Q	.30	Jun. 27	Jun. 13
Corning Glass	Q	.37½	Jun. 30	Jun. 13
Decca Records	Q	.30	Jun. 29	Jun. 15
Gabriel	(Omitted)	..	.....	.....
GE	Q	.50	Jul. 25	Jun. 17
Granco Products	Stk.	10%	Jul. 11	Jun. 15
Hoffman Electronics	Q	.15	Jun. 30	Jun. 17
Loral Electronics	Stk.	5%	Jul. 8	Jun. 17
National Co.	Stk.	2%	Jun. 30	Jun. 15
Radio Condenser	—	.07½	Jun. 20	Jun. 1
RCA	Q	.25	Jul. 25	Jun. 17
Universal Pictures	—	.25	Jun. 28	Jun. 15

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Allied Artists Pictures	1960—39 wks. to Mar. 26	$12,915,723	—	$1,005,955	$1.08	895,346
	1959—39 wks. to Mar. 29	10,247,689	—	(190,424)	—	882,799
Amphenol-Borg	1960—qtr. to Mar. 31	15,562,129	$1,647,182	789,182	.67	1,175,774
	1959—qtr. to Mar. 31	13,032,531	1,311,498	608,498	.52	1,172,044
British Industries	1960—qtr. to Mar. 31	1,594,637	—	108,524	.30	363,951
	1959—qtr. to Mar. 31	2,260,786	—	167,420	.55	306,160
Electronic Associates	1960—qtr. to Mar. 31	2,509,008	—	150,516	.21	722,665
	1959—qtr. to Mar. 31	1,077,094	—	146,986	.22	657,228
Emerson Radio & Phono	1960—26 wks. to Apr. 30	—	$1,251,252	1,118,768	.53	2,117,462
	1959—26 wks. to May 2	—	2,244,417	1,001,317	.47	2,117,462
Gibraltar Enterprises[3]	1960—4 mo. to Apr. 30	1,234,135	—	309,216	—	—
	1959—4 mo. to Apr. 30	1,065,970	—	160,186	—	—
Hewlett-Packard	1960—6 mo. to Apr. 30[6]	29,200,000	—	2,360,000	.72	—
Story on p. 23	1959—6 mo. to Apr. 30[7]	21,000,000	—	1,500,000	.46	—
Jerrold Electronics	1960—year to Feb. 29	8,416,750	—	810,251[5]	.67	1,217,862
Story on p. 23	1959—year to Feb. 28	7,658,371	—	397,656	.36	1,109,850
Litton Industries	1960—9 mo. to Apr. 30[7]	134,459,000	—	5,441,000	1.29	4,147,854
	1959—9 mo. to Apr. 30	89,191,000	—	4,226,000	1.15	3,576,000
Perkin-Elmer Corp.	1960—9 mo. to Apr. 30	14,641,675	—	660,614	.58	1,146,350
	1959—9 mo. to Apr. 30	12,347,894	—	458,957	.42	1,090,330
Taft Bcstg. Co.	1960—year to Mar. 31	10,426,310	2,971,808	1,413,708	.95	1,486,528
Story below	1959—year to Mar. 31	8,972,501	—	1,134,109	.76[4]	—
TV Shares Management	1960—6 mo. to Apr. 30	1,536,992	744,934	366,222	.35	—
Story on p. 23	1959—6 mo. to Apr. 30	1,401,281	739,111	284,111	.27	—
Times-Mirror Co.	1960—12 wks. to Mar. 20	21,234,050	—	862,779	.24	3,601,887
(KTTV Los Angeles)	1959—12 wks. to Mar. 20	19,306,073	—	623,551[2]	.17	3,593,940[2]
Varian Associates	1960—6 mo. to Apr. 2	22,022,715	—	1,398,605	.45	3,134,204
	1959—6 mo. to Mar. 31	17,378,142	—	1,112,530	.36	3,116,874

Notes: [1] 1959 figures reflect 2-for-1 split in Dec. 1959 and special income credit of $700,000. [2] Per-share earnings and common shares in 1959 adjusted for 4% stock dividend and 3-for-1 split. [3] Includes WICU-TV & WICU Erie, radio WTOD Toledo & WHOO Orlando, headed by Edward Lamb. [4] On shares now outstanding. [5] Includes non-recurring income of $283,656 (23¢ a share) representing profit on sale of Key West CATV system. [6] Estimated. [7] Adjusted to include recently acquired subsidiaries.

Textron Electronics acquired 2 more companies last week. Electronic Research Co. of Kansas City, Mo., was obtained for 18,000 shares of common stock. Based on recent market quotations, the stock involved approximates $275,000. Electronic Research produces frequency-control crystals and crystal ovens for commercial & military use. Textron said the company was acquired to complement the activities of its Globe Electronics div., which produces radio equipment. Also added was Allegany Instruments Co., Cumberland, Md., producer of electronic measuring devices, transducers, other equipment. The deal involves the payment of 140,000 shares of Textron common (valued on recent market quotations at more than $2 million).

Thompson Ramo Wooldridge has submitted an SEC registration (File 2-16554) for 124,054 common stock shares, including 87,160 issued to shareholders of Radio Industries Inc. in exchange for all of its stock in an acquisition last Dec. (Vol. 15:52 p20). The balance of the shares may be issued to Radio Industries holders within 5 years starting in 1961, depending on net earnings. The SEC registration statement also lists 367,446 shares to be issued in TRW's stock-option plan. Thompson Ramo Wooldridge is also taking over Good-All Electric Mfg. Co. through a stock exchange. TRW acquired 83.6% of Good-All in April, now proposes to take the balance of 3,465 Good-All shares by offering 5,138 TRW shares to 47 remaining Good-All holders.

Taft Bcstg. Co. (WBIR-TV & WBIR Knoxville, WKYT Lexington, WKRC-TV & WKRC Cincinnati, WBRC-TV & WBRC Birmingham, WTVN-TV & WTVN Columbus) reports improved net revenues ($10,426,310 vs. $8,972,501) and net earnings ($1,413,708 vs. $1,134,109) for the year ended March 31, 1960 as compared with fiscal 1959, in its first annual report since its stock became publicly owned. Operating profit before depreciation & amortization totaled $4,253,021 vs. $3,470,817. Retained earnings were $4,754,228, up from $4,222,714 at the beginning of the year. Current assets at the end of the year totaled $4,829,809, current liabilities $3,566,018. Pres. Hulbert Taft Jr. said prospects for the current year are "excellent" and net income & net revenues for the first 2 months have exceeded last year's marks. (For Taft financial report, see table above.)

Guild Films is offering 12,515,000 common stock shares to the Vic Tanney gymnasium system to complete its acquisition of the health-club chain (Vol. 16:8 p7), according to an SEC registration statement (File 2-16650). Also listed by Guild Films for SEC registration were 2,749,891 shares already issued under claimed exemptions from the Secutities Act and 2,400,000 proposed for offerings to creditors to settle claims against the company.

Guild Films stock sales by 2 Cal. banks in unregistered transactions involved with a defaulted $120,000 loan to Hal Roach Jr. (Vol. 15:48 p13) violated SEC regulations, the U.S. Court of Appeals in N.Y. has ruled.

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Film & Tape

WRITERS' MARATHON STRIKES NEAR END. WGA reaches agreement with AMPP and is expected to settle with Alliance this Monday in Hollywood's longest (21 weeks) strikes (pp. 1 & 5).

Congress

TV-RADIO-FCC FLURRY ON CAPITOL HILL cracks logjam of bills. House Committee approves catch-all reform measure. Senate gets equal-time suspension (pp. 2 & 3).

Auxiliary Services

CATV WINS PROGRAM RIGHTS SKIRMISH in Mont., state ruling that Helena system doesn't infringe program rights of KXLJ-TV. Big showdown still to come (p. 2). Dept. (p. 14).

Networks

WBC PLEADS ITS CASE for intervention in proposed TV-radio swaps by RCA-NBC & RKO General; tells U.S. District Court Judge Kirkpatrick that Justice Dept. supports NBC; KRON-TV withdraws petition to intervene (p. 7).

CBS & NBC both made announcements about overseas interests last week—in West Germany & Argentina (p. 7).

Stations

MULTI-RATE HASSLE sees action by Katz Agency and PGW in last week—the first in West Germany & Argentina, the other also wake of N. W. Ayer's rep meeting. They write their stations with suggested solutions (p. 10).

Consumer Electronics

1961 ORDER-TAKING is in full swing, with indications dealers are buying more than last year. Admiral & Sylvania conventions; new Zenith, Philco, Hoffman lines (pp. 15, 16, & 17).

HOW TO COMBAT IMPORTS is a top topic at AIA conference. Leaders urge that advertising stress U.S. product design, reliability & availability (p. 18).

1959 TV-RADIO-PHONO factory shipments, as reported in official Census figures, show slightly lower totals than EIA; TV sales given at 6 million for $818 million (p. 18).

FCC

TOWER TIFF AT FCC DEVELOPS over proposals to make FAA responsible for evaluating air hazards of structures. All rule-making comments oppose plan (p. 8).

NEW HIGH VHF CURVES IN WORKS, due in about 3 weeks. Providence Ch. 6 drop-in comments still due June 20, but Grand Rapids Ch. 13 deadline is moved to Sept. 1 (p. 9).

Programming

RALSTON AND BELL & HOWELL, both bullish on network public-service shows, announce more such plans (p. 13).

Finance

"A HEALTHY BUSINESS"—that's how Paramount Pictures Pres. Barney Balaban describes his firm's diversified interests (p. 19).

Other Departments

TECHNOLOGY (p. 4). **ADVERTISING** (p. 12). **PERSONALS** (p. 14).

WRITERS' MARATHON STRIKES NEAR END: Hollywood's longest strikes were coming to a finish last weekend. One was settled and another appeared about to be. By Friday night, only one lesser issue remained between WGA and the Alliance—with complete agreement expected when negotiations resume this Monday (June 13). With the major movie studios, no issues remained—WGA and AMPP had agreed on all fronts—and only the formality of ratification by WGA's membership (expected in a Sunday evening meeting, June 12) prevented announcement of the end of the strike.

Crucial foreign residuals issued in critical strike against TV appeared resolved via a new concept embracing both the Alliance and Wasserman (or royalty) plans. The remaining issue to be resolved between WGA and the Alliance this week is the producers' desire to have a 52-week network deal regarded as a single run. The writers understand the problem, and an effort is being made to compromise. If WGA-Alliance agreement can be reached Monday, the Guild's membership will meet again on Wednesday or later this week to decide on ratification of the settlement. With the Alliance strike over by the end of this week, producers would make their fall program deadlines—but they'd have to rush to make up for lost time.

Not yet settled are WGA strikes against TV film at the networks and TV operations at the majors, but the deals with Alliance and AMPP are expected to pave the way for industry-wide peace (see p. 5).

Ending of the strike will mean an end to the anxieties that have been looming progressively larger for agencies, sponsors and network officials with a new fall season to meet. And the threatened resurgence of live TV which some had begun to foresee will die a-borning.

TV-RADIO-FCC FLURRY ON CAPITOL HILL: End-of-session logjam began cracking, however slightly & tardily, last week—a logjam of Congressional bills & business directly affecting broadcasters & FCC (and Comr. Lee personally). With July adjournment for political conventions just ahead, there were these more-or-less major breaks in the pileups:

(1) Long-stalled anti-TV-radio-fraud measures were cleared to House floor by Commerce Committee in form of Communications Act amendments hastily appended to Senate FCC procedural bill (see p. 3).

(2) Special equal-time dispensation for broadcasters, to suspend application of Communications Act's Sec. 315 for Presidential tickets in 1960 campaign (Vol. 16:23 p3), reached Senate floor, where unprecedented proposal (S. J. Res. 207) was put on calendar in ready-at-any-time position for vote.

(3) Confirmation of FCC Comr. Lee for another 7-year term, held up by tangle of politics (Vol. 16:23 p10), became more likely. Senate Commerce Committee Chmn. Magnuson (D-Wash.) put reappointment of Republican Lee on Committee agenda for probable vote July 15, after House Committee Chmn. Harris (D-Ark.) showed signs of expediting Senate-passed agency-continuity bill (S-1965). It would prolong expired terms of FCC & FPC members.

(4) Once-controversial measure legitimizing illegal vhf boosters but putting them under FCC control (Vol. 16:23 p9) went through pro-forma House hearings. House Commerce Communications Subcommittee quickly approved bill (S-1886), long since passed by Senate, after nobody showed up to oppose it. Full Committee clearance to floor was assured.

No "must" legislative tags were put on any of these TV-radio-FCC issues by Congressional leaders, however. Immediate effect of House & Senate moves was to loose them from one logjam so they could run into another—and much bigger—logjam of other delayed legislation on Hill. Nobody had sure answer as to whether any or all of them would be left stranded in adjournment rush.

Heaviest potential impact for broadcasters was carried in House Commerce Committee's wrap-up of proposals (all of them explored exhaustively in hearings) to outlaw payola, prevent quiz fixes, set up local FCC hearing procedures, discourage pay-offs, provide suspension-&-forfeiture penalties for misbehavior by station licensees, etc. Omitted from House measure was another much-discussed TV-radio-control prescription: Network licensing & regulation. It will be revived next session.

"Time is of the essence" for action on suspension of equal-time for TV & radio appearances by this year's nominees for President & Vice President. Senate Committee pointed that out in report (No. 1539) on its campaign emergency measure. Legislation was substituted for abandoned bill (S-3171) requiring free TV time for Presidential nominees. It must clear House as well as Senate in short weeks ahead. And Sec. 315 exemption may run into Senate floor trouble from Sen. Yarborough (D-Tex.). He filed minority report protesting that resolution lacks "sufficient safeguards" against political favoritism by broadcasters.

Future for embattled Comr. Lee brightened appreciably, meanwhile. He has no overt opposition in Senate Commerce Committee. Once he clears hurdle of crucial Committee vote on renomination, Lee should be set for easy floor confirmation. Magnuson didn't promise that Lee's name definitely would be put to vote July 15, but action was expected. In any event, Lee could gamble on House approval of Senate's bill allowing FCC & FPC members to carry on until successors are confirmed. House Committee sped it through one-hour hearing.

Monotonous parade of witnesses—including FCC Chmn. Ford, Western members of House & Senate, operators of mountain-state TV repeaters—supported Senate's booster bill at 2-day House hearings. Questions by Harris & other Commerce Committee members indicated some confusion about distinctions between boosters, translators, CATV service, pay-TV systems. Once their doubts about effects of measure were resolved, they passed bill along to full Committee for routine approval.

CATV WINS PROGRAM SKIRMISH: TV stations lost first court decision in U.S. history affecting station rights in programs picked up by CATV systems. The ruling in Mont. state court last week is significant but by no means a landmark case—as it might have been if decision were from a federal court. Still awaited, as more important, is outcome of suit by 3 Salt Lake City stations against Twin Falls, Ida. CATV system, filed in U.S. Dist. Court, Boise (Vol. 15:18 p2). There, property rights in "signals"— as opposed to rights in "programs"—are at issue.

Mont. decision was delivered in Helena by Judge W. W. Lessley, of Lewis & Clark County State

Dist. Court. Suit had been brought by KXLJ-TV Helena against CATV operator Helena TV Inc. Here are conclusions of law:

"That plaintiffs have no property interest, by copyright or otherwise, in any programs broadcast by TV station KXLJ-TV, or in any signals or programs received on the defendant's community antenna system and distributed to defendant's subscribers by means thereof.

"That, by broadcasting programs on TV station KXLJ-TV, and by consenting to the broadcasting of such programs by TV station KFBB-TV [Great Falls], the plaintiffs have intentionally made them public within the meaning of Sec. 67-110, Revised Codes of Montana, 1947.

"That the activities of defendant referred to herein do not constitute an infringement upon, or a violation of, any rights or privileges of either of the plaintiffs in this action."

Attorneys interpret the decision to mean that once a station telecasts a program, it has "published" the program and loses its "common law" rights in it. A bigger question is whether those who hold federal statutory rights in programs—such as networks, producers, writers, composers—have rights which are being infringed by CATV. Evidently, United Artists and ASCAP think so, for they tell us they're considering instituting suits. Much of the final decision will revolve around whether CATVs are an "antenna" service or a "program" service. CATV's basic position is that it is simply a big receiving system, not a method of "performing" someone else's works for profit.

Congress

More about

TV-RADIO REFORM BILL: The House Commerce Committee's long-promised but much-delayed legislative package—to correct broadcasting evils exposed in 1958 FCC probes, last year's quiz mess and this year's payola scandals—was finally wrapped up in haste last week.

With Congressional adjournment a scant month away, an omnibus anti-TV-radio-fraud bill—"Communications Act Amendments, 1960"—was started on its way to the House floor for an end-of-the-session Committee bid for action. The 31-page measure also provided for local FCC license hearings, clamped down on station "swap-offs," permitted less-than-3-year conditional grants, set up 10-day license suspensions for wayward stations.

There were no big surprises in the Committee's bill, reported out following a series of executive sessions hurriedly called by Chmn. Harris (D-Ark.). All of its provisions—along with many more—were contained in one shape or another in a raft of measures proposed this session by Harris & other House members. Missing from it were such major proposals as one by Harris himself for regulation & licensing of networks.

"This was not the place for it," Harris explained after the catch-all bill was approved by his Committee.

Instead of accepting any of the individual bills, the Committee pushed all aside, salvaged some sections and then—as expected (Vol. 16:23 p9)—tacked them as amendments to a Senate-passed FCC procedural bill (S-1898) substituting pre-grant FCC hearings for protests.

Harris & his Committee strategists hoped that in a late-session push the amended Senate bill could be maneuvered through the House and be accepted—on an as-is basis—by Senate Commerce Committee Chmn. Magnuson (D-Wash.), its original author. They figured the Senate then would skip formality of hearings on the tacked-on sections and take the House version in time to meet the adjournment deadline. The outlook for success in these tactics was uncertain at best.

The House Committee's rewrite & expansion of the Senate bill—which had been ignored by Harris for nearly a year before it was picked up as a device to speed floor action—added a half-dozen new sections to the pre-grant hearing provisions. They were:

(1) A rewritten Sec. 317, tightening & broadening payola restrictions on stations & employes, but exempting routine use of free records from obligatory announcements—and giving FCC some discretion in determining what is payola & what isn't. (2) A new Sec. 508 covering disclosure of payola practices by producers & packagers. (3) A ban on quiz rigging, defining quizzes as "contests of intellectual skill" so that the ban wouldn't apply to such shows as wrestling matches. (4) Requirements that FCC schedule local hearings on station applications, but permitting Commission to make exceptions to the rule. (5) A ban on "pay-offs" unless they're for legitimate out-of-pocket expenses incurred by applicants who withdraw. (6) Authorization to FCC to lift licenses for 10 days—as well as revoke them—for infractions of rules.

Fines, Prison Sentences & Forfeitures

Violations of disclosure & quiz sections would be subject to $10,000 fines and/or one-year prison sentences. Violations of other provisions would bring $1,000 daily forfeitures by stations found by FCC to be involved.

Following are the texts of payola & disclosure sections, which would have the heaviest immediate impact on broacasters if the Committee's measure is enacted:

Payola—"Sec. 317. (A) (1) All matter broadcast by any radio station for which any money, service or other valuable consideration is directly or indirectly paid, or promised to or charged or accepted by, the station so broadcasting, from any person, shall, at the time the same is so broadcast, be announced as paid for or furnished, as the case may be, by such person: Provided, that 'service or other valuable consideration' shall not include any service or property furnished without charge or at a nominal charge for use on, or in connection with, a broadcast unless it is so furnished in consideration for an identification in a broadcast of any person, product, service, trademark, or brand name beyond an identification which is reasonably related to use of such service or property on the broadcast.

"(2) Nothing in this section shall preclude the Commission from requiring that an appropriate announcement

shall be made at the time of the broadcast in the case of any political program or any program involving the discussion of any controversial issue for which any films, records, transcriptions, talent, scripts, or other material or service of any kind have been furnished, without charge or at a nominal charge, directly or indirectly, as an inducement to the broadcast of such program.

"(B) In any case where a report has been made to a radio station, as required by Sec. 508 of this Act, of circumstances which would have required an announcement under this section had the consideration been received by such radio station, an appropriate announcement shall be made by such radio station.

"(C) The licensee of each radio station shall exercise reasonable diligence to obtain from its employes, and from other persons with whom it deals directly in connection with any program or program matter for broadcast, information to enable such licensee to make the announcement required by this section.

"(D) The Commission may waive the requirement of an announcement as provided in this section in any case or class of cases with respect to which it determines that the public interest, convenience, or necessity does not require the broadcasting of such announcement.

"(E) The Commission shall prescribe appropriate rules & regulations to carry out the provisions of this section."

Provisions Re Disclosure

Disclosure—"Sec. 508. (A) Subject to subsection (D), any employe of a radio station who accepts or agrees to accept from any person (other than such station), or any person (other than such station) who pays or agrees to pay such employe, any money, service or other valuable consideration for the broadcast of any matter over such station shall, in advance of such broadcast, disclose the fact of such acceptance or agreement to such station.

"(B) Subject to subsection (D), any person who, in connection with the production or preparation of any program or program matter which is intended for broadcasting over any radio station, accepts or agrees to accept, or pays or agrees to pay, any money, service or other valuable consideration for the inclusion of an matter as a part of such program or program matter, shall, in advance of such broadcast, disclose the fact of such acceptance or payment or agreement to the payee's employer, or to the person for whom such program or program matter is being produced, or to the licensee of such station over which such program is broadcast.

"(C) Subject to subsection (D), any person who supplies to any other person any program or program matter which is intended for broadcasting over any radio station shall, in advance of such broadcast, disclose to such other person any information of which he has knowledge, or which has been disclosed to him, as to any money, service or other valuable consideration which any person has paid or accepted, or has agreed to pay or accept, for the inclusion of any matter as a part of such program or program matter.

"(D) The provisions of this section requiring the disclosure of information shall not apply in any case where, because of a waiver made by the Commission under Sec. 317 (D), an announcement is not required to be made under Sec. 317. The inclusion in the program of the announcement required by Sec. 317 shall constitute the disclosure required by this section.

"(E) The term 'service or other valuable consideration' as used in this section shall not include any service or property furnished without charge or at a nominal charge for use on, or in connection with, a broadcast, or for use on a program which is intended for broadcasting over any radio station, unless it is so furnished in consideration for an identification in such broadcast or in such program of any person, product, service, trademark, or brand name beyond an identification which is reasonably related to the use of such service or property in such broadcast or such program."

Note: In Communications Act language, the word "radio" applies to TV as well as radio.

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"Standards of conduct" by FCC & all other govt. agencies, as outlined in an anti-"influence" bill (S-2374) drafted by the American Bar Assn., were given another go-around in Senate hearings last week. "I don't think for one moment that we will get any legislation this year," said Chmn. Carroll (D-Colo.) of the Judiciary Administrative Practice & Procedure Subcommittee as he resumed proceedings which had started last year (Vol. 16:7 p9). "But we can lay the groundwork." Witnesses favoring the measure included the ABA's Donald C. Beelar & Sen. Proxmire (D-Wis.). Sen. Case (R-N.J.) submitted a statement urging tightening of administrative rules on *ex-parte* contacts. Carroll scheduled another Subcommittee session June 15.

"News monopoly bill" (HR-9486), introduced by Rep. Celler (D-N.Y.), has been opposed by the FCC. It's understood that the Commission has told Celler it believes that it should continue its practice of weighing each case on its own merits. Celler would prohibit common ownership of broadcast & print media where it would give the owners a "substantial" monopoly. Comments were requested also from FTC & the Justice Dept.

"National AGVA Week" would be celebrated Oct. 2-8 under an amended resolution (S. J. 168) approved by the Senate. As introduced by Sen. Keating (R-N.Y.), the resolution first called for June 5-11 to be designated as the week for official recognition of the American Guild of Variety Artists (Vol. 16:13 p15). But the Senate didn't get around to voting on it in time.

"Emmy" awards day June 20 would be officially designated "National Academy of TV Arts & Sciences Day" under a resolution (S. J. Res. 196) introduced by Chmn. Magnuson (D-Wash.) of the Senate Commerce Committee.

Technology

GE's low-light color-camera tube has been nominated for an Emmy Award for technical advance in color TV. The nomination, reports GE, cites the GL-7629 image orthicon (Vol. 15:49 p8) for "permitting colorcasting in no more light than is needed for black-&-white." Eleven stations have installed the camera tube to date: WLWT Cincinnati, WDSU-TV New Orleans, WSJS-TV Winston-Salem, WGN-TV Chicago, KRON-TV San Francisco, KPLR-TV St. Louis, WCCO-TV Minneapolis, KTNT-TV Tacoma, WIMA-TV Lima, WBRE-TV Wilkes-Barre and WSM-TV Nashville. The Emmy awards (Vol. 16:22 p13) will be announced next week (20).

Voice of America has ordered six 250-kw GE shortwave transmitters for its East Coast installation near Greenville, N.C.

Film & Tape

More about

WRITERS STRIKES NEAR END: With WGA-AMPP negotiations at a successful conclusion (and awaiting only membership ratification to end the strike), WGA and the Alliance saw the end of their disagreement in sight as well.

Only one lesser point remained in this case (see page 1) so there was still some caution—understandable after so long a strike. But agreement on foreign residuals caused optimism on both sides that the other issue would be solved & an agreement reached.

For producers, such an agreement would come just in time for them to meet their fall schedules. While some series may be delayed, our producer sources tell us they expect most shows will get on as scheduled, if the expected deal is concluded this week.

Four Star Television Pres. Dick Powell said Friday he was confident agreement would be reached and the strike settled. Four Star production vp Tom McDermott and Ziv-United Artists production vp Maurice Unger have carried the ball for the producers, he added.

The new Alliance-WGA contract would be a 6-year deal, with the first 4 years of it based on the previously-rejected Alliance proposal calling for a 10% hike in minimums the first 2 years, 5% the second 2 years and a 5% pension plan. But here's the important difference:

A fact-finding committee will be established with instructions to bring in a percentage figure for royalty payments, at the end of 2 years. (WGA had rejected a previous Alliance offer of 2.5% for films grossing $50,000 and 3% for films grossing over $50,000.) Writers would be guaranteed a floor of 4%, regardless of what figure the committee brings in, since this is regarded by WGA as a minimum, or break-even figure with current residuals. The present residuals system will be dropped once a royalty plan goes into effect.

Producers Have Royalty Options

If the fact-finding group should arrive at a figure exceeding the 4%, producers have an option of accepting it or—if they reject it—of not paying royalties the 3rd and 4th years of the contract, but of being bound by the committee figure the 5th and 6th years of the contract. If the producers agree to the royalty figure, the royalty concept will of course, go into effect after 2 years of the contract. Conceivably the committee might arrive at a higher figure than the 4%, but in any event WGA would have assurance the change from the current residual system to royalties wouldn't result in a loss. WGA members will get a percentage of royalties, foreign and domestic, in perpetuity once such a plan goes into effect.

The continuous negotiations, called by WGA following a meeting with Desilu Productions producer-executive Desi Arnaz, were conducted with "a great deal of sincerity by both sides & a real desire to reach an agreement," one producer informed us. There was no question but that both sides were fed up with the prolonged strike and shared a genuine intent to reach agreement. Millions of dollars have been lost, both by production companies and writers, in what may well go down as Hollywood's costliest strike.

Earlier in the week, WGA had issued an ultimatum to independent producers outside the Alliance to settle—or else. However, the Guild had left the door open by not actually saying it would strike, and when the ultimatum date passed, it hadn't. Meanwhile, some independents notified WGA they would settle on whatever terms were agreed in current negotiations, and other independents still hadn't decided what to do at week's end.

In the WGA session with these independents, one producer offered a counter-proposal calling for a fact-finding committee and an arbitration group, with the latter having final authority regarding foreign residuals. Another producer proposal was that WGA wait for producers to break even on films; another for the producer to deduct his distributor charge, foreign government taxes and refurbishings. These proposals were rejected, principally because WGA's chief interest was in reaching an agreement with the Alliance, and thereby setting up an industry-wide formula for writers.

If agreement is reached with the Alliance—and Friday everybody was speaking in iffy terms, because of previous negotiations when success appeared imminent, then became elusive—there seems little doubt such a deal would be ratified by the WGA membership which has twice rejected Alliance offers. That's because the new concept answers writer demands for an "insurance plan" whereby they wouldn't receive less under a royalty plan than they do under their present residuals system. Under the present residuals setup, a writer gets 140% of minimum as residuals. Minimum is $1,000 for a half-hour script, $2,000 for a 60-min. script.

If the Alliance-WGA settlement is reached, the Guild will undoubtedly then seek to end its strikes against TV film at the networks & TV operations at the majors. It's been customary in labor history in Hollywood that once a pattern is established, other groups abide by it.

AMPP-WGA deal would be a 3½-year contract, with a 10% minimum hike the first 2 years, an additional 5% the remainder of the contract; a pension, health & welfare plan in lieu of payment on post-1948 movies, with producers to pay $600,000 into such a fund; re-opening clause for movies made for pay TV; issue of theatrical movies which may go to pay TV left open for future negotiation; contribution equal to 5% of writers' salaries up to $100,000 a picture for a pension plan and health & welfare plan; 2% payment on post-1960 movies sold TV.

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MRA & TV: One of the world's largest and most up-to-date TV-film-production centers is undergoing finishing touches at tucked-away Mackinac Island, Mich. The island is the world hq of Moral Re-Armament, self-styled ideological answer to Communism, and the studio is another weapon in MRA's "war of ideas."

On Mackinac last week to attend Sylvania's TV-line showing at plush Grand Hotel (see p. 17), we took time out to tour the MRA TV studio. It was built in about 9 months, over the bitter Michigan winter, by 145 men from 23 nations. Of this group, MRA's Louis Fleming told us, less than a dozen had previous construction experience.

It is designed as a complete center for the production of TV, film and stage presentations. The building embraces 82,500 sq. ft. of floor space, a 120-x-80-ft. main sound stage, a smaller studio and rehearsal rooms. Fleming said that the lighting, made by Kliegl for MRA, has the world's largest silicon-controlled rectifier dimmer system.

The camera equipment includes 3 RCA industrial TV chains. Ultimately, MRA expects to add taping facilities. It has been producing films for TV presentation for about a year, anticipates a rapid build-up in the use of the medium for delivering its message worldwide.

NEW YORK ROUNDUP

Sale of WNTA-TV & WNTA N.Y. outlets to NTA Chmn. Ely Landau was in the discussion stage last week. There's nothing official on the deal, we were told by NTA June 10. The sale would involve NTA's parent, National Theaters & TV, and Landau as principals. N.Y. sources speculated that the station price would be "in the $5.5-6 million bracket" if the deal goth through. Landau reportedly has plans to acquire other TV-radio outlets in major U.S. markets. That Landau and NT&T have not been seeing eye-to-eye on various telefilm & tape projects of NTA has been common speculation for several weeks.

Programs for TV Inc., newly formed by Leonard Loewinthan, Everett Rosenthal and Michael Sillerman, has acquired 38 new-to-TV J. Arthur Rank features, most of which are post-1950s. Titles include "Doctor in the House," "To Paris with Love," "Doctor at Sea," "The Lady Killers," "The Wicked Lady," and "The Maggie." The company will also syndicate *Court of Human Relations*, 50 taped 30-min. episodes, and 130 filmed 5-min. episodes of *Captain Mail's Art Lessons*.

Trans-Lux TV's new animation plans include *Willie McBean and His Magic Machine*, 5-min. color series to be produced in Canada in about 3 months, and a half-live, half-animation syndication package by cartoonist Rube Goldberg. T-L also reported last week its presently-syndicated *Felix the Cat* has topped the $2-million mark. *Felix* has been recently dubbed in French & Spanish for international sales.

American-Continental Telefilms Inc. has signed Mrs. Eleanor Roosevelt as narrator-hostess of *Operation Escape*, a series dramatizing stories of flight from behind the Iron Curtain. Jayark Films Corp., N.Y., will distribute the series in the U.S. It is being produced by H. Lawrence Holcomb at Carlton Film Studios in Munich.

International TV Programs Inc., exclusive overseas distributor of Ziv-UA product, reported it has currently 31 Ziv series in 13 languages in 37 foreign countries. The company, which was established by Pres. Edward J. Stern in 1953, is a separate entity from Ziv and is not owned or operated as a Ziv subsidiary, as is usually reported.

UAA will release for syndication prior to this summer's Olympic games in Rome, "Olympic Cavalcade," a pictorial dramatization of the 11th Olympiad, held in Berlin in 1936. Photographic coverage of the 11th Olympiad was the composite work of 600 cameramen, stationed in pits hollowed out throughout the stadium.

ABC Films has acquired domestic & international TV rights to games of the International Soccer League. It is filming 13 games this spring in N.Y. and Jersey City for syndication outside N.Y.

People: Paul Cunningham has been named special projects editor of NBC-TV's *Today* show and Bud Lewis has been appointed associate producer . . . Edgar A. Grower has joined Videotape Productions, N.Y. office, as sales service coordinator . . . Harlan J. Dunning, ex-CBS radio supervisor of network programs, has been made vp of Dolphin Productions, commercial production company. ITC has appointed 5 new sales execs.: Walter Plant, Cy Kaplan, James Delaney, Robert R. Rodgers & Paul Weiss.

HOLLYWOOD ROUNDUP

Sale of Republic Pictures last year to Cal. banker Victor M. Carter in a reported $5-million deal (Vol. 15:27 p3 et seq.) was consummated without technical compliance with the Investment Co. Act, according to SEC. This was disclosed in an SEC order which set June 21 as a deadline for "interested persons" to seek a hearing on an application by Associated Motion Picture Industries Inc., N.Y. investment firm, for a retroactive exemption from the Act. At the time of the sale, Associated held 216,349 of 549,383 Republic shares transferred to Carter & 6 associates. Pointing out that Carter was affiliated with Republic and that Republic in turn was an affiliate of Associated, SEC said the stock sale by Associated "was prohibited by the Investment Co. Act unless an exemption order is granted by the Commission." Coincidentally last week, Republic studios in North Hollywood suffered a $250,000 loss in a fire of undetermined origin. No sound stages were damaged in the blaze, and the loss was covered by insurance, according to Republic Pres. Carter.

Screen Actors Guild Pres. Ronald Reagan has resigned in order to avoid a Hollywood version of conflict of interests. Reagan has made a deal to produce some *GE Theater* segments for Revue Studios, and his company may expand into other areas of telefilm production with Revue. Explained Reagan: "The Guild has commenced negotiations with the TV producers. Up to now I have been a salaried employe (host of the GE series). Now I plan to change that status by becoming a producer with an interest in the profits . . . It is a Guild tradition that no person who has a substantial producer interest in the making of motion pictures should serve as an officer or member of the board, and I will not violate that tradition." SAG's board of directors elected George Chandler pres., succeeding Reagan. Leon Ames was elected to succeed Chandler as SAG treas. They will serve until the Guild's election in Nov.

People: William Froug has been signed by 20th-Fox Television as alternate producer of *Adventures in Paradise* with Richard Goldstone. Dominick Dunne, who has been exec. producer of the series, is leaving 20th Century . . . Richard Iving has been named exec. producer of Revue Studio's *Wells Fargo*, *Shotgun Slade*, *The Tall Man* and *Coronado 9* . . . Phil Carey will star in a new series for Goodson-Todman . . . Charles Russell named producer of *Silent Investigators*, 20th-Fox series . . . Stanley Rubin is exec. producer of Revue's *GE Theater* . . . Mel Epstein is associate producer of MGM-TV's *The Islanders*, produced by Richard Bare . . . Del Reisman has been appointed associate producer of Cayuga Productions' *Twilight Zone*, made in partnership with CBS-TV . . . Joe Scully is associate producer of Four Star Television's *The DuPont Show With June Allyson* . . . Maurice Morton elected vp of 20th-Fox Television . . . Michael Stefani signed to Screen Gems actor contract . . . Lewis Rachmil named administrator of Ziv-United Artists Coast operations. Other Ziv-UA promotions: Robert Knoechel, comptroller of Coast office; Don Guest, budget dir.; Joe Wonder, exec. production supervisor; Bill Schwartz, production mgr. . . . Hy Averback, ex-*The Real McCoys* dir., signed by Four Star Television as producer-dir. of its *Tom Ewell Show*.

Warner Bros. had 7 telefilms before the cameras last week, despite the writers' strike.

Networks

WBC PLEADS ITS CASE: Westinghouse Bcstg. Co. told the U.S. District Court in Philadelphia last week that the only way truth will out in RCA-NBC's proposed TV-radio swaps with RKO General will be to let Westinghouse into the case. Pleading WBC's case for intervention, counsel Philip Strubing told Judge William H. Kirkpatrick that " the Justice Dept. is now supporting NBC. The true facts cannot be produced by the Department, which is now committed on the other side of the fence" (Vol. 16:20 p2).

In a surprise development, WBC was alone in its petition to intervene—KRON-TV had dropped out because of Justice's position on the intervention. Although Justice opposed intervention, it went on to say that if the court decided there was merit in KRON-TV's allegations, Justice itself wanted to take over & present the case. However, the station's lawyers want no part of that. They said they'd pursue NBC before "other tribunals"—meaning other courts or FCC or both. WBC & KRON-TV may file private anti-trust suits.

Bernard M. Hollander, counsel for Justice's anti-trust div., told Judge Kirkpatrick that it would be "wasteful of time & effort" to grant WBC's petition. "We oppose intervention," he explained, "because it means going over ground which the government has covered and found did not merit intervention."

Justice Dept. About-Face Charged

Strubing said he was surprised by Justice's opposition, had understood that it would not protest the WBC petition. "The government has filed its opposition in a complete reversal of its position," he said testily. He charged that the proposed swap of TV-radio stations involved violations of the consent decree and public injury.

Not so, countered NBC counsel Bernard G. Segal; "the government is in a better position to determine what is in the public interest . . . The private litigant is liable to confuse public & private interest." Segal said NBC was $11.6 million out-of-pocket as a result of the consent decree. He challenged the Court's jurisdiction to grant intervention. The consent decree, he argued, exhausted the case and established the procedure for a hearing; the government had concluded, after "exhaustive" study, that there are no grounds for a hearing. "There is nothing for Westinghouse to intervene in," concluded Segal.

The proceedings were spiced by a mild clash between Strubing and Segal. The former chose to accept as a personal affront Segal's attack that WBC had misconstrued Justice's position on intervention. Countered Strubing calmly: "This is the first time in 28 years of practice that I've been called a liar in court. I guess it's my old age that prevents me from resenting it more."

Judge Kirkpatrick concluded the 90-min. proceedings: "We'll try to dispose of this matter as soon as possible."

The verbal WBC-NBC exchanges grew even sharper after the hearings closed for the day. WBC charged, in a public statement, that Justice Dept. had made a "shocking and inexplicable reversal of its prior position of encouragement on WBC's move to intervene," and put forth a 3-page summary of the case's history, as WBC saw it. The statement was hardly flattering to NBC, charging the network with "pressure tactics and coercion" and "the loss of network affiliation" in the Philadelphia-Cleveland station switches.

NBC, on June 10, fired back: "The statement issued by WBC . . . is a historical playback of false and malicious charges concerning NBC's proposed station acquisitions. The statement's only novelty is that it also makes a reckless assault on the Justice Dept. itself." Added NBC slyly: "Westinghouse Electric Corp. is currently under a series of criminal indictments for violations of the federal anti-trust laws."

* * *

Seeking to block NBC-RKO General station transactions, and disappointed by Justice Dept.'s opinion that they're legal (Vol. 16:23 p6), Rep. Celler (D-N.Y.) has turned to the FCC. He wrote FCC Chmn. Ford last week asking that the Commission examine the transactions very carefully, giving "weight to the anti-trust history of NBC and its parent RCA," and looking at the situation in the broad light of "public interest, convenience and necessity." Celler complained bitterly about the fact that FCC had originally approved the NBC-Westinghouse Philadelphia-Cleveland station swap without a hearing, saying this did "grievous injury" to the public. "I trust," he said, "that the Commission will not again ignore this vital policy." The consent decree which required NBC to dispose of its Philadelphia properties "is worthless for all practical purposes," he said.

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CBS & NBC Foreign Deals: Latest network to sign overseas TV deals is CBS, which last week announced that its TV-stations div. would (1) serve as a special consultant to a West German group planning a commercial network and (2) join with veteran Latin-American broadcaster Goar Mestre to plan a program-production center in Argentina. CBS thus joined NBC (Vol. 16:22 p14) and ABC (which has telecasting interests in Central America & Australia) in the extension of U.S. telecasting know-how to overseas areas. NBC, too, had overseas news to report last week.

The first of CBS's deals is with Freies Fernsehen GmbH, a private group which has the backing of the Bonn govt. in the installation of 30 TV transmitters to serve 65% of West Germany's population and 95% of cities above 100,000 population. The network's stations div. will not participate in financing or operating a German commercial network, but will advise on such matters as equipment, studio construction, rate cards, etc. Target date for the new German network to begin operations: Jan. 1, 1961.

The other CBS deal is for a new production company, Proartel, to operate in Buenos Aires, and to be a joint venture with Cuban broadcaster Goar Mestre, who is currently somewhat out of favor with Castro. Proartel is not a broadcasting concern in the station sense, we were told by CBS. Rather, it will "begin producing live, film and videotape TV programs within the next 60 days" and will exist primarily as a program supplier to govt.-controlled Rio de la Plata (Ch. 13) in Buenos Aires, and to other TV stations in Spanish-speaking areas. By all indications, Proartel will also be able to operate in its 3 new Buenos Aires studios as a dubbing center for product from the CBS-TV network and from its syndication offshoot, CBS Films.

Also in the Argentine capital, a new TV outlet in which NBC owns an "associated" interest—Compania Argentina de Television (CADETE)—began on-the-air operation June 9. In N.Y., NBC termed it "the inauguration of privately operated TV in the 2nd largest market in the Western Hemisphere." NBC enterprises div. vp Alfred R. Stern represented NBC at the inauguration. "Many of

the station's personnel received assistance from NBC personnel during their training period," said NBC. Buenos Aires, by latest NBC estimates, has 7 million inhabitants and 400,000 TV homes. Approximately 50% of the new station's programming will be live, originating in 5 large RCA-equipped studios in the station's new TV center in the Palermo Chico section of the city.

NETWORK SALES ACTIVITY

Record daytime level of $20,000,000 was reached by NBC-TV during May, reported sales vp Don Durgin June 8. More than a third of the total represents new or additional business; the remainder is major sponsorship renewals. NBC attributed the record business to "greatly improved daytime ratings." The most recent sales are printed below.

ABC-TV

Surfside Six, Mon. 8:30-9:30 p.m., particips. eff. fall 1960.
Brown & Williamson Tobacco (Ted Bates)
Whitehall Labs (Ted Bates)
Cluett Peabody & Co. (Lennen & Newell)

American Football League games, fall 1960, participations.
General Cigar (Young & Rubicam)
Sinclair (Geyer, Morey, Madden & Ballard)

Churchill Memoirs, Sun. 10-10:30 p.m., John Daly news specials, participations eff. fall 1960.
Bell & Howell (McCann-Erickson)

American Bandstand, Mon.-Fri. 4-5:30 p.m., participations eff. fall 1960.
Noxema (SSC&B)

Untouchables, Thu. 9:30-10:30 p.m., particips. eff. June.
Whitehall Labs (Ted Bates)
eff. fall 1960.
Union Carbide (William Esty)

Maverick, Sun. 7:30-8:30 p.m., participations eff. fall 1960.
R. J. Reynolds Tobacco (William Esty)
Noxema (SSC&B)
Armour (Foote, Cone & Belding)

Daytime programming, participations eff. fall 1960.
Old London Foods (Richard K. Manoff)

CBS-TV

Aquanauts, Wed. 7:30-8:30 p.m., participations eff. fall 1960.
Kellogg (Leo Burnett)
Carter Products (SSC&B)
P. Lorrilard (Lennen & Newell)
Vick Chemical (Morse International)
Block Drug (SSC&B)

To Tell the Truth, Mon. 7:30-8 p.m., half-spon. eff. fall 1960.
Whitehall Labs (Ted Bates)
Helene Curtis (Edward H. Weiss)

NBC-TV

World Series & college football (Blue-Gray & Rose Bowl games), co-sponsorship.
General Motors (McCann-Erickson)

Moment of Fear, Fri. 10-11 p.m., particips. eff. fall 1960.
Lever Bros. (SSC&B)

Project 20, Dec. 21, Christmas show, 8:30-9 p.m., full sponsorship one-time special.
U.S. Steel (BBDO)

Daytime participations, Mon.-Fri. eff. Oct. 1960.
General Mills (Dancer-Fitzgerald-Sample)
Knox Gelatin (Charles W. Hoyt)
Thomas Leeming (William Esty)
Mentholatum (J. Walter Thompson)
Plough (Lake-Spiro-Sherman)
Procter & Gamble (Dancer-Fitzgerald-Sample) & (Benton & Bowles)

The FCC

Tower Tiff at FCC: Rule-making proposals—to make the Federal Aviation Agency (instead of the inter-agency Air Coordinating Committee) responsible for evaluation of navigation hazards of TV & radio towers (Vol. 16:16 p12)—have run into a solid wall of opposition.

All comments received by FCC by its June 7 deadline—including those by FAA itself—objected to the proposed rule for varied reasons. With the Assn. of Federal Communications Consulting Engineers still to be heard from & asking more time, Commission extended its deadline to June 22, replies to comments due July 5.

"Grave jurisdictional questions" are raised by FCC's rule-making, FAA said, protesting that FCC would retain the right to make final decisions on tower questions. It was originally suggested that FAA determine whether structures are hazards, but now it turns out that "these findings will be treated only as recommendations," FAA complained. The Air Transport Assn. also objected to any overruling of FAA by FCC.

In other comments:

The Aircraft Owners & Pilot Assn. said it didn't mind making FAA instead of ACC the consultant body, but objected to "abandonment of procedures which have been carefully developed over a long period of time."

NAB said it didn't care whether FCC used FAA or ACC for consultation, but wanted existing procedures safeguarded.

The Federal Communications Bar Assn. and Transcontinent TV Corp. said there were procedural weaknesses in the system now, FCBA's comment adding that all action in tower proceedings should comply with the Administrative Procedures Act.

Storer Bcstg. Co. also cited procedural defects now, said FCC's proposals "would in no way remedy" them. Commission's plan would "make it more difficult for the broadcaster to secure an objective decision as to any tower proposals advanced," Storer added.

WHAS-TV Louisville found the proposed FAA procedure "unfair, unreasonable and inadequate," said broadcasters need changes in rules giving them a fairer shake in airspace hearings.

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FCC's **spot sales decision**, knocking CBS & NBC out of the TV rep field (Vol. 15:45 p10), has been challenged by NBC in the D.C. Court of Appeals. Four stations repped by NBC will also appeal—KOA-TV Denver, KSD-TV St. Louis, WAVE-TV Louisville, WRGB Schenectady. NBC attacked the decision on many fronts, concluding: "The stated basis for the regulation consists of assumptions, statements or theories as to possibilities which are speculative, remote, unsupported by substantial evidence in the record, contrary to fact, incomplete, and without adequate connection. The Commission failed to analyze or discuss the stated basis for its regulation in a clear or meaningful way. The Commission failed to consider, resolve or make findings on all of the issues and all of the data & facts relevant thereto, and dealt with false & irrelevant issues."

Applications held up by payola questions will be freed by the FCC in cases where no serious questions are raised. In each instance, the grant will be conditioned on any future finding that licensee dereliction is involved. Payola questions had frozen 129 applications for improvement of facilities, 168 license renewals, 27 transfers.

New High Vhf Curves in Works: Another delay in FCC's consideration of short-spaced vhf drop-ins has developed—because of new findings in the difference between low-band (Ch. 2-6) & high-band (Ch. 7-13) propagation.

The Commission on May 5 issued a single set of curves covering field strength for all vhf channels (Vol. 16:19 p5), superseding its previous 2 separate sets for high & low, but industry engineers have persuaded the Commission there is a difference. The Commission will leave its low-band curves unchanged, but will come up with new high-band curves within about 3 weeks.

To give all parties time to analyze the new criteria, the Commission has extended the deadline for comments from June 20 to Sept. 1. Two specific drop-ins had been proposed on the basis of the new drop-in philosophy—Providence Ch. 6 & Grand Rapids Ch. 13. The old deadline still obtains for the Providence comments, because Ch. 6 is low-band, but the Grand Rapids deadline has been pushed back to Sept. 1 along with the general rule making.

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FCC's proposed N.Y. uhf project (Vol. 16:16 p2, et. seq.) will need a boss, and Commission is mulling names, including: Dr. George Town, TASO exec. dir., who has been approached but is reluctant to leave Iowa State U.; Donald G. Fink, Philco research dir.; Carl E. Smith, Cleveland consulting engineer; Cyril M. Braum, JCET consultant. Commission has a conflict-of-interest problem in the matter, is trying to decide whether the project chief should be made an FCC employe for the 2½-year life of the program, requiring him to sever ties with his present organization, or whether to make him a contractor. It's thought that a contractor could take the job without dropping his present connections.

FCC's new Complaints & Compliance Div. (Vol. 16:22 p3) continues to provoke reaction. Wrote *Washington Post* TV critic Lawrence Laurent recently: "The American public has invested an estimated $52 billion in TV equipment & services. It does not seem unreasonable to me that the FCC have a handful of men to hear complaints from these investors."

FCC appointment of T. Newell Wood, Wilkes-Barre Republican leader, to fill vacancy left by resignation of Chmn. John C. Doerfer has been recommended to the White House by Pa. Republicans, including Sen. Scott. Wood's name was put forward following withdrawal by President Eisenhower of the nomination of Edward Mills (Vol. 16:21 p4). Wood is a former state senator, operates a pressed steel business.

Functions of new FCC Complaints & Compliance Div. (Vol. 16:23 p3) should be more clearly defined, according to Comr. Craven—and it's understood that FCC will consider his objections this week. Craven frequently has opposed any action of the Commission affecting programs.

FCC Chmn. Ford's appearance on CBS-TV's *Person to Person* has been set for July 15. The session was videotaped at his home in Alexandria, Va. Other half of bill: Cesar Romero.

FCC secretaryship, vacant since resignation of Mary Jane Morris, is likely to remain unfilled for some time—probably until after the elections. Chmn. Ford apparently sees no urgent need to act.

WDAM-TV (Ch. 7) Laurel, Miss. has been granted authority to identify itself also with Hattiesburg.

Means of speeding FCC procedures have been suggested to the Commission by 2 committees of the Federal Communications Bar Assn. Two more are due shortly. Committee No. 3, on hearing processes, under Chmn. Jack P. Blume, submitted a 29-page report offering many ideas, including: greater specialization among examiners, making some of them pre-trial experts; more examiners; "hard work" and no "cat naps" by examiners; inter-examiner consultation on procedures; increasing number of FCC hearing attorneys from 10 to at least 16; more stipulations, mergers, drop-outs, and the like, with the FCC not concerning itself "unduly" about private interests of competing parties; private counsel not overloading themselves and asking for too many delays; limitations on number of witnesses, giving less significance to applicants' planning, thus reducing exhibits; etc. Committee No. 4, on post-hearing procedures, under Chmn. Parker D. Hancock, presented a 2-page report suggesting: (1) That wraps be taken off FCC review staff, permitting it to "make recommendations to the Commission on all matters coming within its jurisdiction." (2) A "full study" of methods to limit pleadings in "proposed findings" and "exceptions." (3) That FCC specify the issues it wants discussed during oral argument. (4) That "short form" final decisions be employed. Committees No. 1 & 2 are due to report on initial processing and pre-hearing procedures, respectively.

Another equal-time protest has been rejected by FCC—this time in favor of WBTV Charlotte, N.C., where Robert M. McIntosh, candidate for the Democratic nomination for the U.S. Senate, complained he wasn't getting a fair deal. Charging "unfair practices" by the station, he told FCC that WBTV discriminated against him by not selling him prime time and by giving opponents news coverage. In reply, Commission said it could find no evidence that WBTV had denied McIntosh "equal opportunities" with other candidates to buy time—and that the station demonstrated that it had carried news about McIntosh. "Further action on your complaint does not appear to be warranted," FCC told McIntosh.

Parties in Miami Ch. 6 hearing have filed findings & conclusions showing why each is superior to the others. FCC's Broadcast Bureau is impressed with the fact that Coral TV Corp. would cover 379,404 people, including all of Miami, in its Grade A contour, compared with 70,559 in Publix TV Corp.'s and 54,272 in South Fla. Amusement Co.'s. "This benefit is so self-evident," the Bureau stated, "we believe it is entitled to great weight in the over-all comparative process."

FCC hasn't questioned "promise vs. performance" in the case of KTVU San Francisco (Vol. 16:23 p6). Though a letter to that effect had been drafted for the Commission's consideration, it was withdrawn from the agenda and was not discussed by the Commissioners.

FCC turned down request by Ga. State Board of Education to make Ch. 8 in Waycross, Ga. educational. The Board holds a CP for the channel. FCC said the board could request consideration of the petition again after the station is built & operating.

Quick action on Miami Ch. 10 case is goal of FCC (Vol. 16:23 p14). It discussed the subject last week, plans to dig into it again this week.

Three uhf applications of Wistenn Inc.—for St. Louis, Mobile & Des Moines—were dismissed by the FCC because of the applicant's failure to prosecute.

Stations

THAT MULTI-RATE HASSLE: In the wake of N.W. Ayer's N.Y. meeting (to advise reps of its plans for a get-tough policy if preferential rate deals aren't stopped at the station level—Vol. 16:23 p1), one of TV-radio's biggest rep firms—the Katz Agency Inc.—took action of its own last week. To Katz-repped stations went a letter from vp Maurice S. Kellner which urged stations to adopt what Katz officials felt would be at least one solution to the problem.

"Why not," wrote Kellner, "think of & administer rates on the basis of *Retail* and *General* if more than one rate card exists." This would get around spot-TV & radio problems presented by meat packers, brewers, gasoline companies and others who buy spot advertising at different rates on the same station when the rate card gives a "local," "regional" and "national" rate structure. "An identical advertising rate structure for all competitive products, which battle with each other for the same customers, is fair. No one can argue with such a thesis," added Kellner.

As a yardstick for deciding who gets what station spot-rate, Kellner suggested: "To qualify for the Retail rate, the advertiser must be a retailer and devote at least 50% of his copy to his place of business. All products & all services take the General rate."

Stations Asked for Product-Classification List

Another request in the letter indicated that the Katz Agency was edgy about Ayer's polite threat to circumvent reps and deal directly in cases where TV-radio stations offered lower rates to clients of rival agencies. Stations were asked to submit a product-classification list as it applied to different rates. Then came the snapper:

"If any product or service will qualify under such a listing for other than your General (national) rate card, would you send us the rate card that should be used so that we can sell time for you on this basis to those accounts in our area of sales responsibility who qualify by your rules?"

Close on the news of the Katz letter, came word that Peters, Griffin, Woodward's vp & TV sales dir. Lloyd Griffin had sent a similar one June 8 to PGW-repped outlets. As Griffin summed up his message to us: "We explained to our stations that they were only hurting themselves by offering rates to special traveling agents that they might not give to a client's agency of record. To be a sound advertising medium, spot TV has got to have sound pricing. Our own experience is that single-rate markets are the firmest markets in spot."

While Katz and other reps began to explore ways to firm up rate structures and avoid back-door rate deals—despite the potential threat of anti-trust action in rate-fixing—indications that other ad agencies shared N.W. Ayer's point of view came from vp & media relations mgr. William E. Matthews of Young & Rubicam and Roger Bumstead, a media dir. of MacManus, John & Adams.

Admen & reps with whom we have discussed the problem generally observed: (1) The problem is more prevalent in radio, partly because radio coverage patterns are generally much larger than those of TV stations, and partly because TV outlets tend more toward a firm single-rate price schedule. (2) Enough TV stations in smaller cities are involved to keep the rate hassle from being a radio-only problem. (3) Something should be done, and done quickly, to prevent rate-cutting & "special deals."

NAB's 43-member joint board meets this week in Washington in Statler Hilton hotel sessions which may come up with answers to questions about a successor to the late Pres. Harold E. Fellows (Vol. 16:23 p6). The selection committee, headed by C. Howard Lane (KOIN-TV Portland, Ore.), will caucus June 16 and report next day on its search to a full meeting of TV & radio board members. The TV Board will hold separate sessions June 15, the Radio Board June 16. In addition to the problem of the presidency, items on the NAB agenda include: (1) Broadcasting legislation (see p. 2). (2) Further tightening of TV & Radio Codes. (3) Further revamping of NAB's organizational structure. (4) TV & radio public relations.

Damage claims of $984,000 against the *Lorain* (O.) *Journal* by radio WEOL Elyria, which alleged that the newspaper dissuaded advertisers from buying time on the station, have been rejected by Judge James C. Connell in U.S. District Court, Cleveland. Following a 10-day trial of the triple-damage civil anti-trust suit, he held that WEOL had failed to produce proof that it suffered actual financial loss from *Journal* threats to refuse accounts which also were given to the station. Connell said the trial established that some advertisers had cancelled WEOL contracts under pressure from the newspaper. But he ruled that the station hadn't shown conclusively that it lost money through inability to re-sell the cancelled time because of the newspaper's policy. The court action stemmed from a 1951 injunction won by WEOL against *Journal* advertising practices.

Sale of CKGN-TV (Ch. 10) North Bay, Ont. by Tel-Ad Co. to publisher Roy Thomson for an undisclosed sum will be considered at the June 27 hearing by the Board of Broadcast Governors. Thomson, who holds 49% interest in CKWS-TV & CKWS Kingston and CHEX-TV & CHEX Peterborough, Ont. and is chmn. of Scottish TV Ltd., publishes a chain of Canadian newspapers as well as the *St. Petersburg* (Fla.) *Independent*. In Great Britain, where he recently acquired the Kemsley newspaper group (*Sunday Times* et al.), he publishes the *Edinburgh Scotsman and Dispatch*, *Weekly Scotsman* (Edinburgh), and weekly *Canada Review* (London).

Sale of KVIQ-TV (Ch. 6) Eureka, Cal. to Carl R. & Leah McConnell for $83,472 plus assumption of liabilities, was recently approved by FCC. Sellers are Carroll R. Hauser (50%) and Shasta Telecasting Corp. (50%). Shasta is licensee of KVIP-TV & KVIP Redding, Cal., in which the McConnells have a minority interest.

Sale of WKOW-TV (Ch. 27) Madison, Wis. by Stewart Watson & Associates to Midcontinent Bcstg. Co. (KELO-TV Sioux Falls, KDLO-TV Florence & KPLO-TV Reliance, all S.D.) for approximately $1 million has been negotiated. Sale is subject to okay by WKOW-TV stockholders.

Purchase of KSLA-TV (Ch. 12) Shreveport, La. by KSLA-TV Inc. (controlled by the *Shreveport Journal*) from the Don George estate for $3.4 million (Vol. 16:6 p9), has been approved by FCC.

NBC-TV Salt Lake City affiliation will go to KUTV (Ch. 2) next Oct. 2, when it switches from ABC-TV. NBC-TV outlet there has been Columbia Pictures' KCPX-TV (Ch. 4), which was acquired last year as KTVT from Time Inc.'s TLF Bcstrs. Inc. (Vol. 15:30, 45).

KTBS-TV (Ch. 3) Shreveport has received approval from Regional Air Space Subcommittee for a new tower "a third of a mile high," at its site near Mooringsport, La.

Communications lawyers "may need some further fundamental education in the responsibilities of broadcasters toward the public," FTC Chmn. Earl W. Kintner told the Federal Communications Bar Assn. at a Washington luncheon meeting. Reviewing his agency's campaigns against fraudulent TV commercials & payola practices since he took office a year ago, Kintner said in a 21-page speech that attorneys for stations should play "an important role" in industry cleanups. He urged the lawyers to "tell it to them —in 4-letter words if necessary"—when clients profess ignorance of FTC rules. He promised no let-up in his agency's twin drives, but repeated pleas—made in many previous speeches—that the TV-radio industry do more to rid itself of bad habits. Kintner noted that complaints to FTC from the public against commercials & programming had multiplied many times since broadcasting scandals were exposed in House investigations. In a Q-&-A period following his speech, 2 main issues were raised: (1) Will FTC move against broadcasters as well as advertisers in false-commercial cases? Kintner said he hoped not. (2) Is is fair for FTC to issue press releases on complaints before they are adjudicated? Kintner said "the public has a right to know," and that such news acts as "a powerful prophylactic" against abuses on the air.

NAB's 39th convention next May 7-11 in Washington will be in charge of these Board members, appointed by the NAB policy committee: Dwight W. Martin (WAFB-TV Baton Rouge), Campbell Arnoux (WTAR-TV Norfolk), Thomas C. Bostic (KIMA-TV Yakima), Henry B. Clay (KATV Little Rock), C. Wrede Petersmeyer (Corinthian Bcstg. Co.), Odin S. Ramsland (radio KDAL Duluth), W. D. Rogers (KDUB-TV Lubbock), Jack S. Younts (radio WEEB Southern Pines, N.C.). Martin, as vice chmn. of NAB's TV Board, will be co-chmn. of the convention committee. Serving with him will be the Radio Board vice chmn., to be elected June 16 at a Washington meeting.

TASO held its last meeting in Washington June 9, is now on standby basis, available to FCC for any additional assignments. The meeting included the presentation of 2 reports: (1) On directional antenna experiments at WKY-TV Oklahoma City & WBZ-TV Boston, by a task force under consulting engineer Dr. Frank Kear. (2) Supplemental data by panel 5 on analysis & theory (Dr. Robert M. Bowie, Sylvania, chmn.).

Bankrupt KBLR-TV (Ch. 10) Goodland, Kan. is now operating under the trusteeship of Goodland attorney Max Jones. The station has debts of approximately $550,000, and a meeting of creditors is scheduled for June 29 in the U.S. Dist. Court, Topeka. Principals emphasize that no interruption of operations is expected. Ownership: Leslie E. Whittemore, 20%; Raymond Roark & wife, 20%; Eugene Peterson, 10%; Edgar R. Jones, 5%; Donald Toland, 10%; Gordon Toland, 10%; Casey Van Genderen Jr., 10%; Iron Mueller, 15%.

Channel 9, Flagstaff, Ariz., is now unencumbered by applicants. Both Jerrold Electronics & Greentree Communications have dropped out. Greentree agreed to dismiss when Jerrold paid its out-of-pocket expenses. Jerrold then decided to dismiss because major stockholder Jack Wrather was acquiring interest in his 5th vhf station, WDAF-TV Kansas City.

KDKA-TV Pittsburgh is syndicating its all-family morning program *Funsville* to sister station KYW-TV Cleveland, expects other Westinghouse Bcstg. Co. outlets to sign up for the daily series.

Anti-payola consent orders have been signed by these record distributors, bringing FTC's score in its campaign (Vol. 16:22 p12) to 32 cease-&-desist agreements (among 85 complaints filed): Music Suppliers Inc., 263 Huntington Ave., Boston, and Pres.-treas. Harry Carter & vp Gordon J. Dinerstein. Record Merchandisers Inc., 1933 Washington Ave., St. Louis, and Pres. Charles D. Gorman, vp-treas. Alfred L. Chotin and secy. Ben G. Landau. State Record Distributors Inc. & Whirling Disc Record Distributors Inc., 140 W. 5th St., Cincinnati; Ind. State Record Distributors Inc., 1311 N. Capitol Ave., Indianapolis, and Melvin & Carl G. Herman, officers of all 3 firms, and Herbert Harloe, Whirling Disc officer. Herman Lubinsky, 56 Ferry St., Newark, doing business as Savoy Music Co. New payola complaints have been filed by FTC against: Mangold Distributing Co. & Marshall Enterprises Inc., 638 W. Baltimore St., Baltimore, and Emanuel Goldberg. Sue Records Co. Inc., 725 Riverside Dr., N.Y., and Henry Murray Jr. Fiesta Record Co. Inc., 1619 Broadway, N.Y., and Jose Morand. Scepter Music Inc., 1650 Broadway, N.Y., and Florence Greenberg. Hit-Record Distributing Co. of Cincinnati, 3414 Colerain Ave., Cincinnati, and Isadore Nathan. Rank Records of America Inc., 24 W. 57th St., N.Y. S & S Distributing Co., 3957 Woodward Ave., Detroit, and Merle Schneider & John Shepherd. Old Town Record Co. Inc., 1697 Broadway, N.Y., and Hy Weiss. Peacock Record Co. Inc., 2809 Erastus St., Houston. Apex Producing Corp., 951 E. 47th St., Chicago, and Dempsey Nelson Jr. Meanwhile 2 affiliated Madison, Tenn. record manufacturers—Starday Recording & Publishing Co. and Starday International Sales Co.—asked dismissal of "baseless" payola charges.

Supply of records to stations at a "nominal subscription rate" is offered by the newly-formed Record Source Inc., 333 E. 46th St., N.Y. Headed by Hal B. Cook, former sales vp of Capitol Records, Columbia Records & Warner Bros. Records, RSI offers annually 120 albums & 520 singles, plus 30 albums as a bonus, for $300 a year, including packaging & shipping. The records will be selected by a 5-man board from *Billboard Magazine*. Singles will be shipped weekly, albums monthly. RSI is affiliated with Scott-Textor Production, which offers music, lyrics & general production for the industry. FCC's free-record ban had nothing to do with the start of RSI, Cook said. He reported that organization had started more than 6 months ago, before FCC issued its free-record "interpretation."

To combat fraudulent fund solicitation on TV & radio, KSTP-TV & KSTP Minneapolis-St. Paul have prepared a comprehensive new questionnaire for applicants. The stations have found that alleged charity organizations are sometimes charity rackets "who use TV because of its effectiveness and also because broadcasters give freely of public-service time," reported KSTP Pres. S. E. Hubbard.

Board of Broadcast Governors will hold hearings June 20 in the Lord Nelson Hotel, Halifax, for the following TV applicants: Peter Herschorn (on behalf of new firm to be incorporated) vs. Halifax radio CJCH (E. Finlay MacDonald) for Ch. 5, Halifax; Antigonish radio CJFX for Ch. 9 there; CKRS-TV Jonquiere, Que. for satellites at Roberval (Ch. 8) & Chicoutimi (Ch. 2), both Que.; CBHT-2 Shelburne, N.S. asking power boost to 423 watts from new site. BBG June 23 hearing at 90 Parent St., Ottawa, has following on its agenda: Lawrence Freiman, M. Grattan O'Leary, Roger N. Seguin, CFRA-TV Ltd. and Ernest L. Bushnell, each seeking Ch. 13, Ottawa; E. G. Archibald vs. CBC for Ch. 5, Pembroke, Ont.

Advertising

AFA's Ad Guide Book: "The AFA is finally nailing down this abstraction called 'truth,'" stated John P. Cunningham, Cunningham & Walsh chmn. and AFA vice-chmn., at the Advertising Federation of America's 56th annual convention in N.Y. June 6. He was referring to the 56-page "Truth Book" announced at the meeting, which AFA terms "a codifying of truth in advertising as a usable tool, an instrument which will compute honesty" through 4 interlocking structures:

(1) The establishment of standards of truth & integrity in advertising. (2) The formation of an active ethics committee in each AFA ad club to keep the plan in continuous operation. (3) Continuous cooperation with local Better Business Bureaus to do the required "police work." (4) The formation locally of advertising panels representing "all advertising interests" to administer the code in cooperation with BBB and local ad clubs.

The booklet applies to local advertising, Cunningham pointed out. For national advertising, "AFA will continue to work closely with AAAA and ANA," he said. The manual, prepared by Morton J. Simon, AFA associate gen. counsel, covers definition of false & deceptive advertising, 7 general rules, a catalog of common advertising deception, price advertising, the use of the word "free," "bait" advertising & selling, other data.

Commenting on the manual at the AFA meeting, FTC Chmn. Earl Kintner said "there is an abundance of material explaining what constitutes false & misleading advertising, but until now there has been no single summary statement of the basic guide lines prepared to meet the myriad needs of the local advertiser determined to improve ethical standards. It is now incumbent upon every local advertising club to insure that this manual will be used."

The convention adopted a series of resolutions, including one opposing the Internal Revenue Service ruling that institutional advertising concerning legislation is not deductible as a business expense. This ruling, it was charged, "interferes with the Constitutional right of the citizen under the First Amendment to petition publicly for or against legislation directly affecting a citizen's business, property and liberty."

At the closing session, AFA's re-elected Chmn. James S. Fish said that in the past year, "sparks flew most" in the area of legislation & government relations. "Our position has continued to be that we are not automatically against all advertising legislation, but we are against unfair or unduly restrictive laws which continue to nibble away at the basic freedom of speech we so earnestly want to preserve," he said. As of June 1, Senate committees had under consideration or awaiting action 18 bills affecting advertising, AFA members were told.

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FTC consent order forbidding use of "misleading" TV commercials for Blue Bonnet oleomargarine has been signed by Standard Brands and its agency Ted Bates. This closed a deceptive-advertising case started in Jan. (Vol. 16:3 p8). The settlement agreement didn't constitute admissions by the manufacturer or agency that they had done wrong. But they abandoned "demonstrations purporting to prove, or representing in any way, that ["flavor gems"] moisture drops appearing on Blue Bonnet oleomargarine cause it to taste more like butter, or to be more similar in flavor to butter, than competitive oleomargarines."

Spots' Quarter Up 12%: National & regional spot TV advertisers spent $167.9 million on gross time in the first quarter of 1960. This was 12% more than the corresponding 1959 period's level of $151.4 million. Automotive advertising achieved the top increase, jumping from $1.8 million to $6.1 million—236%. Other product classifications which showed substantial increases include publications, up 130%; household general, up 89%; tobacco products, up 54%; household equipment, up 52%; transportation & travel, up 47%; household paper products, up 31%.

Spot announcements in the first quarter of this year represented 76.7% of the total, IDs 10.7%, and programs 12.6%. Still the leading spot spender is Procter & Gamble, which spread $13.4 million in local markets, followed by General Foods Corp. with $5 million. New to the top 100 spot spenders: B.C. Remedy, Hudson Pulp & Paper, Martinson's coffee, Minn. Mining, Mobil Oil. Source: TvB.

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Record spot-TV fall season was predicted last week by TvAR gen. mgr. Larry H. Israel, although he warned stations that they must help reps in converting customers "rather than assume an automatic increase in business."

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Remote-control challenge to TV admen—"to keep commercials on a high plane or risk having their messages turned off by viewers" who own remote-control TV sets—was issued in Miami June 6 by Admiral Corp. Pres. Ross D. Siragusa at a meeting of 1,200 Eastern TV dealers (see p. 15). Siragusa, who estimated that 10% of the TV sets being sold today have remote controls, set admen straight on one point, however. "We merchandise the wireless remote-control feature strictly as a convenience, not as a means of eliminating commercials," Siragusa said. But he also pointed out that admen could not overlook remote-control TV. "The viewing public is well aware that obnoxious programs & commercials can be whisked away from the TV screen by merely pushing a button. Advertising men & advertisers on TV can no longer ignore the threat held by an estimated 3 million homes having TV receivers with remote controls," he stated. (For survey of remote-control TV, see Vol. 16:16 p16 & Vol. 16:17 p16).

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WBBM-TV Chicago	$4500 to $4750	$900 to $1100	June 1
KMOX-TV St. Louis	1900 to 2100	375 (no change)	June 1
WPRO-TV Providence	1400 to 1500	350 (no change)	May 30
WFGA-TV Jacksonville	750 to 875	200 to 250	[1]
WKRG-TV Mobile	550 to 600	140 to 150	May 1
WSJV Elkhart-South Bend	400 to 450	90 to 100	April 1
WNCT Greenville, N.C.	400 to 450	100 to 112.50	June 1
KGBT-TV Harlingen, Tex.	300 to 350	60 to 66	[1]

Canadian Station Rate Increases

CBWT Winnipeg, Man.	$530 to $550	$132.50 to $137.50	[1]
CFRN-TV Edmonton, Alta.	515 to 535	103 (no change)	[1]
CBOT Ottawa, Ont.	500 to 520	125 to 130	[1]
CKCW-TV Moncton, N.B.	300 to 400	60 to 80	July 1
CHSJ-TV Saint John, N.B.	340 to 375	85 to 92	July 1
CKCK-TV Regina, Sask.	300 to 347	80 to 90	July 1
CKTM-TV Trois-Rivieres, Que.	275 to 345	65 (no change)	[1]
CFQC-TV Saskatoon, Sask.	280 to 310	75 to 80	July 1
CKRS-TV Jonquiere, Que.	280 to 300	70 to 75	April 1
CJBR-TV Rimouski, Que.	260 to 290	55 to 65	July 1
CFCJ-TV Port Arthur, Ont.	225 to 250	55 to 60	July 1
CFCL-TV Timmins, Ont.	220 to 240	55 to 60	July 1
CJLH-TV Lethbridge, Ont.	200 to 235	50 (no change)	July 1
CKX-TV Brandon, Man.	200 to 235	50 (no change)	July 1
CFCY-TV Charlottetown, P.E.I.	190 to 235	33 (no change)	July 1
CHCA-TV Red Deer, Alta.	170 to 200	30 to 32	[1]
CHBC-TV Kelowna, B.C.	170 to 195	37 to 45	July 1
CKOS-TV Yorkton, Sask.	135 to 175	33 to 35	July 1

[1] Not reported.

Programming

Ralston's Local-National Plan: To encourage stations to develop local educational TV shows in evening time (and, incidentally, to aid ABC-TV in clearing a network lineup for a Tue. 7-7:30 p.m. show in station-option time), Ralston Purina last week offered an unusual spot deal to stations carrying the cereal firm's new public-affairs show, *Expedition.* Ralston will sponsor *Expedition* nationally 2 out of every 3 Tuesdays. On the 3rd week, ABC-TV affiliates can air 30-min. public service shows developed by the stations & local school systems—and Ralston will agree to buy a one-third spot sponsorship in such shows.

The local-national program plan is under the guidance of a committee of 11 leading educators, Ralston Purina Co., and local station managers. Subject matter for the local shows will follow the general theme of the *Expedition* series. "Keynote of our plans is the first use of the tremendous opportunities offered by locally-produced & locally-oriented commercial TV programs as curriculum-enrichment materials at a time when the entire family can take part," reported the committee chmn., Dr. J. Cloyd Miller.

From the practical side, Guild, Bascom & Bonfigli (agency for Ralston) vp Ernest J. Hodges took a hard-sell look at the situation. Public-service programming "is a good kind of payola" suggested Hodges. "We know how happily the public will join in supporting an enlightened sponsor." In the past 5 years of blending commercialism with public service, Ralston has "tripled its share of the cereal market and now its rate of sales growth is double that of the industry average," he stated.

* * *

"We've been greatly encouraged . . . by the public response elicited by our client's sponsorship of public-service telecasts," McCann-Erickson, agency for Bell & Howell, told us last week in revealing details of the public-affairs-minded camera firm's newest nighttime TV purchase. B&H has now expanded to a 3rd network, signing for what ABC-TV called "the most extensive prime-time public affairs programming deal ever sealed between a network & a single sponsor." The project includes 15 news-in-depth specials to be produced by ABC news vp John Daly, which will be slotted in ABC-TV's nighttime schedule on a preemption basis, and sponsorship of approximately half of the 30-min. Winston Churchill memoirs series planned for the Sun. 10:30-11 p.m. period. B&H has no objection to letting networks develop public-affairs specials on controversial topics, and then maintaining a hands-off attitude toward program content. ABC-TV Pres. Oliver Treyz described the camera firm as "a rarity among TV advertisers. Such sponsorship without censorship is essential if TV is to reach maturity."

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Bishop Pike's TV series on ABC-TV (Sun. 12:30-1 p.m., sustaining), which concluded its current cycle May 15, won't be continued, we learned June 10. Although ABC-TV is willing to extend the religious show in conjunction with the Natl. Council of Churches of Christ, a dispute within the NCCC concerning form & content of the show resulted in a break-off of negotiations to continue the project. The time slot has meanwhile been returned to ABC-TV stations for local religious shows.

Fund for the Republic's study of *TV Criticism in a Free Society,* started 2 years ago by Pat McGrady, and finished as a 200-page report, will not be published, asserts June 8 *Variety.* The Fund referred all calls to McGrady.

TV As a Political Force: Unanimous praise of TV's potential as a political medium, but agreement that it has not increased public interest in politics, was voiced June 8 at the N.Y. chapter of Academy of TV Arts & Sciences forum by 6 leading figures in politics, TV and opinion research. On the panel were former N.Y. Gov. Averill Harriman; Paul M. Butler, chmn., Democratic National Committee; Sen. Thruston B. Morton (R-Ky.), chmn., Republican National Committee; William R. McAndrew, vp, NBC News; research analyst Elmo Roper and Sen. Jacob Javits (R.-N.Y.). Moderator was ABC producer for special projects John Secondari.

In a question-and-answer period, Sen. Morton said $2.2 million or 27% of the GOP Presidential campaign budget has been set aside for TV-radio. Butler said the Democratic party has allotted 20% for broadcast media, but gave no money figures. Some highlights of the discussion:

Harriman: "So far we've had a master of radio, in Franklin D. Roosevelt, but there has been no master of TV."

Butler: "A danger in TV's use in politics is that people may be inclined to vote for a personality rather than a man of substance. As for TV's impact, in 1948 the percentage of the participating electorate was as great as in 1952 & 1956, and I'm inclined to think TV has not enlarged interest & participation in our qualified electorate."

Morton: "On the state level, TV can be a bad investment for a candidate because of overlapping coverage in other states. Although TV is a substantial campaign weapon, it hasn't added very much to the interest of the body politic in general."

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Mark Twain local-level special is being promoted in the syndication feature market by United Artists Associated, proving that it pays to look in the film vault when a program topic suddenly becomes hot. The feature is "The Adventures of Mark Twain," a 1944 Warner Bros. production starring Fredric March and Alexis Smith. There is, said UAA vp & gen. mgr. Bob Rich recently, "extraordinary interest in Twain" this season, keyed principally to the 125th anniversary of the humorist's birth, and the film can be offered to "local sponsors interested in getting on the Mark Twain bandwagon." At the network level this season, there has been a flurry of Twain specials: The April 22 "Mark Twain's America"; the May 2 Franchot Tone special highlighting the author's 1895-1905 lecture tours; the May 10 Ford-sponsored burlesque of "A Connecticut Yankee," and the May 13 "Roughing It."

Tape of Nixon-Khrushchev exchange last year in Moscow (Vol. 15:30 p8) will be presented to the Library of Congress by Ampex June 14. Vice President Nixon will accept the tape in ceremonies at his office, and the presentation will be made by Ampex vp Phillip L. Gundy who flew with the tape to the U.S., where NBC-TV carried it first—some 36 hours after it was recorded.

To determine effectiveness of the chemistry course on NBC-TV's educational *Continental Classroom,* the Ford Foundation has granted $37,500 to the Roper Public Opinion Research Center at Williams College (Mass.), which will study the impact of the course on its 500,000 viewers.

Teaching guide tie-in prepared by Screen Gems has been distributed by Community Department Stores to 600 public & parochial school teachers in Chicago. The idea is to channel student interest in *Ivanhoe* (over WBKB) into educational, literary, historical & artistic channels.

Television Digest

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Personals: Douglas Lutz named nighttime program operations mgr., NBC-TV, with responsibility for Fri.-through-Sun. programming. Thomas F. Madigan continues as nighttime program operations mgr., Mon.-through-Thurs. programming; Peter M. Affe named daytime program operations mgr. . . . Ralph Steetle resigns as exec. dir. of Joint Council on Educational TV, effective in Sept., to join Ore. State Higher Education System in Portland as associate dean of general extension div. and supervisor of state-operated educational KOAC-TV & KOAC Corvallis . . . John G. McCarthy, former U.S. Office of Economic Affairs dir., named pres., TV Program Export Assn.

William Moore, ex-NBC & Benton & Bowles, now in Cairo as adviser to United Arab Republic's Bcstg. Service, preparing to place one Damascus & 2 Cairo TV stations on air for July 23 debut, first units of completely RCA-equipped TV system designed to cover major population areas of UAR; Harold Seay, from RCA's Geneva staff, in Cairo working on technical installations with S. Amer, engineer-in-chief of UAR Bcstg. Service, expects to start with 35,000 sets in use . . . William J. Fennessy promoted from budget mgr. to asst. controller, CBS; Walter P. Rozett named CBS asst. treas. . . . Jack H. Mann promoted from ABC radio account exec. to sales development & program coordination dir. . . . Chet Collier, WBC exec. producer, named program mgr., KYW-TV Cleveland . . . Fran Haughn named sales administrator of KNXT Los Angeles.

W. Henry Johnston, ex-Harvard U. Athletic Assn. PR dir., named development officer, National Educational TV & Radio Center . . . Frank O. Meighen named special counsel to the BBG for public hearings to consider applications for a TV license in Halifax . . . Kermit Kahn named WNTA-TV (N.Y.) ad & sales promotion dir. . . . Albert W. Moss, Standard Rate and Data Service exec. vp, elected asst. publisher of the company's *Media/Scope* magazine.

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NAB's membership committee for 1960-61 is headed by Joseph M. Higgins (WTHI-TV & WTHI Terre Haute) & Willard E. Walbridge (KTRK-TV Houston) as co-chmn. succeeding W.D. Rogers (KDUB-TV Lubbock, Tex.) & Ben B. Sanders (radio KICD Spencer, Ia.). Their appointments, along with 8 other committee members (all NAB Board members), were announced by NAB's policy committee headed by Clair R. McCollough (Steinman Stations).

Obituary

Seymour Krieger, 47, partner in Krieger & Jorgensen, Washington TV-radio law firm, was killed by a departing train June 5 at Washington's Union Station. Police could find no witnesses. His wife told police he had left home for his office, often worked on Sun. When she found he had left his wallet and a large sum of money at home, she checked his offce, learned that he hadn't shown up. Shortly afterward, she was notified that his body had been found. She said she didn't know why he had gone to the station. Before starting private practice, Krieger served with the FCC and the Justice Dept. After World War II, he served at the Nuremberg war crimes trials as an aide to Supreme Court Justice Robert H. Jackson, then chief prosecutor. In addition to his widow, a son & a daughter survive.

Auxiliary Services

Pay TV will be the highlight of NCTA's annual convention in Miami Beach's Fontainebleau Hotel June 21-24. NCTA exec. dir. Edward P. Whitney said that TelePrompTer Pres. Irving B. Kahn "is expected to make the first public announcement of details of a unique approach to pay TV." Telemeter vp Paul McNamara will describe his firm's Toronto setup. An attendance of about 700 is expected. Exhibitors: Raytheon, Amphenol-Borg Electronics, Entron, Jerrold, Philco, Motorola, Spencer-Kennedy, Times Wire & Cable, Daniels & Associates, Intercontinental Electronics, Rego Insulated Wire, RCA, Community TV Systems Inc., U.S. Wire & Cable, Holt Electronics, Collins.

All entertainment-industry unions should take joint action to meet the problems which may come to them if pay TV arrives, AFTRA exec. secy. Donald Conaway urged at AFM's convention in Las Vegas last week. Such action, he said, should take the form of a combined committee with representatives of the unions involved, for a united front in contractual relations. AFM and AGVA (which convened in Las Vegas at the same time) both adopted motions calling for closer cooperation between the 2 unions. AFM Pres. Herman Kenin, re-elected, reiterated his oft-made plea for a step-up in the union's fight against the use of foreign, or "canned" music on TV, i.e., music made abroad & used on U.S. teleshows.

Largest CATV sale to date was the transfer of Day TV Inc., Coos Bay, Ore. to Pacific Transvideo Corp., reportedly for $1.4 million. The system is listed with 6,200 subscribers in the CATV directory of our *Factbook No. 30*. Broker was Daniels & Associates, Denver. The sale was the 2nd in as many weeks, TelePrompTer having purchased the 2,000-subscriber Liberal, Kan. system for $625,000 through broker Blackburn & Co. (Vol. 16:30 p17).

Translator starts: K72BD, K78AP & K82AK Miami, Tex. began program tests May 25 repeating KGNC-TV, KVII & KFDA-TV Amarillo. K70BW Lihue, Kauai began June 3 repeating parent KGMB-TV Honolulu. K74BC Lihue, Kauai plans start Sept. 15 with KHVH-TV Honolulu. W74AF Adams, Mass. plans start by next Nov. with WRLP Greenfield, Mass. K70BX & K77AR Windom, Minn. began June 1 with WCCO-TV & KSTP-TV Minneapolis-St. Paul.

Application for satellite on Ch. 64 in Pittsfield, Mass. has been filed by owners of WWLP (Ch. 22) Springfield, Mass. Proposed station WOXX would be a satellite of WWLP's Worcester, Mass. station WWOR (Ch. 14). Total applications on file: 98 (13 uhf).

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

1961 ORDER-TAKING IN FULL SWING: It's a little too early to evaluate full impact of 1961 TV-radio-stereo lines on dealers—who are now getting their first look at most major brands—but there are indications that order-taking may be higher this summer than last. Meanwhile, complete or partial new lines were announced last week by Zenith, Philco & Hoffman—in addition to formal announcements by Admiral & Sylvania (Vol. 16:23 p18).

Nearly all major manufacturers—with one important exception—have reverted this year to selling dealers via the traditional distributor open houses or special distributor-run shows. That exception—Admiral—hopes to have the major part of its initial distributor-to-dealer selling completed by this week's end.

Admiral & its distributors are holding 6 hard-sell dealer meetings—3 last week at Miami Beach's Fontainebleau and 3 this week at Las Vegas's Riviera. At a cost of close to $1 million, some 4,000 dealers (and about 600 distributor personnel) are being transported in chartered planes to the "Dealer Holiday" showings.

We attended the 3rd of last week's 2½-day Admiral "Holidays" in Miami and found a carefully controlled mixture of dealer fun & business. It's 2nd year of Admiral's mass-selling sprees and company officials were openly delighted at amount of business done this year. About half or more of the Admiral dealer excursions are devoted to placing of orders—and there are all sorts of incentives. Drawings of 6 Thunderbird convertibles (one raffle ticket per dealer order), cash rebates on orders (150,000 one-dollar bills were dispensed by Brinks guards), free floor-plans, etc., were convention specials.

In the midst of carnival atmosphere (including continuous entertainment in display room), dealers sat down with distributor salesmen and signed contracts. Selection of dealers was made by past records—those most likely to buy. Distributors & manufacturer shared costs of transporting dealers, etc.

Large manufacturer-sponsored dealer shows are frightfully expensive and therefore aren't often undertaken. Are they worth it? Admiral Pres. Ross D. Siragusa Sr. told us: "We'll take orders for enough large-screen merchandise during these 2 weeks to keep our factories busy through August. It's much quicker than distributor open houses." Siragusa said, too, that orders this year were far higher than at last year's conventions, which were smaller.

Motorola used the dealer-wingding approach last July—on a bigger scale than Admiral. This year, Motorola has reverted to the traditional distributor-open-house approach. A Motorola spokesman told us that last year's dealer junkets (16 shows in 16 locations, more than 10,000 dealers) was "highly successful—but it's not the kind of thing we can do every year." He added: "Motorola will hold dealer presentations again in years to come." To achieve some of the same quick results as factory-sponsored dealer meetings, Motorola this year has requested most of its distributors to hold their open houses the same week (last week).

Many major manufacturers agree with Motorola's appraisal: Dealer conventions are tremendously effective—also tremendously expensive. Admiral officials said they didn't know whether they will continue the dealer shindig approach next year to make it 3-in-a-row—but they were obviously tickled with the way the orders flowed in at Miami Beach last week. (More about Admiral meeting on p. 17).

• • • •

Controlled mixture of fun & business also was order of the day at Sylvania's June 5-7 distributor meeting on the Straits of Mackinac's tight little island (no hard liquor on Sunday). Announcing early-morning start of business sessions, Home Electronics Corp. Pres. Peter J. Grant reminded, in effect, that business precedes pleasure. For details on Sylvania gathering, also see p. 17.

More new lines shown last week continue to follow the 1961 trends enumerated here last week—geared to the "more for more money" theme. Almost complete emphasis on 19- & 23-in. tubes, more fine furniture, remote control.

Zenith has set a goal of 1,250,000 TV set sales for this year, Sales Corp. Pres. Leonard C. Truesdell said at the company's distributor meeting last week in Chicago. The new line includes six 19-in. portables, four 23-in. tables, eighteen 23-in. consoles and 3 combinations, plus four 17-in. & three 21-in. sets. Total of 17 sets have remote control. Reverberation unit is used on high-end stereo consoles (Vol. 16:22 p16).

Philco brought out its lines, including three 19-in. thin portables weighing only 34 lb., starting at $169.95 and holds over its 4-model line of 17-in. portables, from $149.95. One 21-in. model is held over and remainder of new sets are 23s. It also showed its high-end "Reverbaphonic" stereo line at $319.95-$700, portable phonos and radios.

Hoffman threw a novel gimmick into its line, shown to distributors & dealers at Las Vegas. Two of its remote-control sets have "close-up" feature, which enlarges central part of picture image by 25%—somewhat reminiscent of early Zenith sets which changed from rectangular picture to larger round image at touch of a button.

For highlights of Zenith, Philco and Hoffman lines, see below.

TV-RADIO PRODUCTION: EIA statistics for week ended June 3 (22nd week of 1960):

	May 27-June 3	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	87,977	123,492	119,089	2,534,736	2,329,439
Total radio	259,116	320,251	276,604	7,231,297	5,953,400
auto radio	107,090	120,339	131,156	2,828,324	2,393,458

More about

NEW TV LINES: Fewer innovations, fewer gimmicks—but a consolidation of trends which started last summer—mark most of the new 1961 lines. Basic information on some sets in more new lines was announced last week; additional details will be reported later.

Shown to distributors last week in Chicago, Zenith's new TVs are predominantly 19- & 23-in., but also include four 17-in. portables, two 21-in. consoles & a 21-in. table model. Cheapest 23-in. table lists at $229.95. Zenith probably has the longest line of remote-control sets in the business—17 basic models from $249.95 to $775 and including an open-list remote 17-in. set. Zenith's 3 stereo-radio-phono combos range from $599.95 to new high of $1,750.

One innovation—in the stereo line—is the Reverba-Tone unit, developed by Hammond Organ (Vol. 16:22 p16), standard equipment in 40-watt stereo consoles and available at extra cost in most of the other consoles. Zenith will continue to peg its stereo units to "extended stereo" theme, and to offer optional Dual Radial extension speakers. FM-AM "drop-in" tuners are offered for low-end stereo consoles at $75 additional. Stereo consoles start at $179.95.

* * *

Philco's new portables are claimed to be the lightest-weight 19-in. sets on the market, weighing in at as little as 34 lb. The 3 new sets have cabinets similar to the 17-in. "Slender Seventeener" models, of which 4 basic models have been carried over. The 19-in. sets begin at $169.95. Philco also showed 7 basic 23-in. consoles at $239.95 to $329.95. In its Reverbaphone stereo line, Philco offers drop-in FM tuners at $70 & $100.

New Philco AM radios list at $19.95 to $29.95, with AM-FM sets at $59.95 & $69.95, FM-only at $49.95. A new version of the 8-transistor All-American personal portable is $29.95. Portable phonos are $24.95 to $139.95.

Hoffman concentrates on 19- & 23-in. sets in its new line, but carries some 17- & 21-in. merchandise. The new 19-in. portable lists at $189.95. Also new to the line is a 23-in. "Concert Theater" TV-stereo with simulcast AM-FM at $725. The 23-in. tubes have bonded implosion plate.

Trav-Ler, too, has joined the parade to the combo, with a 23-in. TV-stereo-AM unit at $359.95. It also is showing dealers 19-in. non-bonded portables & table models, both at $229.95.

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New plants & expansions: Motorola will spend $1.2 million in plant & equipment to expand & modernize the aviation electronics business acquired from Lear Inc. this year. Included are the purchase of a 25,000-sq.-ft. building on a 5¼-acre site in Culver City, Cal. and the construction of a 37,000-sq. ft. addition. Some 400 employes are slated to move into the new facilities by Nov. • Packard Bell Electronics officially opened June 8 a 53,000-sq.-ft. building in its 100-acre Electronics Park, Conejo Valley, Cal. The new facility of the technical products div. also houses a permanent Museum of Electronics History.

Muntz TV's set sales for 8 months ended April 30 totaled 60,699 units, up from 58,588 units in the same 1959 period, the company reported. It disclosed that its sales & profits for the same period also had shown an increase. (For financial details, see table in Finance section.)

Sylvania's special-tube operations have become part of Sylvania electronic tubes div., transferring from the electronic systems div. Pres. Robert E. Lewis estimated that the market for special tubes will increase from the present annual rate of $180 million to $400 million by the end of 1965. He said Sylvania's goal is to become "one of the most important factors in this market."

Commercial colorcasting in Japan will start in Sept., the last obstacle having been cleared away with the approval of the NTSC system by the Radio Control Board. Experimental colorcasts have been in progress there for more than a year, but the final OK is expected to pave the way for commercial-quantity color-set production.

Du Mont and Fairchild Camera & Instrument Corp. have scheduled stockholder meetings June 30 to vote on the proposed Fairchild purchase of Du Mont (Vol. 16:14 p4).

More about

SYLVANIA TV AT MACKINAC: Sylvania isolated its national distributor organization on remote Mackinac Island, Mich. last week for a business-like presentation of its 1961 TV-radio line (reviewed in Vol. 16:23 p22). We were on hand, heard some enroute grumbling by distributors over the trip's inconvenience & time consumption. (It took us some 10 hours, 2 planes, 1 bus, 1 boat, and 1 horse & carriage in that order to make the trek from Radnor to venerable Grand Hotel.) However, arrival, Mackinac's telling charm, and the selling features of the Sylvania presentation promptly mellowed the disgruntled.

Sylvania's new TVs go to market with the ad tag: "Better Looking Off, Better Looking On." The accent on appearance, exemplified by the new woodblend Halo-Light, drew distributor applause. The most spontaneous enthusiasm was elicited by a smart-looking 23-in. lowboy with galley rail and a $279.95 price tag (Model 23C32). Indicating that single-channel recording is still much alive, the distributors applauded a $49.95 4-speed monaural phonograph. Other highlights:

Sales vp Jake Miller announced that TV production begins with uhf models, to avoid last year's inability to deliver when needed. Portable stereos will now carry a 90-day warranty for both parts & labor. Three TVs (a 17-in. portable & two 23-in. consoles) produced only for Sylvania's associate distributors, will be introduced at the Home Furnishings Show in Chicago. The 3 furniture-emphasizing Heywood-Wakefield TV consoles will carry "full furniture discounts."

Sylvania's new-line ad & promotion plans: exclusive sponsorship of NBC Radio's daily broadcasts of the Summer Olympics in Rome, beginning Aug. 25 for about 3 weeks. Consumer magazine spreads are slated for *SatEvePost, Life, Look* and *Vogue*. The Heywood-Wakefield sets will be promoted in *House Beautiful* and *House & Garden*. During October dealers will offer a bottle of Lanvin's "My Sin" perfume to shoppers who come in for a TV demonstration. Ad mgr. Chuck Lumney expects a million vials will be distributed.

The Sylvania show, complete with turntable presentation of products, was produced by MCA. Curiously, at least one of the cast was a member of the MCA team that did the Motorola presentation at Grossinger's last month (Vol. 16:21 pp 17&20), giving rise to the theory that MCA's performers may become the best informed TV experts in the industry.

Overall highlights: vp-gen.mgr. Robert Kenoyer of the Sylvania home electronics div. assured distributors that Sylvania was in home electronics to stay, and to expand. He announced that Sylvania activities in the field of electroluminescense have been transferred to the TV div. Sylvania's York (Pa.) distributor, Careva Corp., won the distributor of the year award. Carolina Sales Corp., Greenville, N.C., took the distributor service award. Various executives reiterated the Sylvania position that it would be ready for color & transistor TV when there was a profit market for these products.

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General Mills mechanical div. has developed for the Marine Physical Laboratory of Scripps Institution of Oceanography of the U. of California at La Jolla a boom-mounted mechanical arm for the Navy's new crawler-type TV remote-control deep-sea vehicle.

More about

ADMIRAL'S MEETINGS: One of Admiral's big selling-points for 1961 is "first with the 23-in. set" (on the basis of that company's introduction of the size last year) —and dealers at the Miami Beach meeting (see p. 15) seemed to agree that consumers are beginning to insist on the new sizes. Admiral's new line (highlighted last week, (Vol. 16:23 p22) contains only 19- & 23-in. sets —nary a 17 or a 21. "We have sold more 23s that the rest of industry combined," said TV sales mgr. A. A. Medica.

"We have no 17- or 21-in. sets left to warm over," Pres. Ross D. Siragusa Sr. told us. "You can't sell 17s & 21s any more." The 23-in. line starts with a special "Presidential" series, promotionally keyed to political conventions. These 2 basic models—table model from $199.95, console $249.95—use non-bonded glass. Table model is priced the same as last winter's promotional bonded-glass set. It's understood that non-bonded glass is used on the cheap set to make it easier to step customers up to bonded models. "The bonded-glass feature is extremely demonstrable," we were told. Bonded-tube tables start at $219.95.

All of Admiral's 19-in. sets—portable, table & combination—are non-bonded, as is $399.95 leader 23-in. combo.

In radio, the sensation of the line was provided by a 4-tube superhet at $9.95—lowest-priced set now being made by a major U.S. manufacturer—"the same price as the company's first radio introduced in 1934." Although the $9.95 job is strictly a price-leader, it won't be nailed to the counter. "We'll make a jillion of them," Siragusa told us.

Stereo line shows some major alterations. Like most manufacturers, Admiral's stereo sales weren't up to expectations last year. "Prices too high, cabinets too small," was the diagnosis. The 1961 console line is relatively short (only 7), all of them one-piece (except for one unit with removable speakers). "Phantom 3rd channel" theme will continue. Consoles now start at $159.95, down from last year's $229.95, and the company officials expect heavy sales of the lower & middle-priced sets. Siragusa said stereo orders from dealers are running 10 times as high as at last year's conventions.

Admiral is keeping its foot in the color door with redesigned color line featuring the "wide-angle look" of the bonded-type tube applied to color sets by means of curved safety glass inside the escutcheon. Although dealers with whom we spoke said they have handled little or no Admiral color, several thought it could be sold with more promotion and more color programming. While Admiral's color sets start at $595 (vs. RCA's $495), electronics vp Ross D. Siragusa Jr. made it clear that they're list-priced with a "built-in $100 trade" and thus are actually competitive with RCA. Admiral's color activity now is relatively minor, but the company clearly stands ready for an important push when & if color starts "taking off."

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Transistor sales in March jumped some .2½ million units over the preceding month's factory volume, according to EIA figures. Dollar volume gained nearly $4 million. Unit sales for March and for year-to-date were nearly double those of the comparable year-ago periods. Here are EIA's factory sales totals in dollar units & dollars:

	1960		1959	
	Units	Dollars	Units	Dollars
January	9,606,630	$24,714,580	5,195,317	$13,243,224
February	9,527,662	24,831,570	5,393,377	14,550,056
March	12,021,506	28,700,129	6,310,286	18,117,560
Totals	31,155,798	$78,246,279	16,898,980	$45,910,840

Advertising Fights Imports: Effective industrial advertising programs can be a strong weapon to combat inroads of foreign equipment on U.S. domestic & overseas markets. So said Sylvania Pres. Robert E. Lewis June 6 to the national conference of the Assn. of Industrial Advertisers in Washington.

He recommended a 3-point program: (1) Acceleration of marketing programs, with initial emphasis on industrial advertising. (2) Study of domestic & foreign industrial advertising, to develop more effective techniques. (3) Readjustment of ad methods, to stress areas of product service where American-made goods can compete favorably with lower-priced imports.

Ads in the 1,500 trade & technical journals now have increasing domestic & foreign impact, because of the rising interest in these publications here & abroad, Lewis said. But the "terse & cute" ad is no longer effective. "The backbone of industrial advertising is information—and lots of it." Some areas where U.S. products hold leadership—and in which they can compete with imports—are design, reliability & dependability, immediate availability.

Burroughs Corp. Pres. Ray R. Eppert told the conference that American industry must make better use of its research investment (which will reach $14 billion this year) to create "products which will be in demand as exports and which will create the jobs we must have." He also described the establishment of a Burroughs calculator plant in Britain, which released U.S. facilities for new products, creating 5,500 overseas jobs—but 3 times as many in the United States.

General conference Chmn. Thomas Allinson, pres. of Daystrom's Industrial Products Group, noted that the U.S. has achieved a "half-trillion-dollar economy" but that it shouldn't be complacent about it in light of the fact that the United Kingdom increased its exports 94% and West Germany went up 1,420% between 1948 & 1958, while Japan jumped 43% from 1955 to 1958—whereas the U.S. exports increased only 41% between 1948 & 1958.

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Trade Personals: Capt. David R. Hull (USN ret.), who recently completed 2 terms as pres. of EIA, retires as Raytheon defense vp. A resident of Pompano Beach, Fla., Hull was exec. vp of Capehart-Farnsworth before joining Raytheon in 1950 . . . **Frederick Brandt** named Victoreen Instrument Co. vp. He was founder & principal partner in the Electronic Products Co., recently acquired as a div. by Victoreen . . . **Albert Leon** rejoins Symphonic Electronic Corp. as ad & sales promotion dir. . . . **William D. Hogan** named to new post of field engineering mgr., Sylvania semiconductor div. . . . **Ray M. Flanders**, ex-industrial engineering mgr., Dage TV (a Thompson Ramo Wooldridge div.), named asst. to Pres. Paul King, Magnetic Recording Industries, a TRW subsidiary.

Max Enelow, who was creative head of the national advertising program which launched the first Philco radios in 1928, retires as Philco dir. of adv. & sales promotion after 32 years of association with Philco ad activities both in the company and the firm's ad agencies . . . **Samuel E. Ewing**, general attorney, RCA mfg. & service divs., named staff vp . . . **Leonard R. Rutstein**, ex-Philco Distributors, Queens, N.Y., named Capehart ad dir. . . . **Joseph H. Kerner**, ex-Blonder-Tongue, named gen. sales mgr., Spirling Products Co. and Spico Electronics (antennas, etc.) . . . **Wallace G. Dempsey** named General Telephone & Electronics vp & gen. counsel; **Joseph A. Rodriquez** appointed GT&E International controller.

GOVT. TV-RADIO FIGURES: Official Census Bureau statistics on TV-radio-phono factory shipments during 1959, as released last week, jibe pretty well with EIA summaries digested in Vol. 16:6 & 7 last Feb. Census Bureau figures are "compiled from reports received [from] all manufacturers known to be producing radios, TV sets, phonos & records players in 1959."

Some of the categories differ slightly in definition from EIA's figures. EIA's compilations are based on reports from its members and some other cooperating firms, with estimates made to cover non-reporting manufacturers.

Census Bureau's statistics for 1959 give TV manufacturer shipments at about 6 million sets valued at $818 million (including chassis sold separately), while EIA's compilation showed production of 6,349,000 at $896,405,000. In only one category do Census's figures differ sharply from EIA's—record-player attachments—given by Census as 536,000, by EIA as 86,000.

Here are Census Bureau's figures for consumer electronics factory sales in 1959, compared with 1958 (parts & components not included; value excludes shipments & excise taxes and is after discounts & allowances):

Product	1959 Units (add 000)	1959 Value (add 000)	1958 Units (add 000)	1958 Value (add 000)
Home TV sets, total	5,979	$815,360	5,281	$691,242
Table models & portables	3,451	376,843	3,079	336,087
Consoles & consolettes	2,360	397,115	2,124	338,806
TV-radio-phono combinations	168	41,403	78	16,349
Home TV chassis sold separately	40	2,691	38	2,916
Home-type radios, total	9,568	189,926	8,012	160,074
Socket powered	5,471	94,563	4,663	77,555
Table models (except clock)	2,923	48,770	2,587	39,613
AM	2,514	34,824	2,336	31,031
AM-FM & FM-only	409	13,946	251	8,582
Clock radios (AM & AM-FM)	2,548	45,793	2,076	37,942
Battery-operated radios (exc. port.)	63	1,644	7	181
Portable radios	4,034	93,719	3,342	82,338
3-way (AC-DC-battery)	351	8,419	766	17,271
Transistor	3,615	84,329	2,438	63,101
Other portable radios	68	971	138	1,966
Home radio chassis, sold separately	37	2,123	29	1,358
Home radio-phono combinations, total	771	99,159	787	81,822
Tables & port. AM & AM-FM	321	20,234	403	22,358
Consoles	450	78,925	384	59,464
AM	185	27,171	203	22,311
AM-FM	265	51,754	181	37,153
Automobile radios	5,656	132,637	3,935	101,766
Phonographs, total	3,489	190,074	3,750	189,483
Mechanical-acoustical	391	3,641	434	3,731
Electronic phonographs	3,098	186,433	3,316	185,752
Coin-operated	62	38,827	52	37,152
Non-coin-operated	3,036	147,606	3,264	148,600
Record-player attachments, total	536	14,753	615	14,851
Complete with case	333	9,710	387	9,664
For custom installation	203	5,043	228	5,187

Fight against imported Japanese clothing was voted by delegates of 350,000-member Amalgamated Clothing Workers Union at its biennial convention in Miami Beach. The unanimous vote called for use of strikes, boycotts and other economic weapons to prevent manufacturers from buying or handling clothing made in Japan and other low-wage countries. It was first such action against imports by any national union. Individual locals in electronics plants—particularly in the Midwest—have been lobbying for action against imports, but no such national action seems likely in the near future by electrical unions.

Electro Music Inc., Pasadena, has signed an FTC consent order forbidding it "to conspire unlawfully with customers to fix the resale price for its loudspeaker units or similar products." The company was charged by FTC in a 1959 complaint with making resale-price maintenance agreements with retail customers in states "where such pacts were not lawful." The FTC stipulation provided that such price-fixing contracts are permissible only in states where they are legal as intra-state transactions.

Finance

PARAMOUNT 'HEALTHY': The decade that followed the 1950 consent-decree divorce of Paramount Pictures from its theater holdings was "rough going for our industry," but Paramount's long-term program of diversification into such areas as pay TV and military electronics has made "the business of motion picture production & distribution . . . a healthy business with a good future." That's how Paramount Pictures Pres. Barney Balaban summed up the position of the movie firm at the June 7 annual meeting of stockholders in N.Y. His report on various Paramount operations:

Telemeter: "Definitive answers on public acceptance [of Paramount-owned Telemeter's pay-TV system] will require a longer period of trial than the few months that have elapsed since the opening of Telemeter . . . At the present time—about 3 months after we started—we already have about 5,400 subscribers. Among other significant facts regarding movie-attendance habits, we found that in 32% of the homes, the adults had not been to a motion picture theater for at least a year. The Telemeter equipment has been functioning effectively in our first extensive field experience . . . at better than optimum standards set for the system. Famous Players [Paramount-owned theater chain that operates Telemeter in Toronto] has installed Telemeter units in about 3,700 homes and is trying to catch up with the backlog [1,700] as quickly as possible." Widespread pay-TV showings of movies in the U.S., Balaban said, could "add a sum that goes into 9 figures to the motion picture industry's grosses from the domestic market."

TV feature films: Sale of Paramount's feature library through MCA-owned EMKA Ltd. has returned to Paramount so far "a net of about $11.1 million before taxes." Still to come: "Expected future proceeds of the EMKA deal involving about $36 million before taxes."

Autometric Corp.: "Our wholly-owned subsidiary has obtained for itself a unique position in the field of military electronics. The outlook for the year is for total sales of $6 million as compared with . . . $1.7 million in 1959. Autometric has, at the present time, more calls for its services than it can fill and still do the job."

Color TV: "Two new & improved Chromatrons with high color-fidelity & sharpness have been produced by Chromatic TV [Paramount-owned color-development firm] during the past 6 months. They have been named 'Equal Resolution Chromatron' or 'ER' tube and 'Color Symmetrical Chromatron,' or 'CS' tube. They both have the quality of allowing wide manufacturing tolerances. Mass production . . . will lead to a widespread demand for color TV." [The Chromatron—or Lawrence tube—has been reported "almost ready" regularly for the last 8 years.]

Paramount TV Productions Inc. (KTLA Los Angeles): "It continues its operating momentum and has made considerable progress in building its separate divisions which include the promising field of tape-facilities rental. We have every reason to believe that this company will again be profitable in 1960."

———■———

American Electronics, L.A. maker of electronic components, magnetic tape recorders, other products, foresees net income climbing to about $1 million in 1960, up from $609,599 (70¢ a share) in 1959. Pres. Philip W. Zonne told the annual meeting he expects sales to increase to $30 million from last year's $25 million.

Eitel-McCullough profits are "frankly disappointing" so far this year, exec. vp Gould Hunter forthrightly told the annual meeting. First-quarter sales of the San Carlos, Cal. tube manufacturer were "appreciably higher" than in the 1959 quarter, he reported, but profits dropped because of such factors as "intense price competition," a sag in government sales, and a termination of much of the government's support for engineering research. For 1960, he said, Eimac foresees a "modest improvement in sales" over the 1959 level, "but not the spectacular increase of last year." Hunter said Eimac will spend $1.4 million this year to expand its facilities in Ill. & Cal.

Electronics Capital Corp., the small business investment company headed by Charles E. Salik, has purchased $600,000 of 5-year debentures in Electro Radiation Inc., Los Angeles, convertible into 70% of Electro Radiation's common stock. Electro Radiation, an advanced research & development organization devoted to molecular electronics, solid-state physics, electroluminescence, plasma technology and investigation of the fundamental properties of matter, is headed by Pres. Donald B. Prell, ex-Benson-Lehner, and vp-research dir. Jacques Hanlet, ex-Lear Inc.

Collins Radio expects total sales of $185 million for the year ending July 31, an increase of more than 50% from the $118 million registered in the preceding year, exec. vp R. S. Gates told the Dallas Assn. of Investment Analysts. He said the first 6 months' earnings this fiscal year were about $4.2 million on sales of $91,780,000 vs. $986,227 on $48,159,000 million in the year-ago period.

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, June 9, 1960

Electronics TV-Radio-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	26½	29⅜
Aerovox	11¼	12¼
Allied Radio	19½	21
Astron Corp.	2⅞	3-7/16
Baird Atomic	33	35⅝
British Ind.	16¾	18⅜
Capital Cities Bcstg.	8½	9⅜
CGS Labs	10	12⅛
Control Data Corp.	39½	42½
Cook Elec.	16⅞	18½
Craig Systems	14⅝	15⅞
Dictaphone	44	47¼
Digitronics	24½	26¾
Eastern Ind.	14	15⅛
Eitel-McCullough	28½	30⅝
Elco Corp.	18½	20⅛
Electro Instruments	52	56⅜
Electro Voice	13½	14⅝
Electronic Assistance	17¼	18⅞
Electronic Associates	28	30⅛
Erie Resistor	8⅜	9⅛
Executone	37	39⅞
Fischer & Porter	14	15⅛
FXR	52½	57
General Devices	23	24⅝
G-L Electronics	10¼	11½
Granco Products	5⅛	5⅞
Gross Telecasting	18¾	20½
Gulton	43¼	46⅜
Haydu	⅛	9/16
Hewlett-Packard	80½	85¼
High Voltage Eng.	152	162
Infrared Ind.	22	24⅛
Interstate Engineering	25¾	27½
Itek	73	77¾
Jerrold	10½	11⅜
Lab for Electronics	43½	46⅝
Leeds & Northrup	41½	44⅝
LEL Inc.	3⅛	3-9/16
L.F.I., Inc.	10½	13⅛
Ling Altec Electr.	27	29⅛
Magna Theater	3⅜	3-13/16
Magnetic Amp.	11½	—
Magnetics, Inc.	10½	11½
Maxson (W.L.)	9¾	10¾
Meredith Pub.	36¼	39
Metropolitan Bcstg.	14⅞	16⅛
Milgo Electronics	24	26¼
Narda Micro	5⅜	6⅜
Narda Ultra	3¾	4⅜
National Co.	18⅞	20¼
Nuclear of Chicago	34¾	37½
Official Films	1-7/16	1-11/16
Pacific Automation	8	9
Pacific Mercury	7⅞	8⅝
Perkin-Elmer	44¾	48
Philips Lamp	152¾	158½
Pyramid Electric	3	3-7/16
Radiation, Inc.	25	27¼
Howard W. Sams	41¼	44⅛
Sanders Associates	48½	52½
Silicon Trans.	8½	9¾
Soroban Engineering	22¼	24½
Soundscriber	17¼	18⅞
Speer Carbon	20¾	22½
Sprague Electric	65½	68
Taylor Instrument	63½	67½
Technology Inst.	13½	15
Tele-Broadcasters	1⅛	1⅝
Telechrome	10⅛	11⅛
Telecomputing	8⅞	9⅞
Telemeter	14¾	16½
Time, Inc.	60	63½
Tracerlab	10½	11½
United Artists	6¾	7½
United Control	33¾	34⅞
Universal Trans.	1¾	2⅛
Vitro	13⅞	14⅞
Vocaline	3	3-7/16
Wells-Gardner	17¼	18⅝
WJR Goodwill Station	8¾	9¾
Wometco Ent.	12⅝	13½

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Buckeye Corp.	1960—9 mo. to Jan. 31	$13,435,939	—	($434,237)	—	—
	1959—9 mo. to Jan. 31	11,699,601	—	190,052	$0.27	—
Collins Radio	1960—9 mo. to Apr. 30	138,991,830	$12,519,384	5,901,605	2.96[2]	1,983,194[6]
	1959—9 mo. to Apr. 30	78,069,657	4,310,026	2,050,508	.95[2]	1,983,194[6]
Daystrom	1960—year to Mar. 31	90,609,129	4,271,278	2,271,278	2.48	915,503
Story below	1959—year to Mar. 31	76,639,523	2,106,846	564,316[3]	1.32[4]	911,833
Electro-Voice	1960—year to Feb. 29	10,521,165	463,375	255,901	.54	473,650
	1959—year to Feb. 28	11,764,676	1,280,773	620,519	1.31	473,650
Harman-Kardon	1960—9 mo. to Mar. 31	2,847,252	—	97,909	.22	—
	1959—9 mo. to Mar. 31	3,942,106	—	118,527	.26	—
International Resistance	1960—15 wks. to Apr. 17	6,191,383	—	677,398	.49	—
	1959—15 wks. to Apr. 17	5,489,439	—	571,204	.42	—
Lab for Electronics	1960—year to Apr. 29	38,526,000	—	1,226,000	2.23	548,562
	1959—year to Apr. 29	20,410,492	—	577,926	1.26	435,289
Loral Electronics	1960—year to Mar. 31	17,439,871	1,180,798	579,216[4]	1.05[4]	550,000
	1959—year to Mar. 31	7,996,656	267,028	134,348	.45	300,000
Muntz TV[1]	1960—8 mo. to Apr. 30	7,416,708	815,047	812,548	.68[2]	1,165,376
Story on p. 16	1959—8 mo. to Apr. 30	4,682,737	320,768	308,293	.28	1,115,376
Telectro Industries	1960—qtr. to Mar. 31	1,199,744	—	41,351	.07	—
	1959—qtr. to Mar. 31	1,098,327	—	48,671	.08	—
Wilcox-Gay	1960—qtr. to Mar. 31	—	—	202,645	.06	—
	1959—qtr. to Mar. 31	—	—	200,541	.06	—

Notes: [1] Operating under bankruptcy reorganization. [2] After pfd. dividends. [3] After special charge of $642,530 representing loss on disposal of inventory. [4] Does not include special charge equal to 70¢ a share. [5] Excludes non-recurring income equal to 9¢ a share. [6] Outstanding April 30, 1960.

Varian Associates, Palo Alto tube & components manufacturer, plans to acquire electronics concern Semicon Associates Inc. in exchange for a maximum of 30,000 Varian shares. Amplifying its initial acquisition announcement (Vol. 16:18 p24), Varian says 12,501 of the 30,000 shares will be issued on the closing date. The balance may be issued in installments during 1961-63 in amounts not to exceed Semicon's consolidated net income for each preceding year. Varian shares will be valued for this purpose at 40% closing price on the date of the agreement.

Daystrom Inc., Murray Hill, N.J. electronics manufacturer, rolled up an 88% profit gain as sales increased 18% to a record level in the 1960 fiscal year ended March 31 (see financial table). Consumer products (hi-fi, radio, and test-equipment Heathkits) accounted for $30 million or 33% of total sales. Industrial products totaled $26.9 million or 30%. Military electronics amounted to $33.6 million or 37% of total volume.

Reports & comments available: AB-PT and Magnavox, discussions, A.M. Kidder & Co., One Wall St., N.Y. 5 • GE, technical memo, Auchincloss, Parker & Redpath, 2 Broadway, N.Y. 4 • Raytheon, report, Reynolds & Co., 120 Broadway, N.Y. 5.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Babcock Radio Eng. ..	Stk.	4-for 3	Jul. 5	Jun. 21
Bobbs Merrill	A	$0.12½	Jul. 1	Jun. 15
Collins Radio	Stk.	4%	Aug. 15	Jul. 31
ITT	Q	.25	Jul. 15	Jun. 17
Polarad Electronics ...	Stk.	2-for-1	Jul. 12	Jun. 27
Sangamo Electric (new)	Q	.22½	Jul. 1	Jun. 17
Warner Bros.	Q	.30	Aug. 5	Jul. 15
Webcor		(took no action June 9, 1960)		

Philips' Lamp Works, of Eindhoven, Netherlands, last week denied persistent reports that it plans to seek an immediate listing on a U.S. stock exchange. Philips' stock recently has been in strong demand here—and this U.S. demand is credited with pushing it to a record high of 1,122 guilders on the Amsterdam Stock Exchange.

Approved for listing on American Stock Exchange were 2 electronics firms which recently made their first public stock offerings: Andrea Radio Corp. and Lafayette Radio & Electronics Corp.

International Resistance Co. stock has been approved for listing on the N.Y. Stock Exchange, with trading expected to begin late in June.

Two Innovations

To improve our services to subscribers, we are instituting 2 new tabular features on a trial basis. The first, inaugurated last week (Vol. 16:23 p24), is a tabular listing of the latest financial reports of electronics companies (see above). This table supplements our regular coverage of financial news in the broadcasting, film and electronics fields and replaces the individual tables formerly printed on these pages. The other new feature, starting this week on p. 19, is a weekly listing of prices of the most important electronics stocks traded over-the-counter. Because many unlisted stock prices are not reported in newspapers, we feel this new list should provide a valued service. We'd appreciate your comments & suggestions regarding both new features.

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WEEKLY

Television Digest

JUNE 20, 1960

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

WITH THIS ISSUE: Special Supplement No. 6—Estimates of TV Households by States & Counties, Compiled by ARB on Basis of Actual Surveys (story on p. 2)

Film & Tape

FILM WRITERS' PACT with TV-film producers is characterized as "equitable & historic." Precedent seen in substitution of royalties for residuals (pp. 1 & 5).

Congress

FCC "WATCHDOG" UNIT passes Senate hurdle, Appropriations Committee voting $200,000—and warning on censorship. FCC's $2-million uhf project also endorsed (p. 2).

FIGHT ON TV-RADIO BILL erupts in House where Republicans blast Harris Committee for failure to include network regulation in reform legislation (p. 4).

EQUAL-TIME OVERSEERS are set up by Senate, which overrides protests by Minority Leader Dirksen, gives $35,000 to Yarborough Subcommittee to keep an eye on campaign broadcasts (p. 5).

Auxiliary Services

THE CATV STORY—prosperity & problems. Shrewd investors' eyes on NCTA convention in Miami Beach, pay-TV potential uppermost in minds (p. 2). Dept. (p. 7).

Stations

NAB LEADER SEARCH GOES ON with field down to 6, NAB's selection committee Chmn. C. Howard Lane tells Board (p. 3).

FCC

LEE NEARLY SET for new term. Charles King due for recess appointment. Kintner left dangling. Bicks hearing set (p. 3).

MIAMI CH. 7 "INFLUENCE" CASE went before special examiner Judge Horace Stern in Philadelphia last week (p. 11).

Consumer Electronics

TV-RADIO SALES ran 33-40% ahead of 1959 in April, while retail phono sales dipped 9%, EIA figures show. Four-month TV retail sales at 6.5-million-a-year rate (pp. 14 & 17).

ITT & CONSUMER IMPORTS: Study of consumer-goods market to be made by worldwide manufacturer; any large-scale U.S. marketing seen far off (p. 14).

BIGGEST PRODUCT SHOWS begin this week in Chicago, 10 TV-stereo makers showing at Merchandise Mart. Music Show gaining almost universal recognition (p. 15).

NEW TV-STEREO LINES continue 19- & 23-in. trends; details on Emerson, Du Mont, Magnavox, Symphonic, Philco, Hoffman (p. 16).

DEALERS ASSESS 1959 in annual NARDA survey and show net operating profit at a record low of 0.98%, sales up 12.7%, inventories up 26.1% (p. 17).

"BOYCOTT JAPAN" as counter-demonstration, urge Admiral Pres. Siragusa and Rep. Hosmer (p. 18).

Networks

NETWORK PROGRAM CONTROL is on the increase in the area of "allowable pre-emptions" for public-affairs shows, specials, etc. CBS-TV has increased the fall base from 2 to 4 "bumps" (p. 8).

GROSS-TIME BILLINGS gained 7.3% in April to $55.9 million, compared with $52.1 million in April 1959, reports TvB. Year-to-date business reached $227.8 million—9.2% ahead of a year ago (p. 9).

Other Departments

PROGRAMMING (p. 12). **PERSONALS** (p. 13). **ADVERTISING** (p. 13). **FINANCE** (p. 19). **FOREIGN** (p. 20).

FILM WRITERS' PACT—'EQUITABLE & HISTORIC': Agreement ending 22-week writers' strike against Hollywood TV-film producers was hailed by both sides as equitable & historic. The pact, signed Fri. (June 17) by representatives of the Writers Guild of America and the Alliance of TV Film Producers, clears the way—in the nick of time—for production of film series for airing next fall.

What makes it historic is its royalty plan which will eventually replace the writers' fixed residuals system with a percentage of the gross, both domestic & foreign. Although some producers are hopeful that a similar plan may be worked out with other film unions, which would help unblock films and expand markets, it seems doubtful that other guilds such as the Screen Actors could accept such a program.

WGA and the Alliance actually reached agreement last Mon., following preceding week's settlement between writers and movie majors (Vol. 16:24 p1), but snags developed over a fact-finding committee to recommend a royalty percentage for writers under the contract. WGA membership was expected to ratify the contract Sun. (June 19), formally ending strike and permitting writers to return to work Mon. (Details on p. 5.)

TV HOUSEHOLDS BY STATES & COUNTIES: Completely new estimates of TV households in all U.S. counties—compiled by American Research Bureau on basis of actual surveying in every county—will be found in our Special Supplement No. 6, with this issue.

This is most thorough TV-home count ever made, and you will find it differs sharply in some respects—particularly on the county level—from other TV-household estimates. ARB says at least 100 telephone interviews were made in every county—200 in most of them—and statistical projections were used to arrive at county totals. Some 260,000 interviews were conducted in Nov. 1959 and a like number in March 1960 to yield the Jan. 1 estimates.

Total U.S. TV-household count, as determined by ARB, is 46,019,980, or 88% of the 52,207,800 homes. Nielsen's projections for Jan. 1 gave the TV-homes figure as 45,200,000, or 87% penetration (Vol. 16: 23 p5). Part of the difference, says ARB, is due to fact that its survey includes Alaska & Hawaii. In comparing its results with Nielsen's 1958 estimates, ARB found 600-800 counties in which TV households apparently had decreased by 1960—but no state totals had dropped. Asserts ARB: The decreases are only apparent; the new figures are merely more accurate.

ARB's household survey is byproduct of its "nationwide sweep" rating service, which claims 100% coverage of U.S. viewers in program ratings.

Because of importance of this new count of TV homes—which never has been previously printed or released—we have printed it in our regular supplement form, loose-leaf punched for permanent reference, uninterrupted by ads. Limited number of extra copies is available to subscribers without charge.

FCC 'WATCHDOG' UNIT JUMPS SENATE HURDLE: Grant of $200,000 to FCC—instead of the $300,000 it asked—to operate new Complaints & Compliance Div. (Vol. 16:23 p3) was voted last week by Senate Appropriations Committee, which coupled recommendation with stern admonition to Commission to stay away from censorship of TV & radio.

Senate Committee also approved $2-million uhf research project proposed by FCC, which was endorsed by House in April (Vol. 16:17 p3). Independent offices appropriations bill (HR-11776) containing total FCC funds of $13,135,000—about $365,000 under Commission's original budget estimate—was sent at once to Senate floor for probable vote June 18. Bill must then go back to House for concurrence.

FCC may "get into realm of censorship which is prohibited by law" if it proceeds with all of "watchdog" plans to conduct field investigations of stations, Senate unit warned. Its report on $200,000 appropriation carried this explicit instruction to Commission: "The Committee directs that in no way are such funds to be utilized in any function remotely approaching censorship."

FCC cooperation with industry in uhf program was called for by Committee in endorsing House-approved $2-million financing. Report urged "that TV broadcasters & other industry representatives be kept thoroughly familiar with the planning & conduct of the study with sufficient opportunity to participate therein."

THE CATV STORY—PROSPERITY & PROBLEMS: It's a far cry from Necho Allen Hotel in Pottsville, Pa. to Fontainebleau in Miami Beach. National Community TV Assn. made it in 8 years.

NCTA was formed in March 1952 with 19 members, now has 413 as it meets June 21-24 in its annual convention. And a registration of 600-700 is anticipated. NCTA exec. dir. Edward Whitney estimates that U.S. has "easily 800 systems," serving about 750,000 homes—with NCTA members reaching about 500,000 of them.

Not that the Fontainbleau epitomizes entire industry by any means. Most members are small-business, small-town operators. However, the years have brought some sophisticated investors into field—including Carl M. Loeb, Rhoades & Co., Jack Wrather, TelePrompTer—and we're told that many other equally shrewd investors are scanning field constantly, seeking properties.

Among the system shoppers are prominent broadcast & movie interests—and they're frankly interested in the pay-TV potential of the cable systems.

CATV's problems have grown with the industry. As in any organization, however, relatively few operators are seriously concerned. Vast majority are content to make comfortable living in their small communities and let others worry. But the "others" are really concerned. Pioneer operators are glad they won recent Senate fight against govt. control (Vol. 16:21 p3), but they're fearful of next Congress. Some Senators

were left with seemingly permanent resentment and may be expected to wage continuous campaign to clip CATV's wings.

Sidelight of battle between CATV & small TV stations is current development of stations' rather reluctant join-'em-if-you-can't-lick-'em attitude. Moves to enter CATV have been made by stations in Salisbury, Md; Grand Junction, Colo.; Scottsbluff, Neb.; Roswell, N.M.

NAB LEADER SEARCH GOES ON: NAB's board passed out 2 new vp titles at its semi-annual meeting in Washington last week, but failed to resolve its biggest organizational problem—selection of successor to late Pres. Harold E. Fellows.

Long search for man of "national stature" to take NAB leadership has been narrowed to half-dozen possible candidates, selection committee Chmn. C. Howard Lane (KOIN-TV Portland, Ore.) told closed meeting of Board June 17. Board gave him no instructions to speed it up. Instead, it agreed with Lane that 8-man nominating group should continue to make choice "deliberate selection," that "dedicated service" of interim NAB Policy Committee headed by Clair R. McCollough (Steinman Stations) made haste unnecessary.

Revamping of NAB's staff structure, started by Policy Committee last month (Vol. 16:20 p7), was continued by Board at same time. Vincent T. Wasilewski, previously promoted to govt. affairs dir., was named to newly-created post of govt. affairs vp. Howard H. Bell, long-time joint TV-radio affairs asst. to Fellows, was promoted from dir. to industry affairs vp.

At least 20 men have been interviewed so far in selection committee's hunt for somebody to fill NAB's top job, Lane reported. But no names (on which speculation has ranged from White House & Cabinet levels to networks) were listed publicly. Lane said there'd be no disclosure by him or his committee of likely candidates before final selection is made.

Board made no plans to meet for election of pres. prior to next scheduled sessions in Feb. 1961 in Palm Springs, Cal. Special meeting—or mail & telephone poll—of 43 members who must vote on selection committee's nomination could be ordered by Policy Committee, however.

Agenda of 3-day board sessions was largely taken up otherwise with committee & staff reports—on TV & Radio Codes (see p. 9), on TV Information Office (see p. 12), on Congressional & FCC developments. Reviewing legislative outlook, Wasilewski renewed warnings to NAB members that omnibus TV & radio bill (S-1898) pending in House (see p. 4) carries ominous threat to broadcasters—suspension of licenses for infractions of law or FCC rules. No resolutions on this or other Washington issues were voted.

LEE NEARLY SET FOR NEW TERM; KING DUE: FCC Comr. Lee is just about in for another 7 years, and a new Commissioner is in the works—Charles H. King, dean of Detroit College of Law. Lee was unanimously approved by Senate Commerce Committee last week, and final endorsement by Senate is regarded as virtually automatic.

FTC Chmn. Kintner seems out of luck, because Senate Commerce Committee hasn't approved him, and Chmn. Magnuson (D-Wash.) said it won't. Presumably, he'll get recess appointment when term runs out Sept. 26, then wait & see how elections turn out.

King acknowledged that White House aide David Kendall had informed him that his name would be sent to Senate within couple of weeks. He told us that it would be a recess appointment, meaning he'd take office without Senate approval and serve until new President nominated him or someone else. He said he expected it would take new Congress 60-90 days to get organized after it convenes in Jan. Even if someone else is nominated, he said, he believes he'll be permitted to serve until expiration of term June 30, 1961.

King may be considered a sure thing for the FCC, because Congress can't touch a recess appointment. Only possible hitch is change of mind by Administration. He'll take leave from college job.

King will be 54 Aug. 8, has held present job 16 years, is known familiarly as "The Dean." He has been active in GOP politics for many years, became prominent as leader of Mich. Taft-for-President forces in 1952. Obviously, and to surprise of some Mich. political observers, Eisenhower camp didn't hold that against him. Though he's described as "definitely conservative," the liberals who now run Mich. GOP affairs find him acceptable. In 1952, he was defeated as candidate for election to state Supreme Court.

King has had no experience in broadcast field, he said. Born in Gulfport, Miss., he has lived in Detroit

40 years. He received his LL.B. from Detroit College of Law in 1933, LL.M. from U. of Mich. in 1941. He practiced in Detroit 1933-1937, then joined the law college.He has one son, one grandson.

Meanwhile, Robert A. Bicks will be heard June 22 on his nomination for Asst. Attorney General. He'll appear before Senate Judiciary Subcommittee headed by Sen. Eastland (D-Miss.) and including Sens. Johnston (D-S.C.) & Hruska (R-Neb).

Sen. Magnuson's FCC-FPC continuity-of-service bill (Vol. 16:24 p2) was approved by House Commerce Committee which amended it to provide that members whose terms expire can't serve beyond end of Congressional session following expirations. Bill now awaits House vote and Senate concurrence.

Congress

FIGHT ON TV-RADIO BILL: Under the pressure of a Congressional adjournment deadline, House Commerce Committee Chmn. Harris (D-Ark.) last week pushed the catch-all broadcasting reform bill (Vol. 16:24 p2) to the House floor, ready for action. But he ran into a Republican rebellion.

Harris had no sooner won quick floor clearance from the House Rules Committee for his Committee's rewrite of a Senate-passed FCC measure (S-1898) than ranking GOP member Rep. Bennett (Mich.) moved in for a fight to revive an abandoned proposal—regulation of networks.

In a week of infighting, interlaced with executive sessions & public hearings, the Commerce Committee also:

(1) Amended & approved Senate legislation (S-1886) legitimizing existing TV boosters but putting such rebroadcasting service under FCC controls.

(2) Amended & approved Senate legislation (S-1965) extending expired terms of office on regulatory agencies.

(3) Received a Legislative Oversight Subcommittee staff report complaining that FCC & FTC weren't doing enough to check abuses in broadcasting.

(4) Gave radio daytimers a Congressional forum to plead their forlorn case for longer operating hours.

On the network-control front, Bennett was joined by Reps. Derounian (R-N.Y.) & Nelson (R-Minn.). They filed a minority report with the House which tore into the Committee's TV-radio reform legislation as "woefully inadequate." They said it was "an anomaly" because its penalties for payola & other practices bore down heavily on individual broadcasters while letting networks go free.

"The great bulk of program material brought into the American home today by radio & TV originates within the networks," the Republican manifesto said. "The individual station licensee, as a practical matter, has little or no control over the content of the programs fed to him by a network, in many cases several thousand miles away.

"Nevertheless, under existing law, the individual licensee is solely responsible for what goes out over his station facilities. The Committee's bill will impose an even stricter accountability upon the individual broadcasters."

The Republican revolt, which could tie up the amended Senate bill in a House wrangle, had been brewing ever since Bennett filed his own bill for FCC regulation of networks (HR-5042) in Feb. 1959 (Vol. 15:9 p4). Bennett's bill had been virtually ignored since by Harris, who in March this year introduced a rival bill (HR-11340) for network controls (Vol. 16:13 p3). Both measures were bypassed in the Commerce Committee's final legislative wrap-up, and Bennett blamed this "colossal error" on pressures by unidentified network lobbyists. "They really put the heat on the Committee," he said. "I've never seen such pressures exerted by a lobbying group in all the [16] years I've been in Congress."

In clearing the Committee-approved legislation to the floor following a hearing at which Harris & Rep. Springer (R-Ill.) asked for fast action, the Rules Committee prescribed procedure permitting amendments & 3 hours of debate. No date for calling the bill up for a vote was set immediately by Majority Leader McCormack (D-Mass.).

Meanwhile, the Senate's booster bill—approved a week earlier by the Commerce Communications Subcommitee—was sent along toward the House floor with only one technical change. As written by Sen. Moss (D-Utah) it excused operators of existing boosters from getting CPs from FCC "if such station was constructed on or before the date of enactment of this act." The House Committee changed the last word to read "sentence," since "act" referred to the Communications Act of pre-booster 1934.

The Senate's continuity-of-agency-service bill was revised by the Committee to bring FCC, FPC and SEC law into conformity with existing legislation governing extensions of terms of CAB, FTC and ICC members. Also added to the Senate bill was a cut-off date. Under this amendment, Commission members whose terms run out would keep their jobs pending Senate confirmation of successors —but not beyond the end of the Congressional session following expirations of the terms. The Senate Commerce Committee had delayed acting on the reappointment of FCC Comr. Lee (see p. 3) until House Committee took up the measure.

Oversighters' End-of-Session Report

The Oversight Subcommittee end-of-the-session staff report pointed to testimony heard in quiz & payola hearings, said broadcasting still provides "a fertile field for study & action." The report lauded FTC's crackdowns on payola, but said "kickbacks & other questionable practices in the popular record industry" ought to be explored further. It also was critical of tie-ups between networks & record manufacture & distribution, mentioning CBS's Columbia Records as well as RCA's corporate links with NBC and RCA Victor records. The report added: "It is submitted that the FCC, in cooperation with the FTC & Congress, should give serious attention to the commercial practices of licensees with respect to music used on the air."

The perennial plea of the Daytime Bcstrs. Assn, for 6 a.m.-6 p.m. radio operating hours—instead of the present sunrise-sunset schedule—was heard again by the Communications Subcommittee in hearings that ran off & on all week. As usual, FCC testified against the extension as provided in a year-old bill (HR-6676) by Rep. Shipley and in 4 other identical House measures. FCC Chmn. Ford said Commission had tried but could find no way to permit nighttime operation by daytimers without causing interference with full-time radios.

EQUAL-TIME OVERSEERS SET: The Senate Commerce Committee's long-inactive equal-time watchdog unit headed by Sen. Yarborough (D-Tex.) finally set up shop last week—over Republican protests and with its budget cut—to check broadcasters' handling of politics.

Formed last Sept. to oversee TV & radio operations under amended Sec. 315 of the Communications Act—but given no money then—Yarborough's Freedom of Communications Subcommittee went into business after surviving Senate floor attacks by minority Leader Dirksen (R-Ill.). Yarborough also beat back an attempt by Sen. Ellender (D-La.) to reduce his appropriation from $45,000 to $28,000, coming out with $35,000.

Most of the money will be spent between now and Jan. 31, 1961, in salaries for majority & minority professional staffers and one clerical assistant.

The tiny staff will be headed by Joe Bailey Humphreys, Dallas insurance lawyer & local Democratic leader who was picked by Yarborough to be the Subcommittee's gen. counsel. Already on the payroll of the parent Commerce Committee, Humphreys will be paid $15,000 per year in his new job. Working with Humphreys as the minority staffer will be Walter Boehm, former Scranton public-relations consultant (Bellante & Clause) whose most recent govt. job was as an analyst in the Commerce Dept.'s Philadelphia office. He was appointed to the $13,700 watchdog post by Sen. Scott (R-Pa.), minority member of the 3-man Subcommittee whose other member is Sen. McGee (D-Wyo.). In 1958-59 Boehm worked for Scott as a special asst. Neither Humphreys nor Boehm has had direct experience in broadcasting.

Dirksen Sees Political Motives

Their assignment, under a Committee authorization (S. Res. 305) submitted to the Senate in April (Vol. 16:16 p5) will be: (1) A study of "federal policy on uses of govt.-licensed media for the dissemination of political opinions, news, advertising, and the presentation of political candidates." (2) "A review & examination of information & complaints concerning the dissemination of news by such media."

Dirksen said he wanted no part of such a Senate operation. "This is just as transparent as a plate-glass window, in my book, and it is quite obvious that it has a very definite political purpose," he said in one exchange on the floor with Yarborough and Commerce Communications Subcommittee Chmn. Pastore (D-R.I.).

"I do not want to see this kind of instrumentality created which is going to frighten the radio & TV people, and is going to make them pull in their horns, and put a micrometer upon the calendar & upon the clock, to see whether we get a little more or a little less time," Dirksen protested at another point.

He was joined by Ellender in questioning the equal-time police project. Recalling debate on Sec. 315 amendments last year, when news shows were exempted from political requirements, Ellender said "it was understood that the industry itself would police the matter." Sen. Allott also pointed out FCC is responsible for enforcing Sec. 315 and other Communications Act provisions.

Still pending in the Senate meanwhile was the Commerce Committee's proposal (S. J. Res. 207) to suspend application of Sec. 315 to TV & radio appearances by Presidential & Vice Presidential candidates this year (Vol. 16:24 p2). Working early & late to dispose of major legislation on its agenda, the Senate didn't get to the special equal-time measure on the calendar.

Film & Tape

TV FILM WRITERS' PACT: The precedential agreement ending the WGA strike against TV-film producers (see p. 1) has some producers hoping that royalty plans will replace residual payments to other unions & guilds involved in film-making. They maintain that replacement of fixed residuals with percentages would enable them to release films which have been blocked from the rerun market because of lack of profit potential. The bigger the gross, the more the writer will get—under the new concept—they explain.

However, the plan peculiarly applicable to writers is not apt to become industry-wide in the foreseeable future. Screen Actors Guild national exec. secy. John L. Dales told us the pact would not change SAG's policy in favor of royalties. Said Dales: "I would doubt it very much—not at this stage. Considering the number of actors in a cast, we do not think the writers' royalty system would work out for actors, compared with the present residuals system which guarantees payment to every actor." SAG is currently negotiating with Alliance on a new TV-film pact.

The WGA-Alliance agreement calls for writers to receive a 10% raise in minimums the first 2 years; 5% the next 2 years; 3% the 5th & 6th years, when the royalty plan would be in effect; a 5% pension plan, and establishment of a fact-finding committee. On this committee will be representatives of producers and the Guild plus an outsider—probably an engineering firm which will conduct the actual study to determine the royalty percentage. The committee will report in 2 years, and WGA is guaranteed a floor of 4% of the films' gross for the writers, this figure applying to foreign and domestic in perpetuity. Producers have the option of passing up the royalty plan for the 3rd & 4th years of the contract, but are bound to go along with it the 5th & 6th years. Writers would receive a salary plus royalty. The Alliance agreed if any of its members make films for pay TV it will negotiate separately for such films.

Network Film Talks Stymied

WGA and the networks met Fri. to discuss a contract covering TV film at the networks, but adjourned until Tues., stymied in their attempt to apply the royalty concept to film produced by the networks. Networks sell time as well as programs, and sometimes have sustaining shows, or buy a series and sell it later. WGA consequently seeks safeguards to insure that its writers won't lose in such situations. Network representatives had indicated they were willing to go along with the pattern established in the Alliance-WGA deal.

Production executives have long sought abandonment of the present residuals system, whereby Guild members receive 140%, producers contending this places such a financial burden on them that they cannot sell their films in the rerun market and make a profit. Take away those fixed residuals and there will be an unfreezing of films with more profit for everybody, they say. Removing such residuals involves a gamble for the writers, of course, since the royalty plan is just that, with writers to get "a piece of the action." However, the writers feel it's worth it, particularly in view of the foreign market potential.

While no one was claiming victory after 22 weeks of agonizing, costly strike, WGA did achieve these gains in its new contract: Raise in minimums, pension plan, and eventually the royalty plan which gives writers a piece of the gross in perpetuity.

As for the producers, in addition to the 6 years of peace guaranteed by the new contract, they will be rid of the 140% residuals bite once they go on the royalty basis. While they originally resisted giving anything to writers in the foreign market, they revised their position so that writers are now to get payment for foreign as well as domestic—but only in return for dropping the present residuals.

Alliance Pres. Richard W. Jencks commented the new contract was the same as that which the Alliance negotiated with the then-authorized WGA negotiating committee April 28, except that the royalty plan will be substituted for the industry rerun structure. He noted the fact-finding group will base its findings on grosses over a 5-year period ending June 15, 1960.

Producers were anxious to resume production, and the writers were just as anxious to get back to work. Four Star Television Pres. Dick Powell told us he has 220 scripter commitments—writers who will resume work this week. Powell doesn't expect Four Star air-time schedules to be delayed—"we'll just have to work longer hours to catch up."

Several executives told us that the royalty plan will give writers more incentive and result in an upgrading of quality. Writers, too, took the view that this will spur them as never before to create better material.

Actually, it had been expected the strike would end last week, because both parties reached a verbal agreement last Mon. But for a time during the frustrating efforts of reducing the deal to writing, it appeared the negotiations might collapse.

Committee Procedure Delays Settlement

The snag came about over the fact-finding committee. Producer representatives said such a committee should receive instructions as to how to go about reaching its findings. To this WGA argued it wanted an unfettered, uninstructed committee. WGA contended the producer plan would put a ceiling on the royalty figure, and said when the matter of a ceiling had been brought up in negotiations the Alliance negotiators had previously rejected it.

The question was argued for the entire week, holding up settlement. The break came early Fri. morning when WGA agreed to a producer proposal that the committee base its finding on a ratio of the producers' gross to writer residuals for the past 5 years (excluding network sales).

The producers will pay $70,000 and WGA $30,000 for establishment of the committee and its investigation.

Virtually every producer we checked last week told us that he would be able to film his series in time to meet his network schedule. All agreed with Four Star's Powell that the delay caused by the strike will mean a speed-up in tempo of production, but they also felt certain they can meet their deadlines.

A number of independents outside the Alliance told us they would sign a deal similar to the Alliance-WGA pact. WGA also is negotiating with the Assn. of Motion Picture Producers, representing TV operations at the major studios. Since the Alliance represents the bulk of TV film produced in Hollywood, the crisis has been largely resolved with the signed agreement, and studios were gearing for a return to normal production.

Meanwhile the Alliance and SAG were still in negotiations for a TV-film contract. The Alliance's offer to raise SAG minimums 10% the first 2 years and 5% the second 2 years, with a 50% pension plan, was not met enthusiastically by the actors.

HOLLYWOOD ROUNDUP

TV-film co-production deal with Japanese companies will be discussed there by producer Warren Lewis of Sharpe-Lewis Productions. Lewis, who leaves June 26 for Tokyo, said he & Sharpe have been approached by Tojo Co.; Shochiku Co. Ltd., which owns studios in Tokyo and produces movies; and certain distributors interested in such production deals. The Japanese are interested in co-financing in return for which they seek Far East distribution and U.S. outlets for their films. Lewis, who is also going to Hong Kong, plans to inspect facilities in Japan and discuss the overall picture. He also will arrange for distribution there of product from the Sharpe-Lewis Company and Spartan Productions, in which they are partnered.

Checks totaling $615,000 have been sent to 1,800 Screen Actors Guild members as payment for the TV showings of 82 post-1948 RKO movies distributed in TV by Matty Fox via C & C Television Corp. and C & C Super Corp. The agreement with Fox was signed in 1957, allowing him to sell the movies to TV. This year SAG in negotiations with the major studios, agreed to bypass demands for post-1948 payments in return for a pension fund.

Screen Gems plans to resume production of *Manhunt*, starring Victor Jory and Pat McVey, in July . . . **Boris Ingster**, ex-*Alaskans* producer, has been named producer of Warner Bros.' *The Roaring 20s*, starring Dorothy Provine, Rex Reason and Donald May . . . **Warner Bros.'** *Hawaiian Eye* company has returned from location in Hawaii.

Production begins July 15 on Rod Serling's *Twilight Zone* series, produced by Buck Houghton. Serling's Cayuga Productions, not a member of the Alliance of Television Film Producers, has been unaffected by the Writers Guild's strike. Series will be done at MGM-TV on film & tape.

Desilu Productions has sold 39 hour episodes of its *Desilu Playhouse* series to Herald-Sun T. V. Pty. Ltd. of Melbourne and Television Corporation Ltd. of Sidney, Australia . . . **Budweiser beer** will sponsor NTA's *The Third Man* (Michael Rennie) in more than 100 markets.

Warner Bros. has begun production on next season's *77 Sunset Strip*. Producer is Howie Horwitz . . . **Filmaster Productions** has moved from Republic Studios to California Studios . . . **Screen Gems** plans a series, *The Baron*, based on a character created by John Creasey.

Producer Irving Pincus begins production on next season's *The Real McCoys* July 25 . . . **Producer Peter Kortner** and director Robert Stevens plan a pilot based on Ludwig Bemelmans' *Hotel Splendide*.

Bob Hope tells us his new deal with NBC-TV—not yet signed—calls for him to star in 8 Buick-sponsored specials.

People: Herb Coleman and **Maxwell Shane** will co-produce *Checkmate*, 60-min. series produced by Revue Studios, and starring **Anthony George, Doug McClure** and **Sebastian Cabot** . . . **Irving Paley**, MCA executive, joins Kayro Productions as executive in charge of acquisition and development of new programs . . . **Norman Felton** is leaving CBS-TV to become director of programs for MGM-TV, beginning July 1 . . . **Jack Arnold**, producer of *Mr. Lucky*, has been signed by CBS-TV as producer-director.

NEW YORK ROUNDUP

Newport Jazz Festival June 30-July 4 will be video-taped by National Video Tape Productions div. of Sports Network Inc. for USIA, which will distribute it in 26 half-hour segments for overseas TV showing. Other recent mobile tape jobs performed by National Video Tape: Arrival of USS Triton at New London Naval Base for GE (through BBDO) for showing on *GE Theater*; all-electric home, Roanoke, Va., for Westinghouse (McCann-Erickson) on *Desilu Playhouse*; commercials at Asbury Park and on N.J.'s Garden State Parkway for Atlantic Refining (N. W. Ayer) for major league baseball telecasts; New London Outdoor Water Show for WNHC-TV New Haven.

Paradoxical sales situation is confronting CBS Films in the syndication of its 30-min. *Robert Herridge Theater*. The video-taped show has been sold, either on a "selected-episodes" basis or as a full series, to stations in West Germany, Sweden, Denmark and Finland, and to networks in Canada (35 stations, CBC) and Australia (6 stations, ABC). But, in nearly a year of on-&-off sales effort, CBS Films has so far sold the taped-in-N.Y. dramatic anthology to only one station in the U.S.—KCOP Los Angeles.

Add syndication sales: CBS Films' *The Brothers Brannagan*, starring Steve Dunne & Mark Roberts, has been bought for 35 Southern markets by Blue Plate Foods . . . ITC's *Jeff's Collie* (*Lassie* reruns) has been renewed in 78 markets for the 3rd year . . . ABC Films' *Adventures of Wyatt Earp, The Rebel, The People's Choice & The Real McCoys* have been bought by Procter & Gamble Co. Ltd. for 52 weeks, starting next fall, in an as-yet-unselected group of Canadian markets.

SAG-AFTRA merger talks will be resumed on June 24, we learned last week. Although N.Y.-based AFTRA extended the invitation for new meetings of merger committees, the sessions will be held on SAG's home ground—Hollywood. The live-talent union's 10-member delegation will be headed by national AFTRA Pres. Virginia Payne. George Chandler, named SAG pres. last week, is expected to head the screen actors' group.

Screen Gems reported sales last week of 13 post-1948 Columbia Pictures feature films to WCBS-TV N.Y. & WCAU-TV Philadelphia. Titles include "The End of the Affair," with Van Johnson & Deborah Kerr; "The Prisoner" and "The Detective," both with Alec Guinness; "State Secret," with Douglas Fairbanks Jr.; "1984," with Edmond O'Brien; and "Woman of the River," starring Sophia Loren.

ABC's engineering dept. has devised an "ionized VIP room," fully equipped with negatively charged ionized air, oxygen "inhalators," foot vibrators, vibrator chairs and soft music. Purpose: a "haven of relaxation" for the pooped politicos at the GOP & Democratic conventions.

Shirley Temple's new series of filmed children's classics for NBC-TV will start production in July. They'll be a regular weekly series instead of the monthly specials of the past.

Add syndication sales: Screen Gems' new group of 72 *Three Stooges* comedies has been picked up by 7 stations, putting them in 64 markets to date.

TelePrompTer Into Pay TV: Using established CATV systems, TelePrompTer Corp. has developed a method of recording viewer reception and of monthly billing for a pay-TV system—and is expected to announce experimental plans June 21. TPT's concept involves installation of a key box, equipped with 2 buttons, which can be activated by the viewer to select programming.

Viewers' responses will be recorded electronically by a viewer control which is connected to the key box by a flat low-voltage wire. When the key TV system is not energized, transmission & reception are normal for all channels on the CATV cable. The key system will be used to select special programming. TelePrompTer will probably experiment initially in Liberal, Kansas and Farmington, N.M., where the company operates CATV systems.

TPT has also made a pay-TV exhibition deal covering films of the Patterson-Johannson championship fight. They will be shown June 21 via Telemeter's Toronto pay-TV system. TPT will also feed the fight live to 12 CATV systems June 20, using an "honor system" form of billing. Subscribers were asked to authorize voluntarily an additional charge of $2 on their monthly bill, if they intended to watch the fight. TPT Pres. Irving Kahn termed response to the experiment "excellent."

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Closed-circuit TV for delegates to the July 25 GOP convention in Chicago will be provided by Theatre Network TV under contract to the Republican National Committee, TNT Pres. Nathan L. Halpern announced recently. The TV coverage won't be fed to any of the commercial networks (which will have batteries of cameras covering the event for home viewers) but to a pair of large 750-sq.-ft. viewing screens, mounted above & to either side of the rostrum. TNT will cover speakers addressing the convention (to give all delegates what amounts to a front-row seat), speakers addressing the convention from other cities, entertainment moments, etc.

CATV field again beckons to veteran operator Martin F. Malarkey Jr., who heads a group seeking a franchise in Salisbury, Md. Malarkey, pres. of NCTA for its first 5 years, sold his 4 systems to Hotel Operating Co. last year (Vol. 15:35 p1). His group includes many of his original co-stockholders as well as Robert Doyle, ex-NBC & TelePrompTer, now owner of radio WICO Salisbury, and Washington physician Dr. James C. Walsh. WBOC-TV (Ch. 16) Salisbury is fighting the Malarkey group and seeking a CATV franchise itself.

First radio property, KWIK Pocatello, Ida., is being acquired for $100,000 by Jerrold Electronics Corp., CATV equipment maker & system operator. Jerrold has long operated a CATV system in Pocatello. Its goal is to acquire more radio-CATV combinations, and operate them under joint management.

When vhf booster bill is passed by Congress, as expected, now that the House Commerce Committee has approved the Senate-passed measure, FCC will immediately consider rules for the legitimized service. Biggest question: How much time should be given existing boosters to meet new standards? Best current guess: 4-6 months.

Translator W74AF Pittsfield, Mass., operated by WWLP Springfield, now has authority to change its principal city to Adams, increase power from 1.146 to 1.528 kw.

Networks

NETS MOVE FOR MORE BUMPS: The latest developments in the trend to greater network program-control concern "allowable pre-emptions"—the number of times a network may dislodge sponsored shows for specials, documentaries, etc., without additional payment or rebates. The movement is toward more such bumping of shows.

Pace-setter at the moment is CBS-TV. We're told by corporate affairs vp Richard Salant that the network has quietly increased the number of pre-emptions to which sponsors must agree from the old level of 2 to a new level of 4, plus special political bumps. (Two are mandatory for all advertisers; 2 are optional at network discretion for full, consecutive-week advertisers; one is optional for alternate-week sponsors.)

Chief reason: CBS has at least 53 public-affairs & entertainment shows unassigned in its 1960-61 schedule, including 26 *CBS Reports*, 9 DuPont-sponsored drama specials, science documentaries for American Machine & Foundry, the David Susskind-produced *Family Classics*. The increased pre-emption allowance is necessary to accommodate shows that CBS wants to put on the air "to achieve a balanced program schedule," Salant said.

NBC-TV hasn't increased its pre-emption base from last year's level of 2 bumps without additional payment. However, this being an election year, NBC is reserving the right to set 2 additional pre-emptions for political specials, and 2 more after Sept. for further political coverage, plus another on election night—a theoretical total of 7. "We won't bump an advertiser 7 times if we can help it," an NBC-TV sales executive told us however. "We'll try to spread our pre-emptions so that no single advertiser or show is hit that many times." Like CBS, NBC has various shows (8 specials on outer-space exploration, a number of drama specials, political documentaries, etc.) unscheduled.

ABC-TV is less concerned with the problem than the other networks, but it has a firm grip on the scheduling of more than 90% of its nighttime network lineup this fall. Having contracted with outside producers (Warner Bros., Four Star, Screen Gems, TCF-TV, etc.) for nearly all of its nighttime shows, ABC pre-emption agreements are not so much with sponsors as with show suppliers, we learned. The network may, if it chooses, bump sponsors twice a season for specials. But "some program contracts" call for no pre-emptions at all without special producer payment by the network for unused episodes. ABC expects little trouble in this area, however, having only a few shows—Bing Crosby specials, some public-affairs shows—with no time slots assigned.

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NBC radio is in the black, stated the network's operating head, NBC vp William K. McDaniel, last week. As of June 1, he said, there is "as much net business on the books as the network showed for the entire year of 1959," and this season will be "the first time we have shown a profit in 8 years." Having trimmed its programming to a base of news & commentary features (plus *Monitor*), NBC radio is achieving clearances in network time at the rate of "95% to 98%," he added. CBS Radio also is showing its first profit in several years. The network moved into the black during the last 6 months, expects higher returns next year. ABC and MBS remain in the red, but ABC expects a profit next year and MBS hopes to break even before Dec.

NETWORK SALES ACTIVITY

ABC-TV

Daytime programming, Mon.-Fri. participation renewals, eff. July.
Johnson & Johnson (Young & Rubicam)
Beechnut Life Savers (Young & Rubicam)
Armour (Foote, Cone & Belding)
Lever Bros. (Foote, Cone & Belding)
General Foods (Young & Rubicam)

American Bandstand, 4-5:30 p.m. Mon.-Fri., participation renewal eff. July.
Lever Bros. (Foote, Cone & Belding)

American Football League games, starting Sept. particips.
Pabst Brewing (Kenyon & Eckhardt)

Convention coverage, July & Aug., participations.
20th Century Fox (Charles Schlaifer)

CBS-TV

Checkmate, Sat. 8:30-9:30 p.m., one-thirds eff. fall 1960.
Lever Bros. (J. Walter Thompson)
Kimberly-Clark (Foote, Cone & Belding)
Brown & Williamson (Ted Bates)

Summer Olympic Games, Aug. 26-Sept. 12, participations.
General Mills (Knox-Reeves)

December Bride, Fri. 9:30-10 p.m., summer re-runs eff. July.
General Foods (Benton & Bowles)

Eyewitness to History, Fri. 10:30-11 p.m., full sponsorship.
Firestone Tire & Rubber (Cambell-Ewald)

NBC-TV

All-Star Baseball games, July 11 & 13, full sponsorship.
Gillette Razor (Maxon)

Pro Bowl game, Sun. Jan. 15, half-sponsorships.
Carter Products (SSC&B)
Liggett & Myers (Dancer-Fitz.-Sample)

Holiday on Ice, Nov. 17, full sponsorship.
Top Value Enterprises (Campbell-Mithun)

The Barbara Stanwyck Theater, Mon. 10-10:30 p.m., half-sponsorships eff. fall 1960.
American Gas (Lennen & Newell)

Convention & election coverage, July & Aug., particips.
Cowles Magazines (McCann-Erickson)

Gas Co. Playhouse, alt. Tues. 8:30-9 p.m., reruns of *4-Star Playhouse* eff. summer 1960.
American Gas Co. (Lennen & Newell)

Thriller, Tues. 9-10 p.m., summer reruns, one-thirds.
Allstate Insurance (Leo Burnett)

Foreign influence of U.S. networks continues to grow, with NBC and ABC making new deals last week in the wake of other recent overseas agreements (Vol. 16:24 p7). NBC has signed what amounts to an affiliation agreement with Japan's Fuji Telecasting Co. Ltd. covering a cooperative exchange of "news gathering, production & programming" as well as "technical assistance & advice." Announcement of the NBC deal, which will operate through the network's international div., came June 15 from NBC Chmn. Robert W. Sarnoff. ABC's deal was less direct; Australia's The News Ltd. (in which AB-PT holds a minority interest) has purchased a 16% interest in TV outlet QTQ-9 Brisbane, one of 3 TV stations in the state of Queensland. News Ltd. has, since 1959, owned 60% control of NWS-9 Adelaide. The new move by its Australian partner, said ABC last week, would aid the U.S. network in developing "news & information material from the increasingly important continent of Australia."

Network Television Billings

April 1960 and January-April 1960

For March report, see TELEVISION DIGEST, Vol. 16: 21 p9

April 7.3% Ahead: Network TV's April gross-time billings of $55.9 million trailed the March total of $58.6 million, but nevertheless ran 7.3% ahead of April-1959's $52.1 million volume, reports TvB. The year-to-date business reached $227.8 million—9.2% ahead of the $208.6 million in billings posted in Jan.-April 1959. But this was slightly off the pace set during the first 3 months. Billings for first-quarter 1960 were 9.8% above year-ago volume.

CBS maintained its leadership over the other networks in dollar volume, both in April ($2.6 million) and year-to-date ($93 million). However, NBC trimmed the gap in both categories with higher percentage gains than those made by CBS. ABC continued to outpace the others in percentage gains: 22.5% for Jan.-April 1960 over the same 1959 period, 23.2% for April over April 1959.

NETWORK TELEVISION

	April 1960	April 1959	% change	Jan.-April 1960	Jan.-April 1959	% change
ABC	$12,701,240	$10,309,263	+23.2	$ 52,125,820	$ 42,545,832	+22.5
CBS	22,580,032	22,077,285	+ 2.3	93,078,360	88,278,148	+ 5.4
NBC	20,641,555	19,739,816	+ 4.6	82,618,328	77,821,812	+ 6.2
Total	$55,922,827	$52,126,364	+ 7.3	$227,822,508	$208,645,792	+ 9.2

1960 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	$13,260,010	$23,477,358	$20,980,897	$57,718,265
February	12,677,110	22,977,171	19,923,712	55,577,993
March	13,487,460	24,043,799	21,072,164	58,603,423
April	12,701,240	22,580,032	20,641,555	55,922,827

Note: Figures revised as of June 6, 1960. These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on basis of one-time network rates or before frequency or cash discounts.

THE BIG YARDSTICK: As one of the most competitive network TV seasons drew to a close last week, the nighttime (Mon.-Sun., 6-11 p.m.) Nielsen scorecard for the season (Oct.-May) looked like this:

Average home audience: ABC-TV has been virtually neck-&-neck with NBC-TV during any average nighttime minute since last fall, although CBS-TV is still the full-night leader. Average number of homes reached during the season at night: CBS-TV—9,227,000; NBC-TV—7,945,000; ABC-TV—7,845,000.

Night-of-week winners: Highest average-audience rating honors for the season go to CBS-TV which had top scores on Mon. (22.9), Tue. (21.3), Sat. (28.8), and Sun. (22.5). NBC had the highest average audience on 2 nights: Wed. (26.3), and Thurs. (20.3). ABC-TV, thanks to its strong action-adventure lineup on Fri., had top national average audience for that night (22.1) during the season. For virtually the same reason, CBS's biggest night-of-week win over ABC is on Sat., when CBS scores its 28.8 (thanks to *Have Gun, Will Travel*; *Gunsmoke*, etc.) vs. a 15.9 for ABC and a 16.2 for NBC.

Top-10 winners: CBS-TV had more high-rated shows than did the other 2 networks combined. This was the scorecard during the season in terms of nighttime average-audience ratings:

	CBS-TV	ABC-TV	NBC-TV
Top 10	6	2	2
Top 20	11	5	4
Top 30	17	7	6
Top 40	21	10	9

Stations

More about

SEX & VIOLENCE ON TV: The TV industry's most-challenged & most vulnerable fault still is "sex & violence in programming," but NAB is meeting the problem with increasing success at its main production source in Hollywood, TV Code Board Chmn. E. K. Hartenbower (KCMO-TV Kansas City) said last week.

In a Code accounting to the semi-annual meeting of NAB's TV Board in Washington, Hartenbower reported that since a Code office was opened last July in Hollywood under Dir. Frank Morris, "his success has been unusual & exceeds our expectations."

Since that time, Hartenbower said, Morris has reviewed & edited 209 TV scripts & 74 syndicated films other than those handled by the networks—and "none of these would have been checked for Code compliance had not Mr. Morris's services been available to the writers & producers."

Hartenbower predicted that major film-production companies which still are Code hold-outs will join up as affiliate subscribers. And he reported plans to add an exec. asst. & secy. to the Hollywood office early next year.

The Code's new N.Y. office, where NBC's Stockton Helffrich takes over this summer (Vol. 16:23 p7), also "will certainly help us to achieve the greatest Code compliance for TV advertising & programming," Hartenbower said.

90,000 Hours Monitored in 1959

Other points in his report:

Code monitoring—"In all the uproar of the past year, this has received scant attention." Yet NAB's Code staff monitored 90,000 hours of programming in 740 individual station reports during 1959 alone. More than a third of the reports "indicated no Code violations whatever."

"Bad taste"—The Review Board's special efforts in negotiations with advertisers & agencies to improve commercials for personal products have yielded "a substantial improvement in the general tone."

Review Board recommendations for further clarification & tightening of the TV Code were approved in amendments to: (1) Restrict sponsor credits at openings & closings of programs—the so-called "commercial billboards"—to 10 sec. for half-hour programs, 20 sec. for longer shows, no matter how many sponsors a show has. (2) Cut the allowable time for station-break spots in peak nighttime to 70 sec. from 130 sec., effective Oct. 30.

In collateral Code moves, NAB's Radio Board at a separate session last week:

(1) Shortened the formal name of the Radio Code from "standards of Good Practice for Radio Broadcasters of the U.S.A." to "Radio Code of Good Practices of the NAB."

(2) Authorized appointment by the NAB Policy Committee of a 9-member Radio Code Board to replace the NAB Standards of Good Practice Committee, with NAB Radio vp John Meagher administering Code at staff level.

(3) Moved another step toward strengthening & enforcing the Radio Code—many of whose provisions now parallel those in the revised TV Code—by adopting the TV Code's set of "regulations & procedures." Radio Code subscribers who have been operating under an "honor system" of compliance now will be subject to enforcement machinery, including Review Board charges, hearings, and possible suspension or revocation of Code seals.

(4) Approved a new visual symbol of the Code seal to be displayed by radio stations.

NEW & UPCOMING STATIONS: KORN-TV (Ch. 5) Mitchell, S.D. got program authorization May 24, but start with NBC-TV was delayed until June 12 because of missing microwave equipment, lost in transit. U.S. on-air total changes to 566 (87 uhf) stations. Canadian satellite CKOS-TV-1 (Ch. 8) Dauphin, Man. began June 19, using directional antenna on near-by Baldy Mt. to repeat parent CKOS-TV (Ch. 3) Yorkton, Sask. Canadian on-air total rises to 69 outlets. KORN-TV is about 40 mi. W of Sioux Falls. It has 5-kw Gates transmitter and a 500-ft. Utility tower with RCA antenna on outskirts of Mitchell. R. V. Eppel is pres.-gen. mgr. & 98% owner of KORN-TV & KORN. M. A. Johnson, from KORN, is commercial mgr. J. Doherty, also KORN, is chief engineer. Base hourly rate is $150. Rep is Avery-Knodel.

* * *

In our continuing survey of upcoming stations, these are the latest reports from principals:

WPCA-TV (Ch. 17) Philadelphia, Pa. expects to meet a July 3 programming target, having been on test patterns since mid-May, reports Donald B. Crawford, station mgr. for grantee Young People's Church of the Air. It has a 1-kw RCA transmitter and an antenna on the 581-ft. tower formerly used by radio WRCV. Planned as a non-profit operation, it has a $150 base half hour. Rep not chosen.

KTWX-TV (Ch. 9) Sheridan, Wyo. plans to start July 15, says Pres. Burt I. Harris, also pres. of Hariscope Inc., TV producer & packager. RCA 500-watt transmitter is at his other station, KTWO-TV (Ch. 2) Casper, Wyo. Ideco 115-ft. tower is in Casper. It will operate as satellite of KTWO-TV, which has a $150 base hour. Rep is Meeker.

KAIT-TV (Ch. 8) Jonesboro, Ark. hopes to be on the air "within the next 6 months," although it hasn't ordered equipment as yet, reports grantee George T. Hernreich, owner of Fort Smith radio KEPW and onetime 50% owner of KFSA-TV there (when it used KNAC-TV call letters).

KCDA (Ch. 3) Douglas, Ariz. has changed its target to next fall, reports Mike Ling, national sales mgr. of owner Electron Corp. It has a building ready for a 250-watt Electron transmitter, which hasn't been shipped as yet. It has an Alford antenna, scheduled to arrive before Sept. 1 for installation on a 100-ft. Rohn tower.

KIFI-TV (Ch. 8) Idaho Falls, Ida. plans to ask for a transmitter-site change to East Little Butte and now has a Dec. target, reports J. M. Brady, pres.-gen. mgr. of grantee Eastern Idaho Bcstg. & TV, and operator of radio KIFI. GE transmitter has been ordered and studio construction is at the half-way mark. Network affiliation hasn't been signed, nor has base hourly rate been set. Rep: Gill-Perna.

CFTO-TV (Ch. 9) Toronto, Ont. has ordered an RCA transmitter and plans to start next Jan. 1 as a French-language outlet, reports John Bassett, publisher of *Toronto Telegram*, which holds 51% voting control of licensee Baton Aldred Rogers Bcstg. Ltd. Construction began recently at site 13 mi. from downtown Toronto, according to radio-TV commentator Joel Aldred, who is licensee pres. It will use an 815-ft. guyed Microwave tower. Bassett is chairman of CFTO-TV; Foster Hewitt, owner of Toronto radio CKFH, vp; Edward Rogers (whose father operates Toronto's CFRB) vp; Rai Purdy, who helped establish Scottish Television Ltd., program director. Other key executives are: Charles Baldour, station mgr.; A. A. Bruner, sales mgr.; Donald Williamson, chief engineer.

Samuel I. Newhouse has purchased 15% interest in the *Denver Post* for $3 million from Mrs. May Bonfils Stanton, who has retained a small amount of stock. Other principal owners of the *Post* are Mrs. Henry Bonfils Davis, sister of Mrs. Stanton (20%) and the following holders of undisclosed amounts of stock: the Harry H. Tammen Trust, the Agnes Reid Tammen Trust, the Frederick C. Bonfils Trust and the Bonfils Foundation. According to reports, Mr. Newhouse is expected to acquire additional stock from the trusts. In addition to Newhouse newspapers and Conde Nast and Street & Smith magazine publishing houses, Mr. Newhouse owns WSYR-TV & WSYR Syracuse, with satellite WSYE-TV Elmira, N.Y.; WAPI-TV & WAPI Birmingham, Ala.; 50% of KOIN-TV & KOIN Portland, Ore.; 22.7% of KTVI St. Louis. His *Harrisburg* (Pa.) *Patriot* and *News* owns TV station WTPA there.

Sale of KTVE (Ch. 10) El Dorado, Ark.-Monroe, La. for $1.1 million to Washington real estate operator William H. Simon (husband of ex-FCC Comr. Frieda B. Hennock) by Dr. Joe F. Rushton, W. C. Blewster & Wm. C. Bigley, has been filed with FCC. Simon is ex-owner of ⅓ of WUST Bethesda, Md.

Sale of WMBD-TV (Ch. 31) & WMBD Peoria to the owners of WCIA (Ch. 3) Champaign, Ill. has been approved by FCC (Vol. 16:13 p7). The price is $1.75 million, plus $225,000 (spread over 8 years) to Charles C. Caley, 51% owner of WMBD Inc., for not competing in the area.

Sale of 55% of WDAY-TV (Ch. 6) Fargo, N.D. & WDAY by E. C. Reineke and his wife for $900,000 to the Fargo Publishing Co., was filed with FCC last week. The publishing company (*Fargo Forum* and *Moorhead* [Minn.] *Daily News*) is owned by the Black and Paulson families, owners of the other 45% of WDAY-TV.

Network switches: WTVM (Ch. 28) Columbus, Ga., planning change to Ch. 9, becomes primary ABC-TV affiliate next Jan. 1, also continuing to carry NBC-TV programs. KBMB-TV (Ch. 12) Bismarck, N.D. switches basic affiliation from CBS-TV to ABC-TV Aug. 9.

Six Ampex Videotape recorders have been purchased by Wometco stations for mobile & studio use. WTVJ Miami will receive 2 monochrome units by June 20; WLOS-TV Asheville, N.C. 2 monochrome units by mid-July; WFGA-TV Jacksonville 2 color recorders in mid-July.

New NAB membership highs were reported last week at TV & Radio Board meetings in Washington by station relations mgr. William Carlisle. The score: TV members, 363 stations plus 3 networks. Radio members, 2,182 (1,664 AM, 514 FM, 4 networks).

Wometco Enterprises (WTVJ Miami, WLOS-TV & WLOS Asheville, 47½% of WFGA-TV Jacksonville, Wometco theaters) becomes Florida's largest automatic vending machine operator with the purchase of the assets of Walker Vending Service, in-plant food-beverage vendor.

Radio WARL Arlington, Va. is understood to have been sold by 100% owner Cy Blumenthal for approximately $600,000 to Washington businessman Nick Arundel. CP for WARL-TV (Ch. 20) was dropped recently.

KTTV Los Angeles has begun production on 130 *Sincerely, Maria Palmer* episodes for its syndication div. Miss Palmer advises viewers on personal problems in the video-taped daily 5-min. series.

In one day, estimates Nielsen, the 45.2 million U.S. TV homes receive 4,791,200,000 commercial impressions.

New payola complaints have been filed by FTC against: Apollo Records N. Y. Corp., 1780 Broadway, N.Y., and its officer Melvin Albert. Joseph M. Zamoiski Co., 1101 DeSoto Rd., Baltimore, and its officers Calman J. Zamoiski Sr., Calman J. Zamoiski Jr. and H. Earl Kese. Meanwhile FTC consent orders, forbidding payola practices, were signed by these previously-charged firms: James H. Martin Inc., & Music Distributors Inc., 2419 & 1343 S. Michigan Ave., Chicago. M. S. Distributing Co., 1700 S. Michigan Ave., Chicago. Gone Recording Co., End Music Inc. & Co-op Distributing Co., 1650 Broadway, N.Y. Herald Music Corp., Ember Records Inc. & Ember Distributors Inc., 150 W. 55th St., N.Y. A-1 Record Distributors Inc., 628 Baronne St., New Orleans. United Artists Records Inc., 729 7th Ave., N.Y. All-State N. J. Inc., 87 Stecher St., Newark.

Demise of in-store-TV experiment by WNTA-TV N.Y. is expected shortly. The station's non-stop daytime show, *Daywatch*, never really got off the ground for several reasons: Set locations in stores were not up to expectations, maintenance of sets proved difficult, and increases in ad revenue and store locations came at a pace slower than the station had anticipated. If *Daywatch* ends this week, it will probably spell an end to daytime TV of any kind at WNTA-TV, with the station going on the air no earlier than 6 p.m., we're told. NTA had no comment to offer on 2 other matters. One was a report that NTA was reviving a 3-year-old plan to barter telefilm & feature product for discounted station time in a deal with International Latex Corp. The other was the report that NTA Chmn. Ely Landau was planning to leave NTA to head a group that would buy WNTA-TV & WNTA N.Y. (Vol. 16:24 p6).

Higher TV-radio ethics in advertising & programming practices were demanded by the General Federation of Women's Clubs in an unopposed policy resolution adopted at its 69th annual convention in Washington. The delegates from 1,300 clubs passed the resolution (along with others on issues ranging from pornography to Indian affairs) after Mrs. Harry R. Christopher of Baltimore brought them up to date on what Congress, FCC and FTC are doing about such broadcasting practices as payola. She cited figures to show that in 1958-59 alone, record distributors paid $263,244 to 1,300 disc jockeys & other station employes in 23 cities in 15 states.

Thad H. Brown Jr., whose resignation as NAB's TV vp became effective June 17, was lauded by the TV Board for "guidance & wisdom" he gave to the industry from 1951 as an NAB staffer. A formal resolution cited his "record of achievement & his contributions to the progress of TV," wished him "good fortune" in private law practice. Brown was succeeded as TV vp by Charles H. Tower (Vol. 16:20).

Payola investigations in Philadelphia have been slowed by disc jockeys refusing to appear for questioning, reports District Attorney Victor H. Blanc. Unlike N.Y., he said, Pa. laws do not provide subpoena powers or immunity from prosecution for witnesses who may be guilty of a crime.

RCA's low-light color TV camera tube was used for the first time June 11 in a regularly scheduled baseball pickup of a night game by WHDH-TV Boston, covering the Fenway Park clash between the Boston Red Sox and the Chicago White Sox.

Single sideband AM radio system proposed by Kahn Research Labs has been made the subject of rule-making by FCC, with industry comments due Sept. 20.

The FCC

MIAMI-CH. 7 RERUN: That long-delayed Miami Ch. 7 "influence" case, pending at FCC for more than a year, finally went before special examiner Judge Horace Stern in Philadelphia last week and pretty much replayed the testimony unreeled before the House Legislative Oversight Committee in Washington in 1958.

The hearing is slated to conclude with a fired up, one-day session this week (24). Expected to appear as the closing witnesses: *Miami News* publisher James M. Cox (25.5% owner of WCKT Miami); Washington attorney Arthur W. Scharfeld, counsel for unsuccessful Ch. 7 applicant East Coast Television; Perrine Palmer, Miami businessman & close friend of ex-FCC Comr. Richard A. Mack; and A. Roy Cohn, onetime associate of the late Sen. Joseph McCarthy, who figured in last week's testimony.

The hearings were ordered by FCC to determine if there was any hanky panky in the long struggle for Miami's Ch. 7 by any or all of the applicants: winner Biscayne Television Corp. and losers South Florida Television Corp., East Coast Television Corp., Sunbeam Television. Absent from the hearings was the late Stephen J. Angland, attorney employed by the House Committee, who had told the Oversighters in June, 1958, that at least 3 of the 4 contestants had made off-the-record contacts with FCC members. Angland had been subpenaed to appear at the Stern hearing but passed away 3 weeks ago.

The principal witnesses at the 5-day hearing:

Ben. H. Fuqua, Florida Power & Light vp, said he had contacted his former school mate Mack at the request of Biscayne TV. His purpose, Fuqua said, was to "get a reading" on how Mack felt about Biscayne's application. He said he told Mack that the Biscayne group were "good people," but he had never asked Mack for his vote.

Trammell Goes on Stand

Ex-NBC Pres. Niles Trammell, now Biscayne TV pres.-gen. mgr. & 15% stockholder, testified he had contacted 6 FCC commissioners and had taken several to lunch during the time FCC was mulling over applicants for Ch. 7, but denied any attempt to influence. Trammell said "we were worried about the delay" and he tried to hurry the FCC's decision, but "at no time in my talks did I discuss the merits of the Biscayne case."

Miami Herald publisher & Biscayne vp John S. Knight testified: "I sought no aid either in Congress or at the White House." He said he had seen former FCC Chmn. George C. McConnaughey twice after it had become generally known that the Commission had voted secretly & tentatively in favor of Biscayne.

South Florida TV Pres. Jack Stein said that when he suspected that FCC Commissioners had been pressured into awarding Ch. 7 to Biscayne, he paid Miami attorney Whiteside $5,000 to investigate. Stein contended that he did not seek Mack's vote through Whiteside, that his interest was in "information on where the pressures were coming from."

Other testimony during the week came from East Coast TV Pres. Richard Mead and that organization's TV attorney Arthur W. Scharfeld. Asked about letters attorney Miles Draper wrote to Mack, seeking aid for East Coast, Scharfeld declared: "I knew nothing about those letters at anytime before the hearing before the House Oversight Committee. I was startled to see them. They were never written by any authority of mine."

Comments on the Ch. 6 Providence-New Bedford allocation have a new deadline—Sept. 1 instead of June 20. The FCC yielded to arguments of New Bedford applicant WNBH, after it had previously intended to maintain the June 20 deadline because it is proposing no change in propagation curves for Ch. 2-6 but does plan to issue new curves for Ch. 7-13 (Vol. 16:24 p9). WNBH noted that the area will be served by high-band stations and asked that it be given an opportunity to comment on the whole coverage picture on the Sept. 1 date. Meanwhile, the Coast Guard has withdrawn its opposition to WNBH's site. The FCC proposal contemplates shifting Ch. 6 from the New Bedford area to Providence, and Providence's Colony Bcstg. Co. last week filed comments endorsing the move.

New Conelrad equipment specified in proposed FCC rule-making would cost TV & radio stations $10 million and shouldn't be required, NAB told the Commission. In comments prepared by engineering mgr. A. Prose Walker and submitted by chief counsel Douglas A. Anello, NAB estimated that 75% of all stations would have to modify their transmitters and buy additional automatic equipment if the proposals were to be adopted. Pointing out that the industry already has voluntarily invested "several million dollars" in the Conelrad system, NAB said: "The presently constituted attention signal can be received just as satisfactorily by means of the 221 million existing broadcast receivers in the hands of the public. . . ."

Decision on allocations—whether the military can relinquish vhf spectrum for TV—will take about 6 more weeks to reach, OCDM has informed FCC. OCDM is examining 2 plans, 30-channel & 50-channel, and had aimed for a mid-March decision. In his last report to the Senate (Vol. 16:15 p4), FCC Chmn. Ford stated: "Although this matter is still under study, the Commission's representatives received the impression that the executive-branch representatives felt an exchange of spectrum space which would provide for such a 50-channel TV system could not be accomplished without jeopardizing national defense." The Commission then gave OCDM a 30-channel proposal.

Court of Appeals upheld FCC in its grant of Ch. 10, shared-time, to WILX-TV & educational WMSB. Appellant Jackson Bcstg. & TV Corp. argued that the channel was intended primarily for Jackson, Mich.—whereas WILX-TV has studios in Lansing, Jackson & Battle Creek and WMSB has studios in E. Lansing. Judges Prettyman, Bastian & Burger ruled: "The Commission may, in a proper case, decide that a given area is so homogeneous in regional needs, character & interests that a single area-wide allocation would best serve the policy of the Act."

Reorganization of FCC Broadcast Bureau, once under consideration by Chmn. Ford, has been dropped, reasons: (1) Out of courtesy to Comr. Bartley, who is in Europe until July 6 or 7, his colleagues would defer action—because he stands an excellent chance of becoming chairman if Democrats win the Presidency. The Commissioners see little point in making changes he might not approve. (2) Huge pile of work always greets the Commission when it returns in Sept. from its one-month vacation, and reshuffling might hamper output.

Progress report on network practices and what FCC has done about recommendations of its network study group under Roscoe Barrow (Vol. 13:40 et. seq.) have been requested by the Senate Commerce Committee. FCC has been drafting a reply, may send it this week.

Programming

New TIO Projects: The Television Information Office under dir. Louis Hausman is moving into fields such as book publishing & the lecture circuit to develop better public understanding of TV's role in American life.

A series of new TIO projects was outlined for NAB's TV board last week in Washington in a report by Chmn. Clair R. McCollough (Steinman Stations) of NAB's policy & TV information committees. Among them:

(1) Publication of TIO's book *In the Public Interest . . . At the Local Level*, based on 800 public-service programs of 200 TV stations, is scheduled for Aug. 31.

(2) Top TV executives, producers, directors and writers will participate in a series of 15 N.Y. lectures on "TV in Today's World," arranged by Hausman for N.Y. school teachers. McCollough said he hopes this experiment "will be the forerunner of similar courses in other cities."

(3) In cooperation with the National Council of Teachers of English, TIO's staff is organizing & writing a book to help teachers educate their students to better use of TV. It's scheduled for distribution in Nov.

(4) Monthly bulletins describing educational, cultural and public-service programs available locally will be distributed jointly by TV stations in 9 major cities within 3 months. This cooperative project was first tried out in Chicago & Los Angeles.

(5) TIO plans distribution to its sponsors of a report on a 4-year survey of effects of TV on British children.

———■———

Challenge to FCC & FTC by Congressman Emanuel Celler, House Judiciary Committee chmn., was met last week by FTC Chmn. Earl Kintner during a 30-min. WNTA-TV telecast. The debate focused on payola & false advertising claims as they are dealt with by FCC & FTC. "If TV & radio are used to convey false ads, then those media are guilty," stated Celler. On the subject of payola, he added: "Desire on the part of teen-agers to listen primarily to rock & roll is due to payola & plugola on the part of unscrupulous disc jockeys." Kintner stated his belief that primary responsibility in both matters "lay upon the people with the checkbooks, the advertisers & the agencies." In the area of criminal penalties for deceptive ads & payola, the FTC chmn. expressed the hope that the advertising & broadcasting industries will do their own policing "so we may accomplish this clean-up short of federal penalties."

Sports anti-trust bill by Sen. Kefauver (D-Tenn.) which would authorize agreements on blackouts of telecasts of pro baseball & football games (Vol. 16:22 p14) has reached the Senate floor. The measure (S-10605) was dropped there quietly by the Judiciary Committee, which made no recommendations on whether it should be passed or not. Floor amendments to the controversial measure, on which Kefauver's own Anti-Trust & Monopoly Subcommittee couldn't agree, were promised by Sen. Keating (R-N.Y.) if it is called up for a vote.

Crisis in Japan, which resulted in the withdrawal last week of the Japanese govt.'s invitation to President Eisenhower, also caused CBS-TV to juggle its public-affairs schedule. A special 30-min. edition of *Eyewitness to History*, containing jet-flown footage from CBS cameramen in the Orient, pre-empted *Person to Person* June 17 (10:30-11 p.m.). Firestone was sponsor. CBS also scheduled a 2-part repeat telecast of "Japan's Changing Face" in the Sun.-evening *Twentieth Century* series June 9 & 26.

Television Digest

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Personals: Carl M. Watson promoted from NBC continuity acceptance mgr. to dir., replacing Stockton Helffrich, recently appointed dir. of NAB's new N.Y. branch TV Code office (Vol. 16:23 p7).

Eugene Burr, ex-CBS producer (*The Verdict Is Yours*), named NBC-TV program development vp . . . Edward A. Byron, ex-pres. and owner of Byron Productions (*Mr. District Attorney, Pot of Gold, What's My Name?*), named to NBC-TV sales staff, concentrating on news & public affairs programs . . . Joseph R. Cox, ex-WCBS radio, joins ABC-TV station relations dept. as a regional mgr. . . . John R. Malloy named sales dir. (English), CBC . . . Robert E. Metcalfe named managing dir. of WRDW-TV Augusta which was taken over officially by the Friendly Group June 2 . . . mgr. & national sales mgr., WSBA-TV York, Pa.

Rear Adm. William D. Irvin, 1957-58 deputy communications-electronics dir. in Pentagon, named first chief of Defense Dept.'s new Defense Communications Agency in which control of all long-haul military systems is centered . . . Robert W. Sarnoff, NBC chmn., named a trustee of Franklin & Marshall College, Lancaster, Pa. . . . Donald H. McGannon, WBC pres., elected a trustee of Ithaca College, Ithaca, N.Y. . . . A. Donovan Faust promoted from station mgr. to gen. mgr., WJRT Flint, Mich. . . . Hal Phillips named program director of KHJ-TV Los Angeles . . . T. Harold Scott, ex-chief of FTC's TV-radio monitoring unit (Vol. 16:21 p16), confirmed by Senate as associate comr. of Indian Claims Commission.

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Frieda Hennock Simons, former FCC Comr., 1948-1955, was reported in critical condition June 17 in George Washington U. Hospital, Washington, after an operation the day before for a malignant brain tumor.

Obituary

James Leonard, 50, Crosley Bcstg. Corp. vp & gen. mgr. of WLWC Columbus, O., died June 11 of leukemia in Columbus. He is survived by his wife, 5 sons and a sister.

J. Elsworth Rogers, 61, co-founder (with his brother E. S. [Ted] Rogers) of radio CFRB Toronto, died June 14 of a heart attack aboard a yacht in Georgian Bay.

Advertising

TCF's Political Bargain: Twentieth Century-Fox has a strong chance of winding up as sponsor of the entire ABC-TV coverage of both political conventions for a nominal $250,000 investment. The deal, arranged by TCF Pres. Spyros Skouras and AB-PT Pres. Leonard Goldenson, actually brings TCF into the ABC political package as a 1/12 sponsor. However, if the remaining availabilities aren't sold by convention time, they'll go as a "bonus" to TCF for whatever minor production costs are involved, we're told by TCF's N.Y. hq. TCF intends to use the political shows to plug 2 new feature films going into theatrical release: "From the Terrace" and "The Lost World." ABC-TV has guaranteed TCF three 2-min. announcements per hour for 40 hours. The purchase, through the Schlaifer agency, is said by TCF to represent "the first time a movie company has bought network TV to promote new features."

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N.Y. county grand jury charged Drug Research Corp. last week with false & misleading TV advertising of its Regimen reducing pill. Those accused in a 134-count information were: Pres. John Andre (who became subject to a one-year prison term); Kastor, Hilton, Chesley, Clifford & Atherton ad agency; New Drug Institute Labs (said to have supervised clinical tests on the product). "Advertisements for the tablets included paid endorsements from persons who underwent strict diets and even took dehydration pills to furnish photographic proof of weight loss," stated N.Y. District Attorney Frank S. Hogan. Other D-R products now under investigation are Man-Tan and Positan. The only defense from the accused was an agency statement: "It seems to be the tenor of the times to attack the adverising of many producs, especially in the drug & proprietary fields, that have attained leadership through 'hard sell' copy."

Twelve-oz. bottle battle will begin in N.Y. soon. To combat Coca-Cola's new 12-oz. "king-size" coke, Pepsi-Cola will launch a barrage of spot TV-radio & newspaper ads. Coke's agency, McCann-Marschalk, has already announced a $100,000-per-week N.Y. saturation campaign for the new Coke size. Pepsi, noting last week that it was celebrating the 25th anniversary of its 12-oz. size, will kick off an extensive promotion on this theme. A "weather forecast" line due to be used in Pepsi's campaign: "fair & warmer with frequent Pepsi & scattered competition."

Legislative lobbying by advertising in any medium, including TV & radio, would be income-tax-deductible under terms of a bill (HR-7123) approved by the House Ways & Means Committee.

New reps: WVEC-TV Hampton-Norfolk to Katz July 1 from Avery-Knodel • KEYT Santa Barbara to Young June 1 from Headley-Reed.

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Ad People: Herbert D. Maneloveg and Donald J. Dolen elected BBDO vps . . . Hal H. Thurber named Wade Advertising pres.

Carl Falkenhainer elected pres. of Western States Advertising Agencies Assn. Others elected: Bill Boylhart, first vp; Earl Culp, second vp; Don Jenner, secy.-treas. Ex-Pres. Rod May is chmn. New directors are Ralf Spangler and Jack Pachard.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TV-RADIO SALES HIGH, BUT PHONOS SAG: Retail sales pace of TV & radio was good during first 4 months of this year—with a particularly solid April—but unit sales of phonographs in April were lower than last year. Nevertheless, total 4-month phono sales are still ahead of the rather poor 1959 four-month total. These trends are evident from an analysis of official EIA sales & production statistics, released last week. Here's summary of home electronics' first 4 months:

TV retail sales ran at a solid 6.5-million-sets-a-year pace (vs. 5.75 million sets sold last year), or 13% ahead of 1959's rate. Despite talk about high inventories, first 4 months' production was at a 6.6-million annualized rate, indicating that production was geared very closely to sales. (Annualized figures are based on historic seasonal patterns; i.e., 29.9% of year's TV set sales are made in first 4 months.) April 1960's retail TV set sales were 33% higher than April 1959.

Retail sales of radios (excluding auto) were going at whopping annual pace of 10.3 million sets, 15% ahead of last year's high level (1959's retail sales were 8.9 million). First 4 months' domestic radio output was at an annual level of 11.8 million sets, indicating what may be beginning of an inventory buildup. April was excellent radio month, 40% ahead of April 1959 in retail sales.

Phono retail sales, while 20% ahead of last year for 4 months, took a 9% drop in April compared with April 1959. April dollar volume of phono sales probably was higher than last year, however, since stereo constituted greater proportion of sales this year. For first 4 months, 76% of phono sales this year were stereo units vs. 52% in same period a year ago.

Four months don't make the whole year, and there are some indications of a weakening of the TV market in May on basis of first unofficial statistical estimates. These same estimates, however, show radio retail sales continuing the high seasonal rate established in first 4 months.

For complete tables of TV-radio-phono production & retail sales compared with 1959, see p. 17.

ITT INTO CONSUMER IMPORTS? The worldwide utility & electrical-electronics manufacturing giant, International Telephone & Telegraph Co., will soon direct its attention to a full-scale study of the feasibility of consumer-goods imports into the U.S.

Any action is far in future—at least a year. Study hasn't gotten under way yet. Speculation on ITT's moves was keyed by appointment of Frederick Holzer as dir. of consumer mktg. under big internal reorganization & consolidation program by Pres. H. S. Geneen. In announcing appointment, ITT said Holzer will be responsible "first for directing & coordinating ITT's existing consumer marketing activities, which are primarily outside the U.S. at this time, and then for developing plans & programs for ITT to market consumer products & services within this country."

Announcement was misinterpreted in press to mean the firm has definite plans for heavy invasion of consumer markets here. This apparently isn't true—at least not yet. ITT once was heavily in domestic consumer products manufacturing, but sold its Coolerator refrigerator div. in 1954 to McGraw Electric, its Capehart TV-radio-phono name in 1956 to Benjamin & Robert Gross (Vol. 12:18-20,24). Capehart was sold again last year to Dynamic Electronics-N.Y. Inc. (now Capehart Corp.).

When & if it should decide to enter U.S. consumer products marketing, ITT will have excellent foreign sources of supply as well as complete importing machinery (it now imports such items as banking equipment, teleprinters, computer gear from its foreign subsidiaries & affiliates).

ITT is very deep in consumer goods manufacturing abroad through subsidiaries & affiliates of its holding company International Standard Electric, at least 9 of which make TV and/or radio receivers. ISE also is reputed to own 22% of Nippon Electric Co., maker of TV-radio & other electronic & electrical gear and

13% of Sumitomi Electric Industries, Osaka—both of which ITT lists as "associate licensees for manufacture and sales."

ISE's overseas affiliates known to make home TV & radio sets: Compania Standard Electric, Argentina (3,100 employes); Standard Telephone & Cables, Australia (3,100); Standard Telephon und Telegraphen, Austria (1,400); Bell Telephone Mfg. Co., Belgium (10,200); Standard Electrica, Brazil (1,800); Compania Standard Electric, Chile (300); Standard Elektrik Lorenz, Germany (20,200); Standard Electrica, Spain (7,050); 4 companies including TV-radio mfr. Kolster-Brandes, United Kingdom (25,400).

TV-STEREO'S BIGGEST PRODUCT SHOWS: Home electronics spotlight swings this week to Chicago with opening of summer 1960's International Home Furnishings Market at the Merchandise Mart (June 20-July 1). This will be followed next month (July 11-14) by National Assn. of Music Merchants' show at Chicago's Palmer House—which has now become TV-radio-stereo's No. 1 product show.

Ten major manufacturers are exhibiting this week in their permanent spaces at the Merchandise Mart. While none of them will be revealing new lines to dealers for first time at this show, there's feeling that Mart serves good purpose as permanent showroom for their goods. There's some order-writing, particularly by Midwest distributors, at this summer mart—which is basically a furniture & housewares show.

Displaying TV-radio-phono wares at Merchandise Mart are Admiral, Columbia, GE, Magnavox, Motorola, Philco, RCA, Sylvania, Westinghouse, Zenith, in addition to 6 transistor radio importers and several smaller radio manufacturers.

The July Music Show—not basically a "selling" show, but an occasion where dealers can inspect wide variety of competing merchandise—will have more TV-radio-stereo exhibitors than ever this year. Later in the season than in former years, all new TV (but not all stereo) lines will have been shown by that time. All of the TV exhibitors at Merchandise Mart—with 2 exceptions—also will show wares at Music Show.

This year's Music Show will have as exhibitors nearly all the big names in TV-radio-stereo, plus a smattering of smaller ones, component hi-fi makers, importers, etc. Among those represented at Music Show will be Admiral, Arvin, Bell Sound (Thompson Ramo Wooldridge), Capehart, Columbia, Delmonico, Dynavox, Fanon, Granco, Hoffman, Magnavox, Majestic International, Motorola, Muntz, Olympic, Petely (Japan Victor), Philco, Pilot, RCA, Sony, Steelman, Symphonic, Stromberg-Carlson, Tele-tone, Transistor World (Toshiba), Videola, V-M, Waters Conley, Webcor, Westinghouse, Yashica, Zenith.

While Merchandise Mart and Music Show do attract different types of dealers, distinction is becoming less sharp. Mart TV-radio-phono displays have always catered to appliance, furniture & housewares dealers, while Music Show was principally for music stores—but Music Show now has enough emphasis on electronics to attract dealers who don't also handle such items as band instruments & records. One TV-stereo maker summed up the difference between the shows this way: "Our permanent exhibit at the Mart is valuable to our over-all marketing effort and is successful in creating actual sales and broadening distribution. The Music Show is gaining in popularity, but it's a one-shot trade show and not a trend away from the Mart."

Both shows serve an unadvertised, but useful, purpose in TV-radio-stereo field. They permit manufacturer personnel to get first close look at competitors' new products—important in this competitive industry.

For more reports on new TV-stereo lines (including Du Mont, Emerson, Philco, Symphonic), see p. 16.

TV-RADIO PRODUCTION: EIA statistics for week ended June 10 (23rd week of 1960):

	June 3-10	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	99,432	87,977	128,049	2,634,168	2,456,128
Total radio	316,421	259,116	299,599	7,547,718	6,252,324
auto radio	123,364	107,090	134,167	2,951,688	2,527,536

Hammond Organ isn't counting on sales of its reverberation device to phono manufacturers to show up strongly in profits. Finance vp Robert H. Nelson told the Indianapolis Society of Security Analysts last week that "it will take a substantial volume to make any appreciable effect on our after-tax earnings." Zenith & Philco are using the Hammond device in their high-end stereo consoles (Vol. 16:22 p16).

British TV sets in search of a U.S. distributor are being shown by Bush Radio Ltd. at the current British Exhibition in the N.Y. Coliseum (Vol. 16:23 p21). Two sets built to U.S. standards with British-made 23-in. bonded tubes were lowboy console models. The special feature of the sets is 8-channel pushbutton tuning, pre-set to the N.Y. channels (and one to grow on?). They are designed to retail in U.S. for $375 (one speaker) & $390 (2 speakers).

More about

NEW TV-STEREO LINES: Longer TV lines, more emphasis on furniture and strong trend to 19- & 23-in. picture sizes (Vol. 16:23 p18) continue to be among the main trends as more manufacturers show new lines, and details about other lines mentioned earlier in these pages become available. Here are some highlights:

Emerson & Du Mont

Emerson's new TV line, shown to distributors in N.Y. this week, contains 29 basic models of 19- & 23-in. sets, at $188-$598 list, plus a group of 17- & 21-in. holdovers. This compares with last summer's basic 18-set line at $178-$498. The 23-in. sets begin at $198 (table model). New to the line are three 23-in. TV-stereo-AM-FM combinations at $498-$598, in addition to four 21-in. combo holdovers. Emerson will offer its previously-announced "Trans-Viewer" 10-in. battery-operated TV in limited quantities at about $250 plus $5 or $80 for the battery (depending on type), but—in the words of Emerson Pres. Benjamin Abrams—"it probably will have more interest than sales."

Due to be dropped in this fall, as reported here last April (Vol. 16:14 p17) are 2 or 3 color sets in both the Emerson & Du Mont lines. Pres. Abrams reiterated that the company had lost $2 million on color production, but stated: "We want to keep our finger in color until it becomes a going business. That will be in about 4 or 5 years." He added: "With the exception of one company, Emerson has produced more color sets than anyone else in the industry."

Emerson's short phono line has 2 monaural portables ($19.88 & $39.88), 3 stereo portables ($29.88-$98), one consolette ($128), one console ($248)—plus the British import Wondergram pocket portable phono.

Du Mont showed 12 new TV & TV-combination sets, all 23-in., starting at $260 for a table model and topped by 2 TV-stereo-radio combos at $1,250. This time last year, Du Mont's new-set prices ranged from $230 to $895. Its 3-set stereo AM-FM console line is priced at $450 (2 sets) & $470. Du Mont div. sales dir. George Cohen announced that the company's restricted dealer policy, instituted last year, will be continued.

Magnavox

Although it doesn't have a regular line-change, Magnavox will be dropping in several new sets—including 19- & 23-in. sizes—in time for next month's Music Show in Chicago. Pres. Frank Freimann informed dealers in a letter that the company will return to the active color fold (as predicted here Vol. 16:14 p17) with a 21-in. color TV-sterco combination. The TV-stereo combination line will include three 21-in., four 23-in. & four 24-in. sets.

Also due to be dropped in are four 19-in. table & portable sets (starting at $189.50), six 23-in. sets. The line will include 2 promotional 21-in. models ($219.90 & $239.90) and five 24-in. sets. A new 23-in. combo in the $450-$475 range may be introduced in the fall. The stereo line will have 22 consoles at $149.50-$1,250.

Symphonic

Symphonic Electronic Corp., large phono manufacturer, last week showed its first line of TV sets (Vol. 16:22 p22), as yet unpriced. The 8-set line consists of 19-in. bonded portable & table model, 23-in. non-bonded console, three 23-in. bonded consoles (including one with remote), two 23-in. TV-stereo-AM-FM combos (one remote). Symphonic also showed $19.95 to $489.95 phonos.

Philco

Having already announced its 19-in. TV line (Vol. 16:24 p16), Philco last week unveiled its group of 7 basic 23-in. consoles with bonded tubes, ranging from $239.95 to $329.95 with a "open list" on top-of-the-line console. Philco also will carry over a 21-in. console at $229.95 & $239.95. Again this year, the company's promotion will stress the "Cool Chassis" design, in addition to a new "Crystal Cascode Tuner" incorporating a ladder-grid tube for increased sensitivity.

Philco also announced a new shirt-pocket 6-transistor radio, the "All American" at $29.95.

Hoffman

Hoffman's new 19-in. portable (Vol. 16:24 p16) is one of the few portables to feature a bonded tube. It is the leader in a line of 25 basic sets (including six 17- & 21-in. holdovers), as opposed to its 10 basic models introduced at this time last year. Among Hoffman's features are 22,000 volts of picture power in most 23-in. sets, full-year warranty on all parts & tubes. The stereo line consists of 2 portables and 2 consoles. Radios are the sun-powered Trans-Solar, now $49.95, a 7-transistor set at $29.95 and an 8-transistor at $34.95. Hoffman's distributor-dealer convention next year will be in Paris in May, it was announced at this year's Las Vegas convention.

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Answering $150,000 libel suit brought by Hartley Products Co., (Vol. 16:14 p18), Consumers Union told Bronx County Supreme Court that its rating of the Hartley loudspeaker was fair comment. Asking a dismissal of the suit—the outgrowth of an "unacceptable" rating published in CU's *Consumer Reports*—CU stated that its report on the speaker "constitutes fair comment and the honest expression of opinion based upon adequate tests." It denied malice or intent to injure Hartley's business. CU's answer listed the tests given the loudspeaker. It also asked dismissal of the complaint on the grounds that the action was filed more than a year after the alleged offense and is illegal under the statute of limitations.

Philco will develop, design & market specialized production equipment for outside purchasers through the new equipment development & mfg. operations of its Lansdale div. under gen. mgr. Stuart L. Parsons. The group, which formerly developed equipment for tube-semiconductor operations of Philco and its licensees, is currently making & delivering Fast Automatic Transfer Line automated transistor production lines for Philco transistor licensees CBS Electronics, General Transistor, Sprague Electric and Semiconductors Ltd.

Canadian TV slumped in April, as distributor sales to dealers slipped to 20,777 units from 27,612 in April 1959. The year-to-date volume totaled 100,578 units, compared with 116,786 TVs sold in Jan.-April 1959. The 4-month breakdown (corresponding 1959 figures in parentheses); portables, 19,527 (21,281); table models, 19,572 (34,876); consoles, 56,945 (56,234); combinations, 4,534 (4,395). For April 1960 (vs. April 1959): portables, 6,166 (6,644); table models, 3,578 (7,291); consoles, 10,293 (13,073); combinations, 740 (604).

Control of Recordio Corp., Charlotte, Mich. maker of tape recorders, has been purchased by Creative Electronics, Chicago. Creative Electronics Chmn. Donald Heinisch & Pres. Stephen Barr have taken similar positions in Recordio Corp.

TV-RADIO-PHONO SALES: Despite seasonal monthly drops from March, April's retail sales of TVs & radios were higher than 1959—increasing the momentum of a good first quarter (see p. 14). Phono sales for the 4-month period were higher than the year-ago period (1,-461,814 vs. 1,210,322), but April retail sales were 9% lower than those of April 1959 (193,288 vs. 212,423). Here are official EIA production & sales figures:

TELEVISION

Month	Total Production 1960	Total Production 1959	Uhf Production 1960	Uhf Production 1959	Retail Sales 1960	Retail Sales 1959
January	526,494	437,026	50,119	35,841	590,867	501,704
February	503,453	459,492	43,537	34,678	507,673	448,173
March	549,500	494,032	45,411	32,112	501,829	425,751
April	422,551	389,251	39,240	20,501	351,214	263,998
TOTAL	2,001,998	1,779,801	178,307	123,132	1,951,583	1,639,626

RADIO

Month	Total Production 1960	Total Production 1959	Auto Radio Production 1960	Auto Radio Production 1959	Retail Sales (excl. auto) 1960	Retail Sales (excl. auto) 1959
January	1,355,788	1,124,737	632,461	420,052	803,388	700,490
February	1,442,368	1,125,385	596,872	432,551	611,479	474,888
March	1,667,550	1,347,554	633,761	511,219	664,441	515,563
April	1,230,323	1,040,183	399,963	422,346	547,839	388,863
TOTAL	5,696,029	4,637,859	2,263,057	1,786,168	2,627,147	2,079,804

FM radio production (1959 figures in parentheses): Jan. 33,816 (30,235), Feb. 50,963 (29,145), March 83,127 (32,994), April 61,953 (31,425). Four-month total: 229,859 (123,799).

PHONO FACTORY SALES

Month	1960 Mono	1960 Stereo	1959 Mono	1959 Stereo
January	118,400	341,329	184,147	177,336
February	90,854	324,666	164,873	188,750
March	63,264	242,523	119,075	168,117
April	30,606	142,409	47,153	125,111
TOTAL	303,124	1,050,927	515,248	659,341

PHONO RETAIL SALES

Month	1960 Mono	1960 Stereo	1959 Mono	1959 Stereo
January	150,688	368,964	231,429	159,214
February	100,268	347,860	171,127	156,477
March	61,249	249,497	139,577	140,075
April	41,147	152,141	94,226	118,197
TOTAL	343,352	1,118,462	636,359	573,963

* * *

Factory sales of picture tubes were up in both dollar & unit volume for the first 4 months of 1960, as compared with 1959, according to EIA figures, but receiving tube dollar & unit sales were lower for the same period. The official tube statistics:

	Picture Tubes Units	Picture Tubes Dollars	Receiving Tubes Units	Receiving Tubes Dollars
January	795,250	$15,831,430	31,367,000	$26,872,000
February	741,233	14,495,480	32,734,000	27,881,000
March	794,375	15,654,281	36,382,000	31,751,000
April	707,252	13,782,769	29,737,000	25,759,000
Jan.-Apr. 1960	3,038,110	59,763,960	130,220,000	112,263,000
Jan.-Apr. 1959	2,936,889	56,373,446	133,946,000	116,771,000

IUE's demands on GE were presented to the public on a 9-city closed-circuit TV press conference last week, with Pres. James B. Carey outlining these main union requests: (1) A general wage increase equaling the annual increase in GE workers' productivity, but with a minimum of 3½%. (2) Union participation in planning plant relocations. (3) Supplemental unemployment program (guaranteed annual wage) similar to those in auto, steel & rubber industries. Carey said that substantially the same package would be requested of Westinghouse.

Philco's "Reverbaphonic" stereo systems (Vol. 16:22 p16) will be promoted in a national campaign featuring opera star Patrice Munsel.

DEALERS ASSESS 1959: Business in 1959 bounced back from recession-hobbled 1958, but not with the strength apparently anticipated by most TV-radio & appliance dealers, according to NARDA's latest Cost-of-Doing-Business survey. The 1959 analysis of member-dealer operations shows a sharp sales increase of 12.7% over the 1958 level (vs. 9.9% for all U.S. dealers). However, dealers also wound up overstocked, with year-end inventories up a profit-choking 26.1%. The 1959 net operating profit set a new low in the survey's 14-year history—slipping to 0.9% from 1.1% in 1958 (Vol. 15:26 p18).

Other ups & downs recorded in 1959: Merchandise turnover rate improved to 5 times from 4.6. TV's share of total appliance sales slipped to 24.8% from 25.7% in 1958, countered by radio & phono sales gains to 11.9% from 10.8%. Total operating costs inched down to 27.02% of net sales vs. 27.35% in 1958. Total cost of goods sold (merchandise plus service parts) inched up to 72% on net sales vs. 71.53%. Total gross margin fell to 28% of the selling price, from 28.47% in 1958. Merchandise gross margin slipped to 29.60% from 30.28%.

Most dealers (75%) look for better things in 1960, forecasting an average 12% gain in sales. Only 11% anticipate a decline (averaging 6%), and 14% foresee no change. The majority (62%) also expect a 10% gain in profits, 9% fear a drop of as much as 15%, 25% see no change, and a hardy 4% foresee profit gains ranging from 100-300%.

TV (90% b&w, 10% color) was nominated by dealers as their "best selling" prospect for 1960. Runners-up: laundry equipment, stereo, air conditioners, refrigerators, freezers, hi fi (tied with ranges). However, reporting on products they plan to push with special effort, the dealers listed stereo 4th, color TV 11th. The main sales effort will go to air conditioners. In 1959, TV-radio-phono products accounted for the bulk of dealers' sales—36.7%, up slightly from 36.5% in 1958.

Price cutting, sales personnel and adverse economic conditions (in that order) were listed by the dealers as their chief 1959 & 1960 operating problems. Others for 1960: overproduction & dumping by manufacturers, Sunday selling, slow collections, the glut in trade-ins.

TV-tube mislabeling by 3 firms is alleged in an FTC complaint. It cites them for failure to disclose when tubes they manufacture are reconditioned or contain used parts or have known defects. Named as respondents in the case are Budco Inc. & Metropolitan Electronic Distributors Inc., 113 S. Beatty St., Pittsburgh; Hymen & Harry Kotovsky and Jack Rosenblum, and K. M. K. Corp., 3323 Superior Ave., Cleveland. FTC's complaint concludes that the companies' failure to disclose "material facts" about the tubes "gives the uninformed or unscrupulous dealer-customer the means to deceive the public and diverts trade unfairly from competitors." Similar FTC charges also were filed against Electronic Video Inc., Brooklyn; Theta Electronics Inc., Greensburg, Pa., and Tube Mfg. Corp., Philadelphia. In addition, Electronic Video was accused of claiming its rebuilt TV tubes were "brand new fully guaranteed" merchandise when they weren't.

GE has cut prices 50% on medium-current silicon-controlled rectifiers.

'Boycott Japan,' Urges Siragusa: "A counter-demonstration to the cancellation of the Japanese govt.'s invitation to President Eisenhower" in the form of a boycott of Japanese products was urged last week by Admiral Pres. Ross Siragusa at an Admiral dealer meeting in Las Vegas.

Japanese imports have cost American workers more than 500,000 jobs, including 60,000 in electronics, he said. "While it is true that the dollar volume of Japanese purchases from the U.S. is great, these purchases are primarily of raw materials which do not involve much labor."

Rep. Hosmer (R-Cal.) then called for a temporary boycott, saying he'll refrain from buying Japanese goods until July 4, inviting all Americans to join him. "I take this course," he said, "regretting its necessity and with the emphatic expression that it is not to be construed in derogation of the vast majority of the Japanese people who are as dedicated as we are to good relationships between us."

No consumer reaction to anti-American rioting in Japan was reported by importers or buying offices in N.Y., according to the merchandising publication *Home Furnishings Daily* at week's end. A June 17 roundup story indicated some importers were concerned lest there be some "temporary hostility" toward Japanese goods, but there were no signs of any increased consumer resistance.

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Foreign invasions of U.S. markets would be studied by a 12-man Presidential commission under a proposal (S. J. Res. 208) by Senate Minority Leader Dirksen (R-Ill.). He said such a survey should come up with recommendations for "a trade policy which in some measure equalizes the disadvantages under which U.S. producers now operate." Among disadvantages cited by Dirksen: Lower foreign wage rates, use of American technology "which we have so freely exported," depreciation allowances favoring foreign producers, export aids. The White House commission, representing industry, labor, agriculture, the public and the govt., would file a report to Congress by July 31, 1961, under terms of the Dirksen resolution. Co-sponsors of the measure—all Republicans—included Sens. Hickenlooper (Ia.), Wiley (Wis.), Hruska (Neb.), Cotton (N.H.), Dworshak (Ida.), Bush (Conn.), Keating (N.Y.), Aiken (Vt.), Javits (N.Y.), Prouty (Vt.), Bennett (Utah), Scott (Pa.), Bridges (N.H.), Saltonstall (Mass.), Schoeppel (Kan.), Smith (Me.), Case (N.J.), Carlson (Kan.).

* * *

RCA will open research lab in Japan "to conduct fundamental studies in the physics & chemistry of solids." The new organization, known as Laboratories RCA Inc., will be housed in a building now under construction in Tokyo. Director will be Dr. Martin C. Steele, now on the staff of RCA Labs. RCA International dir. of license operations M. E. Karns emphasized that the organization will deal only in basic research and "will not be concerned in any way with engineering development for the manufacture of electronic equipment." It's understood that Dr. Victor H. Fraenkel of GE Research Lab has been in Japan to study possibilities of setting up research facilities there.

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Sonotone Corp. may be acquired by Thompson Ramo Wooldridge if "preliminary discussions" bear fruit, according to Sonotone Chmn.-Pres. Irving I. Schachtel. Sonotone makes hearing aids, miniature tubes, nickel-cadmium batteries and hi-fi components. Among TRW's divisions are Dage TV and Bell Sound Systems.

Loudspeaker Innovation: A flat speaker which can double as a microphone and is adaptable to many new designs was demonstrated last week at the Emerson distributor convention by Pres. Benjamin Abrams. Invented by Dr. Robert R. Gamzon of Weizmann Institute in Israel, the device can be used in almost any shape, size or form, according to Abrams. For example, he suggested a "picture-frame of sound" to be hung on the wall, a shirt-button-size hearing-aid pickup or wrist-watch radio speaker.

As demonstrated to distributors, a 16-in. model was only ⅜ of an inch thick. A microphone the size of a silver dollar was also shown. Dr. Gamzon said the thin speakers can be made for extremely high-quality reproduction—with less than 1% distortion.

The speaker was said to operate on a combination of electrostatic & electromagnetic principles, consists of 2 flat metal discs with printed-circuit magnets between them. There is no cone. Cost may be less than that of conventional speakers, according to Abrams.

The device was developed under a joint grant by Emerson and French interests; Abrams said Emerson has exclusive Western Hemisphere rights. "Initial development phase" is over, he added, and his company hopes to have production models within a year.

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Trade Personals: Frederick Holzer, International Standard Electric executive & former Servel official, named dir. of consumer mktg. (see p. 14), one of 3 new international marketing posts created by ITT; **John J. Bassett**, ISE vp, named dir. of telecommunications mktg.; **Burrell A. Parkhurst**, pres. of ITT's components div., named dir. of components mktg.

Harry C. Chrabot, former auto dealer, named mgr. of Motorola's new dealer development services plan, with responsibility for sales training of the company's distributor & dealer organizations . . . **Harold F. Cook** named Tung-Sol mktg. services mgr. . . . **Dr. Robert L. Tanner** named mgr., Stanford Research Institute electromagnetics lab . . . **Arthur L. Rossoff**, technical dir. of Radio Receptor's advanced development lab, named divisional vp; **Charles Hittner** promoted from engineering staff dir. to div. vp & chief staff engineer, engineering products div. . . . **Kenneth R. Harkins**, ex-counsel of House Judiciary Anti-Trust Subcommittee, appointed a senior legal asst. to Stromberg-Carlson vp-counsel Edward Diamond.

Donald Price named Sylvania Home Electronics ad & sales promotion mgr., succeeding **Charles R. Lunney**, resigned; **Richard Stafford** resigns as mktg. administrator . . . **Samuel L. Baraf**, elected pres. of United Transformer Co.; **Henry Russell** elected vp, continuing as gen. sales mgr. . . . **P. Eugene Laliberte** named Stromberg-Carlson electronics div. mktg. dir. . . . **Richard P. Thornton** named gen. mgr., Amphenol-Borg packaged electronics div . . . **Joseph Roberts**, ex-RCA, appointed chief engineer of Industrial Transmitters & Antennas Inc., Lansdowne, Pa., FM & communications equipment mfr.

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Excise tax rates applied to manufacturers who base prices partly on charges for local advertising for nationally-distributed products would be clarified under technical bills (HR-12536 & HR-12537). Introduced by Chmn. Mills (D-Ark.) & Rep. Mason (R-Ill.) of the House Ways & Means Committee, the measures are intended to make interpretations of excise rules uniform.

Finance

Pacific Mercury Electronics reported a 10% sales increase but lower profits for the 9 months ended March 31 as compared with the same 1959 period (see financial table). Pres. Joe Benaron blamed unusually heavy engineering & start-up expenses at the company's specialized missile-cabling facility in Joplin, Mo., and explained that these expenses will continue in the 4th quarter. These expenditures, he added, will make it possible for Pacific Mercury to participate substantially in missile & space projects. He also cited as contributing to the company's favorable outlook its subsidiary Telemetering Corp. of America and the National Automation Corp., in which Pacific Mercury has a controlling interest. He predicted higher sales for the Thomas electronic organ. Benaron made no comment about Pacific Mercury's TV-radio-phono business—mainly as a supplier to Sears Roebuck.

Hoffman Electronics will set new sales records in 1960, but profits will be lower than last year because of starting costs for several new products, Pres. H. Leslie Hoffman told the annual meeting in Los Angeles last week. Vp-treas. Carroll F. Underwood said 1960 earnings will dip to about $1.5 million ($1 a share) from last year's $1,990,165 ($1.31) while sales climb to $64 million from $46 million. Hoffman said 2nd-quarter earnings will be "somewhat better" than the first quarter's $2,530 (vs. $526,273 in first quarter 1959). He asserted that the company's consumer products line is being strengthened (Example: "We have been weak in the portable field," he said, exhibiting the firm's new 19-in. portable), and that new "more advantageous" payment terms have been worked out for dealers.

Granco Products, producer of FM sets, will have sales of about $3.3 million for the fiscal year ending June 30—up from $3,070,000 in fiscal 1959—Pres. Henry Fogel told the annual meeting last week. Earnings for the year are still "in question," he said, because of a plant fire last winter and expenses of moving to a new plant. In fiscal 1959, Granco earned $49,152 (15¢ a share). For fiscal 1961, he predicted a sales jump to $4-$5 million and earnings of 30-40¢ a share. The forecast was predicated on acceptance of Granco's upcoming inexpensive FM auto radio and on FCC's expected FM stereocasting standards, which "will give the entire FM industry a tremendous boost." Granco's board voted to raise the 5% annual stock dividend to 10%.

Daystrom's board voted last week to redeem the company's 4¾% convertible subordinated debentures due March 1, 1977. The issue is redeemable at 104.375% plus accrued interest on July 14. Until July 8, each $1,000 debenture is convertible into 30 shares of common stock.

Reports & comments available: Amphenol-Borg, report, Carreau & Co., 115 Broadway, N.Y. 6 . . . Standard Coil Products, report, Stein Bros. & Boyce, 14 Wall St., N.Y. 5 . . . Siemens & Halske, A.G., study, Bear, Stearns & Co., One Wall St., N.Y. 5 . . . Esquire Radio & Electronics, prospectus, Myron L. Lomasney & Co., 39 Broadway, N.Y. 6.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Capitol Records	Q	$0.50	Jun. 30	Jun. 15
Columbia Pictures	Stk.	2½%	Jul. 29	Jun. 30
General Bronze	Q	.25	Jun. 29	Jun. 20
Motorola	Q	.50	Jul. 16	Jun. 30
Sonotone	Q	.07	Sep. 30	Sep. 2
Western Electric	Q	.90	Jun. 30	Jun. 20

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, June 16, 1960

Electronics TV-Radio-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	32½	35⅝
Aerovox	10¾	11¾
Allied Radio	20¼	22
Astron Corp.	2½	3-1/16
Baird Atomic	37¼	40⅛
British Ind.	16½	18
Capital Cities Bcstg.	8¼	9¼
CGS Labs	14	16¾
Control Data Corp.	44	48¼
Cook Elec.	16	17¼
Craig Systems	18¾	20½
Dictaphone	42	45½
Digitronics	23¼	25⅛
Eastern Ind.	13	14⅛
Eitel-McCullough	28	30
Elco Corp.	18¾	20¾
Electro Instruments	55	59½
Electro Voice	12¾	14⅛
Electronic Assistance	19	21
Electronic Associates	25	27
Erie Resistor	8¾	9⅝
Executone	35	38¾
Farrington Mfg.	56½	60½
Fischer & Porter	14⅜	15⅝
FXR	61½	66
General Devices	22½	24⅜
G-L Electronics	11⅜	12⅞
Granco Products	4⅝	5¼
Gross Telecasting	18½	20¼
Gulton	54½	58
Haydu	1/16	5/16
Hewlett-Packard	78½	83¼
High Voltage Eng.	147	160
Infrared Ind.	23¾	25⅞
Interstate Engineering	26¼	28
Itek	78	82¾
Jerrold	10½	11⅝
Lab for Electronics	47	50⅜
Leeds & Northrup	42	45⅛
Lel, Inc.	3¾	4⅜
L.F.E., Inc.	10	12½
Ling Altec Electr.	25¼	27½
Magna Theater	3¼	3-11/16
Magnetic Amp.	11½	12⅞
Magnetics, Inc.	11	12⅝
Maxson (W.L.)	9¾	10¾
Meredith Pub.	36½	39⅜
Metropolitan Bcstg.	14	15⅜
Milgo Electronics	22½	25⅜
Narda Micro	6⅜	7½
Narda Ultra	5	5⅝
National Co.	21	22
Nuclear of Chicago	36	38¾
Official Films	1-7/16	1-11/16
Pacific Automation	9¾	10¾
Pacific Mercury	7	8⅜
Perkin-Elmer	47½	51⅜
Philips Lamp	155¾	161½
Pyramid Electric	2¾	3-3/16
Radiation, Inc.	26¼	28½
Howard W. Sams	44½	47½
Sanders Associates	50½	54½
Silicon Trans.	8½	9¾
Soroban Engineering	22	23⅞
Soundscriber	16¾	18⅜
Speer Carbon	21¼	23
Sprague Electric	69½	73¾
Taylor Instrument	74	78¾
Technology Inst.	12¼	13⅜
Tele-Broadcasters	1¼	1¾
Telechrome	9½	10½
Telecomputing	8¾	9⅝
Telemeter	16¾	18⅝
Time, Inc.	60½	64
Tracerlab	9½	10½
United Artists	7¼	8
United Control	31	33¼
Universal Trans.	1⅝	2⅛
Vitro	14¼	15¼
Vocaline	3¾	4¼
Wells-Gardner	17	18⅜
WJR Goodwill Station	8¾	9½
Wometco Ent.	12⅛	13¼

Desilu Productions' record net for the year ended April 30—225% over fiscal 1959's profits (see financial table)—would have been higher if the WGA strike hadn't occurred during the final 3 months of the fiscal year. Said Desi Arnaz: "There was little reduction because of the strike in the company's production of its own TV series, but the production for others on a cost-plus-fee basis was reduced." Arnaz added he did not expect the strike to affect next season's production, but conceded it had cut into the development of new properties. He mentioned that Desilu is considering investing in a Broadway musical starring Lucille Ball, with recording & TV rights.

Ampex posted record sales & earnings in its 1960 fiscal year ended April 30 (see financial table). Both revenue & profit were 47% ahead of a year ago. The financial report includes the performance of Orr Industries, which was merged into Ampex Oct. 7, 1959. Ampex said the current outlook is excellent for each of its 5 operating companies and Ampex International, and forecast continued sales & earnings gains in the new fiscal year.

Factbook No. 31 Closes July 15

The 1960 Fall-Winter edition of TELEVISION FACTBOOK (No. 31) is now being prepared for September release by the editors of TELEVISION DIGEST. To reserve your advertising space for this new upcoming edition we suggest you get in touch with our Business Department today. Final advertising deadline is July 15.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Acoustica Associates	1960—year to Feb. 29	$ 8,106,788	—	$ 240,879	$0.63	383,625
	1959—year to Feb. 29	6,135,517	—	147,180	.43	340,150
Allied Radio	1960—9 mo. to Apr. 30	26,543,076	—	938,409	.92	—
	1959—9 mo. to Apr. 30	22,918,118	—	851,179	.83[1]	—
	1960—qtr. to Apr. 30	9,094,541	—	345,604	.34	—
	1959—qtr. to Apr. 30	7,950,216	—	314,392	.31[1]	—
Ampex	1960—year to Apr. 30	68,113,000[2]	—	4,013,000[2]	.55	7,270,000
Story on p. 19	1959—year to Apr. 30	46,239,000	—	2,730,000	.38	7,270,000[10]
Avnet Electronics	1960—9 mo. to Mar. 31	6,875,563	—	785,337	.52[7]	1,512,438[8]
	1959—9 mo. to Mar. 31	4,557,929	—	547,430	.36[1]	1,512,438[3]
Columbia Pictures	1960—39 wks. to Mar. 26	—	—	534,000	.28[4]	1,302,109[5]
	1959—39 wks. to Mar. 28	—	—	275,000[6]	.08[4]	1,302,109[5]
Desilu Productions	1960—year to Apr. 30	23,406,100	1,596,559	811,559[9]	.70	1,155,940
Story on p. 19	1959—year to Apr. 30	20,470,361	496,266	249,566	.22	1,150,000
Electronic Communications	1960—6 mo. to Mar. 31	11,451,000	—	89,282	.13[4]	590,076
	1959—6 mo. to Mar. 31[7]	17,971,480	—	496,203	1.25[4]	382,866
Lab for Electronics	1960—year to Apr. 29	—	—	1,225,880	2.23	—
	1959—year to Apr. 29	—	—	577,926	1.11	—
Pacific Mercury	1960—9 mo. to Mar. 31	17,365,987	—	302,972	.43	700,000
Story on p. 19	1959—9 mo. to Mar. 31	15,751,608	—	347,923	.50	700,000
United Artists	1960—13 wks. to Apr. 2	23,188,000	—	788,000	.47[8]	1,664,218
	1959—13 wks. to Apr. 2	19,297,000	—	712,000	.43[8]	1,390,107
Universal Pictures	1960—26 wks. to Apr. 30	—	7,570,194	3,695,194	4.04[4]	892,190
	1959—26 wks. to May 2	—	(899,266)	(533,266)[9]	—	927,254

Notes: [1] Adjusted for stock split or stock dividend. [2] Outstanding after 2-for-1 stock split May 11, 1960. [3] Record. [4] After pfd. dividends. [5] Outstanding Mar. 26, 1960. [6] Includes $2,622,000 profit on sale of West Coast lab facilities. [7] Includes Standard Products Inc. acquired March 1959. [8] Based on 1,664,218 shares outstanding Apr. 2, 1960. [9] After $366,000 tax credit and not including $3,667,387 profit from sale of studio. [10] Adjusted to reflect 3-for-1 stock split Jan. 1960.

Foreign

USIA'S FOREIGN TV DATA: Since Jan. 1, TV circulation in the Free World, excluding U.S. & Canada, has increased from 28,950,000 to 34,500,000 while the Soviet bloc total has risen from 5,300,000 to 5,600,000—according to the latest summary by the U.S. Information Agency.

At the same time, overseas TV stations have increased from 1,088 to 1,237. Though USIA doesn't differentiate between regular-power stations and low-power booster-satellites, it's assumed that most of the increase was in the latter category, as it usually is. The Free World accounted for 109 of the increase, the Sino-Soviet bloc for 40.

USIA's TV service now offers its programs to some 1,000 foreign stations with an audience of more than 100 million. The agency reports that more than 80% of all Free World receivers are being served by stations with —video-tape facilities—and USIA is supplying both 525- and 626-line tapes.

Most of the Communist efforts to use TV for propaganda, USIA states, is in East Germany, where 18 stations have started since the first of the year, bringing the total to 38. USIA quotes East German TV-radio officials, asserting that broadcasting "is the most important weapon in our efforts to exert political influence on the West German population . . . Every program for West Germany is like an artillery salvo straight into the enemy camp."

Among other highlights of the report: (1) Costa Rica & Okinawa started TV. (2) Eurovision extended to a total of 14 countries. (3) Algerian network extended. (4) Rhodesia station due in Nov. (5)Japan now has 92 stations, 5 million sets. (6) Taiwan station due this summer. (7) Soviet bloc started "Intervision" network. (8) Soviet Union added 13 stations, now has 149. (9) Communist China now has 5 with the start of a Changchun outlet.

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Britain's Border area will get commercial TV next year under proposed plans of the Independent TV Authority. Subject to final contract, ITA has accepted the application of a group known as Border Television to provide programs for 2 TV stations which ITA will build in the area. One station, at Caldbeck near Carlisle, is expected to be on the air early in 1961; the other, near Selkirk, has an end-of-1961 target. The combined broadcast areas of the 2 ITA stations embrace 500,000 people. Border Television, which will have its hq & studios in Carlisle, is chaired by John L. Burgess, managing dir. of Cumberland Newspapers Ltd. Among its directors are film producer Sir Michael Balcon. Among major shareholders: Glasgow U.; Brasenose College, Oxford; Cumberland Newspapers Ltd.; Tweeddale Press Ltd.; British Cotton & Wool Dyers' Assn.

Transmitter contract for Eire TV, reportedly approximating $300,000, has been awarded to Pye (Ireland) Ltd., which beat out U.S., UK, Dutch and German competition. The transmitter, with 350-ft. mast, will be built on Kippure Mountain, in County Wicklow, and is slated for completion within 11 months. The equipment will be designed for 405-line transmission, but will incorporate facilities for a switching to 625-line operation. Construction has already begun on studio buildings at Montrose, near Dublin.

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WEEKLY **Television Digest**

JUN 28 1960

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ARB Survey-Based Estimates

Television Households by States & Counties

As of January 1, 1960

Compiled by American Research Bureau on the basis of approximately 500,000 telephone interviews in November 1959 & March 1960, using scientific sampling and statistical techniques

U.S. TOTALS: Total Households, 52,207,800. Television Households, 46,019,980. Percent with Television, 88%.

State and County	Total Households	TV Households Number	TV Households Percent
ALABAMA			
Autauga	4,100	2,900	70
Baldwin	12,600	8,100	64
Barbour	6,400	4,200	65
Bibb	3,600	2,100	58
Blount	6,900	4,200	61
Bullock	3,200	1,800	56
Butler	5,700	3,700	66
Calhoun	25,100	18,800	75
Chambers	9,300	5,200	56
Cherokee	4,000	3,100	77
Chilton	6,700	4,300	64
Choctaw	4,300	3,200	75
Clarke	5,900	3,600	61
Clay	3,200	2,000	62
Cleburne	2,800	1,600	57
Coffee	9,600	6,100	64
Colbert	12,100	8,300	69
Conecuh	4,200	2,300	56
Coosa	2,000	1,100	56
Covington	9,300	5,900	64
Crenshaw	3,600	2,200	61
Cullman	12,000	7,800	65
Dale	5,900	3,500	60
Dallas	14,400	9,900	69
De Kalb	11,300	7,900	70
Elmore	6,600	4,100	62
Escambia	7,800	5,400	69
Etowah	27,200	19,200	71
Fayette	4,100	2,400	58
Franklin	5,900	3,400	57
Geneva	6,000	3,600	59
Greene	3,200	2,200	69
Hale	4,300	1,900	45
Henry	4,100	2,700	66
Houston	14,400	10,400	72
Jackson	8,800	5,500	62
Jefferson	179,500	144,200	80
Lamar	3,800	2,200	57
Lauderdale	16,500	11,500	70
Lawrence	6,300	3,600	57
Lee	11,200	7,600	68
Limestone	9,400	5,400	57
Lowndes	3,000	1,600	55
Macon	4,900	3,000	61
Madison	27,800	19,800	71
Marengo	6,700	4,000	59
Marion	6,000	3,800	63
Marshall	13,100	9,600	73
Mobile	78,200	60,200	77
Monroe	5,700	3,600	64
Montgomery	46,400	34,800	75
Morgan	14,500	9,600	66
Perry	3,900	2,000	52
Pickens	5,100	3,200	63
Pike	7,000	4,500	64
Randolph	5,000	3,300	65
Russell	11,600	8,200	70
Saint Clair	6,000	4,000	67
Shelby	8,200	5,400	66
Sumter	3,900	2,000	52
Talladega	16,400	12,400	76
Tallapoosa	8,700	6,000	69
Tuscaloosa	25,500	16,500	65
Walker	13,000	9,300	72
Washington	2,600	1,600	61
Wilcox	4,500	2,500	55
Winston	3,600	2,300	63
Total	838,600	592,300	71
ALASKA			
1st Judicial (D)	10,200	3,700	78
3rd Judicial (D)	28,000	16,200	89
4th Judicial (D)	5,900	5,200	88
Total	44,100	25,100	86
ARIZONA			
Apache	6,100	2,800	47
Cochise	11,600	8,100	70
Coconino	9,300	6,900	74
Gila	6,700	5,100	76
Graham	3,300	2,200	66
Greenlee	3,100	2,200	70
Maricopa	182,800	154,200	84
Mohave	2,100	1,400	66
Navajo	9,500	6,300	66
Pima	80,500	68,100	85
Pinal	17,300	13,000	75
Santa Cruz	3,400	2,300	66
Yavapai	7,400	4,900	67
Yuma	14,100	10,800	77
Total	357,200	288,300	81
ARKANSAS			
Arkansas	5,300	4,000	75
Ashley	5,900	4,400	75
Baxter	2,300	1,500	65
Benton	10,200	6,300	62
Boone	4,000	3,000	76
Bradley	3,100	2,100	66
Calhoun	1,300	900	69
Carroll	3,200	2,100	66
Chicot	5,300	3,900	73
Clark	5,100	3,900	77
Clay	5,700	4,000	71
Cleburne	2,000	1,400	70
Cleveland	1,600	1,000	64
Columbia	6,800	5,600	82
Conway	3,600	2,600	71
Craighead	11,800	9,000	76
Crawford	5,900	4,000	68
Crittenden	11,600	8,100	70
Cross	4,700	3,200	69
Dallas	3,000	2,100	69
Desha	5,300	3,900	73
Drew	3,500	2,600	75
Faulkner	5,800	4,500	78
Franklin	2,400	1,200	50
Fulton	2,000	1,100	53
Garland	14,700	11,100	76
Grant	2,200	1,600	74
Greene	6,300	4,400	70
Hempstead	4,800	3,200	66
Hot Spring	5,900	3,900	67
Howard	2,400	1,700	69
Independence	5,800	4,200	72
Izard	2,100	1,300	62
Jackson	7,400	5,200	71
Jefferson	23,600	17,800	75
Johnson	3,600	2,200	62
Lafayette	2,700	1,900	71
Lawrence	4,300	2,400	55
Lee	4,600	2,800	62
Lincoln	3,200	2,100	67
Little River	2,400	1,800	74
Logan	3,800	2,200	59
Lonoke	5,700	4,300	75
Madison	2,700	1,400	51
Marion	1,300	700	53
Miller	9,700	7,600	78
Mississippi	17,200	12,900	75
Monroe	4,000	2,400	59
Montgomery	1,500	1,000	66
Nevada	2,300	1,500	67
Newton	1,300	800	65
Ouachita	8,200	6,100	75
Perry	1,300	900	66
Phillips	11,900	7,800	66
Pike	2,000	1,300	64
Poinsett	6,900	4,800	69
Polk	3,100	2,100	69
Pope	6,100	3,900	64
Prairie	2,800	1,800	66
Pulaski	78,100	62,700	80
Randolph	3,000	1,900	64
St. Francis	8,700	5,900	67
Saline	6,900	5,500	79
Scott	1,800	1,100	61
Searcy	2,400	1,500	62
Sebastian	18,500	14,900	80
Sevier	2,400	1,900	78
Sharp	1,700	1,000	60
Stone	1,600	1,000	64
Union	13,900	11,000	79
Van Buren	1,900	1,300	68
Washington	14,900	9,400	63
White	10,500	7,200	68
Woodruff	3,500	2,900	82
Yell	3,100	2,500	80
Total	482,100	349,200	72
CALIFORNIA			
Alameda	293,600	266,300	91
Alpine	100	70	68
Amador	2,900	2,500	85
Butte	25,300	21,200	84
Calaveras	3,000	2,400	80
Colusa	3,200	2,700	85
Contra Costa	114,400	113,800	99
Del Norte	7,300	5,900	81
Eldorado	7,600	5,900	78
Fresno	107,100	100,000	93
Glenn	4,000	3,600	89
Humboldt	31,000	26,400	85
Imperial	18,800	14,400	77
Inyo	4,300	3,000	69
Kern	82,500	78,000	95
Kings	13,600	11,100	81
Lake	4,000	2,800	71
Lassen	4,300	2,900	68
Los Angeles	1,989,400	1,880,800	95
Madera	11,600	9,400	81
Marin	43,100	39,700	92
Mariposa	1,400	1,100	80
Mendocino	14,500	10,700	74
Merced	26,300	22,300	85
Modoc	2,300	1,600	70
Mono	800	620	78
Monterey	55,400	45,500	82
Napa	18,500	15,500	84
Nevada	5,800	3,800	66
Orange	231,400	218,100	94
Placer	15,600	12,800	82
Plumas	3,000	2,300	77
Riverside	91,500	83,200	91
Sacramento	146,600	138,900	95
San Benito	4,500	3,800	85
San Bern'dino	152,300	137,300	90
San Diego	290,200	275,100	95
San Francisco	275,000	241,000	88
San Joaquin	74,000	68,900	93
San L. Obispo	24,100	20,200	84
San Mateo	130,200	127,300	98
Santa Barbara	47,400	40,200	85
Santa Clara	188,600	176,900	94
Santa Cruz	27,600	24,000	87
Shasta	16,500	13,900	84
Sierra	600	440	74
Siskiyou	9,600	7,700	80
Solano	36,700	35,400	96
Sonoma	48,400	40,600	84
Stanislaus	45,300	38,300	84
Sutter	9,400	7,200	77
Tehama	7,500	6,000	80
Trinity	2,900	1,900	67
Tulare	44,100	37,500	85
Tuolumne	4,700	3,700	78
Ventura	53,000	46,700	88
Yolo	17,400	14,000	80
Yuba	7,900	7,000	89
Total	4,902,100	4,524,270	92
COLORADO			
Adams	23,400	18,600	79
Alamosa	2,400	1,800	76
Arapahoe	31,500	28,600	91
Archuleta	800	560	70
Baca	1,700	1,000	60
Bent	2,200	1,400	65
Boulder	19,500	17,400	89
Chaffee	2,500	1,900	76

(Continued on next page)

State and County	Total Households	TV Households Number	TV Households Percent
COLORADO—(Continued)			
Cheyenne	800	460	57
Clear Creek	1,000	800	77
Conejos	2,000	1,500	77
Costilla	1,000	600	65
Crowley	1,000	800	81
Custer	300	170	55
Delta	4,800	3,200	66
Denver	170,600	152,800	90
Dolores	600	380	63
Douglas	1,200	1,000	86
Eagle	1,000	500	45
Elbert	900	660	73
El Paso	35,800	30,900	86
Fremont	5,000	3,900	78
Garfield	4,000	2,400	59
Gilpin	300	240	79
Grand	1,300	700	57
Gunnison	1,700	1,100	64
Hinsdale	200	150	77
Huerfano	2,400	1,500	61
Jackson	700	460	66
Jefferson	34,200	25,900	76
Kiowa	700	360	52
Kit Carson	2,400	1,300	55
Lake	2,300	1,400	61
La Plata	5,000	3,900	78
Larimer	16,000	13,800	86
Las Animas	7,000	4,300	61
Lincoln	1,400	900	67
Logan	5,300	4,200	80
Mesa	16,400	13,100	80
Mineral	200	100	48
Moffat	1,800	1,000	58
Montezuma	4,200	2,900	68
Montrose	5,100	4,100	80
Morgan	6,000	5,500	92
Otero	7,800	6,100	78
Ouray	700	450	64
Park	400	280	69
Phillips	1,200	900	77
Pitkin	1,300	1,000	73
Prowers	4,100	2,300	56
Pueblo	32,400	28,100	87
Rio Blanco	1,300	700	51
Rio Grande	3,000	1,600	53
Routt	2,100	800	40
Saguache	1,000	700	71
San Juan	300	230	76
San Miguel	800	580	72
Sedgwick	1,400	1,200	85
Summit	500	360	71
Teller	700	520	74
Washington	2,200	1,600	72
Weld	21,600	18,200	84
Yuma	3,200	2,200	68
Total	514,600	426,040	83
CONNECTICUT			
Fairfield	185,500	179,100	97
Hartford	191,900	180,500	94
Litchfield	33,400	30,600	91
Middlesex	23,200	21,000	90
New Haven	184,900	178,100	96
New London	52,200	49,900	96
Tolland	16,200	13,900	86
Windham	20,400	18,300	90
Total	707,700	671,400	95
DELAWARE			
Kent	17,800	16,300	92
New Castle	87,600	83,700	96
Sussex	21,500	17,700	82
Total	126,900	117,700	93
DISTRICT OF COLUMBIA	243,500	212,600	87
FLORIDA			
Alachua	19,700	14,300	72
Baker	1,300	1,000	76
Bay	18,200	14,700	81
Bradford	3,300	2,400	74
Brevard	33,500	28,800	86
Broward	91,700	83,100	91
Calhoun	2,100	1,400	66
Charlotte	3,200	2,600	82
Citrus	2,100	1,500	73
Clay	4,800	3,900	81
Collier	5,800	4,200	72
Columbia	5,200	4,000	78
Dade	281,500	254,000	90
De Soto	2,900	2,300	79
Dixie	1,000	700	73
Duval	127,400	112,200	88
Escambia	47,300	38,800	82
Flagler	1,800	1,500	84
Franklin	2,000	1,300	64
Gadsden	10,800	7,700	71
Gilchrist	700	480	69
Glades	800	590	74
Gulf	2,900	2,400	82
Hamilton	2,100	1,500	70
Hardee	3,800	3,000	79
Hendry	2,100	1,700	79
Hernando	3,000	2,400	81
Highlands	6,200	5,000	81
Hillsborough	120,800	108,600	90
Holmes	3,100	2,000	64
Indian River	7,100	5,500	77
Jackson	9,400	6,800	72
Jefferson	2,600	1,900	74
Lafayette	700	440	63
Lake	16,600	13,500	82
Lee	14,300	11,800	82
Leon	20,000	15,300	76
Levy	3,000	1,900	62
Liberty	800	490	61
Madison	3,500	2,600	74
Manatee	19,300	17,000	88
Marion	14,900	12,500	84
Martin	4,800	4,000	82
Monroe	16,400	14,700	90
Nassau	4,000	3,300	83
Okaloosa	16,700	13,600	81
Okeechobee	1,400	1,100	80
Orange	82,800	73,800	89
Osceola	6,100	5,100	84
Palm Beach	79,000	66,800	85
Pasco	10,100	7,700	76
Pinellas	116,000	99,000	85
Polk	56,600	45,400	80
Putnam	9,300	7,600	82
St. Johns	9,700	8,300	85
St. Lucie	9,700	8,000	82
Santa Rosa	7,000	5,300	76
Sarasota	22,100	19,700	89
Seminole	13,500	11,800	87
Sumter	3,300	2,600	78
Suwannee	3,700	2,800	76
Taylor	4,100	3,100	76
Union	1,100	800	74
Volusia	39,300	33,100	84
Wakulla	1,400	1,000	69
Walton	4,100	2,900	72
Washington	3,000	1,700	58
Total	1,448,500	1,241,000	86
GEORGIA			
Appling	3,000	1,700	57
Atkinson	1,500	800	54
Bacon	2,300	1,400	63
Baker	1,200	900	71
Baldwin	5,300	3,900	73
Banks	1,500	1,100	71
Barrow	3,500	2,500	73
Bartow	6,600	5,400	82
Ben Hill	3,600	2,000	56
Berrien	3,200	2,100	65
Bibb	40,000	35,100	88
Bleckley	2,200	1,700	79
Brantley	1,400	800	58
Brooks	3,600	2,400	68
Bryan	1,000	700	74
Bulloch	6,200	5,400	87
Burke	5,800	4,100	70
Butts	2,400	1,700	72
Calhoun	2,900	2,000	68
Camden	2,000	1,500	76
Candler	1,900	1,500	77
Carroll	9,600	7,000	73
Catoosa	4,800	3,700	77
Charlton	1,300	1,000	74
Chatham	53,900	47,300	88
Chattahoochee	2,400	1,900	80
Chattooga	5,400	4,300	80
Cherokee	5,300	4,200	80
Clarke	10,900	9,100	84
Clay	1,100	700	65
Clayton	12,600	10,500	84
Clinch	1,600	1,100	70
Cobb	29,900	27,100	91
Coffee	6,500	4,700	73
Colquitt	8,400	6,200	73
Columbia	2,300	1,800	80
Cook	3,000	2,000	67
Coweta	7,400	6,400	86
Crawford	1,300	900	68
Crisp	4,600	3,400	73
Dade	1,800	1,100	63
Dawson	900	670	74
Decatur	7,100	5,700	80
De Kalb	64,400	57,100	89
Dodge	3,800	2,600	69
Dooly	2,900	2,000	69
Dougherty	16,500	13,800	83
Douglas	3,200	2,600	82
Early	3,200	2,200	70
Echols	500	380	75
Effingham	1,900	1,400	76
Elbert	4,300	3,300	77
Emanuel	4,400	3,000	69
Evans	1,700	1,400	81
Fannin	3,500	2,300	65
Fayette	1,300	900	70
Floyd	18,500	15,600	85
Forsyth	3,000	2,200	74
Franklin	3,100	2,400	77
Fulton	163,700	149,400	91
Gilmer	2,200	1,400	62
Glascock	500	340	67
Glynn	10,500	8,400	80
Gordon	4,800	3,700	77
Grady	4,800	3,600	75
Greene	2,600	1,700	65
Gwinnett	9,400	8,300	88
Habersham	4,500	3,300	73
Hall	11,700	9,400	81
Hancock	2,100	1,500	70
Haralson	3,300	2,700	82
Harris	2,700	1,600	60
Hart	3,700	2,700	73
Heard	1,500	1,000	67
Henry	3,900	3,100	80
Houston	9,100	7,900	87
Irwin	2,500	1,600	64
Jackson	4,300	3,200	74
Jasper	1,400	1,000	74
Jeff Davis	3,200	1,700	53
Jefferson	4,200	2,800	68
Jenkins	2,500	1,900	74
Johnson	2,200	1,400	62
Jones	1,800	1,300	71
Lamar	2,500	1,900	77
Lanier	1,400	900	66
Laurens	7,700	5,600	73
Lee	1,500	1,100	71
Liberty	2,600	1,900	74
Lincoln	1,200	900	75
Long	900	640	71
Lowndes	13,100	10,200	78
Lumpkin	1,400	900	63
McDuffie	3,100	2,400	77
McIntosh	1,600	1,000	64
Macon	3,000	1,900	63
Madison	2,500	1,600	65
Marion	1,400	1,000	73
Meriwether	5,500	3,800	68
Miller	1,800	1,100	62
Mitchell	5,500	4,000	72
Monroe	2,600	2,100	82
Montgomery	1,600	900	59
Morgan	2,600	1,900	72
Murray	2,600	1,700	64
Muscogee	42,800	36,700	86
Newton	4,600	3,600	79
Oconee	1,500	1,000	70
Oglethorpe	1,900	1,300	68
Paulding	2,900	2,200	77
Peach	3,100	2,200	72
Pickens	2,200	1,500	68
Pierce	2,400	1,800	77
Pike	1,600	1,200	76
Polk	8,400	6,500	78
Pulaski	2,100	1,600	75
Putnam	1,700	1,300	75
Quitman	400	280	70
Rabun	1,700	1,300	74
Randolph	2,800	1,900	69
Richmond	41,900	36,400	87
Rockdale	2,200	1,700	78
Schley	900	630	70
Screven	4,400	3,400	76
Seminole	2,000	1,600	78
Spaulding	8,600	7,500	87
Stephens	4,400	3,500	79
Stewart	1,800	1,100	63
Sumter	5,600	4,100	73
Talbot	1,900	1,300	70
Taliaferro	900	590	66
Tattnall	3,700	2,600	70
Taylor	2,100	1,500	70
Telfair	2,900	1,900	64
Terrell	3,200	2,100	65
Thomas	9,800	7,700	79
Tift	6,200	4,300	69
Toombs	3,700	2,500	68
Towns	1,100	700	61
Treutlen	1,400	900	62
Troup	12,600	10,700	85
Turner	2,500	1,800	73
Twiggs	1,500	1,100	74
Union	1,700	1,300	74
Upson	6,200	5,100	83
Walker	10,200	9,100	90
Walton	4,900	3,700	75
Ware	9,300	8,000	87
Warren	1,900	1,200	63
Washington	6,700	4,200	63
Wayne	4,000	2,800	70
Webster	700	490	70
Wheeler	1,100	600	52
White	1,700	1,200	71
Whitfield	10,700	8,800	82
Wilcox	2,200	1,600	72
Wilkes	2,800	2,000	70
Wilkinson	2,100	1,600	77
Worth	4,200	2,800	67
Total	1,024,400	833,520	81
HAWAII			
Honolulu	119,700	108,100	90
Hawaii	17,700	15,000	85
Maui	12,600	8,500	67
Kauai	8,400	2,800	34
Total	158,400	134,400	85
IDAHO			
Ada	27,000	23,300	86
Adams	900	560	62
Bannock	13,600	11,800	87
Bear Lake	1,800	1,600	87
Benewah	1,400	1,100	80
Bingham	7,500	6,400	85
Blaine	1,400	1,100	81
Boise	400	310	77
Bonner	4,500	3,500	77
Bonneville	11,900	10,600	89
Boundary	1,500	900	62
Butte	800	640	80
Camas	200	140	72
Canyon	18,100	15,000	83

State and County	Total Households	TV Households Number	Percent
Caribou	1,800	1,400	79
Cassia	4,000	3,300	81
Clark	200	170	87
Clearwater	2,100	1,500	73
Custer	900	590	66
Elmore	3,000	2,200	75
Franklin	2,300	1,800	78
Fremont	2,100	1,800	87
Gem	2,500	2,200	86
Gooding	2,700	2,100	79
Idaho	3,200	2,300	71
Jefferson	2,600	2,200	85
Jerome	3,100	2,700	88
Kootenai	9,200	7,900	86
Latah	7,000	5,600	80
Lemhi	1,900	1,100	58
Lewis	1,200	900	77
Lincoln	1,000	800	81
Madison	2,300	1,900	83
Minidoka	2,500	2,100	86
Nez Perce	7,600	6,300	83
Oneida	800	650	81
Owyhee	1,700	1,500	87
Payette	3,500	2,700	78
Power	900	780	87
Shoshone	6,200	5,200	84
Teton	700	610	87
Twin Falls	14,100	11,800	84
Valley	1,100	900	86
Washington	2,400	1,800	77
Total	185,600	153,750	83
ILLINOIS			
Adams	21,200	18,700	88
Alexander	6,400	5,000	78
Bond	4,300	3,300	77
Boone	5,300	4,600	87
Brown	2,300	1,900	80
Bureau	12,800	11,100	86
Calhoun	2,000	1,400	71
Carroll	6,400	5,600	88
Cass	4,400	3,600	82
Champaign	34,200	26,600	78
Christian	12,800	11,400	89
Clark	5,600	4,600	82
Clay	5,800	4,400	76
Clinton	6,400	5,200	81
Coles	13,700	12,300	90
Cook	1,597,700	1,506,300	94
Crawford	6,700	5,700	85
Cumberland	3,400	2,300	66
De Kalb	15,100	13,800	92
De Witt	5,600	4,500	80
Douglas	6,400	5,500	87
Du Page	86,700	82,700	95
Edgar	7,800	6,700	86
Edwards	2,500	1,900	75
Effingham	6,900	5,500	79
Fayette	7,300	5,400	74
Ford	5,100	4,800	94
Franklin	14,800	10,800	73
Fulton	15,700	13,000	83
Gallatin	2,300	1,700	76
Greene	6,200	5,100	83
Grundy	6,600	5,500	84
Hamilton	3,700	2,500	68
Hancock	8,700	7,600	87
Hardin	1,800	1,300	74
Henderson	2,600	2,200	85
Henry	16,100	13,700	85
Iroquois	11,200	9,300	83
Jackson	13,100	10,600	81
Jasper	4,200	3,100	73
Jefferson	11,900	9,000	75
Jersey	5,300	4,000	76
Jo Daviess	7,000	5,800	83
Johnson	2,800	2,000	71
Kane	54,400	53,600	99
Kankakee	23,800	21,700	91
Kendall	4,500	4,100	92
Knox	18,700	16,100	86
Lake	74,000	71,400	97
La Salle	35,100	32,900	94
Lawrence	6,000	4,600	76
Lee	10,600	9,000	85
Livingston	13,700	10,900	80
Logan	9,200	7,500	81
McDonough	9,800	8,100	82
McHenry	21,700	21,500	99
McLean	28,300	24,600	87
Macon	37,100	35,100	95
Macoupin	14,500	11,900	82
Madison	69,900	64,900	93
Marion	13,700	11,600	85
Marshall	4,300	3,600	84
Mason	5,200	4,200	81
Massac	6,200	4,700	76
Menard	2,900	2,500	85
Mercer	5,800	5,200	89
Monroe	4,800	4,300	90
Montgomery	10,600	9,400	89
Morgan	11,000	8,700	79
Moultrie	4,300	3,400	80
Ogle	12,100	10,800	89
Peoria	62,300	57,600	92
Perry	6,500	5,300	81
Piatt	5,300	4,700	89
Pike	7,500	5,700	76
Pope	1,600	1,100	68
Pulaski	3,700	2,700	72
Putnam	1,300	1,100	81
Randolph	8,800	7,200	82
Richland	5,900	4,400	74
Rock Island	48,900	46,200	94
St. Clair	75,200	68,600	91
Saline	9,500	8,000	84
Sangamon	47,100	41,200	88
Schuyler	3,200	2,600	80
Scott	2,300	1,700	76
Shelby	8,300	7,000	84
Stark	2,600	2,300	87
Stephenson	14,400	12,200	85
Tazewell	29,000	26,500	92
Union	5,300	3,900	74
Vermilion	31,800	26,800	84
Wabash	4,300	3,400	80
Warren	8,300	7,100	86
Washington	4,700	3,300	71
Wayne	6,500	4,300	67
White	6,900	5,600	81
Whiteside	17,700	16,100	91
Will	51,400	47,100	92
Williamson	15,900	12,600	79
Winnebago	62,000	58,500	94
Woodford	8,200	6,500	80
Total	3,107,400	2,839,600	91
INDIANA			
Adams	6,900	6,000	87
Allen	71,100	65,500	92
Bartholomew	14,800	12,800	87
Benton	3,400	2,800	84
Blackford	4,500	3,700	83
Boone	9,200	8,400	91
Brown	2,200	1,500	70
Carroll	5,700	4,700	83
Cass	12,200	9,300	76
Clark	19,900	18,100	91
Clay	8,400	6,900	82
Clinton	10,300	8,200	80
Crawford	2,700	1,900	71
Daviess	8,200	6,200	76
Dearborn	8,300	6,800	81
Decatur	6,000	5,000	84
Dekalb	9,300	8,500	91
Delaware	34,300	31,700	93
Dubois	7,300	6,200	85
Elkhart	31,700	24,300	77
Fayette	7,500	6,500	87
Floyd	16,100	14,900	92
Fountain	6,600	5,700	86
Franklin	4,700	3,400	72
Fulton	5,100	3,600	71
Gibson	10,100	8,200	81
Grant	23,300	18,700	80
Greene	9,000	7,300	81
Hamilton	11,100	9,900	89
Hancock	9,500	8,100	86
Harrison	5,700	4,100	71
Hendricks	12,200	11,100	91
Henry	15,800	13,700	87
Howard	20,200	18,400	91
Huntington	10,800	9,700	90
Jackson	9,300	8,000	86
Jasper	5,600	4,300	77
Jay	7,100	4,900	70
Jefferson	7,300	6,200	85
Jennings	5,000	4,000	80
Johnson	11,800	10,800	91
Knox	13,600	10,900	80
Kosciusko	13,300	11,500	86
Lagrange	5,100	3,500	69
Lake	144,600	131,100	91
La Porte	27,400	24,800	90
Lawrence	11,500	9,500	82
Madison	39,000	35,700	92
Marion	217,800	202,800	93
Marshall	10,000	8,300	83
Martin	3,500	2,400	70
Miami	11,000	7,900	72
Monroe	16,100	13,600	84
Montgomery	10,600	9,300	88
Morgan	9,900	8,700	88
Newton	3,900	3,400	87
Noble	8,600	7,100	82
Ohio	1,100	1,000	89
Orange	5,800	4,300	75
Owen	3,500	2,600	74
Parke	4,800	4,100	86
Perry	5,100	3,900	76
Pike	4,100	3,100	76
Porter	15,700	13,200	84
Posey	5,400	4,500	84
Pulaski	3,900	2,500	63
Putnam	7,000	5,700	81
Randolph	9,100	8,200	90
Ripley	6,800	5,300	78
Rush	6,500	5,800	89
St. Joseph	72,200	67,300	93
Scott	4,600	3,500	77
Shelby	10,700	9,800	91
Spencer	4,100	2,900	71
Starke	5,800	4,500	77
Steuben	6,000	5,300	88
Sullivan	6,800	5,700	83
Switzerland	2,000	1,700	84
Tippecanoe	25,800	20,000	77
Tipton	4,800	3,700	78
Union	1,800	1,400	78
Vanderburgh	56,100	50,200	90
Vermillion	5,900	4,800	82
Vigo	34,900	33,200	95
Wabash	10,500	9,100	87
Warren	2,500	2,000	78
Warrick	7,300	5,900	81
Washington	4,800	3,700	77
Wayne	23,100	20,300	88
Wells	6,400	5,200	82
White	6,700	5,800	86
Whitley	6,500	5,900	91
Total	1,424,200	1,246,600	88
IOWA			
Adair	3,900	3,200	82
Adams	2,500	2,200	87
Allamakee	4,500	4,000	88
Appanoose	6,000	4,800	79
Audubon	3,300	2,900	88
Benton	7,700	7,200	93
Black Hawk	38,000	35,600	94
Boone	8,700	8,000	92
Bremer	6,100	5,200	85
Buchanan	5,900	5,500	93
Buena Vista	7,100	6,700	94
Butler	5,400	4,600	85
Calhoun	5,100	4,600	90
Carroll	6,800	5,900	87
Cass	6,200	5,800	93
Cedar	5,800	5,300	92
Cerro Gordo	16,700	15,300	91
Cherokee	5,200	4,600	89
Chickasaw	4,200	3,400	81
Clarke	3,200	2,500	79
Clay	5,200	4,600	88
Clayton	6,700	5,800	87
Clinton	17,500	16,600	95
Crawford	5,700	5,000	89
Dallas	7,600	6,800	90
Davis	3,200	2,800	86
Decatur	3,800	2,700	70
Delaware	5,200	4,500	87
Des Moines	15,600	14,000	90
Dickinson	4,000	3,500	87
Dubuque	22,000	19,400	88
Emmet	4,500	3,600	80
Fayette	8,500	7,600	90
Floyd	6,900	6,000	87
Franklin	5,200	4,600	88
Fremont	3,100	2,600	84
Greene	4,800	4,600	97
Grundy	4,600	4,300	93
Guthrie	4,300	4,100	95
Hamilton	6,800	6,100	90
Hancock	4,400	3,700	84
Hardin	7,100	6,900	97
Harrison	5,300	4,800	90
Henry	6,100	5,600	92
Howard	3,700	3,300	90
Humboldt	4,300	2,900	67
Ida	3,100	2,700	89
Iowa	4,900	4,500	91
Jackson	5,800	4,800	82
Jasper	10,900	8,900	82
Jefferson	5,700	5,300	94
Johnson	14,600	12,700	87
Jones	5,800	5,200	89
Keokuk	5,300	4,800	90
Kossuth	7,600	6,300	83
Lee	13,600	12,400	91
Linn	40,800	38,600	95
Louisa	3,000	2,800	93
Lucas	3,400	3,100	90
Lyon	4,100	3,300	80
Madison	4,500	4,200	92
Mahaska	7,800	6,900	88
Marion	7,900	6,200	78
Marshall	11,900	7,400	62
Mills	3,200	3,000	93
Mitchell	4,200	3,900	93
Monona	4,900	4,100	84
Monroe	3,000	2,500	83
Montgomery	5,700	4,400	77
Muscatine	10,500	9,700	92
Obrien	5,900	5,000	85
Osceola	2,700	2,300	86
Page	7,000	6,100	87
Palo Alto	4,400	3,900	88
Plymouth	6,800	6,400	93
Pocahontas	4,100	3,600	87
Polk	86,700	81,300	94
Pottawattamie	23,100	21,700	94
Poweshiek	6,100	5,800	95
Ringgold	2,800	2,400	85
Sac	5,500	4,700	86
Scott	37,000	33,700	91
Shelby	4,700	3,000	64
Sioux	7,000	6,200	88
Story	15,000	13,400	89
Tama	6,900	6,000	87
Taylor	3,800	2,300	60
Union	5,200	4,400	84
Van Buren	3,600	3,200	89
Wapello	16,500	14,900	90
Warren	6,100	5,500	89
Washington	6,900	6,100	88
Wayne	3,900	3,200	83
Webster	14,200	13,300	94
Winnebago	3,800	2,500	66
Winneshiek	6,100	4,800	79
Woodbury	33,700	31,300	93
Worth	3,400	3,100	90
Wright	6,300	5,400	86
Total	859,800	766,900	89

State and County	Total Households	TV Households Number	Percent
KANSAS			
Allen	5,400	4,100	76
Anderson	2,900	2,200	75
Atchison	6,200	5,300	85
Barber	2,700	2,100	79
Barton	10,200	8,900	88
Bourbon	5,800	4,600	79
Brown	4,300	3,500	82
Butler	13,400	10,200	76
Chase	1,400	900	66
Chautauqua	2,200	1,700	78
Cherokee	7,400	5,800	78
Cheyenne	1,400	1,100	79
Clark	1,100	800	74
Clay	3,700	2,900	79
Cloud	4,600	3,100	67
Coffey	2,700	1,900	69
Comanche	1,000	700	75
Cowley	12,800	9,600	75
Crawford	12,900	10,500	82
Decatur	2,000	1,500	74
Dickinson	7,400	6,300	85
Doniphan	3,000	2,500	83
Douglas	10,600	8,600	81
Edwards	1,800	1,300	73
Elk	1,800	1,300	73
Ellis	5,400	4,500	83
Ellsworth	2,600	2,200	83
Finney	4,000	3,300	82
Ford	6,000	5,200	87
Franklin	6,500	5,600	86
Geary	8,100	6,100	75
Gove	900	540	60
Graham	1,300	1,000	76
Grant	1,400	1,000	70
Gray	1,100	900	83
Greeley	600	310	51
Greenwood	3,500	2,900	84
Hamilton	900	540	60
Harper	3,100	2,700	87
Harvey	7,600	5,400	71
Haskell	700	570	82
Hodgeman	1,000	800	81
Jackson	3,300	3,000	91
Jefferson	3,300	2,500	75
Jewell	2,200	1,600	73
Johnson	43,600	40,600	93
Kearny	800	590	74
Kingman	3,300	2,800	86
Kiowa	1,400	1,000	70
Labette	9,000	6,900	77
Lane	800	620	78
Leavenworth	11,600	8,700	75
Lincoln	2,000	1,300	67
Linn	2,900	2,000	70
Logan	1,100	600	54
Lyon	7,900	6,200	78
McPherson	7,500	5,400	72
Marion	4,600	3,600	78
Marshall	5,200	3,900	76
Meade	1,500	1,200	77
Miami	6,300	5,100	81
Mitchell	2,700	2,200	82
Montgomery	16,800	13,900	83
Morris	2,400	1,900	77
Morton	900	590	65
Nemaha	4,000	2,900	73
Neosho	6,500	5,800	89
Ness	1,600	1,300	81
Norton	2,700	1,800	66
Osage	4,600	3,900	86
Osborne	2,100	1,500	71
Ottawa	2,100	1,600	75
Pawnee	2,900	2,500	88
Phillips	3,200	2,600	81
Pottawatomie	3,800	3,300	88
Pratt	4,000	3,600	91
Rawlins	1,400	1,000	73
Reno	19,800	17,500	88
Republic	3,700	2,700	73
Rice	4,700	3,900	83
Riley	6,400	5,100	80
Rooks	3,000	2,600	86
Rush	1,900	1,500	81
Russell	3,500	2,900	83
Saline	12,900	11,000	85
Scott	1,200	900	72
Sedgwick	109,400	99,500	91
Seward	3,700	2,600	70
Shawnee	44,500	40,600	91
Sheridan	1,100	800	69
Sherman	1,900	1,400	75
Smith	2,600	2,100	80
Stafford	2,200	1,900	87
Stanton	600	460	76
Stevens	1,200	1,000	81
Sumner	9,400	8,000	85
Thomas	2,100	1,900	91
Trego	1,600	1,300	80
Wabaunsee	2,300	2,000	86
Wallace	600	380	63
Washington	3,600	2,900	80
Wichita	700	440	63
Wilson	4,800	3,700	77
Woodson	2,000	1,300	65
Wyandotte	60,500	55,200	91
Total	675,300	568,540	84
KENTUCKY			
Adair	4,300	2,100	49
Allen	3,700	2,500	68
Anderson	2,300	1,800	78
Ballard	2,800	2,100	75
Barren	8,900	5,400	60
Bath	2,700	1,400	52
Bell	7,800	4,700	60
Boone	6,400	4,900	76
Bourbon	4,800	3,200	67
Boyd	15,300	12,100	79
Boyle	6,000	4,800	79
Bracken	2,200	1,500	67
Breathitt	3,900	1,400	37
Breckinridge	4,100	2,600	63
Bullitt	4,600	3,500	75
Butler	2,600	1,900	73
Caldwell	3,600	2,600	72
Calloway	6,100	3,900	64
Campbell	27,100	18,600	69
Carlisle	1,700	1,100	67
Carroll	2,300	1,700	73
Carter	5,300	3,500	65
Casey	4,100	2,200	53
Christian	10,000	7,800	78
Clark	5,300	3,700	71
Clay	4,900	2,800	57
Clinton	2,300	1,300	56
Crittenden	2,800	1,200	42
Cumberland	2,500	1,300	53
Daviess	19,500	16,400	84
Edmonson	2,000	1,000	52
Elliott	1,400	900	64
Estill	3,400	1,500	45
Fayette	36,000	26,300	73
Fleming	2,900	1,800	61
Floyd	9,900	6,900	70
Franklin	9,800	8,100	83
Fulton	3,000	2,300	78
Gallatin	1,300	1,000	78
Garrard	2,600	1,400	54
Grant	2,700	2,200	83
Graves	9,700	6,600	68
Grayson	5,100	3,100	60
Green	3,400	1,900	56
Greenup	7,000	4,500	65
Hancock	1,400	800	59
Hardin	14,500	10,000	69
Harlan	11,900	7,500	63
Harrison	4,300	3,400	78
Hart	3,900	2,300	59
Henderson	10,500	8,100	78
Henry	3,200	2,200	68
Hickman	2,100	1,400	65
Hopkins	12,000	8,300	69
Jackson	3,000	700	24
Jefferson	175,400	151,700	86
Jessamine	3,700	2,100	58
Johnson	5,100	3,400	66
Kenton	41,300	27,900	68
Knott	3,400	1,700	49
Knox	6,600	3,400	52
Larue	2,900	1,900	65
Laurel	6,800	4,000	60
Lawrence	3,200	1,700	54
Lee	2,000	900	44
Leslie	3,600	1,600	45
Letcher	6,100	3,100	51
Lewis	3,200	2,000	62
Lincoln	4,300	2,100	48
Livingston	2,000	1,100	56
Logan	5,700	4,200	73
Lyon	1,500	1,000	65
McCracken	18,200	13,600	75
McCreary	2,700	1,600	58
McLean	2,700	1,600	59
Madison	9,600	5,800	61
Magoffin	2,600	1,400	53
Marion	3,600	2,600	71
Marshall	4,900	3,600	74
Martin	2,000	1,200	62
Mason	5,000	3,700	75
Meade	2,200	1,300	58
Menifee	700	360	51
Mercer	4,000	2,900	73
Metcalfe	2,500	1,200	48
Monroe	3,400	2,100	61
Montgomery	2,900	2,000	68
Morgan	2,700	1,600	58
Muhlenberg	7,600	5,500	72
Nelson	4,900	3,600	74
Nicholas	2,200	1,400	65
Ohio	4,800	3,100	65
Oldham	3,200	2,600	82
Owen	2,500	1,600	64
Owsley	1,700	800	45
Pendleton	3,300	2,500	75
Perry	7,800	4,100	53
Pike	15,500	9,800	63
Powell	1,500	500	34
Pulaski	9,200	5,000	54
Robertson	600	350	58
Rockcastle	2,900	1,600	54
Rowan	2,600	1,700	67
Russell	3,100	1,700	54
Scott	3,800	2,300	60
Shelby	5,000	4,000	80
Simpson	3,000	2,200	73
Spencer	1,500	1,100	73
Taylor	4,800	3,100	64
Todd	3,300	2,400	72
Trigg	2,200	1,500	70
Trimble	1,500	1,000	69
Union	3,600	2,800	77
Warren	12,800	9,900	77
Washington	3,000	2,100	70
Wayne	3,900	2,100	55
Webster	4,400	3,000	68
Whitley	6,700	4,900	73
Wolfe	1,600	600	37
Woodford	3,200	1,900	60
Total	831,100	589,210	71
LOUISIANA			
Acadia	13,200	10,100	77
Allen	5,900	4,500	76
Ascension	6,600	5,300	81
Assumption	4,100	3,000	72
Avoyelles	10,400	8,300	80
Beauregard	6,300	3,900	61
Bienville	4,200	3,300	78
Bossier	12,200	8,300	68
Caddo	60,500	52,800	87
Calcasieu	39,400	33,500	85
Caldwell	2,500	1,700	67
Cameron	1,600	1,300	80
Catahoula	2,800	1,800	64
Claiborne	5,700	4,000	69
Concordia	4,400	2,900	65
De Soto	5,600	3,700	66
E Baton Rouge	64,700	55,300	85
East Carroll	3,500	2,100	61
E Feliciana	3,000	2,000	66
Evangeline	8,700	5,900	68
Franklin	7,200	4,400	61
Grant	2,800	2,100	73
Iberia	13,700	11,400	83
Iberville	7,000	5,400	77
Jackson	3,500	2,800	81
Jefferson	56,700	45,200	80
Jeff Davis	7,800	6,300	81
Lafayette	20,700	17,000	82
Lafourche	11,800	9,300	79
La Salle	3,800	2,600	69
Lincoln	7,100	5,700	81
Livingston	6,100	4,300	70
Madison	4,200	2,600	61
Morehouse	8,900	7,100	80
Natchitoches	10,900	7,100	65
Orleans	180,100	165,200	92
Ouachita	25,700	21,300	83
Plaquemines	4,900	4,000	81
Pointe Coupee	5,200	3,800	73
Rapides	30,700	24,700	80
Red River	2,800	2,100	73
Richland	6,100	4,300	70
Sabine	5,300	3,000	56
St. Bernard	7,300	5,700	78
St. Charles	3,700	3,100	85
St. Helena	2,300	1,600	67
St. James	3,400	2,600	75
St. John	3,500	2,700	77
St. Landry	21,100	15,700	74
St. Martin	6,200	4,700	76
St. Mary	10,800	8,200	76
St. Tammany	8,900	7,200	81
Tangipahoa	16,900	12,800	76
Tensas	3,000	1,900	63
Terrebonne	13,900	11,500	83
Union	4,600	3,200	70
Vermilion	10,600	8,300	78
Vernon	6,700	4,200	62
Washington	11,400	8,500	75
Webster	10,400	8,400	80
W. Baton Rouge	3,100	2,800	89
West Carroll	3,500	2,400	69
West Feliciana	1,800	1,400	77
Winn	4,400	3,200	73
Total	855,800	695,500	81
MAINE			
Androscoggin	23,900	22,500	94
Aroostook	23,900	19,800	83
Cumberland	51,800	49,000	95
Franklin	4,900	4,100	84
Hancock	10,500	8,500	81
Kennebec	23,600	20,900	88
Knox	8,800	7,200	82
Lincoln	5,500	4,700	85
Oxford	11,500	9,800	85
Penobscot	31,000	27,000	87
Piscataquis	4,800	4,200	88
Sagadahoc	5,500	4,800	86
Somerset	11,100	9,100	82
Waldo	6,200	5,100	83
Washington	9,800	8,000	81
York	28,100	24,600	88
Total	260,900	229,300	88
MARYLAND			
Allegany	26,300	21,500	82
Anne Arundel	51,600	47,100	91
Baltimore	416,000	384,200	92
Calvert	3,600	3,200	90
Caroline	5,300	4,500	85
Carroll	13,800	12,600	91
Cecil	12,400	11,300	91
Charles	8,300	7,400	89
Dorchester	8,200	6,800	82
Frederick	19,000	16,000	84
Garrett	4,900	3,600	73
Hartford	19,300	17,300	89
Howard	8,500	7,600	89
Kent	4,300	4,000	93
Montgomery	86,600	78,700	91

State and County	Total Households	TV Households Number	Percent
Prince Georges	103,500	94,800	92
Queen Annes	4,800	3,900	82
St. Marys	9,500	7,600	80
Somerset	5,500	3,900	72
Talbot	6,500	5,600	86
Washington	26,600	21,200	80
Wicomico	14,300	12,600	88
Worcester	7,100	5,400	76
Total	**865,900**	**780,800**	**90**
MASSACHUSETTS			
Barnstable	17,300	16,600	96
Berkshire	41,900	39,700	95
Bristol	120,700	116,000	96
Dukes	1,800	1,500	86
Essex	171,000	148,300	87
Franklin	17,300	15,000	87
Hampden	112,900	109,300	97
Hampshire	23,300	21,700	93
Middlesex	333,600	325,100	97
Nantucket	1,000	800	79
Norfolk	140,200	139,900	100
Plymouth	70,200	69,200	99
Suffolk	239,200	228,000	95
Worcester	171,300	158,900	93
Total	**1,461,700**	**1,390,000**	**95**
MICHIGAN			
Alcona	1,000	700	66
Alger	2,900	2,500	85
Allegan	18,700	16,000	86
Alpena	8,000	6,300	78
Antrim	3,200	2,700	84
Arenac	2,900	2,500	85
Baraga	1,800	1,400	80
Barry	10,300	8,800	85
Bay	30,700	28,600	93
Benzie	2,300	2,000	86
Berrien	49,100	44,400	90
Branch	11,600	9,900	85
Calhoun	42,100	38,900	92
Cass	10,200	8,300	81
Charlevoix	3,900	3,500	90
Cheboygan	4,000	3,300	82
Chippewa	9,400	8,000	85
Clare	3,900	3,500	89
Clinton	10,000	9,100	91
Crawford	1,300	1,000	79
Delta	9,900	8,800	89
Dickinson	7,100	6,300	89
Eaton	14,800	13,800	93
Emmet	4,600	3,700	80
Genesee	116,000	109,400	94
Gladwin	2,900	2,500	86
Gogebic	8,000	7,300	92
Grand Traverse	9,400	8,500	90
Gratiot	10,800	9,100	84
Hillsdale	10,500	9,200	87
Houghton	9,700	8,700	90
Huron	9,400	7,600	81
Ingham	64,600	59,900	93
Ionia	12,400	11,000	89
Iosco	5,200	4,600	89
Iron	5,800	5,100	88
Isabella	8,400	6,800	81
Jackson	38,300	35,200	92
Kalamazoo	48,700	46,000	94
Kalkaska	1,300	1,000	78
Kent	106,700	100,000	94
Keeweenaw	700	530	76
Lake	1,500	1,300	85
Lapeer	11,600	9,900	85
Leelanau	2,600	1,900	74
Lenawee	24,900	21,900	88
Livingston	11,300	10,400	92
Luce	1,600	1,300	79
Mackinac	3,000	2,200	72
Macomb	109,100	105,400	97
Manistee	6,300	5,600	89
Marquette	14,500	13,100	90
Mason	6,600	5,100	77
Mecosta	5,800	4,800	82
Menominee	7,200	6,500	91
Midland	14,000	12,900	92
Missaukee	1,900	1,300	70
Monroe	29,600	26,700	90
Montcalm	11,900	10,000	84
Montmorency	1,200	800	70
Muskegon	43,900	39,800	91
Newaygo	7,600	6,000	79
Oakland	197,600	192,000	97
Oceana	4,700	3,800	80
Ogemaw	2,500	2,300	90
Ontonagon	3,000	2,100	71
Osceola	3,800	3,200	85
Oscoda	900	690	77
Otsego	2,000	1,600	79
Ottawa	29,800	27,900	94
Presque Isle	3,200	2,000	64
Roscommon	2,300	1,900	80
Saginaw	55,000	51,200	93
St. Clair	31,200	28,200	90
St. Joseph	15,000	13,300	88
Sanilac	11,000	9,700	88
Schoolcraft	2,400	2,100	86
Shiawassee	16,900	14,500	86
Tuscola	13,300	11,200	84
Van Buren	16,500	14,700	89
Washtenaw	43,400	40,300	93
Wayne	828,400	793,800	96
Wexford	5,600	5,100	90
Total	**2,337,100**	**2,174,920**	**93**

State and County	Total Households	TV Households Number	Percent
MINNESOTA			
Aitkin	3,800	2,900	76
Anoka	18,700	17,500	94
Becker	6,600	5,300	80
Beltrami	7,000	3,400	48
Benton	4,900	3,400	70
Big Stone	2,300	2,000	88
Blue Earth	12,000	10,600	88
Brown	8,100	5,400	66
Carlton	7,400	6,600	89
Carver	5,500	4,900	90
Cass	5,100	2,400	48
Chippewa	4,700	4,000	85
Chisago	4,500	4,200	93
Clay	10,000	8,800	88
Clearwater	2,600	1,400	54
Cook	1,300	1,000	79
Cottonwood	4,800	3,400	70
Crow Wing	9,600	6,700	70
Dakota	19,300	17,700	92
Dodge	3,900	3,500	90
Douglas	6,600	5,100	78
Faribault	7,500	6,200	83
Fillmore	7,800	6,500	84
Freeborn	10,300	9,300	90
Goodhue	9,700	8,500	87
Grant	2,800	2,100	74
Hennepin	252,000	240,400	95
Houston	4,500	3,800	84
Hubbard	2,700	1,500	55
Isanti	3,200	2,800	87
Itasca	11,100	9,000	81
Jackson	4,200	3,100	74
Kanabec	2,500	1,900	75
Kandiyohi	8,300	6,900	83
Kittson	2,600	1,700	67
Koochiching	5,000	3,100	62
Lac Qui Parle	3,600	2,800	79
Lake	4,000	3,700	93
Lake of the W'ds	1,300	700	50
Le Sueur	6,000	5,100	84
Lincoln	2,900	2,000	70
Lyon	6,700	5,300	78
McLeod	7,700	7,100	92
Mahnomen	1,500	1,100	72
Marshall	4,100	3,400	82
Martin	8,600	7,700	90
Meeker	5,400	4,600	86
Mille Lacs	4,900	4,000	81
Morrison	7,200	5,800	80
Mower	13,900	13,300	96
Murray	4,000	3,600	90
Nicollet	5,300	4,400	84
Nobles	6,300	5,400	85
Norman	3,200	2,700	85
Olmsted	16,200	14,600	90
Otter Tail	13,500	8,700	65
Pennington	3,400	2,700	79
Pine	5,100	3,900	76
Pipestone	3,900	3,500	90
Polk	10,700	9,500	88
Pope	3,400	2,900	84
Ramsey	122,600	116,100	95
Red Lake	1,300	1,000	73
Redwood	6,400	4,400	69
Renville	7,100	4,800	67
Rice	9,700	9,100	94
Rock	3,300	2,900	88
Roseau	3,800	2,100	54
St. Louis	71,400	67,000	94
Scott	5,300	4,500	86
Sherburne	3,100	2,600	84
Sibley	4,300	3,500	81
Stearns	19,900	17,600	88
Steele	7,500	6,500	87
Stevens	2,900	2,100	74
Swift	4,100	3,500	85
Todd	6,700	4,200	63
Traverse	2,200	1,700	79
Wabasha	5,300	4,700	89
Wadena	4,100	2,200	55
Waseca	4,800	3,800	79
Washington	11,900	10,500	89
Watonwan	4,200	3,300	79
Wilkin	2,500	2,000	78
Winona	11,600	9,700	84
Wright	8,200	7,000	86
Yellow Medicine	4,400	3,600	82
Total	**974,300**	**855,900**	**88**
MISSISSIPPI			
Adams	10,600	8,000	76
Alcorn	7,100	5,300	74
Amite	4,000	3,300	83
Attala	5,600	4,500	80
Benton	2,000	1,500	73
Bolivar	15,100	9,300	62
Calhoun	4,000	2,900	73
Carroll	2,800	1,800	64
Chickasaw	4,400	3,100	70
Choctaw	2,200	1,400	64
Claiborne	2,600	1,900	74
Clarke	4,300	3,400	79
Clay	4,100	2,900	71
Coahoma	13,400	10,500	79
Copiah	7,300	6,100	84
Covington	3,600	2,900	80
De Soto	5,600	4,500	80
Forrest	14,500	12,700	87
Franklin	2,100	1,600	75
George	2,600	2,100	81

State and County	Total Households	TV Households Number	Percent
Greene	1,700	1,200	71
Grenada	4,700	3,600	76
Hancock	3,200	2,500	80
Harrison	29,300	24,800	85
Hinds	47,900	42,900	90
Holmes	6,200	4,500	72
Humphreys	4,100	3,200	78
Issaquena	700	570	81
Itawamba	3,900	2,900	74
Jackson	13,100	11,500	87
Jasper	4,400	3,600	82
Jefferson	2,400	1,700	71
Jeff Davis	3,500	2,800	79
Jones	16,500	13,400	81
Kemper	2,700	2,100	77
Lafayette	4,800	3,800	78
Lamar	3,200	2,600	81
Lauderdale	19,600	16,700	85
Lawrence	2,800	2,100	74
Leake	4,700	3,500	74
Lee	11,100	9,000	81
Leflore	12,300	9,400	76
Lincoln	7,100	6,000	84
Lowndes	10,900	8,700	80
Madison	6,900	5,800	84
Marion	6,100	5,200	85
Marshall	5,100	4,200	82
Monroe	8,900	6,800	77
Montgomery	3,300	2,200	66
Neshoba	5,000	4,000	80
Newton	5,200	4,200	80
Noxubee	3,900	3,100	80
Oktibbeha	5,900	4,200	71
Panola	7,100	5,400	76
Pearl River	5,700	4,700	83
Perry	2,200	1,800	82
Pike	9,200	7,300	79
Pontotoc	4,900	3,800	78
Prentiss	4,800	3,700	77
Quitman	5,100	3,700	73
Rankin	6,300	5,100	81
Scott	5,000	4,000	79
Sharkey	2,500	1,900	77
Simpson	5,300	4,400	83
Smith	3,700	3,100	83
Stone	1,600	1,100	68
Sunflower	11,300	8,600	76
Tallahatchie	6,100	4,600	75
Tate	4,400	3,800	87
Tippah	4,100	3,000	73
Tishomingo	4,100	2,700	66
Tunica	5,200	4,200	81
Union	5,800	4,600	79
Walthall	3,600	2,800	78
Warren	12,400	10,000	80
Washington	21,100	15,000	71
Wayne	3,900	3,100	80
Webster	2,600	1,800	69
Wilkinson	2,700	2,200	82
Winston	4,600	4,000	86
Yalobusha	3,200	2,000	62
Yazoo	8,200	6,600	80
Total	**555,700**	**441,470**	**79**
MISSOURI			
Adair	6,500	4,600	71
Andrew	3,700	3,100	84
Atchison	2,900	2,400	83
Audrain	8,900	7,800	88
Barry	6,500	4,100	63
Barton	3,900	2,700	69
Bates	5,900	4,900	83
Benton	2,700	2,100	79
Bollinger	2,600	1,800	67
Boone	15,500	12,400	80
Buchanan	32,700	28,000	86
Butler	10,800	7,500	69
Caldwell	3,300	2,700	83
Callaway	6,200	5,100	82
Camden	2,100	1,200	57
Cape Girardeau	11,800	10,100	86
Carroll	4,600	3,600	79
Carter	1,400	900	61
Cass	6,700	5,500	82
Cedar	3,400	2,300	67
Chariton	4,100	3,000	73
Christian	3,700	2,800	77
Clark	2,600	2,000	76
Clay	29,000	26,800	92
Clinton	3,500	3,100	89
Cole	11,500	10,500	91
Cooper	4,700	3,800	81
Crawford	3,100	2,000	63
Dade	2,600	1,700	67
Dallas	2,700	1,800	68
Daviess	3,200	1,900	59
De Kalb	2,300	1,900	84
Dent	3,000	1,500	51
Douglas	2,800	1,700	60
Dunklin	11,000	7,900	72
Franklin	12,300	8,600	70
Gasconade	4,100	3,200	79
Gentry	3,100	2,600	84
Greene	42,300	37,700	89
Grundy	4,200	3,400	82
Harrison	4,200	3,100	73
Henry	6,500	5,000	77
Hickory	1,600	900	57
Holt	2,500	2,200	87

(Continued on next page)

State and County	Total Households	TV Households Number	Percent
MISSOURI—(Continued)			
Howard	3,400	2,600	78
Howell	5,800	2,900	50
Iron	1,900	1,200	62
Jackson	211,600	195,000	92
Jasper	28,600	23,700	83
Jefferson	19,800	17,200	87
Johnson	8,000	5,900	74
Knox	2,700	1,900	71
Laclede	6,000	4,800	79
Lafayette	7,700	6,500	84
Lawrence	7,200	5,500	76
Lewis	3,400	2,900	86
Lincoln	5,600	4,400	79
Linn	6,100	4,900	81
Livingston	5,100	3,900	76
McDonald	4,200	2,700	65
Macon	7,200	5,700	79
Madison	2,900	1,700	57
Maries	2,100	1,400	68
Marion	9,900	8,600	86
Mercer	2,000	1,200	60
Miller	4,400	3,100	72
Mississippi	5,500	4,200	76
Moniteau	3,200	2,800	88
Monroe	3,100	2,600	83
Montgomery	3,500	2,600	76
Morgan	2,900	2,300	78
New Madrid	8,800	5,800	66
Newton	9,400	7,000	74
Nodaway	7,400	6,000	82
Oregon	3,000	1,200	41
Osage	3,000	2,400	78
Ozark	2,500	1,400	57
Pemiscot	10,600	7,000	66
Perry	3,400	2,600	78
Pettis	12,600	10,600	84
Phelps	8,100	6,800	84
Pike	5,900	4,500	77
Platte	6,900	6,100	88
Polk	4,700	3,400	73
Pulaski	9,100	6,500	71
Putnam	2,800	1,900	68
Ralls	2,200	1,500	68
Randolph	8,000	6,200	78
Ray	5,400	4,300	81
Reynolds	1,500	900	59
Ripley	3,000	1,700	55
St. Charles	11,700	10,200	87
St. Clair	2,900	1,900	64
St. Francois	11,600	9,800	84
St. Louis	465,900	390,200	84
Ste. Genevieve	3,100	2,600	84
Saline	8,000	6,300	79
Schuyler	1,600	1,200	76
Scotland	2,400	1,900	81
Scott	8,800	7,100	80
Shannon	1,700	500	28
Shelby	3,100	2,500	80
Stoddard	8,400	6,000	72
Stone	2,700	1,800	67
Sullivan	3,300	2,300	69
Taney	3,100	1,900	63
Texas	5,700	3,400	60
Vernon	6,300	4,600	73
Warren	2,400	1,800	75
Washington	3,800	2,600	68
Wayne	2,400	2,200	92
Webster	4,200	2,800	68
Worth	1,600	1,300	79
Wright	4,100	2,400	58
Total	1,373,600	1,129,200	82
MONTANA			
Beaverhead	2,700	1,800	68
Big Horn	2,800	1,700	61
Blaine	2,600	1,500	56
Broadwater	700	480	68
Carbon	2,400	1,700	70
Carter	800	220	27
Cascade	23,100	19,800	86
Chouteau	2,400	1,900	77
Custer	4,000	2,600	65
Daniels	1,000	700	71
Dawson	3,300	2,900	87
Deer Lodge	6,400	5,700	90
Fallon	1,100	700	65
Fergus	4,400	2,900	66
Flathead	10,400	8,500	82
Gallatin	7,800	5,600	71
Garfield	600	380	63
Glacier	3,000	2,200	73
Golden Valley	400	250	63
Granite	1,000	700	69
Hill	5,500	4,100	75
Jefferson	1,000	700	71
Judith Basin	700	510	73
Lake	3,700	2,100	58
Lewis and Clark	10,300	8,200	79
Liberty	500	360	72
Lincoln	3,400	2,500	74
McCone	1,000	500	47
Madison	1,800	1,400	75
Meagher	1,000	500	53
Mineral	900	600	67
Missoula	14,700	10,700	73
Musselshell	1,600	1,300	83
Park	3,600	2,700	76
Petroleum	300	210	70
Phillips	2,000	1,200	62
Pondera	2,000	1,500	74
Powder River	800	290	36
Powell	2,200	1,800	82
Prairie	700	170	24
Ravalli	4,000	3,100	78
Richland	2,900	2,300	78
Roosevelt	3,000	2,600	85
Rosebud	2,000	1,200	60
Sanders	2,500	1,700	66
Sheridan	1,800	1,300	73
Silver Bow	20,500	17,000	83
Stillwater	1,800	1,200	68
Sweet Grass	900	450	50
Teton	2,300	1,800	80
Toole	2,500	1,900	77
Treasure	300	200	67
Valley	4,200	2,900	70
Wheatland	900	620	69
Wibaux	400	240	61
Yellowstone	25,300	22,100	87
Total	213,900	164,180	77
NEBRASKA			
Adams	9,300	8,000	86
Antelope	3,500	2,500	70
Arthur	200	130	64
Banner	500	390	77
Blaine	200	160	82
Boone	2,800	2,300	81
Box Butte	3,700	2,900	77
Boyd	1,300	900	71
Brown	1,400	900	66
Buffalo	8,500	6,800	80
Burt	3,500	3,200	91
Butler	3,300	2,800	84
Cass	5,900	5,200	88
Cedar	3,700	3,100	85
Chase	1,300	1,100	82
Cherry	2,600	1,800	70
Cheyenne	5,500	4,600	84
Clay	3,200	2,800	88
Colfax	3,300	3,000	91
Cuming	3,800	2,900	77
Custer	5,500	4,100	75
Dakota	3,600	3,200	90
Dawes	2,800	1,900	67
Dawson	6,400	5,600	87
Deuel	900	770	85
Dixon	2,600	2,200	84
Dodge	10,000	9,100	91
Douglas	103,400	99,300	96
Dundy	1,000	800	79
Fillmore	3,500	2,900	83
Franklin	2,000	1,500	77
Frontier	1,400	1,300	91
Furnas	2,900	2,100	72
Gage	8,400	6,900	82
Garden	1,300	1,100	81
Garfield	800	610	76
Gosper	700	590	84
Grant	200	140	69
Greeley	1,600	1,200	77
Hall	12,000	10,500	88
Hamilton	3,100	2,800	92
Harlan	1,800	1,400	80
Hayes	500	360	71
Hitchcock	1,400	1,100	79
Holt	4,100	2,800	69
Hooker	300	190	62
Howard	2,300	1,700	73
Jefferson	4,100	3,400	83
Johnson	2,000	1,500	74
Kearney	1,900	1,700	88
Keith	2,500	2,200	87
Keya Paha	400	290	73
Kimball	1,900	1,600	83
Knox	4,100	3,100	75
Lancaster	47,300	43,100	91
Lincoln	9,600	7,400	77
Logan	400	280	70
Loup	300	140	47
McPherson	100	70	72
Madison	8,100	6,500	80
Merrick	2,800	2,300	82
Morrill	2,200	1,500	68
Nance	1,800	1,400	76
Nemaha	3,100	2,600	85
Nuckolls	2,800	2,400	84
Otoe	5,900	5,400	92
Pawnee	1,900	1,300	68
Perkins	1,100	800	75
Phelps	3,300	2,800	86
Pierce	2,600	2,100	81
Platte	7,100	5,900	83
Polk	2,600	2,300	89
Redwillow	4,000	3,300	82
Richardson	4,700	3,600	76
Rock	800	500	62
Saline	5,000	4,500	90
Sarpy	7,500	6,600	88
Saunders	5,700	4,500	80
Scotts Bluff	10,600	9,100	86
Seward	4,200	3,100	73
Sheridan	3,000	2,500	82
Sherman	1,600	1,200	78
Sioux	600	340	57
Stanton	1,600	1,100	71
Thayer	3,100	2,200	72
Thomas	500	350	70
Thurston	2,200	1,800	82
Valley	2,000	1,600	79
Washington	3,800	3,400	89
Wayne	3,000	2,800	92
Weoster	2,300	1,800	77
Wheeler	300	220	73
York	4,600	3,800	82
Total	443,000	381,990	86
NEVADA			
Churchill	1,900	1,700	90
Clark	41,400	35,200	85
Douglas	500	450	90
Elko	4,200	2,700	65
Esmeralda	200	too few to measure	
Eureka	100	150	77
Humboldt	1,400	1,100	80
Lander	400	300	74
Lincoln	900	580	64
Lyon	1,200	1,100	93
Mineral	1,900	1,500	78
Nye	900	510	57
Ormsby	1,800	1,600	88
Pershing	1,100	800	74
Storey	200	110	54
Washoe	28,000	25,200	90
White Pine	3,400	2,800	84
Total	89,600	75,800	85
NEW HAMPSHIRE			
Belknap	8,100	7,700	95
Carroll	4,900	4,300	88
Cheshire	12,700	10,000	79
Coos	10,400	9,800	94
Grafton	12,900	9,500	74
Hillsborough	50,300	47,500	94
Merrimack	18,300	16,200	88
Rockingham	26,700	22,800	85
Strafford	15,200	12,900	85
Sullivan	8,700	7,000	81
Total	168,200	147,700	88
NEW JERSEY			
Atlantic	47,300	43,600	92
Bergen	247,200	241,300	98
Burlington	47,100	45,600	97
Camden	109,600	107,900	98
Cape May	15,500	12,800	83
Cumberland	31,500	28,200	90
Essex	293,800	287,400	98
Gloucester	38,400	37,800	98
Hudson	190,400	185,000	97
Hunterdon	14,900	13,500	90
Mercer	73,500	72,300	98
Middlesex	105,900	103,200	97
Monmouth	93,000	86,200	93
Morris	63,300	62,100	98
Ocean	27,800	27,200	98
Passaic	117,700	115,500	98
Salem	17,300	16,800	97
Somerset	36,700	35,700	97
Sussex	12,000	11,400	95
Union	149,500	145,800	98
Warren	19,100	18,100	95
Total	1,751,500	1,697,400	97
NEW MEXICO			
Bernalillo	70,900	59,800	84
Catron	700	100	14
Chaves	16,100	13,400	83
Colfax	3,500	2,000	57
Curry	9,300	7,700	82
De Baca	800	590	73
Dona Ana	12,300	9,500	78
Eddy	13,700	11,300	83
Grant	4,600	2,800	61
Guadalupe	1,500	1,000	69
Harding	300	150	51
Hidalgo	1,300	900	72
Lea	14,600	12,000	83
Lincoln	2,100	1,700	80
Los Alamos	3,500	2,500	72
Luna	3,100	2,300	74
McKinley	8,900	5,900	66
Mora	1,400	800	59
Otero	11,900	9,700	81
Quay	3,700	2,600	70
Rio Arriba	6,100	4,200	68
Roosevelt	4,000	2,900	73
Sandoval	2,100	1,500	71
San Juan	14,700	11,000	75
San Miguel	5,200	3,600	70
Santa Fe	10,700	8,800	82
Sierra	2,000	1,400	72
Socorro	2,700	2,000	73
Taos	3,400	1,700	51
Torrance	1,500	1,000	67
Union	1,600	900	58
Valencia	7,700	5,900	77
Total	245,900	191,640	78
NEW YORK			
Albany	87,700	82,500	94
Allegany	13,300	12,000	90
Bronx	432,100	421,300	97
Broome	62,100	58,900	95
Cattaragus	25,100	22,300	89
Cayuga	21,900	20,600	94
Chautauqua	47,500	41,800	88
Chemung	30,400	26,300	86
Chenango	13,400	11,000	82
Clinton	15,400	13,700	89
Columbia	15,000	14,300	95

State and County	Total Households	TV Households Number	Percent
Cortland	12,100	11,400	94
Delaware	13,900	10,700	77
Dutchess	45,600	41,000	90
Erie	325,300	312,800	96
Essex	11,200	9,700	87
Franklin	12,300	10,900	88
Fulton	16,500	15,100	92
Genesee	15,700	14,600	93
Greene	9,400	8,300	89
Hamilton	1,400	1,000	72
Herkimer	20,000	19,300	97
Jefferson	20,000	24,600	91
Kings	777,600	728,800	94
Lewis	6,600	5,400	81
Livingston	12,300	11,000	90
Madison	15,400	14,600	95
Monroe	181,300	173,600	96
Montgomery	19,200	17,500	91
Nassau	405,600	399,400	98
New York	581,800	499,800	86
Niagara	69,100	67,800	98
Oneida	72,300	69,500	96
Onondaga	122,000	115,500	95
Ontario	19,800	18,500	93
Orange	52,800	47,100	89
Orleans	10,400	9,800	94
Oswego	24,500	23,700	97
Otsego	17,100	15,100	88
Putnam	7,400	7,400	100
Queens	575,400	551,100	96
Rensselaer	44,000	41,100	93
Richmond	61,500	57,400	93
Rockland	33,000	32,500	99
St. Lawrence	34,000	28,800	85
Saratoga	25,500	24,500	96
Schenectady	51,600	49,900	97
Schoharie	7,700	6,600	86
Schuyler	4,000	3,300	81
Seneca	8,100	7,600	94
Steuben	29,500	26,100	89
Suffolk	163,800	155,100	95
Sullivan	14,100	12,500	89
Tioga	10,600	9,300	88
Tompkins	18,200	15,100	83
Ulster	35,400	30,600	86
Warren	12,900	11,200	87
Washington	13,700	12,100	88
Wayne	20,500	19,200	93
Westchester	237,600	232,000	98
Wyoming	9,600	8,700	90
Yates	5,500	4,700	86
Total	5,085,700	4,768,000	94
NORTH CAROLINA			
Alamance	21,600	19,000	88
Alexander	3,900	3,200	82
Alleghany	2,300	1,800	79
Anson	5,600	4,400	79
Ashe	5,000	3,900	78
Avery	3,000	2,200	72
Beaufort	8,900	7,100	80
Bertie	5,100	3,900	76
Bladen	6,800	4,900	73
Brunswick	5,100	3,900	77
Buncombe	36,800	29,200	79
Burke	12,200	10,100	83
Cabarrus	17,700	13,900	79
Caldwell	11,200	9,700	86
Camden	1,200	1,000	83
Carteret	7,400	5,700	76
Caswell	4,900	3,500	72
Catawba	19,000	17,000	89
Chatham	6,700	5,400	81
Cherokee	4,200	3,100	74
Chowan	3,200	2,400	74
Clay	2,300	1,600	70
Cleveland	15,900	13,500	85
Columbus	12,200	8,700	71
Craven	14,800	11,900	81
Cumberland	30,700	25,100	82
Currituck	1,900	1,400	72
Dare	1,400	1,100	77
Davidson	18,700	14,900	80
Davie	4,100	3,200	77
Duplin	10,000	7,300	73
Durham	29,900	25,200	84
Edgecombe	12,100	11,100	92
Forsyth	49,600	43,800	88
Franklin	7,000	5,200	74
Gaston	33,200	29,500	89
Gates	2,400	1,900	80
Graham	1,700	1,200	72
Granville	7,000	5,300	76
Greene	3,600	2,600	71
Guilford	61,500	56,700	92
Halifax	13,800	10,500	76
Harnett	12,800	10,200	80
Haywood	10,700	8,600	81
Henderson	9,400	7,000	75
Hertford	5,000	3,700	75
Hoke	3,200	2,400	76
Hyde	1,400	1,000	71
Iredell	15,100	12,400	82
Jackson	4,400	3,100	71
Johnston	16,100	12,000	75
Jones	2,600	1,900	75
Lee	7,000	5,500	78
Lenoir	13,900	11,000	79
Lincoln	6,600	5,500	84
McDowell	7,000	5,300	76
Macon	4,300	3,100	72
Madison	4,600	3,300	73
Martin	6,300	5,200	83
Mecklenberg	73,900	66,600	90
Mitchell	3,500	2,400	68
Montgomery	3,900	3,000	76
Moore	8,000	6,200	77
Nash	16,000	11,500	72
New Hanover	21,400	19,500	91
Northampton	5,800	4,100	71
Onslow	6,800	5,200	77
Orange	9,600	6,600	69
Pamlico	2,800	2,100	76
Pasquotank	6,700	5,900	88
Pender	4,600	3,500	75
Perquimans	2,500	1,900	76
Person	5,800	4,600	79
Pitt	15,100	12,100	80
Polk	3,100	2,100	68
Randolph	14,700	11,700	80
Richmond	9,500	7,800	82
Robeson	18,000	13,500	75
Rockingham	18,100	15,700	87
Rowan	22,500	19,100	85
Rutherford	10,900	8,500	78
Sampson	11,600	8,600	74
Scotland	5,600	4,500	80
Stanly	10,600	7,700	72
Stokes	5,100	3,800	75
Surry	12,400	8,900	72
Swain	2,300	1,400	59
Transylvania	3,700	3,000	80
Tyrrell	1,200	900	77
Union	10,100	6,700	66
Vance	8,000	6,600	83
Wake	41,000	35,000	85
Warren	4,400	3,400	78
Washington	3,000	2,300	78
Watauga	4,400	3,400	78
Wayne	16,900	14,100	84
Wilkes	11,200	8,800	79
Wilson	14,900	12,000	81
Yadkin	6,300	4,300	68
Yancey	3,500	2,500	71
Total	1,115,400	909,700	82
NORTH DAKOTA			
Adams	1,300	1,100	87
Barnes	4,700	4,000	85
Benson	2,300	1,600	71
Billings	400	220	54
Bottineau	2,800	2,100	74
Bowman	1,000	800	85
Burke	1,800	1,300	72
Burleigh	9,200	8,200	89
Cass	20,200	18,000	89
Cavalier	2,400	1,600	66
Dickey	2,400	1,900	78
Divide	1,400	900	63
Dunn	1,400	800	60
Eddy	1,300	1,100	81
Emmons	2,000	1,400	72
Foster	1,500	1,200	80
Golden Valley	800	900	86
Grand Forks	13,200	11,400	86
Grant	1,500	1,000	64
Griggs	1,400	1,100	80
Hettinger	1,700	1,400	79
Kidder	1,400	1,000	72
La Moure	2,100	1,700	80
Logan	1,100	800	73
McHenry	2,600	2,100	79
McIntosh	1,800	1,300	72
McKenzie	2,000	1,400	68
McLean	4,800	3,400	71
Mercer	2,000	1,400	70
Morton	5,400	4,800	88
Mountrail	2,800	1,900	68
Nelson	1,700	1,400	80
Oliver	500	380	75
Pembina	3,400	2,600	78
Pierce	2,000	1,500	77
Ramsey	3,300	3,000	92
Ransom	2,100	1,600	74
Renville	1,200	900	79
Richland	5,200	4,400	85
Rolette	2,300	1,600	68
Sargent	1,700	1,400	85
Sheridan	1,100	900	81
Sioux	600	420	70
Slope	400	250	63
Stark	4,400	3,500	80
Steele	1,200	1,000	82
Stutsman	7,000	5,300	76
Towner	1,200	900	75
Traill	2,900	2,500	87
Walsh	4,600	4,100	89
Ward	12,400	10,600	85
Wells	2,700	1,900	71
Williams	8,000	6,100	76
Total	170,600	137,860	81
OHIO			
Adams	6,900	4,400	64
Allen	31,200	28,300	91
Ashland	11,700	10,600	90
Ashtabula	29,700	24,700	83
Athens	13,100	10,600	81
Auglaize	10,800	9,100	84
Belmont	27,300	25,400	93
Brown	7,800	6,500	84
Butler	53,800	51,900	96
Carroll	5,900	4,700	80
Champaign	9,200	8,000	87
Clark	39,600	38,800	98
Clermont	21,400	21,000	98
Clinton	8,800	7,700	87
Columbiana	33,300	28,800	86
Coschocton	10,300	8,400	82
Crawford	14,200	12,400	87
Cuyahoga	498,700	476,500	96
Darke	14,300	11,500	81
Defiance	9,300	7,300	78
Delaware	9,800	8,700	89
Erie	21,400	19,000	89
Fairfield	20,500	18,000	88
Fayette	8,300	7,100	86
Franklin	198,500	192,200	97
Fulton	9,300	7,300	78
Gallia	7,900	6,700	85
Geauga	10,600	9,700	91
Greene	24,400	22,500	92
Guernsey	11,700	9,000	77
Hamilton	270,300	255,200	94
Hancock	16,500	14,800	89
Hardin	9,300	7,700	82
Harrison	5,900	4,900	83
Henry	7,200	6,400	88
Highland	10,000	8,000	80
Hocking	5,800	4,900	84
Holmes	5,400	4,100	76
Huron	13,700	12,900	94
Jackson	9,100	7,100	78
Jefferson	29,900	27,100	91
Knox	12,300	10,500	86
Lake	38,800	37,300	96
Lawrence	15,700	13,900	89
Licking	27,200	24,300	89
Logan	11,200	10,200	91
Lorain	61,300	58,300	95
Lucas	144,700	140,200	97
Madison	7,700	7,000	91
Mahoning	82,800	77,800	94
Marion	18,100	16,100	89
Medina	15,600	14,000	90
Meigs	7,100	5,700	80
Mercer	9,600	7,400	78
Miami	22,800	20,600	90
Monroe	4,700	3,700	80
Montgomery	158,700	152,200	96
Morgan	4,400	3,700	84
Morrow	6,000	4,700	78
Muskingum	24,300	20,800	86
Noble	3,800	3,300	86
Noble	3,800	3,300	86
Ottawa	11,100	10,400	94
Pauling	5,700	4,400	77
Perry	8,100	6,600	81
Pickaway	9,000	7,800	86
Pike	7,900	6,200	78
Portage	24,200	20,400	84
Preble	9,800	8,400	86
Putnam	8,300	7,200	87
Richland	32,800	28,200	86
Ross	18,400	15,600	85
Sandusky	19,500	17,500	90
Scioto	30,400	23,200	76
Seneca	17,100	16,000	94
Shelby	10,100	8,500	84
Stark	97,500	90,000	92
Summit	154,500	146,800	95
Trumbull	59,100	56,100	95
Tuscarawas	24,100	19,400	80
Union	7,600	6,200	82
Vanwert	10,200	8,400	82
Vinton	2,900	2,100	72
Warren	16,000	14,100	88
Washington	16,000	13,100	82
Wayne	20,200	18,000	89
Williams	10,000	8,700	87
Wood	21,600	18,400	85
Wyandot	6,800	5,700	83
Total	2,898,500	2,669,000	92
OKLAHOMA			
Adair	3,600	2,700	74
Alfalfa	2,400	1,900	81
Atoka	3,100	2,100	69
Beaver	1,800	1,300	70
Beckham	5,000	3,900	77
Blaine	3,500	3,100	89
Bryan	7,100	5,300	74
Caddo	7,400	5,900	79
Canadian	6,800	5,600	82
Carter	13,400	10,300	77
Cherokee	4,900	3,500	70
Choctaw	3,900	2,300	58
Cimarron	1,100	700	65
Cleveland	12,000	9,800	82
Coal	1,600	1,200	78
Comanche	19,100	16,500	86
Cotton	2,500	2,000	79
Craig	4,600	3,600	77
Creek	11,300	9,700	83
Custer	5,300	4,500	85
Delaware	4,100	2,800	69
Dewey	1,600	1,300	81
Ellis	2,200	1,300	57
Garfield	14,600	12,900	88
Garvin	8,200	6,500	80
Grady	9,300	7,400	79
Grant	2,400	2,000	84

(Continued on next page)

State and County	Total Households	TV Households Number	Percent
OKLAHOMA—(Continued)			
Greer	2,600	2,000	76
Harmon	1,700	1,300	74
Harper	1,400	1,100	77
Haskell	2,900	1,800	61
Hughes	4,100	3,300	80
Jackson	8,200	6,000	73
Jefferson	2,400	1,900	80
Johnston	2,500	1,800	72
Kay	15,600	13,200	85
Kingfisher	2,800	2,400	87
Kiowa	4,100	3,100	77
Latimer	1,900	1,100	58
Le Flore	7,800	5,400	70
Lincoln	5,600	4,500	81
Logan	5,500	4,700	85
Love	1,600	1,200	78
McClain	3,800	3,100	82
McCurtain	6,900	4,900	71
McIntosh	3,700	2,700	73
Major	2,200	1,500	68
Marshall	2,400	1,900	78
Mayes	6,000	4,800	79
Murray	3,500	2,800	81
Muskogee	17,900	14,000	78
Noble	3,100	2,800	91
Nowata	3,300	2,700	83
Okfuskee	3,400	2,500	75
Oklahoma	136,100	123,500	91
Okmulgee	10,600	8,500	80
Osage	9,200	7,900	86
Ottawa	8,500	7,000	82
Pawnee	3,800	3,300	87
Payne	11,300	9,100	81
Pittsburg	8,800	6,200	71
Pontotoc	8,400	7,300	87
Pottawatomie	13,000	11,000	85
Pushmataha	2,800	1,700	59
Roger Mills	1,500	900	63
Rogers	5,900	4,800	82
Seminole	8,800	7,300	83
Sequoyah	4,900	3,500	72
Stephens	11,300	9,300	83
Texas	3,300	2,100	63
Tillman	4,200	3,400	81
Tulsa	108,700	97,900	90
Wagoner	4,600	3,500	76
Washington	13,000	12,100	93
Washita	3,900	3,200	83
Woods	3,300	2,600	80
Woodward	3,600	2,600	72
Total	679,700	567,300	83
OREGON			
Baker	6,300	4,800	75
Benton	11,800	9,400	80
Clackamas	36,500	34,200	94
Clatsop	9,100	8,000	88
Columbia	6,700	5,700	85
Coos	18,800	13,200	70
Crook	2,700	2,300	87
Curry	6,100	4,400	73
Deschutes	6,700	5,700	85
Douglas	20,700	17,800	86
Gilliam	1,200	800	67
Grant	2,400	1,600	68
Harney	1,900	1,800	93
Hood River	4,200	3,400	81
Jackson	23,400	20,800	89
Jefferson	2,700	2,000	75
Josephine	10,200	7,400	72
Klamath	15,000	13,400	89
Lake	2,300	1,900	81
Lane	47,700	42,400	89
Lincoln	9,000	7,600	85
Linn	17,000	14,900	87
Malheur	6,600	6,000	91
Marion	37,000	34,400	93
Morrow	1,300	1,100	82
Multnomah	194,400	178,000	92
Polk	8,000	6,900	87
Sherman	700	580	83
Tillamook	6,200	4,400	70
Umatilla	14,600	11,000	75
Union	5,700	3,900	68
Wallowa	2,400	1,600	68
Wasco	7,200	6,100	85
Washington	31,200	28,500	91
Wheeler	800	700	88
Yamhill	10,000	8,500	85
Total	588,500	515,180	88
PENNSYLVANIA			
Adams	13,900	11,000	79
Allegheny	469,700	457,300	97
Armstrong	23,100	19,300	84
Beaver	58,100	55,700	96
Bedford	12,500	9,400	76
Berks	80,700	74,000	92
Blair	38,200	35,600	93
Bradford	15,500	12,700	82
Bucks	99,200	92,800	94
Butler	30,400	26,200	86
Cambria	55,000	52,700	96
Cameron	1,900	1,800	95
Carbon	15,500	13,600	88
Centre	19,000	15,600	82
Chester	54,700	53,500	98
Clarion	10,400	9,300	90
Clearfield	22,300	18,400	82
Clinton	11,100	9,600	86
Columbia	17,100	14,600	85
Crawford	22,700	18,200	80
Cumberland	35,800	33,100	92
Dauphin	66,600	61,300	92
Delaware	163,100	158,800	97
Elk	10,000	8,900	89
Erie	68,900	65,500	95
Fayette	45,600	37,600	83
Forest	1,400	1,200	83
Franklin	24,100	17,400	72
Fulton	2,800	1,800	66
Greene	11,700	9,800	84
Huntingdon	10,900	8,700	80
Indiana	19,200	15,800	82
Jefferson	13,700	11,900	87
Juniata	4,600	3,400	74
Lackawanna	71,100	68,300	96
Lancaster	76,700	65,900	86
Lawrence	31,200	27,900	90
Lebanon	25,000	21,400	86
Lehigh	64,600	61,500	95
Luzerne	102,700	97,200	95
Lycoming	32,500	27,400	84
McKean	15,100	13,200	87
Mercer	33,200	32,300	97
Mifflin	12,000	10,400	87
Monroe	12,100	10,800	89
Montgomery	141,000	138,600	98
Montour	3,800	3,500	91
Northampton	53,800	52,000	97
Northumb'land	33,500	28,100	84
Perry	7,100	5,700	80
Philadelphia	621,400	606,700	98
Pike	3,300	2,600	78
Potter	4,700	4,000	85
Schuylkill	51,000	42,300	83
Snyder	7,700	5,700	73
Somerset	21,200	19,300	91
Sullivan	1,700	1,300	78
Susquehanna	8,800	7,500	85
Tioga	10,700	8,600	80
Union	6,500	5,000	77
Venango	18,600	16,200	87
Warren	10,700	8,700	81
Washington	61,500	59,500	97
Wayne	7,700	6,200	80
Westmoreland	94,400	90,000	95
Wyoming	4,700	3,900	82
York	71,000	65,500	92
Total	3,270,400	3,053,700	93
RHODE ISLAND			
Bristol	9,000	8,800	98
Kent	31,200	30,800	99
Newport	19,600	19,500	100
Providence	173,400	168,900	97
Washington	16,600	16,300	98
Total	249,800	244,300	98
SOUTH CAROLINA			
Abbeville	5,300	4,000	75
Aiken	24,000	20,100	84
Allendale	4,400	2,600	59
Anderson	24,900	20,100	81
Bamberg	3,900	2,900	75
Barnwell	6,500	4,500	69
Beaufort	8,600	6,400	75
Berkeley	7,600	5,600	73
Calhoun	3,100	2,200	73
Charleston	57,500	49,700	86
Cherokee	9,100	7,000	77
Chester	8,100	6,600	81
Chesterfield	7,800	5,700	73
Clarendon	7,300	5,200	72
Colleton	7,000	5,000	71
Darlington	11,900	8,800	74
Dillon	6,900	4,700	68
Dorchester	6,100	4,700	77
Edgefield	4,200	3,300	79
Fairfield	4,300	3,000	69
Florence	21,300	16,300	76
Georgetown	9,000	6,800	75
Greenville	56,800	49,900	88
Greenwood	12,000	10,400	87
Hampton	4,900	3,400	70
Horry	17,400	12,800	73
Jasper	2,900	2,200	75
Kershaw	8,400	6,200	74
Lancaster	10,000	7,300	73
Laurens	10,800	8,400	78
Lee	5,100	3,600	70
Lexington	15,800	10,700	68
McCormick	2,000	1,400	72
Marion	7,400	5,900	80
Marlboro	6,200	4,400	71
Newberry	7,900	6,100	78
Oconee	9,200	7,500	81
Orangeburg	17,400	12,300	71
Pickens	11,600	9,400	81
Richland	42,300	36,800	87
Saluda	4,200	3,000	72
Spartanburg	42,700	33,900	79
Sumter	14,600	10,600	73
Union	7,600	6,000	79
Williamsburg	8,800	5,800	65
York	20,100	16,500	82
Total	594,900	469,700	79
SOUTH DAKOTA			
Aurora	1,200	1,100	88
Beadle	6,200	5,200	84
Bennett	800	610	76
Bon Homme	2,200	1,600	73
Brookings	5,100	3,800	75
Brown	10,300	8,300	80
Brule	1,900	1,500	80
Buffalo	400	300	76
Butte	2,800	2,300	84
Campbell	1,000	700	71
Charles Mix	4,100	2,700	66
Clark	2,200	1,800	81
Clay	3,300	2,300	71
Codington	5,800	4,800	83
Corson	1,400	900	66
Custer	1,500	1,000	68
Davison	5,000	4,100	82
Day	3,000	2,300	77
Deuel	2,100	1,300	61
Dewey	1,100	600	58
Douglas	1,600	1,000	62
Edmunds	1,800	1,300	71
Fall River	3,400	2,700	79
Faulk	1,300	1,000	79
Grant	3,100	2,400	78
Gregory	2,400	2,000	82
Haakon	800	680	85
Hamlin	2,100	1,600	76
Hand	1,900	1,500	77
Hanson	1,000	900	86
Harding	500	320	64
Hughes	3,200	3,000	94
Hutchinson	3,300	2,400	72
Hyde	600	440	74
Jackson	600	450	75
Jerauld	900	720	80
Jones	400	270	67
Kingsbury	2,900	2,300	81
Lake	3,200	2,700	86
Lawrence	6,000	5,100	85
Lincoln	3,200	2,600	81
Lyman	1,200	1,000	81
McCook	2,900	2,200	76
McPherson	1,800	1,000	56
Marshall	2,100	1,700	79
Meade	2,200	1,700	77
Meliette	600	380	63
Miner	1,600	1,300	81
Minnehaha	26,700	24,500	92
Moody	2,200	1,800	82
Pennington	18,200	14,800	81
Perkins	1,600	1,400	88
Potter	1,300	1,000	75
Roberts	3,400	2,600	76
Sanborn	1,500	1,200	77
Shannon	1,400	1,000	74
Spink	3,000	2,500	83
Stanley	1,200	1,100	92
Sully	800	540	68
Todd	1,600	1,000	65
Tripp	2,700	2,200	81
Turner	3,100	2,600	83
Union	3,300	3,100	93
Walworth	2,500	1,600	63
Washabaugh	200	150	76
Yankton	4,800	3,800	79
Ziebach	600	460	77
Total	198,100	159,220	80
TENNESSEE			
Anderson	16,900	12,900	77
Bedford	6,100	4,800	78
Benton	3,800	2,300	60
Bledsoe	1,600	800	47
Blount	15,900	12,100	76
Bradley	10,200	8,800	86
Campbell	6,600	4,200	63
Cannon	2,300	1,300	55
Carroll	7,500	4,800	64
Carter	11,100	8,100	73
Cheatham	2,400	1,700	70
Chester	2,300	1,400	62
Claiborne	5,200	3,500	68
Clay	1,800	900	53
Cocke	5,800	3,800	66
Coffee	8,100	6,100	75
Crockett	3,800	2,600	68
Cumberland	5,200	3,400	66
Davidson	107,700	90,800	84
Decatur	1,800	1,100	61
De Kalb	3,000	2,300	75
Dickson	5,500	4,200	76
Dyer	7,000	5,500	78
Fayette	5,000	3,600	71
Fentress	3,200	1,300	42
Franklin	6,100	4,200	63
Gibson	12,200	9,300	76
Giles	6,600	4,300	65
Grainger	3,000	2,100	70
Greene	12,400	7,300	59
Grundy	3,000	1,800	61
Hamblen	8,600	6,300	73
Hamilton	73,300	60,800	83
Hancock	1,900	1,000	53
Hardeman	5,400	3,100	57
Hardin	4,600	2,600	57
Hawkins	8,300	5,700	68
Haywood	4,800	3,100	64
Henderson	3,600	2,400	67
Henry	6,900	5,300	76
Hickman	2,900	1,900	67
Houston	1,400	900	62
Humphreys	3,300	2,100	64
Jackson	2,800	1,600	59

State and County	Total Households	TV Households Number	Percent
Jefferson	5,400	4,000	75
Johnson	3,900	2,500	63
Knox	68,100	54,500	80
Lake	2,900	1,900	65
Lauderdale	5,400	4,000	74
Lawrence	7,600	5,200	68
Lewis	1,200	800	68
Lincoln	7,000	5,100	72
Loudon	6,700	4,800	72
McMinn	8,900	6,900	78
McNairy	5,000	2,900	58
Macon	4,100	2,700	65
Madison	16,600	12,800	77
Marion	5,100	3,900	76
Marshall	4,700	3,400	73
Maury	11,700	9,000	77
Meigs	1,500	1,000	68
Monroe	6,600	4,900	74
Montgomery	13,100	10,700	82
Moore	1,100	600	59
Morgan	2,700	1,600	59
Oblon	8,200	5,800	71
Overton	3,600	2,300	63
Perry	1,600	1,100	68
Pickett	1,100	700	61
Polk	2,600	1,900	74
Putnam	8,500	5,500	65
Rhea	4,400	3,100	70
Roane	10,800	8,300	77
Robertson	7,600	5,800	76
Rutherford	12,600	10,600	84
Scott	4,000	1,800	45
Sequatchie	1,400	900	65
Sevier	6,400	3,800	60
Shelby	168,100	140,200	83
Smith	2,900	2,000	68
Stewart	2,100	1,300	61
Sullivan	30,200	24,400	81
Sumner	10,400	7,900	76
Tipton	7,000	4,400	62
Trousdale	1,200	800	67
Unicol	3,400	2,600	76
Union	2,300	1,200	53
Van Buren	700	480	69
Warren	6,600	4,500	68
Washington	16,100	12,700	79
Wayne	2,900	1,600	54
Weakley	7,600	4,500	60
White	3,800	2,600	70
Williamson	6,500	5,000	77
Wilson	8,100	5,900	72
Total	962,900	734,980	76
TEXAS			
Anderson	9,300	6,600	71
Andrews	4,300	3,600	84
Angelina	12,300	9,600	78
Aransas	1,600	1,300	83
Archer	1,800	1,500	84
Armstrong	400	340	84
Atascosa	5,000	3,700	74
Austin	4,600	3,100	68
Bailey	2,600	1,800	69
Bandera	1,100	900	77
Bastrop	4,900	3,600	74
Baylor	1,600	1,300	80
Bee	5,900	4,800	81
Bell	27,500	22,600	82
Bexar	180,000	156,100	87
Blanco	1,200	800	66
Borden	300	140	47
Bosque	3,500	2,900	82
Bowie	20,300	16,300	80
Brazoria	19,800	16,700	84
Brazos	13,200	10,500	80
Brewster	1,600	1,000	63
Briscoe	900	690	77
Brooks	2,000	1,500	74
Brown	8,900	6,500	73
Burleson	2,900	2,200	75
Burnet	3,000	2,400	80
Caldwell	4,900	3,700	75
Calhoun	5,000	3,500	70
Callahan	2,400	1,700	70
Cameron	41,300	31,400	76
Camp	2,800	2,300	81
Carson	2,000	1,600	81
Cass	6,200	4,900	79
Castro	2,200	1,900	84
Chambers	2,400	2,000	84
Cherokee	9,800	7,700	79
Childress	2,900	1,900	66
Clay	3,000	2,500	82
Cochran	1,400	1,000	74
Coke	1,000	800	75
Coleman	3,600	2,600	71
Collin	13,600	11,000	81
Collingsworth	1,700	1,200	72
Colorado	5,000	3,700	74
Comal	5,900	4,700	80
Comanche	3,700	2,400	64
Concho	1,200	900	72
Cooke	7,000	5,500	79
Coryell	5,800	4,700	80
Cottle	1,100	700	60
Crane	1,600	1,400	86
Crockett	1,100	700	64
Crosby	3,100	2,600	83
Culberson	600	440	73
Dallam	2,100	1,800	87
Dallas	282,900	260,000	92
Dawson	4,700	3,600	77
Deaf Smith	4,000	3,300	82
Delta	1,800	1,400	77
Denton	15,200	12,400	82
De Witt	6,200	4,400	71
Dickens	1,600	1,300	81
Dimmit	1,900	1,000	52
Donley	1,700	1,300	78
Duval	2,700	1,900	71
Eastland	6,400	4,800	76
Ector	27,500	24,200	88
Edwards	600	400	67
Ellis	12,800	10,600	83
El Paso	86,900	73,900	85
Erath	5,400	4,200	78
Falls	6,500	4,600	71
Fannin	7,700	5,600	73
Fayette	6,400	4,400	68
Fisher	2,300	1,900	84
Floyd	3,100	2,700	89
Foard	900	670	74
Fort Bend	9,600	8,400	88
Franklin	1,500	1,100	73
Freestone	4,400	3,000	67
Frio	3,000	1,900	63
Gaines	3,100	2,500	80
Galveston	37,300	32,800	88
Garza	1,800	1,500	83
Gillespie	3,300	2,000	61
Glasscock	200	160	81
Goliad	1,500	1,000	64
Gonzales	5,500	3,900	71
Gray	9,400	8,300	88
Grayson	25,800	22,300	86
Gregg	22,800	19,600	86
Grimes	4,100	3,100	76
Guadalupe	7,700	6,200	80
Hale	9,900	8,600	87
Hall	1,900	1,200	61
Hamilton	3,100	2,300	75
Hansford	1,100	900	81
Hardeman	2,900	2,200	75
Hardin	6,800	5,200	77
Harris	362,400	317,500	88
Harrison	14,200	11,400	80
Hartley	600	490	81
Haskell	3,100	2,400	76
Hays	5,300	4,300	81
Hemphill	1,100	700	65
Henderson	7,300	5,600	77
Hidalgo	48,500	36,100	75
Hill	8,400	6,900	83
Hockley	5,600	4,300	77
Hood	1,200	1,100	88
Hopkins	6,800	4,200	62
Houston	5,600	4,200	76
Howard	10,500	8,700	83
Hudspeth	900	620	69
Hunt	12,700	10,400	82
Hutchinson	10,300	8,900	86
Irion	300	200	68
Jack	2,000	1,800	89
Jackson	4,100	3,000	74
Jasper	5,400	4,100	75
Jeff Davis	300	220	74
Jefferson	74,000	68,000	92
Jim Hogg	1,200	700	55
Jim Wells	7,500	6,100	81
Johnson	11,600	9,400	81
Jones	5,900	4,800	81
Karnes	3,900	2,800	71
Kaufman	7,600	6,200	82
Kendall	1,700	1,200	72
Kenedy	100	too few to measure	
Kent	400	340	84
Kerr	4,400	3,200	72
Kimble	1,300	700	50
King	200	170	84
Kinney	400	120	30
Kleberg	7,300	5,600	77
Knox	2,400	1,800	75
Lamar	12,500	7,300	59
Lamb	7,100	5,800	82
Lampasas	3,400	2,700	81
La Salle	1,400	900	63
Lavaca	5,500	3,100	57
Lee	2,400	1,500	63
Leon	3,400	2,400	70
Liberty	8,200	6,600	80
Limestone	6,100	4,500	74
Lipscomb	1,300	900	68
Live Oak	2,000	1,400	69
Llano	1,800	1,400	76
Loving	100	90	85
Lubbock	49,300	41,900	85
Lynn	3,000	2,500	83
McCulloch	2,600	1,500	58
McLennan	43,600	37,500	86
McMullen	300	230	76
Madison	1,800	1,100	64
Marion	2,300	1,800	79
Martin	1,500	1,100	74
Mason	1,300	700	58
Matagorda	7,200	5,000	70
Maverick	3,100	800	24
Medina	4,800	3,800	80
Menard	700	310	44
Midland	18,900	17,200	91
Milam	6,900	4,800	70
Mills	1,400	1,000	68
Mitchell	3,900	3,200	82
Montague	5,200	4,400	85
Montgomery	7,900	6,000	75
Moore	5,000	4,000	80
Morris	3,200	2,600	80
Motley	1,000	500	46
Nacogdoches	9,200	6,700	73
Navarro	11,100	9,300	84
Newton	2,600	1,900	71
Nolan	6,100	5,200	85
Nueces	66,600	57,700	87
Ochiltree	2,000	1,600	80
Oldham	500	470	93
Orange	17,400	14,400	83
Palo Pinto	6,300	5,500	88
Panola	4,500	3,500	79
Parker	7,200	6,000	83
Parmer	2,600	2,100	80
Pecos	2,900	2,200	77
Polk	4,100	2,600	64
Potter	40,900	38,100	93
Presidio	1,400	700	51
Rains	700	480	68
Randall	8,600	6,600	77
Reagan	700	640	91
Real	600	260	44
Red River	5,300	3,500	65
Reeves	5,000	4,200	84
Refugio	2,900	2,300	79
Roberts	300	230	78
Robertson	5,000	4,000	80
Rockwall	1,700	1,500	89
Runnels	4,700	3,800	81
Rusk	12,100	9,600	79
Sabine	1,700	1,100	65
San Augustine	1,800	1,500	82
San Jacinto	1,700	1,200	71
San Patricio	10,400	8,800	84
San Saba	2,300	1,400	60
Schleicher	600	490	82
Scurry	9,500	7,800	82
Shackelford	1,200	1,000	86
Shelby	6,800	4,600	67
Sherman	600	500	83
Smith	24,600	21,100	86
Somervell	800	630	79
Starr	3,200	2,000	64
Stephens	3,100	2,600	83
Sterling	200	150	75
Stonewall	1,000	800	83
Sutton	900	640	71
Swisher	2,600	2,100	82
Tarrant	175,100	155,100	89
Taylor	26,100	23,000	88
Terrell	900	410	45
Terry	5,000	4,000	79
Throckmorton	700	530	76
Titus	5,200	4,000	77
Tom Green	21,500	17,500	81
Travis	59,300	50,300	85
Trinity	2,300	1,400	62
Tyler	2,800	2,200	79
Upshur	5,000	3,400	68
Upton	1,700	1,400	81
Uvalde	5,000	3,600	73
Val Verde	5,100	3,100	61
Van Zandt	5,600	4,200	75
Victoria	15,500	12,000	78
Walker	4,300	3,400	78
Waller	3,100	2,400	77
Ward	4,300	3,500	80
Washington	5,200	3,500	68
Webb	16,100	12,300	76
Wharton	10,900	8,700	80
Wheeler	2,200	1,500	69
Wichita	35,500	31,100	88
Wilbarger	5,400	4,400	81
Willacy	5,200	3,800	72
Williamson	10,900	9,100	83
Wilson	3,300	2,600	78
Winkler	4,400	3,700	83
Wise	4,700	3,800	81
Wood	5,100	4,000	78
Yoakum	1,800	1,500	85
Young	4,800	4,300	89
Zapata	800	390	49
Zavala	2,600	1,400	55
Total	2,790,800	2,334,250	84
UTAH			
Beaver	1,000	900	86
Box Elder	6,100	5,400	89
Cache	8,800	7,100	80
Carbon	7,200	5,500	76
Daggett	100	too few to measure	
Davis	15,800	14,300	90
Duchesne	1,700	1,200	70
Emery	1,600	1,200	74
Garfield	700	520	74
Grand	1,600	600	40
Iron	2,700	1,900	70
Juab	1,500	1,300	88
Kane	700	480	69
Millard	1,700	1,200	68
Morgan	700	600	85
Piute	200	140	69
Rich	300	200	65
Salt Lake	110,400	102,700	93
San Juan	1,800	1,200	68
Sanpete	2,800	2,500	88
Sevier	2,900	2,600	90
Summit	1,400	1,200	89
Tooele	5,200	4,200	81

(Continued on next page)

State and County	Total Households	TV Households Number	Percent
UTAH—(Continued)			
Uintah	2,700	2,200	83
Utah	28,200	24,500	87
Wasatch	1,300	1,100	81
Washington	3,000	1,800	61
Wayne	200	190	96
Weber	31,200	29,000	93
Total	243,500	215,730	89
VERMONT			
Addison	4,900	3,900	79
Bennington	7,400	5,700	77
Caledonia	6,300	5,300	85
Chittenden	18,700	16,400	87
Essex	1,500	1,300	87
Franklin	7,000	6,200	89
Grand Isle	700	660	94
Lamoille	3,100	2,800	92
Orange	5,000	3,900	78
Orleans	5,600	4,400	78
Rutland	12,100	9,900	82
Washington	11,600	10,400	90
Windham	8,800	6,900	78
Windsor	10,800	8,700	81
Total	103,500	86,460	84
VIRGINIA			
Accomack	9,400	7,500	80
Albemarle	15,800	10,800	68
Alleghany	6,900	5,500	79
Amelia	1,600	1,100	71
Amherst	5,600	3,700	67
Appomattox	2,000	1,400	70
Arlington	79,600	74,100	93
Augusta	18,800	12,600	67
Bath	1,600	1,000	64
Bedford	8,200	6,000	73
Bland	1,500	1,100	75
Botetourt	4,600	3,800	83
Brunswick	4,200	3,300	80
Buchanan	8,000	5,700	71
Buckingham	2,500	1,700	67
Campbell	22,700	17,900	79
Caroline	3,000	2,500	85
Carroll	7,900	5,800	74
Charles City	1,100	800	71
Charlotte	3,600	2,700	75
Chesterfield	18,500	17,600	95
Clarke	2,100	1,500	72
Craig	800	650	81
Culpeper	3,300	2,600	80
Cumberland	1,800	1,400	77
Dickenson	5,000	3,900	77
Dinwiddie	13,900	11,300	81
Essex	1,800	1,300	75
Fairfax	63,000	55,700	88
Fauquier	5,800	5,000	86
Floyd	2,600	1,800	70
Fluvanna	1,800	1,300	71
Franklin	6,500	4,700	72
Frederick	10,300	7,900	77
Giles	4,400	3,500	80
Gloucester	3,100	2,600	85
Goochland	1,800	1,600	86
Grayson	4,200	2,800	67
Greene	1,100	600	53
Greensville	3,800	3,100	81
Halifax	9,500	7,100	75
Hanover	7,400	5,900	80
Henrico	95,300	80,000	84
Henry	14,000	11,700	83
Highland	800	580	73
Isle of Wight	4,100	3,300	81
James City	3,200	2,700	83
King and Queen	1,500	1,000	67
King George	1,700	1,300	77
King William	1,900	1,600	84
Lancaster	2,500	2,100	84
Lee	6,300	4,800	75
Loudoun	6,100	4,800	78
Louisa	3,200	2,200	69
Lunenburg	3,100	2,300	74
Madison	2,100	1,200	56
Mathews	2,000	1,700	86
Mecklenburg	7,400	5,400	73
Middlesex	1,800	1,400	80
Montgomery	10,200	8,400	83
Nansemond	10,500	8,400	80
Nelson	3,100	2,500	80
New Kent	1,100	800	74
Newport News	50,700	43,400	86
Norfolk	150,900	125,700	83
Northampton	4,800	3,800	80
Northumberland	2,400	1,900	81
Nottoway	3,400	2,700	80
Orange	3,400	2,600	77
Page	4,000	3,400	84
Patrick	3,800	2,700	72
Pittsylvania	28,700	21,700	76
Powhatan	1,100	900	79
Prince Edward	3,900	2,600	66
Prince George	14,200	11,100	78
Princess Anne	17,100	14,300	83
Prince William	9,200	8,200	90
Pulaski	7,500	6,300	85
Rappahannock	1,500	1,200	82
Richmond	1,900	1,500	81
Roanoke	43,800	39,900	91
Rockbridge	7,700	6,100	79
Rockingham	13,900	10,000	72
Russell	5,800	4,000	68
Scott	7,400	5,200	70
Shenandoah	6,000	4,800	80
Smyth	7,100	5,500	77
Southampton	6,400	5,400	84
Spotsylvania	7,500	5,900	79
Stafford	4,400	3,100	71
Surry	1,500	1,100	72
Sussex	2,700	2,200	82
Tazewell	11,100	8,500	77
Warren	4,000	3,000	75
Washington	12,800	9,800	76
Westmoreland	2,800	2,200	78
Wise	12,100	10,300	85
Wythe	5,300	4,500	84
York	5,700	4,700	83
Total	1,039,500	851,230	82
WASHINGTON			
Adams	3,700	3,400	93
Asotin	4,600	3,800	82
Benton	21,900	17,700	81
Chelan	14,600	10,900	74
Clallam	9,000	7,500	83
Clark	28,600	26,500	93
Columbia	1,700	1,400	82
Cowlitz	18,800	17,100	91
Douglas	4,700	3,700	80
Ferry	1,100	800	74
Franklin	6,100	4,900	81
Garfield	900	770	86
Grant	16,000	13,500	84
Grays Harbor	18,500	15,200	82
Island	5,800	5,200	90
Jefferson	2,300	1,900	83
King	314,300	294,500	94
Kitsap	27,100	25,000	92
Kittitas	6,200	5,000	80
Klickitat	4,100	3,000	73
Lewis	14,100	11,300	80
Lincoln	3,000	2,600	88
Mason	4,600	4,300	93
Okanogan	9,100	7,200	79
Pacific	5,000	4,000	80
Pend Oreille	2,300	1,900	81
Pierce	97,900	92,700	95
San Juan	1,000	900	86
Skagit	16,200	14,000	86
Skamania	1,500	1,200	81
Snohomish	48,900	42,100	86
Spokane	95,100	89,800	94
Stevens	6,500	4,600	71
Thurston	17,200	16,500	96
Wahkiakum	1,000	800	83
Walla Walla	12,800	10,400	81
Whatcom	24,900	21,300	85
Whitman	8,900	7,200	81
Yakima	47,100	39,800	85
Total	927,100	834,370	90
WEST VIRGINIA			
Barbour	4,400	2,900	65
Berkeley	8,500	7,300	86
Boone	6,100	5,000	81
Braxton	4,400	3,100	70
Brooke	7,400	6,600	89
Cabell	35,200	31,900	91
Calhoun	2,100	1,400	65
Clay	3,300	2,400	72
Doddridge	1,900	1,100	60
Fayette	18,100	14,100	78
Gilmer	1,900	1,200	63
Grant	2,200	1,300	60
Greenbrier	9,300	7,000	76
Hampshire	3,300	2,600	79
Hancock	10,400	9,200	89
Hardy	2,300	1,400	62
Harrison	21,700	19,600	90
Jackson	3,800	3,200	84
Jefferson	4,300	3,700	85
Kanawha	69,500	62,100	89
Lewis	4,900	4,100	83
Lincoln	5,000	3,800	76
Logan	15,600	13,000	84
McDowell	17,900	13,600	76
Marion	19,000	16,700	88
Marshall	11,100	9,500	85
Mason	6,200	5,100	82
Mercer	19,800	16,400	83
Mineral	5,800	4,400	76
Mingo	10,100	7,900	79
Monongalia	15,100	12,700	84
Monroe	3,000	2,000	67
Morgan	2,300	1,800	80
Nicholas	6,900	5,200	75
Ohio	21,000	20,400	97
Pendleton	2,200	1,300	60
Pleasants	1,600	1,500	91
Pocahontas	2,900	1,800	62
Preston	6,400	5,300	82
Putnam	5,900	4,600	77
Raleigh	21,600	17,600	81
Randolph	7,100	4,700	67
Ritchie	3,500	2,600	74
Roane	3,700	2,700	72
Summers	4,500	3,300	73
Taylor	4,400	3,500	79
Tucker	2,100	1,600	79
Tyler	2,800	2,000	72
Upshur	5,000	3,100	62
Wayne	8,900	7,200	80
Webster	3,900	2,500	65
Wetzel	4,800	4,100	85
Wirt	1,300	900	70
Wood	26,700	24,000	90
Wyoming	9,500	7,400	78
Total	512,600	425,400	83
WISCONSIN			
Adams	2,400	1,600	66
Ashland	5,300	4,600	87
Barron	9,700	7,900	81
Bayfield	3,400	2,800	81
Brown	33,400	31,900	95
Buffalo	4,000	2,700	68
Burnett	2,300	1,600	70
Calumet	4,800	4,200	87
Chippewa	13,100	10,500	80
Clark	9,500	7,300	76
Columbia	11,700	9,600	82
Crawford	4,600	3,400	74
Dane	61,200	54,600	89
Dodge	18,100	14,300	79
Door	6,800	5,600	82
Douglas	14,400	13,500	93
Dunn	7,700	6,400	84
Eau Claire	18,300	15,200	83
Florence	800	550	69
Fond Du Lac	21,600	19,600	91
Forest	1,800	1,200	69
Grant	13,000	11,100	85
Green	7,600	6,000	79
Green Lake	4,600	3,900	85
Iowa	5,900	4,700	80
Iron	2,300	2,000	88
Jackson	4,200	3,400	82
Jefferson	15,300	13,300	87
Juneau	5,100	3,800	75
Kenosha	30,000	28,500	95
Kewaunee	4,600	3,800	84
La Crosse	21,100	18,900	90
Lafayette	4,500	3,500	77
Langlade	5,800	5,000	87
Lincoln	6,500	5,600	86
Manitowoc	20,800	18,700	90
Marathon	25,200	21,300	84
Marinette	11,000	9,400	85
Marquette	2,500	1,900	76
Milwaukee	317,400	303,700	96
Monroe	8,800	7,300	83
Oconto	6,800	5,600	82
Oneida	7,000	6,100	86
Outagamie	27,200	25,400	94
Ozaukee	9,800	8,900	91
Pepin	2,100	1,700	82
Pierce	6,800	6,100	90
Polk	7,900	6,900	87
Portage	9,700	8,600	89
Price	3,600	2,800	78
Racine	40,400	38,400	95
Richland	5,200	4,200	82
Rock	34,100	30,300	89
Rusk	4,600	3,400	73
St. Croix	7,800	7,200	92
Sauk	11,800	9,000	77
Sawyer	3,000	2,300	77
Shawano	9,400	7,800	83
Sheboygan	27,300	24,600	90
Taylor	4,700	4,000	85
Trempealeau	6,800	5,700	83
Vernon	7,300	6,000	82
Vilas	2,500	1,700	66
Walworth	16,200	14,900	92
Washburn	2,900	2,100	73
Washington	12,300	10,600	86
Waukesha	38,900	36,900	95
Waupaca	10,200	8,600	84
Waushara	4,000	3,100	78
Winnebago	32,800	29,700	90
Wood	17,200	15,100	88
Total	1,151,400	1,032,550	90
WYOMING			
Albany	6,900	5,400	78
Big Horn	3,200	2,300	70
Campbell	1,700	1,000	58
Carbon	5,300	3,400	65
Converse	1,700	1,300	77
Crook	1,300	800	61
Fremont	7,200	5,300	74
Goshen	3,600	3,000	84
Hot Springs	1,800	1,400	79
Johnson	1,400	1,000	73
Laramie	17,200	15,500	90
Lincoln	2,400	1,600	66
Natrona	12,700	10,500	83
Niobrara	1,200	1,000	81
Park	5,200	3,800	73
Platte	2,400	1,400	60
Sheridan	6,500	4,900	75
Sublette	1,000	600	58
Sweetwater	5,300	3,800	72
Teton	1,400	1,100	76
Uinta	1,900	1,800	92
Washakie	2,500	2,000	81
Weston	2,400	1,900	79
Yellowstone National Park	100	too few to measure	
Total	96,300	74,800	78

WEEKLY **Television Digest**

JUN 27 1960

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Congress

PAYOLA BILL NEARS HOUSE VOTE after Rep. Harris (D-Ark.) charges publishing-broadcasting "conspiracies" are out to stop it. FCC Comr. Lee confirmed (pp. 1, 11 & 12).

Auxiliary Services

HARTFORD PAY-TV TEST application filed by Zenith & RKO General, which say they hope to get started on WHCT early in 1961 with 2,000 initial subscribers (p. 2).

CATV STANDS FIRM on "no govt. controls," NCTA members voting unanimously to oppose legislation. Full-time top executive to be appointed. Pay-TV pitches heard (pp. 3 & 4).

FCC STUDIES NEW UHF ANTENNA said to offer high gain and broad band, inexpensively, for transmission & reception. Described to engineers by subcontractor to major companies (p. 8).

Film & Tape

AND NOW THE ACTORS. Annoyed with lack of progress in Alliance-AMPP talks, Screen Actors Guild board may seek strike authority against producers just recovering from writers' strike. WGA and networks reach agreement (pp. 3 & 14).

Programming

FILM ANIMATION IS ENJOYING A BOOM as producers launch new animated packages, networks open time slots to animation, and advertisers develop new uses for it in commercials. An exclusive report (p. 6).

FCC

MIAMI—CH. 7 "INFLUENCE" CASE closed in Philadelphia where FCC's special examiner Judge Horace Stern says he will file decision by Sept. 15 (p. 8).

Consumer Electronics

TV ENTERS SEMICONDUCTOR AGE, as engineers discuss use of transistors & tunnel diodes to increase reliability of non-portable sets. "Flat tube" progress (pp. 17 & 20).

MANUFACTURERS SELL EACH OTHER at summer mart, lacking dealer customers. Fine-furniture trend evident; replacement sales seen as TV safeguard against hard-goods slump (pp. 18 & 21).

MORE NEW LINES: Olympic shows TV line with 50 basic models, including color combination & console. Symphonic's 7-set TV line priced from $179.95 to $600 (p. 21).

ETV

GOVT. PAYS $4 MILLION FOR ETV and other audio-visual research projects under National Defense Education Act. New projects will cost $600,000 more (p. 10).

Networks

CONVENTION COVERAGE by the networks will require 1,000 newsmen, commentators, & technicians, 90 TV cameras and 8 mobile units (p. 13).

Advertising

LOCAL RETAILER ADVERTISING on TV will reach $1.5 billion by 1970, predicts TvB (p. 13).

SHELL, LEADING SPOT-TV-USER AMONG OIL FIRMS, switches its big account from J. Walter Thompson to Ogilvy, Benson & Mather (p. 14).

NETWORK & SPOT TV both show gains in April for month ago, year ago, and cumulative-year ago (p. 14).

Other Departments

FOREIGN (p. 5). **STATIONS** (p. 9). **PERSONALS** (p. 16). **FINANCE** (p. 23).

PAYOLA BILL NEARS HOUSE VOTE: House Commerce Committee's sweeping broadcasting-reform bill against payola & other much-censured practices (Vol. 16:25 p4) was close to vote June 24, at end of week marked by Congressional breakouts on related TV-radio fronts.

While House headed for action on TV-radio-FCC measure (S-1898) in drive for July adjournment: (1) FCC Comr. Lee slid home with 64-19 Senate confirmation for another 7-year term (see p. 11) after being held up for weeks by political byplay. (2) House approved amended versions of Senate-passed bills permitting members of regulatory agencies to keep their jobs until successors are confirmed (S-1965) and legitimizing boosters (S-1886), sent them back to Senate for almost certain concurrence. (3) Senate okayed independent offices appropriation bill (HR-11776), carrying $2 million for FCC's N.Y. uhf project and $200,000 for FCC "watchdog" operation (Vol. 16:25 p20), sent measure back to House. (4) House Commerce Committee, in extra legislative push, whipped up still another bill—catch-all (HR-12731) amalgamating long-pending proposals against backstage influences on agencies.

House got set for vote—probably June 27—on omnibus broadcasting bill, following emotion-charged speech by Commerce Chmn. Harris (D-Ark.) pleading for quick passage. He took up half of 3-hour debate time warning colleagues of publishing-broadcasting "conspiracies" which he said were designed to block it (see

p. 12). But there was big obstacle to swift action on floor itself—demands by Rep. Bennett (R-Mich.) for controversial amendment putting networks under FCC regulation. Debate started June 23 but was interrupted by other House business.

New Harris Committee bill banning ex-parte contacts with FCC & other agencies wasn't expected to get much further this session, although Harris said he'd try "for all progress we can." His Committee turned it out in assembly-line fashion, putting together sections of 1959 measure (HR-4800) drafted by Harris himself and a supplementary bill (HR-6774) prepared by American Bar Assn. Applied to FCC & rest of "big 6" agencies, it would: (1) Forbid off-record approaches to influence case decisions. (2) Set up $10,000 fines & one-year jail terms for infractions. (3) Subject members of Congress to same rules as everybody else, but allow them to make inquiries about status of cases. (4) Permit President to fire agency members for neglect of duty or malfeasance.

Note: Still hanging in Senate was another piece of important broadcasting business—resolution (S. J. Res. 207) suspending equal-time requirements for TV & radio appearances by nominees for President & Vice President this year (Vol. 16:25 p5).

HARTFORD PAY-TV TEST APPLICATION FILED: Zenith & RKO General, which have been talking up pay-TV plans since March (Vol. 16:14 et seq.), finally made them official last week. They submitted formal application to FCC for 3-year test of Phonevision system, using WHCT (Ch. 18) Hartford.

Operation can't get under way before 1961, however—even if all goes well for Zenith & RKO at Commission, where application will get careful going-over. RKO's Hartford Phonevision, whose $900,000 purchase of WHCT already had FCC's approval (Vol. 16:23 p14), said start would be made when 2,000 decoders have been installed—which "could be 6 months after the FCC authorization is obtained."

But pay-TV promoters professed themselves ready for big adventure in first on-air subscription project proposed to FCC since it issued third report on test requirements in March 1959 (Vol. 15:13 p1). Zenith & RKO already had indicated they were prepared to put up $10 million in capital investment to prove pay TV will work. Joined in application by Hartford Phonevision & Teco Inc., Zenith's Phonevision licensing subsidiary, they now spelled out plans in 3/4-in.-thick prospectus, much of it devoted to technical explanations of how decoding system works.

Among details in application: (1) About 300,000 homes in WHCT area are potential subscribers. (2) In phasing Hartford operation, 10,000 families are counted on as signed up by end of first year. (3) Installation charge of $7.50-$10 will be made. (4) Subscribers may be assessed 75¢ per week for "maintenance & depreciation" of decoders. (5) Individual program charges will range from 25¢ for "some features" to $3.50 for heavyweight championship fights. (6) First-run movies will be chief fare, supplemented by plays, opera, ballet, symphony concerts. (7) In line with FCC test rules, WHCT will be operated as regular commercial station most of day, no commercials will be shown on pay shows.

• • • •

Less glowing were present prospects for supplying subscribers with promised programs. Almost as afterthought, Zenith & RKO General listed some difficulties in final 2½ pages of application:

(1) "Our proposals have inherent irremovable uncertainties until the requisite govt. authorization is obtained."

(2) "In view of the uncertainties, and until they have been cured, an agreement to furnish specific product on specific dates under specific conditions cannot be made sufficiently definite & precise to constitute a firm commitment."

(3) "Arrangements between the distributors & producers & their respective independent contractors & joint venturers that may be prerequisites to commitments to the applicant are not feasible to undertake until the present uncertainties have been removed."

(4) "There seems to be a natural unwillingness to upset or confuse existing business relationships so long as the public decision or position with respect to the tests could be postponed."

Zenith & RKO also "are aware of strong opposition from some motion picture exhibitors," application added. On this front, Conn. theater owners were mobilizing to stop Hartford experiment before it starts. They planned to hire lawyer to argue anti-pay-TV case before FCC, wage public-relations campaign.

AND NOW THE ACTORS: As WGA and the networks reached verbal agreement, Screen Actors Guild, whose negotiations with Hollywood TV-film producers have been generally overlooked because of attention to the just-ended writers' strike, was reported ready to call a membership meeting seeking strike authority against producers.

This can be regarded as strategic move to strengthen hand of SAG negotiators, but there's no question SAG is perturbed over what it considers lack of progress. SAG's contract with producers expires this Wed. (June 30). Major issues: Pension & welfare plan, minimums, reruns and foreign residuals. Unlike writers, actors do not want royalty plan embracing foreign market, but do want reruns to include foreign market.

Consensus is that an actors' strike isn't likely in immediate future, but situation is subject to change depending on progress in negotiations (see p. 14).

CATV STANDS FIRM ON 'NO GOVT. CONTROLS': Though federal regulation of CATV may come eventually, the industry certainly isn't going to help it along. In its Miami Beach convention last week, NCTA members voted unanimously to oppose regulatory legislation now and to "examine with care" every new bill as it is introduced.

To emphasize its determination to oppose legislation, NCTA also voted unanimously to place a full-time top-level "general executive" at its head. Committee will be named to find a man "of national stature" capable of acting as a true industry spokesman—at a salary in the $30,000 range—and several members suggested former FCC Chmn. John Doerfer as a possibility. This would leave unchanged present Washington hq personnel under exec. dir. Edward P. Whitney. It was decided also to appoint a full-time house counsel in place of gen.counsel E. Stratford Smith, who will handle special assignments. Efforts will be made, too, to broaden public relations efforts—particularly in field of relationships with telecasters, notably those who stimulated Congressional opposition to CATV.

To finance foregoing, association projected budget of $212,180 for next year, increasing dues to offset the increase of $50,780.

Some operators from Northwestern states came to convention determined to seek mild federal legislation, considering it much the lesser evil as compared with state public-utility regulation which they've been barely staving off. But majority persuaded them to go along with "no legislation" policy for good of whole industry. There was no major split or fight.

Though industry opposes federal legislation, vigorous men in Congress & FCC believe it is necessary, will press for it. NCTA members are philosophical about this, but will resist controls indefinitely. They acknowledge that regulation won't mean end of the world for them—but they believe it would be a costly & unnecessary nuisance.

Even if they lose in Congress and in the courts (on the copyright issue) and end up paying stations & producers for use of their signals, they don't visualize signal sources pricing themselves out of market.

NCTA's position on legislation was stated as follows: "Legislation governing the operation of a private industry is a function of govt. only where a vital public interest or necessity cannot be served by the force of free competition.

"There is no compelling reason to legislate in the case of the CATV industry. The NCTA does not deem it necessary or desirable at this time to recommend or support any legislation concerning antenna systems. It will examine with care any recommended resolution or bill introduced in any legislative body and will take a position on behalf of its membership based on the merits of each case at the time it arises consistent with the best possible interest."

There was rising tide of interest in pay TV via cable, evidenced by fact that TelePrompTer's Irving Kahn & Telemeter's Paul MacNamara were principal speakers (see p. 4). However, members are by no means preponderantly eager to change their way of doing business to accommodate pay TV, many fearing it could bring more problems than revenue. But some substantial members are pushing hard for it. The issue will arise with increasing intensity in months to come.

There were 430 registrants at the beautiful, luxurious, garish, expensive Fontainebleau Hotel. They voted to hold 1961 convention in San Francisco in late spring, elected officers & directors headed by Sandford Randolph, Clarksburg, W.Va. (see p. 5).

Auxiliary Services

More about

PAY-TV'S PITCH TO CATV: The show's still the thing, no matter how you slice it. That was apparent in TelePrompTer's and Telemeter's drive to recruit CATV operators for their pay-TV systems during the NCTA convention at the Fontainebleau Hotel in Miami Beach last week. In short, if you have the programs, you'll get the audience—and CATV operators are still waiting for evidence of continuous solid fare.

TelePrompTer Chmn. Irving Kahn, fine promoter & showman that he is, made the most of giving conventioneers the Patterson-Johansson fight on a big screen at the hotel—he followed it up 2 days later with a vigorous recruiting speech that capitalized on the residual excitement after the exciting fight.

Kahn can deliver an occasional good fight, and CATV operators would like to have it—if they can make money on it, short run or long run. After his luncheon address, he stood & answered questions for 2½ hours, from a parade of 30-40 operators who wanted to know how much AT&T would charge to get them the fight re-match. Some are willing to lose some money in the hope of securing a sharp promotional jolt that will increase subscribers. Others, with more mature systems, hesitate to spend several thousand dollars for a one-shot deal, doubtful of its net financial value.

Kahn sought to stimulate their interest by proposing a continuous schedule of pay-TV programs: 13 major sports events per year, an hour or 2 weekly devoted to a bingo-type game, university extension courses, legitimate drama, opera, etc.

Kahn reserved his strongest salesmanship for the "merchandising" aspects of the "Key TV" device—the method whereby the subscriber may press buttons to order products touted in commercials over a cable pay-TV channel or over conventional TV & radio stations (Vol. 16:25 p7). He displayed the device and said he'd start using it in TelePrompTer's Liberal, Kan. CATV system within "60, 90 or 120 days."

Tape Keeps Record of Viewer Response

The box on the set looks like a tiny TV set—about 2x3x5-in. It carries various colored lights which signal the subscriber to respond to commercials, etc., which he receives on his TV set. On the utility pole nearest his home, a box with a Western Union tape makes record of what he orders. At intervals, a serviceman picks up the tape which is then fed to data-processing computers that total up bills, calculate public opinion polls, etc. Kahn said a refinement, to eliminate the tape pickups, would be to run a wire from sets back to a central source.

CATV operators were somewhat skeptical of the practicality of tape pickups and the costs of stringing wire—even though the wire is much cheaper than TV cable. Kahn told one operator that his 52-mile system would cost $8-10,000 to wire.

The "honor system" of charging CATV subscribers $2 for the fight worked well, according to Kahn, who said about 70% authorized the additional billing. But operators were dubious about use of that method for more events, fearing a rapid disintegration of "honor." They thought foolproof charging system would have to be found.

Kahn said the 13 CATV systems carrying the fight fed 25,000 homes. It wouldn't surprise us, if we judged reaction of the operators correctly, to find several dozen systems asking for the next fight. They may have trouble getting it in some cases, for AT&T was most reluctant to feed the last fight to Bruce Merrill's 7 Ariz. systems through his microwave, asserting that the interconnection with his facilities violated AT&T tariffs filed with FCC. This seems to be true, lawyers tell us. But AT&T apparently decided it wasn't quite the time to get tough. A different situation developed with regard to Homer Bergren's system in Aberdeen, Wash. As we get it, the phone company at first asserted that it couldn't legally feed the fight; reconsidered; then decided otherwise.

At any rate, many CATV systems can be physically tied together. We were amazed to learn that one organization has surveyed the entire U.S., plotting every non-military microwave transmitter—AT&T & others—and decided that, with very few additional hops, 500,000-plus homes could be tied together—and quickly.

AT&T is in the picture all over the place. Kahn both praised & cautioned the common carrier behemoth, warning in essence that if it's reluctant, there's another competitive common carrier with transcontinental TV capabilities coming up—namely, Western Union, the 16% owner of TelePrompTer. "AT&T is not in a position to be high-handed," he asserted. "Competition is good."

Will Bid Against Theaters for First Runs

In Liberal, Kan., Kahn said, he's prepared to bid for first-run movies against the 3 local movie houses—"and I believe we have an economic edge." He said he didn't believe the movie producers would discriminate against him lest they run up against the anti-trust decree.

Kahn also pulled baseball problems into the picture, saying that cable pay TV could subsidize the troubled minor leagues by charging viewers $2 for each World Series game. The Dallas team, he said, sponsored the big-screen showing of the fight "and made more money on it than it did all season on baseball." National TV gate on the fight exceeded $2 million, he noted (see p. 5).

Kahn said he would offer his pay-TV device to operators on a sale or lease basis—or buy time from them.

Telemeter vp Paul MacNamara's talk was primarily a rerun of information previously reported on the Toronto cable experiment. He was careful, saying that Telemeter & parent Paramount aren't drawing conclusions until they've had many more months of experience—"until the novelty factor wears off." He said that "Anatomy of a Murder" was bought by 23% of the homes, "Gigi" by 30%, "Ten Commandments" by 50%.

The Toronto suburb of Etobicoke has 13,000 families, MacNamara said, and Telemeter expects to hook up 6,000 of them—has 3,800 now. He repeated his firm's philosophy: People will pay cash for entertainment, don't like credit.

"Opposition to pay TV is beginning to break up," he asserted. "The networks are taking second look. Exhibitors are getting on the bandwagon." He thought that pay TV would never eliminate sponsored TV and he urged: "Take your local exhibitor into consideration. He'd be a good partner."

Telemeter is experimenting, he said. Example: Hockey is carried as it's played, and subscribers are charged a regular fee. The game is taped, offered later the same day at a reduced fee. He didn't offer conclusions drawn to date on this procedure.

CATV is a natural for pay TV for 2 reasons, he said: (1) It can start small. (2) It can offer several channels.

We discussed the 2 companies' pitches with many operators—and they're still cautious. Their general feeling is that they have problems enough & costs enough, but that they don't want to miss anything.

One of the ablest operators of them all offered us an analysis of the Toronto experiment: "They can't do it with movies alone. They need $8-10 a month to break even. They put on 2 movies a week, at $1 each. If every home watched every movie, they'd just break even. People won't. Telemeter reports figures of 20% to 50%, roughly. I think it will average out to 20% or less. They must get more program fare."

* * *

Patterson-Johansson heavyweight title bout is indicated by "flash" responses from theater owners to have won more than $2 million gross for TelePrompTer closed-circuit telecast. Final tally should be available by the middle of this week, said TPT. In-theater seats should total over $500,000, it was estimated. The money breaks down as follows: Half of the gross stays with the local exhibitor who pays for local loop, projector and operator and any local promotion & publicity. Of the remaining half, TPT keeps 20%, Feature Sports Inc., the fight promoter, keeps 80%. TPT pays for the long-line charges at the rate of 1¼¢ per mile per hour. Champion Patterson will get half of Feature Sports' gross. Johansson had exchanged most of his share of the remaining gross with FS for Scandanavian ancillary rights to the fight.

* * *

New NCTA officers elected: Sandford Randolph, Clarksburg, W.Va., pres.; Larry Boggs, Oklahoma City, vp; Charles E. Clements, Waterville, Wash., secy.; Glenn H. Flinn, Tyler, Tex., treas. New directors: Fred Goddard, Aberdeen, Wash.; Ray Schneider, Williamsport, Pa.; Dean Devoe, Barstow, Cal.; Norman Hendry, Prescott, Ariz.; Jack Crosby, Del Rio, Tex.; Curt Faris, Guymon, Okla.; Jack Pryor, Cornell, N.Y.; Gene Schneider, Casper, Wyo.; Lee Stoner, La Grande, Ore.; Al Ricci, Keene, N.H. Retiring Pres. Al Malin, Laconia, N.H., became a board member automatically. Martin Malarkey, pres. for first 5 years & board member since, left the board because of a rule prohibiting a director from succeeding himself; his colleagues presented him with a special plaque.

* * *

NCTA convention in Miami Beach developed an apropos sidelight at the annual banquet. CATV operator from Tenn., also a tombstone maker, walked up to outgoing Pres. Al Malin, presented him with a miniature tombstone. It was inscribed: "S-2653—Just Sleeping." S-2653 is the defunct CATV-regulation bill. "Usually," the marker maker told Malin, "people want me to put on 'at rest,' but I thought I'd better put 'just sleeping.'" Incidentally, the Pasteur Room, where NCTA board met, soon became known as the Pastore Room—in reference to the Senator who led the fight for S-2653.

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Telemeter deal with BBC-TV is being discussed in London by Telemeter Pres. Louis Novins and BBC officials. Reportedly, Novins would like to franchise his firm's pay-TV system to BBC for home operation in Britain. Telemeter already has a foot in the Canadian door through its Toronto operation, but such a deal would mark the first time that Telemeter has arranged a franchise outside North America.

20th Century-(Matty) Fox? The hottest rumor in the pay-TV field last week involved 2 familiar movie-industry names: 20th Century-Fox Pres. Spyros Skouras and Tolvision Inc. Pres. (and veteran pay-TV entrepreneur) Matthew J. Fox. The rumor, which TCF sources declined to confirm or deny: that Fox & Skouras were discussing a stock-swap merger under which Tolvision would become part of the TCF operation, with Fox operating out of TCF's N.Y. hq. Lending support to the reports was the fact that Skouras had just returned from a meeting of theatrical exhibitors in Toronto where, as guest of honor, he made a ringing speech praising the concept of pay TV. While in Toronto, Skouras also toured (and was reportedly impressed with) the Telemeter pay-TV installation. No definite TCF-Tolvision plans have been formed, we're told, although discussions have centered on possible test cities and TCF feature product available for a pay-TV test. Fox was also reportedly discussing product with MGM.

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Protest of microwave to feed a CATV system in Athol, Mass. was granted by FCC to WRLP (Ch. 32) Greenfield, Mass., against New England Microwave Corp. The Commission said that the microwave CPs would be designated for hearing, but that construction could continue pending a final decision on the protest.

Traffic control by TV will be possible at the Lincoln Tunnel when the Port of N.Y. Authority installs a closed-circuit TV operation in Sept. A camera, placed atop the nearby McGraw-Hill building in Manhattan to command a view of approaches to the tunnel, will be operated from a traffic control center in N.J., 2 miles away.

Foreign

625-line standards for British TV have been recommended by the TV Advisory Committee, which also reported to the government that color TV is not yet ready for introduction. Postmaster-General Bevins indicated that a govt. committee would be appointed to study the recommendations and render a decision by 1962. If a 625-line system is adopted, the first transmissions won't begin before 1964. Another 5-7 years would be needed to develop a network. Meanwhile, the British public was reassured that the present 405-line service will continue & that 405-line TV sets do not face obsolesence. TAC, in recommending adoption of 625-line service, said that 405-line standards are not adequate for full TV service.

BBC's new $45-million TV center, "White City," on a 13-acre site some 4 miles from downtown London, is slated to go into operation this week (29). The giant 8-story, 7-studio structure, described by BBC as "the world's largest TV factory," eventually will originate almost all of BBC's live programming. BBC-TV dir. Gerald Beadle described the center's function: "To produce about 1,500 hours of electronic program material a year—equivalent to 1,000 full-length feature films."

Grundig will establish a tape-recorder plant in Northern Ireland and start production in Sept. with a line of battery-operated models for export to the U.S., reports Britain's *Wireless & Electrical Trader*. The 72,000-sq.-ft. plant will be at Dunmurry, near Belfast. The plant will be operated by newly formed Grundig Works Ltd., registered in Northern Ireland, which will function as a member of Grundig's international organization of 11 factories.

Programming

CARTOONS—TAKE 'EM SERIOUSLY: Animation of TV programs & commercials will be a serious contender for prime-time exposure on networks & stations this fall. Although film animation dates back to the dawn of movies and is an established technique in TV commercials, there's more TV activity in the animation field than in any previous season. Million-dollar investments are being made by several producers in new color-animation series. Networks are opening choice slots to animated shows. And the current interest in "soft-sell" commercials is providing a small boom for film animators. An industry-wide checkup we have just made among film production companies, animation houses, commercial producers, agencies and network program officials, also revealed these developments:

Programs: At least 8 new animation series are being launched for network or syndication sale, 2 nighttime animation series (one new, one refurbished from theatrical cartoons) are network-scheduled, and cartoon packages continue to draw audiences & sales in syndicated reruns.

Among the newest properties is *Hollywood Classics*, a 30-min. adult-appeal animation series, N.Y.-produced in color by Goulding, Elliot & Graham (the firm that produces the "Bert & Harry" Piel Bros. spots). The series is built around capsule satires of famous Hollywood movies and features Bob Elliot & Ray Goulding (the "Bert & Harry" voices). Pilot is completed. CNP is distributor.

"We've tried animated programs on several previous occasions with no luck at selling them," reported GEG Pres. Ed Graham, a former Young & Rubicam TV executive. "Network & non-network program markets are becoming more receptive to animation, however. We hope to sell the package for the 1961-62 season, if not earlier."

Comic Strips Inspire Cartoon Series

Another new 30-min. satirical animation series aimed at prime-time network exposure is *Fearless Fosdick*, produced by Terrytoons for CBS Films. The series is based on Al Capp's spoof of *Dick Tracy* that appears periodically in Capp's *L'il Abner* strip. Oddly enough, Dick Tracy himself may be on hand in animated TV form. TV Personalities Inc. is filming a *Dick Tracy* 208-episode, 5-min. series of juvenile-appeal short cartoons in Hollywood for syndication sale this fall.

Also in the syndication field, Cinemagic International is producing a color animation series of 7½-min. shorts called *Hound for Hire*. It's another satire, this time spoofing Sam Spade-type private eyes, and was described to us as "an adult show with appeal for children" by CI Pres. Arthur Epstein.

Trans-Lux TV, which launched *Felix the Cat* last year on the syndicated cartoon market, has a follow-up show in the works: *Willie McBean and His Magic Machine*. The 260-episode series, done in 5-min. lengths and filmed in color, "will go the national route first, as far as sales are concerned," reported T-L Pres. Richard P. Brandt, although the series will probably go into syndication if no network sale is achieved.

Transfilm-Wylde Animation, an affiliate of Buckeye Corp.-owned Transfilm-Caravel, a commercial-production firm, has launched N.Y. production of a 150-episode 6-min. syndicated series based on *The Nutty Squirrels*, a recent pop record hit. Flamingo Telefilm Sales is distributing the package. A comparable series, *Mello-Toons*, was recently released by UAA as a 104-episode, 6-min. package based on a series of children's records of "Peter & the Wolf," "Treasure Island," etc. King Features, owner of the rights to *Popeye*, has scheduled, among others, a new series of TV *Popeye* cartoons for production (somewhat to the dismay of UAA, which distributes the 234 old *Popeye* cartoons to 150 markets but is barred from making new ones).

Although the syndication market has recently been slow for new live-action entries, CBS Films has had no trouble in launching *Deputy Dawg*, a juvenile-appeal cartoon series. In the first 2 weeks on the market, *Deputy Dawg* racked up $600,000 in sales in 15 cities, and last week scored a major regional sale to Lay's potato chips for a 45-city spread in 13 Southeastern states, plus station sales in 5 more markets. The 30-min. series, which CBS Films is selling as 26 half-hour shows or as a library of 104 cartoons, will be ready for premiere telecasts around Oct. 1. It is produced by Terrytoons.

Robert Lawrence Productions is another commercial firm which has caught the animated program fever. Robert Lawrence Animation Co. dir. Peter Cooper told us that a series of 6-min. cartoons, "in a sophisticated vein," was being planned for color production in the near future, with an eye to network sale as a featured highlight of an existing variety show.

Networks Changing Minds on Cartoons

Networks have been wary of scheduling animated shows, but ABC-TV is taking a bold stand on animation this fall, having scheduled 2 shows—Hanna-Barbera's *The Flintstones* and Warner Bros.' *Bugs Bunny*—for evening time periods. ("With animation, you have a broader, faster-paced humor," ABC-TV programming vp Tom Moore told us.) NBC-TV has been successful with a Hanna-Barbera-produced (via Screen Gems) cartoon package, the daytime-scheduled *Ruff & Reddy*, and admits it is "thinking" about a possible cartoon series at night this fall. CBS-TV told us it had no plans for new cartoon programs at the present time.

Costs, production trends: It takes considerable time & money to produce animated program packages. Goulding, Elliot & Graham has invested $76,000 in the 30-min. pilot of *Hollywood Classics*, and future episodes will be budgeted at about $50,000 each (as compared with $35-45,000 for the typical 30-min. live-action Western). A Screen Gems source stated that *The Flintstones* will be "the most expensive 30-min. network show next season," with a budget of nearly $60,000 per episode.

Full animation is still a slow, costly process, involving hundreds of ink-on-celluloid drawings (16 per sec. of film time) and precision camerawork. Routine 30-min. live-action film shows can be cranked out in as little as 2 or 3 days. The pilot episode of a 7-10 min. cartoon series may take as long as 2 months to prepare and involve 2,500 individual drawings. Even when an animated show hits its production stride, a single episode may take a week or more to complete. Accordingly, animation houses try for program sales far in advance, to give production staffs their go-ahead in plenty of time.

One way to reduce animation costs is to produce overseas. Cinemagic International's *Hound for Hire* and Trans-Lux's *Willie McBean* are good examples of this approach. CI's Arthur Epstein has farmed out the actual color animation of the series to the Zagreb studios in Yugoslavia.

Cost savings are "a strong factor," Epstein said, but travel expenses have already been sizable. T-L's Richard Brandt is having *Willie McBean* produced in the Queensway studios in Canada for 2 reasons: "To tap Toronto's animation excellence and to fall under the British TV-film quota."

Despite the high costs of launching an animated series, most producers consider it a good risk because of the enormous rerun values, particularly if it appeals to children. "Every year, a whole new group of children grow up into the age group that enjoys *Popeye* and Warner Bros. cartoons. This constantly replenishes the audience," is how UAA vp & gen. sales mgr. Robert Rich put it to us. Added a Screen Gems official: "You don't have to worry about how to keep a cartoon character looking young in TV, or that your sets, props & costumes will be dated a few years from now."

With a canny eye on the long-range earning potential of animated series, virtually every producer launching a new package is producing the show in color. They tell us they expect "little or no special revenue" for colorcast versions of their shows now, but that their cartoons will still be making the rounds of rerun syndication when color is widespread.

Animated commercials: Back in 1940-41, when Botany Fabrics was experimenting with commercials in the then-pioneer TV medium, Botany's film spots featured an animated series of little lambs jumping over a fence. Animation, therefore, is no newcomer to the arsenal of sales devices used by clients & agencies in TV, and miles of animated spots have been produced.

Improvement in Animated Commercials

The principal change taking place this year in commercial film animation is subjective. "More significant than the increased volume of animation is the increased quality of story & creative art work in animated commercials," said Robert Lawrence's Cooper. "This is chiefly the result of agencies allowing commercial animation companies to create commercials rather than telling them they must follow storyboards exactly. It's a healthy trend for the commercial film industry, too. I have many times heard agencymen say 'I think it's great but the viewers won't get it.' What manner of insecurity compels us to believe in our own superior maturity? Who is better equipped to conceive, stage and design an animated film utilizing everything the medium has to offer than a person who spends 50 weeks out of every year doing nothing else?"

Animation, however, represents the secondary output of nearly all commercial production firms that do both animated & live spots. The breakdown of commercials scheduled this season at the Robert Lawrence studios shows: 11% are animation, 26% are live-atcion & animation, and 63% are live-action. Nevertheless, the animation orders show a "noticeable increase" over past seasons.

Producers who have invaded the animated program realm naturally offer their services to do animated commercials that tie in with the series (such as the Kellogg spots on NBC-TV in *Ruff & Reddy*). Again, this gives the producer an unusual amount of creative freedom in the commercials, since he can legitimately insist that the "sell" in the show pair off nicely with the "entertainment."

One of the newest trends in animated commercials is the use of famous comic-strip or theatrical cartoon characters. J. Walter Thompson, for Ford Motor Co., this season made a deal for the TV rights to the United Features syndicate *Peanuts* strip, and has been amusing (and, presumably, selling) audiences of Ford-sponsored shows with *Peanuts* commercials. They're produced by Playhouse Inc. for JWT and Ford, and are far from inexpensive; reportedly, the *Peanuts* commercials cost a hardly-peanuts $18,000 apiece. Similarly, UPA has done a commercial series, equally expensive, for GE, featuring its near-sighted "Mr. Magoo" character. In both cases, the advertisers gain extra mileage by using the TV cartoon characters in print.

Long a favorite with TV viewers (who consistently vote such animated commercials as those of Piel Bros. and Hamm Brewing to the top of the "best-liked commercials" lists of ARB), commercial animation came into its own professionally at the recent American TV Commercials Festival in N.Y. Of the 83 winners, 22% were animated commercials—about one out of every 5—and of the 250 entries picked as finalists, 26%—slightly better than one out of every 4—were animated commercials. In the category of 8-10 sec. IDs, all 7 of the finalists were animated.

Stated festival dir. Wallace A. Ross, who screened over 1,000 commercials submitted to the event: "I think this indicates growing recognition of the 'immediacy of effect' and the direct, rapid communication which animated commercials afford. The animated winners weren't just 'entertainment,' either. All contained direct & specific sell."

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1960's Emmys: Although TV film now constitutes the bulk of network programming, film as usual received a minority of last week's Emmy Awards, 7 of the 21. CBS-TV won 14 statuettes, NBC-TV 5, ABC-TV 2.

Desilu Productions led the film winners, its successful *The Untouchables*, bringing Emmys to Robert Stack (actor in a series), Frank Smith and Ralph Berger (art direction & scenic design), Charles Staumer (cinematography) and Ben H. Ray and Robert L. Swanson (film editing). Other film winners: *Huckleberry Hound* (children's program), Jane Wyatt (actress in a series), Rod Serling (writing; *Twilight Zone*).

CBS-TV Pres. Dr. Frank Stanton received the trustees' award for "outstanding service to the TV industry." Other winners: *Playhouse 90* (drama), *Fabulous Fifties* (variety), Art Carney special, *VIP*, (humor). *Huntley-Brinkley Report* (news), *20th Century* (public affairs & education), Robert Mulligan for *The Moon and Sixpence* (directorial achievement in drama), Ralph Levy and Bud Yorkin for Jack Benny specials (comedy).

Harry Belafonte, *Tonight With Belafonte* (performance in a variety, musical or series), Laurence Olivier in *The Moon and Sixpence* (single performance by an actor). Ingrid Bergman in *The Turn of the Screw*, *Ford Startime* (single performance by an actress). Sam Perrin, George Balzer, Al Gordon and Hal Goodman, *Jack Benny Show* (comedy writing), Howard K. Smith and Av Westin, *The Population Explosion*, *CBS Reports* (documentary writing), *Winter Olympics* (electronic camera work), Leonard Bernstein & N.Y. Philharmonic (achievement in music), GE supersentitive camera tube permitting colorcasting in no more light than is needed for b&w (best engineering or technical achievement).

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TV debate between Presidential aspirants would outdraw by a landslide any solo TV appearance by candidates, according to a poll conducted in N.Y. last week. Pulse Pres. Dr. Sydney Roslow reports that 84% of 500 adults queried said they would watch a debate; 66% said they would pass up a favorite program for a particular candidate. Dr. Roslow said it was doubtful that a single candidate could draw 66%, since only a small percentage of those who say they would watch a candidate on TV actually do so. In the 1956 campaign, he noted, President Eisenhower attracted 9.8% of viewers on Oct. 12. Other findings: 90% of those queried said they plan to watch the 1960 convention telecasts; 78% reported they saw parts of the 1956 conventions on TV.

TV aide to Vice President Nixon is recently-appointed 39-year-old L.A. TV producer Edward A. (Ted) Rogers. Comments the *Wall St. Journal* on Rogers' advisory duties: "In coming months [he] will figure out the types of TV shows to be used in the Nixon campaign, arrange filming & taping times and take care of technical details."

The FCC

Miami-Ch. 7 Finale: The rerun of the Miami Ch. 7 "improper influence" case closed a 6-day stand (Vol. 16:25 p11) in Philadelphia Friday. Special FCC examiner Judge Horace Stern ordered both sides to file briefs, said he'd file his decision in Washington no later than Sept. 15.

The finale was spiced by the testimony of former Miami mayor Perrine Palmer, who said he had received $1,250 for getting into the Ch. 7 scramble on an off-the-record basis on behalf of unsuccessful contender South Florida Television Corp. Boyhood friend of ex-FCC Comr. Richard A. Mack, Palmer said that when he was unable to get a commitment from Mack, he introduced Thurman A. Whiteside, another Mack friend, to South Fla. Pres. Jack Stein. Palmer testified that the $1,250 came from Whiteside for the favor. Palmer explained that his interest in the case stemmed from promises by Stein to throw business to Palmer's construction company.

Palmer also said he believed that awarding Ch. 7 to eventual winner Biscayne Television Corp. would mean "too much power over public opinion in the hands of too few people." He added: "As I look back now, possibly what I did should be considered improper. At the time, I did not think so. I thought every applicant for radio or for TV attempted to get all the help he could."

Other testimony at Friday's session came from *Miami News* publisher James M. Cox (25.5% owner of WCKT Miami) who said he had talked to Mack a month before the award to Biscayne, but insisted his company's pending application was never mentioned in the contact. Cox explained that he called on Mack to "disabuse" him of a false rumor about a sub rosa agreement between the Cox and Knight newspapers.

Meanwhile, the Ch. 7 controversy spilled over in Washington, where Rep. Oren Harris (D-Ark.) rapped the Knight papers for stories about him, noted that FCC is now investigating to see whether it should reverse its 1956 decision in favor of partly-Knight-owned Biscayne (p. 12).

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OCDM needs more time to study FCC's alternative vhf spectrum proposals, Commission Chmn. Ford wrote Senate Commerce Communications Subcommittee Chmn. Pastore (D-R.I.) June 21. Ford, relaying an interim report from OCDM—which had first tried to make up its mind by May 15 (Vol. 16:25 p12)—told Pastore that "answers to our proposals [for obtaining more spectrum from the military for TV] may be completed" in late July or early Aug.

Lower uhf channels for Harrisburg station WHP-TV (Ch. 55) and CP-holder WDTV (Ch. 71) are proposed by FCC in rule-making initiated last week, with comments due July 22. WHP-TV seeks Ch. 21, WDTV Ch. 33. The complicated shifts involve channels in Lancaster, Reading, State College, Williamsport, & Shinglehouse, Pa.; Dover, Del.; Wildwood, N.J.; Baltimore. (For details, see *TV Addenda 30-M* herewith).

Opposition to FCC's proposed interim policy on short-spaced vhf drop-ins (Vol. 16:24 p 9 & 16:25 p 12) was filed by WWLP (Ch. 22) Springfield, Mass. Filing before the new deadline of Sept. 1, the group stated that it is "unable to discern from the evidence available . . . why the 'ultimate' action should not now be proposed." WWLP also says it can't understand how FCC can propose additional vhf drop-ins without injuring the competitive position of some uhf stations directly and all uhf indirectly.

FCC Studies New Uhf Antenna: A broad-band end-fire uhf antenna, good for both transmission & reception, was described to FCC engineers last week—and the audience seemed impressed. In a closed session, a representative of an organization identified only as a supplier of antennas used by RCA, GE & others, said the antenna has high gain and is particularly applicable for installation on the Empire State Bldg. to be used in FCC's projected $2-million uhf project.

The antenna was reported to have a gain of 14-17 db for 15-ft. units, 9-12 db for 5-ft., 7-10 db for 18-in. FCC was told it could be mounted relatively easily around Empire State, using 6-8 elements. Its polarization can be varied electrically.

The antenna is claimed to be inexpensive, featuring discs on a rod. At 650 mc, it has 15 sq. ft. of capture area with 17-db gain, compared with about 3 sq. ft. and 10 db for the average uhf antenna, according to engineers.

The antenna has been used in radar by major manufacturers, and it was reported in use receiving the new Transit II-A satellite signals.

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TV & radio tower regulations to prevent air navigation hazards need a general overhaul, not just FCC rule-making revision, according to the Washington communications law firm of Scharfeld & Baron. The firm, joining other critics of FCC's proposals to give the Federal Aviation Agency initial responsibility for evaluating tall-tower dangers (Vol. 16:24 p8), said: "Nothing less than complete substantive & procedural reform of the present system for initial aeronautic review of tower proposals would resolve current difficulties & serve the public interest." In its comments, Scharfeld & Baron argued that broadcasters don't get fair deals now at the hands of "objecting aeronautic interests" which oppose all tall towers "as a matter of principle." Similar objections were filed by the Assn. of Federal Communications Consulting Engineers. It said FCC's proposed rule would reverse "cooperative policy which has been developed over approximately 14 years," that an agency such as FAA "cannot be expected to weigh all of the public-interest factors."

Deintermixture of Bakersfield to all-uhf was proposed by FCC last week, as expected. Comments are due July 27. Three alternate methods are proposed: (1) Simple deletion of Ch. 10. (2) Make Ch. 10 educational. (3) Shift Ch. 10 to Santa Barbara, Santa Maria, Lompoc-Santa Maria or San Luis Obispo. Two uhf channels would be added to Bakersfield by one of 2 methods: (1) Add Ch. 23 plus Ch. 50 or 51, substituting Ch. 45 for Ch. 37 in Delano. (2) Add Ch. 45 and 51. KERO-TV is ordered to show cause why it shouldn't move from Ch. 10 to Ch. 23 or Ch. 45. The station has indicated that it will continue to oppose the move, will insist on a hearing.

Staff of FCC's N.Y. uhf project is due to be proposed to FCC Commissioners this week, recommended by chief engineer Edward Allen and exec. officer Robert Cox. It's understood that they are these Commission engineers: Arnold Skrivseth, chief of project; George V. Waldo, project analyst; Sidney Lines, transmission facilities; Jules Deitz, receiver development & procurement; Daniel Hutton, measurements & observation.

TASO Report occupies 121 pages of June *Proceedings of the IRE*. Special papers on the study group's findings are authored by TASO members.

Stations

NEW & UPCOMING STATIONS: WJPB-TV (Ch. 5) Weston, W.Va. began programming June 22 after having been airing test patterns since May. It is an ABC-TV primary affiliate, but also carries CBS-TV shows. It has color-equipped 5-kw GE transmitter with 25-kw amplifier and 510-ft. Blaw-Knox tower with 5-bay antenna at studio-transmitter site on Fisher Summit, Jane Lew, W.Va.

Although it has studios available in Fairmont, W.Va., they won't be used at present because construction of microwave hookup to transmitter has been held up by protests filed by WBOY-TV (Ch. 12) Clarksburg, W.Va. and WSTV-TV (Ch. 9) Steubenville, O.-Wheeling, W.Va.

WJPB-TV stockholders are J. Patrick Beacom, pres. & exec. dir., 50%; Thomas P. Johnson, chairman & treas., 47.5% (also Pittsburgh Pirates vp and stockholder in off-air uhf WENS Pittsburgh); George W. Eby, secy., 2.5% (associated with Harris Enterprises, Pittsburgh). Beacom formerly operated Ch. 35 in Fairmont, W.Va., which also used WJPB-TV call. He also owns radio stations WVVW Grafton, W.Va. & WBUT Butler, Pa. and publishes weekly *Mannington* (W.Va.) *Times*.

Charles Arnett is asst. gen. mgr. & dir. of TV; John Connelly, commercial mgr.; J. J. Cooper, program dir.; J. C. Strelauski, engineering dir. Base hour is $225. Rep is Gill-Perna. New starter changes U.S. operating total to 567 (87 uhf).

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In our continuing survey of upcoming stations, these are the latest reports from principals:

KSOO-TV (Ch. 13) Sioux Falls, S.D. has 25-kw RCA transmitter nearly ready for use and has changed target to mid-July, writes Morton H. Henkin, pres. of grantee KSOO Inc. It's also installing RCA traveling-wave antenna on 1000-ft. Stainless tower. Base hourly rate will be $450. Rep will be Avery-Knodel.

KERA-TV (Ch. 13, educational) Dallas, Tex. plans to have equipment tests completed July 23 in order to start limited programming in Aug. It would then go to full schedule in early Sept., reports exec. dir. Martin Campbell. The station has moved to temporary studio-offices on Harry Hines Blvd., near standby transmitter and 300-ft. tower it purchased from WFAA-TV (Ch. 8). The latter recently began construction of its $3.5-million plant adjacent to parent *Dallas Morning News* building.

KCND-TV (Ch. 12) Pembina, N.D., after getting FCC approval to change to 1350-ft. Stainless tower, has set Sept. 1 target, according to operations dir. Charles K. Bundlie, of KNOX-TV (Ch. 10) Grand Forks, N.D., which owns 25% of KCND-TV. Construction of the transmitter house will begin July 1. RCA 2-kw transmitter is scheduled to arrive July 15. Antenna is due Aug. 1. Network affiliation hasn't been signed. Base hour hasn't been set. Reps will be Meeker, Wayne Evans (Minn.), Pembina TV Sales (Winnipeg, Man.), Television Representatives Ltd. (Canada).

XEWT-TV (Ch. 12) Tijuana-San Diego plans to begin test patterns July 1, programming in Spanish July 12, reports gen. & sales mgr. Ernesto Hevia for owner Telesistema Mexicano. It has 5-kw GE transmitter installed on Monte San Antonio, where studios are also located. Rene Armando Lafon is program director, with Felipe Fernandez, chief engineer. Base hour is $96. Rep not chosen.

WXTV (Ch. 45) Youngstown, O. has Oct. 27 programming target says Sanford A. Schafitz, 70% stockholder, who also owns radios WWIZ Lorain, O. and WFAR Farrell, Pa. It will be independent outlet in city which already has 3 uhf stations. Construction of studios and the transmitter building has been completed and 1-kw RCA transmitter is 50% wired. Foundations are ready for 300-ft. self-supporting Ideco tower on which work begins June 29. Joe Leonard, from WWIZ, will be gen. mgr., with Ray Dio, chief engineer. Base hour will be $250. Rep has not been chosen.

What Fate WNTA? If WNTA-TV is sold, the price will be around $12 million, we learned in N.Y. last week. Parent company NT&T is reportedly "anxious" to make an outright sale to ex-NTA Chmn. Ely Landau. According to NT&T's terms, however, Laudau (or any buyer) would have to pay cash, for deferred debts as well, station sources told us. NT&T still owes payment for WNTA-TV to Irving Rosenhaus, who sold WATV Newark to NT&T.

In another area, the official stop date on *Daywatch*, WNTA's unsuccessful Storevision project, was June 25. Daytime WNTA-TV programming plans following *Daywatch*'s finale were nebulous late last week. One WNTA executive told us it would probably be as follows: The station will go on the air at 3:30 p.m. with a public-service show, as yet unselected, followed by *The Leland Show*, a 30-min. physical culture series which is produced & sold by Leland, the programs' host, followed by a 2-hour movie.

NAB abolished its organizational services dept. last week in an unannounced reorganization move by the policy committee headed by Clair R. McCollough (Steinman Stations). Out with the dept. went mgr. Fred H. Garrigus, whose resignation was accepted as of June 20. Functions of his office, devoted primarly to NAB liaison work with public-service & educational organizations, were taken over by new industry-affairs vp Howard H. Bell (Vol. 16:25 p2). The policy committee's decision to eliminate the dept. (staffed only by secretarial help in addition to Garrigus) was another step in the committee's revamping of NAB's hq structure. Garrigus came to NAB in July 1955 from radio WEEI Boston, once the home station of the late NAB Pres. Harold E. Fellows. He did not announce his plans.

WDAN-TV (Ch. 24) Danville, Ill. has been sold to Plains TV Corp. (WICS Springfield, Ill., WCHU Champaign and WHNB-TV New Britain, Conn.) for $75,000 by the Gannett Publishing Co. The purchase covers equipment but the building & tower space will be leased to the new owners at a $1,500 monthly rental.

Grant of Ch. 9, Baton Rouge, to WAFB-TV (Ch. 23) is recommended in an initial decision issued by FCC examiner Walther W. Guenther. Competitor radio WIBR had agreed to drop out after WAFB-TV gave it an option to acquire 20% of the Ch. 9 station for $167,000 during the period between 18 & 30 months after it starts operating or for $38,000 during 36 to 39 months. WAFB-TV also agreed to pay WIBR's application expenses up to $23,000.

Ch. 9, Alpena, Mich. should be granted to Lake Huron Bcstg. Co., now that competitor Gerity Bcstg. Co. has dismissed its application, FCC examiner Basil P. Cooper recommended in an initial decision. Gerity filed an affidavit stating that it is receiving no payment from Lake Huron for dropping out. The prospective granteee operates WKNX-TV (Ch. 57) Saginaw-Bay City.

The New Nielsens: Broadcasters, agencies and advertisers last week received a new set of planned specifications for the 1961 Nielsen coverage service. Highlights:

1. TV "circulation" on a county-by-county basis will be measured in the Mar.-Apr. 1961 period. Radio will be surveyed in mid-Oct. and mid-Dec.

2. TV-radio figures will be released by Nielsen as soon as the 1960 census counts on receiver ownership can be applied to percentage tabulations being held by Nielsen. Estimated delivery date: mid-summer of 1961.

3. The sample will include 375,000 families. Returns will cover a minimum of 40% of the homes in the sample, although an average of 50% or better is expected.

4. A total of 2,930 counties (including sub-divisions) will be measured individually, with 146 counties combined into 70 "county clusters."

5. The NCS data will report on "the total audience to a station over an extended period of time." It won't report audiences to specific programs or time periods (which Nielsen does with ratings).

6. The TV-radio survey periods are said by Nielsen to "represent average audience conditions typical of the commercial use of these media." Radio measurements will include out-of-home listening.

7. Subscribing stations will receive 100 mapped copies of their own station report without additional cost, with extra copies available at reprint charges. Management-use copies of the coverage of all stations serving a station's home county will also be provided. Agencies & admen subscribing to NCS are to receive a master report of the complete circulation report and the station report, with extra copies available.

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NAB's Radio Code Board, new counterpart of the TV Code Review Board (Vol. 16:25 p9), is headed by Cliff Gill (KEZY Anaheim, Cal.), who was chmn. of the predecessor Radio Standards of Good Practice Committee. Other Code Board members appointed by the NAB policy committee chaired by Clair R. McCollough (Steinman Stations): Richard O. Dunning (KHQ Spokane), Elmo Ellis (WSB Atlanta), James L. Howe (WIRA Fort Pierce, Fla.), Robert B. Jones Jr. (WFBR Baltimore), Herbert L. Krueger (WTAG Worcester, Mass.), Robert L. Pratt (KGGF Coffeyville, Kan.), George J. Volger (KWPC, Muscatine, Ia.), Cecil Woodland (WEJL Scranton).

Partial purchase by S. I. Newhouse of the *Springfield* (Mass.) *Union*, *News* and Sunday *Republican* for approximately $4 million from relatives of the late Sherman Bowles doesn't affect ownership of WHYN-TV (Ch. 40) Springfield-Holyoke. The station is 50% owned by Republican Television Inc., which in turn is owned by the Employes Beneficial Fund of the papers, but the publishing company itself has no ownership in WHYN-TV. Bowles had willed 45% of the newspaper stock to his immediate family, 40% to relatives, the remaining 15% to the employe fund. Newhouse's buy included the relatives' 40% & rights to the family's 45%, but not the employes' holdings.

New facilities: KKTV Colorado Springs has 12-kw RCA transmitter on hand and plans power boost July 12 to 237.6-kw from new site on Cheyenne Mt. • KSTP-TV & KSTP St. Paul-Minneapolis expect to "more than triple" facilities after move to $9 million 15-story office-hotel building KSTP Inc. is building at site adjoining its present quarters. • KTBC-TV & KTBC Austin, Tex. have set Sept. completion date for new 5-story building at 10th & Brazos.

License revocation proceedings against radio KIMN Denver for "vulgar, obscene" broadcasts (Vol. 16:6 p11) have been dropped by FCC, Chmn. Ford dissenting. At the same time, Commission issued a cease-&-desist order against the station, which had protested the proposed revocation on grounds that the offensive material had been broadcast without KIMN management's knowledge by a since-dismissed announcer. Although lifting the threat of license loss, FCC said "a licensee's unfamiliarity with its program content reflects an indifference tantamount in effect to abdication of control." In his dissent Chmn. Ford said he wanted to go ahead with a hearing for KIMN.

Strike-bound WJZ-TV Baltimore & AFTRA were still deadlocked at the weekend, but both had met with the Federal Mediation & Conciliation Service and established ground-rules for mediation meetings which begin today (27). Management & supervisory employes have been telecasting since the strike without interruption. Involved in the strike, which began June 20, are 4 staff announcers and 3 free-lance contract performers—all members of AFTRA's Washington-Baltimore local. Among the key issues: base pay, remuneration for announcers who substitute for talent. The issues had been under sporadic discussion for 5 months before the breakdown in negotiations.

Committee to study Canadian TV & radio bcstg. has been voted by the Parliament, but which will get priority has not been announced. Last year a committee probed operations of CBC, but opposition this year has demanded study of legislation rather than actual operations of BBG or of TV or radio station owners. Committee is due to expire when Parliament adjourns, expected about July 31.

WKOW-TV (Ch. 27) Madison, Wis. has been sold for $925,000 to Midcontinent Bcstg. Co. (Joe Floyd, pres.), operator of KELO-TV (Ch. 11) Sioux Falls, satellites KDLO-TV (Ch. 3) Florence, KPLO-TV (Ch. 6) Reliance, all S.D., and radios WLOL St. Paul & KSO Des Moines.

Radio WQXI Atlanta has been sold by Robert W. Rounseville for $1,850,000 to Esquire Bcstg. Co. of Atlanta Inc.—*Esquire* magazine's first broadcast acquisition.

Ottawa hearings of Canadian BBG June 23 included application by CHAU-TV Carleton, Que. for low-power Ch. 80 satellite at Mont Blanc, Que.

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Educational Television

Govt. Pays $4 Million for ETV: Started last year under Title VII of the National Defense Education Act, federally-financed research in educational TV and other audio-visual teaching aids (Vol. 16:18 p14) already has cost more than $4 million—and $609,994 is earmarked now for new studies.

U.S. Education Comr. Lawrence G. Derthick, reporting "significant progress" in the program, said $1.6 million was spent in fiscal 1959 on 23 research projects & 13 information-dissemination contracts. So far in fiscal 1960, an additional $2.49 million has been obligated for a total of 82 projects & 23 contracts.

Derthick said 20 more research projects, 11 dissemination contracts and 14 small grants recently approved by the Advisory Committee on New Educational Media will cost $609,994.

Meanwhile Purdue U. Pres. Frederick Hovde, Mrs. Margaret Divizia of the Los Angeles public schools system and Houghton Mifflin Co. Pres. William Spaulding were appointed to the 14-member Advisory Committee to help review research applications.

Congress

More about

LEE FINALLY MAKES IT: Just 7 days short of the expiration of his term (June 30), Republican FCC Comr. Lee last week survived a Senate floor fight over his record & capabilities. He won confirmation—54-19—for another 7 years in office.

Following a unanimous recommendation by the Senate Commerce Committee that his reappointment by President Eisenhower be approved (Vol. 16:25 p3), it had been expected that Lee would have an easy time on the floor. Instead, a sharp partisan wrangle had developed and the nomination had been forced into a roll-call vote.

Denounced by Democrats, defended by Republicans, Lee was pictured alternately as a man who had failed to do his FCC duty and as one of the country's outstanding public servants.

The attack on Lee was led by Sen. Proxmire (D-Wis.). He conceded that Lee and White House nominees for other agencies "are pleasant men & honorable men & decent men," but he called for rejection of Lee's name—"a controversial nomination to a Commission with which very few persons are satisfied."

Proxmire drew up an indictment against Lee from the transcript of his confirmation hearing before the Commorce Committee (Vol. 16:18 p3). Among the anti-Lee counts he cited were:

(1) "The nominee failed to act on a matter of subterfuge in the Waco case," in which FCC rejected an equal-time complaint involving KWTX-TV & KWTX Waco, Tex. (Vol. 16:17 p4).

(2) "He has failed to act on payola."

(3) "He opposes development of standards which are of course absolutely essential if there is to be any meaningful regulation of the industry."

(4) "He went along with the majority of the Commission 90% of the time."

Proxmire & Gruening Lead Opposition

Proxmire deplored "the sad fact" that Lee had no overt opposition within the Commerce Committee, wound up by telling the Senate: "I suppose it is impossible not to vote for a man who has the famous name of Robert E. Lee, especially in this body."

Sen. Gruening (D-Alaska) joined Proxmire in urging the Senate to reject Lee, although Gruening said he meant "no reflection whatsoever" on the nominee. Gruening's argument was that "it is a grave error for the Senate to confirm any nomination for appointment for a term of 7 years," with a new President due next Jan.

Mild objections to Lee came from Sen. McGee (D-Wyo.), who said: "The nominee's record has many spots that are subject to legitimate criticism. But I should like to say that the nominee has, I think, learned." McGee said Lee had displayed interest in Western booster problems, that he therefore was entitled to Senate support. And in the rollcall McGee was on Lee's side.

Sen. Bridges (R-N.H.) was Lee's main backer on the floor. "I would say Mr. Lee is one of the most competent public officials in this country today," said Bridges. As Republican policy committee chmn., he presented a lengthy document titled "Report of the Accomplishments of the Federal Communications Commission during the Republican Administration, 1953-60." Lee's work was reflected in the GOP committee's report, Bridges assured the Senate.

Sen. Butler (R-Md.) recited Lee's record from the time he went on a federal payroll in 1938 as an FBI agent, concluding with: "He is a Roman Catholic & a Republican. I wholeheartedly endorse confirmation of this nomination."

Minority Leader Dirksen (R-Ill.) disclosed that he had summoned Lee to his office for a 2-hour session when it became apparent that objections to confirmation would be made on the floor. "I had at least 40 questions to ask," Dirksen said. "I wanted to be assured on any number of things, some of which had overtones of an investigation on the House side [by the Legislative Oversight Subcommittee]." When the long interview was over, Dirksen reported, he was convinced that Lee was "a good, able, aggressive, competent public servant."

Lee had help, too, from Sen. Scott (R-Pa.), who called the nominee "fairminded & attentive to his duties & competent in his position." In the rollcall, demanded by Sen. Smathers (D-Fla.), votes against Lee were cast by these Democrats: Cannon (Nev.), Carroll (Colo.), Clark (Pa.), Douglas (Ill.), Engle (Cal.), Ervin (N.C.), Gore (Tenn.), Gruening (Alaska), Hart (Mich.), Hill (Ala.), Humphrey (Minn.), Jackson (Wash.), Johnston (S.C.), Jordan (N.C.), McCarthy (Minn.), McNamara (Mich.), Moss (Utah), Proxmire (Wis.), Young (O.).

Charles H. King, dean of the Detroit College of Law, presumably is still in the works for a recess appointment when Congress adjourns (Vol. 16:25 p3). He told us he knows of no change in Eisenhower's plans to name him.

* * *

Lee is being relieved of some of his work. Starting July 1, he no longer will be responsible for the day-by-day chores of supervising Commission's Conelrad & other national defense activities. FCC voted to move its Office of Defense Coordination from Lee's office to the Office of Administration, under exec. officer Robert W. Cox. Albert A. Evangelista will be FCC's defense coordinator in the new set-up, replacing Harland W. Morris, who retires Aug. 1.

* * *

Trust-buster Robert A. Bicks, nominated by President Eisenhower to be Asst. Attorney General (Vol. 16:25 p3), had an easy time of it at a Senate Judiciary Subcommittee hearing. No opposition to his appointment developed at a brief session conducted by Sen. Eastland (D-Miss.). Chief witness for Bicks was Senate Minority Leader Dirksen (R-Ill.), who said he'd conducted his "own FBI work" on Bicks, urged confirmation "as quick as possible."

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FCC housekeeping chores will be lighter from now on, thanks to Congress. The Senate has finally approved a House-amended bill (S-899) cutting down the paperwork which the law requires of govt. depts. & agencies, including FCC (Vol. 16:7 p9). Repealed was subparagraph 3 of the Communications Act's Sec. 4(k). This provides for annual reports to Congress by FCC on payroll personnel—"including names, pertinent biographical data & experience, Commission positions held & compensation paid, together with the names of those persons who have left the employ of the Commission."

USIA faced barrage of criticism at a Senate Appropriations Subcommittee hearing last week. Appearing to plead for restoration of $5-million cut from his budget by the House, USIA dir. George V. Allen ran into protests that the Communists seemed to be winning the world propaganda war despite millions spent for VOA & other programs.

More about

HARRIS SEES TV-PRESS PLOT: Publishing-broadcasting combines—and the Knight newspapers & Time Inc. in particular—are ganging up on the House Commerce Legislative Oversight Subcommittee in "conspiracies" to prevent enactment of TV & radio reform legislation, Chmn. Harris (D-Ark.) charged last week.

Pleading for passage of the Commerce Committee's omnibus broadcasting bill (see p. 1), Harris said in an impassioned 1½-hour floor speech that recent exposes in Knight papers & *Life* of Congressional expense-account practices (Vol. 16:23 p10) were designed to block effective controls of broadcasting.

"In my judgment, Mr. Speaker, these recent attacks on members of the Congress are conspiracies of the Knight newspapers & *Life* magazine," Harris said in his emotion-packed speech, which rang in a hymn ("Oh God Our Help in Ages Past") and brought a standing ovation from his colleagues.

Harris said he was especially incensed about "the nasty innuendoes, the implications and smear attack, virtually accusing me of impropriety, dishonesty, and misappropriating funds." He said the Knight-*Life* stories singled him out for "a little old tinky bill" for a 1957 stopover in Honolulu on his way back from a House mission to the Antarctic.

Harris with Glass (Not His)

Harris said that part of the "smear" was publication of a photograph of himself in black tie and showing "a hand just barely inside the picture with a glass in hand." The caption in Knight's *Akron Beacon-Journal* was "Representative Harris drinks well at taxpayers' expense." The picture was taken at a 1959 SEC anniversary reception in Washington and the hand holding the glass wasn't his, Harris said.

"I want to show you what is behind all of this and what brought on these attacks to take the spotlight off of the pressures & improper actions in dealing with these valuable [broadcasting] properties that mean so much," Harris told the House.

He pointed out that it was the Legislative Oversight Subcommittee that first exposed *ex-parte* maneuverings in FCC's award of Miami Ch. 7 to WCKT, partly owned by Knight interests. And at the time the House expense-account stories appeared, Harris pointed out, publisher-broadcaster John S. Knight was facing FCC rehearings on the Ch. 7 case in Philadelphia (Vol. 16:25 p 11). Harris also noted other Knight interests, including WAKR-TV & WAKR Akron.

As for Time Inc.'s broadcasting arm, TLF Broadcasters Inc., Harris said it too had reason to be worried about the Oversight Subcommittee. In a coloquy with Rep. Flynt (D-Ga.), Harris emphasized that TLF obtained its stations (KLZ-TV Denver, etc.) through transfers, and that TLF never had to face initial FCC application hearings.

"Is it also true that there were never any public hearings as to the fitness of TLF for a TV channel?" Flynt wanted to know. That was true, Harris said. "I wonder if the gentleman would care to comment on whether or not willful libel should be considered as an ingredient of unfitness for future renewals of a TV or radio license or as ground for revocation," Flynt cued Harris. "Of course, that would be a very appropriate subject for the Commission to undertake," Harris said.

"Political payola at its worst" was practiced by FCC in its proposed grant of permanent operation of WTEN (Ch. 10) Vail Mills, N.Y. to Capital Cities TV Corp. (now Capital Cities Bcstg. Corp.—Vol. 16:23 p14), according to Sen. Proxmire (D-Wis.). In a Senate speech, he said Commission should give "promptest & most sober consideration" to the fact that 5 House members are among more than 800 Capital Cities stockholders. Proxmire quoted a story by Washington reporter David Wise in the June 19 *N.Y. Herald Tribune*, which made page-one news out of the long & losing bid by Veterans Bcstg. Co. for the award in the Albany-Schenectady-Troy area. Implying that Congressional influence weighted FCC's preliminary decision for Capital Cities, the *Herald Tribune* noted that examiner J. D. Bond had mentioned the House members' holdings in giving Capital Cities principals a "manifestly superior" rating for "civic backgrounds" in his report last Aug. (Vol. 15:33 p5). The 5 are Reps. Taylor (R-N.Y.), O'Brien (D-N.Y.), Keogh (D-N.Y.), Delaney (D-N.Y.), Rodino (D-N.J.). In a follow-up speech, Proxmire told the Senate a "top official" of FCC had confirmed to him that members of Congress enjoy special consideration from Commission. Declining to identify his course, Proxmire said: "He told me it is indeed the settled policy of the FCC to give weight to ownership by members of Congress as an indication of 'civic participation' and a favorable factor in making TV license awards." Note: The interests of Taylor (2.61%) and other members of Congress in Capital Cities have long been on record (Vol. 14:35 p8), along with interests of many more in other TV & radio stations (Vol. 14:5 et seq.). There's no law or code of conduct against such holdings.

Networks

On Congressional waiving of Sec. 315 depends the political freedom of TV-radio and the fate of millions of dollars worth of free TV time. That, essentially, was CBS Inc. Pres. Dr. Frank Stanton's final plea during a closed-circuitcast (over CBS-TV facilities) to Democratic & Republican delegates gathered at station viewing rooms last week. "We cannot cover the major candidates without meeting the demands for equal time of nearly a score of minor parties and a dozen fringe candidates. And it will be a negligence of hazardous dimensions if, by inertia or lack of insight, this resolution fails to come to a vote in both houses." Stanton reminded delegates that the press has been "virtually unanimous in its plea to Congress to lift the equal time restrictions imposed upon TV-radio." If Congress passes the resolution, Stanton continued, "it is certain that every man & woman who goes to the polls on Nov. 8 will have a clearer grasp of the issues than ever before in our history."

Hal Roach Jr. was fined $500 last week for his role in MBS's $750,000 propaganda deal with the Dominican Republic. Washington Dist. Court Judge Joseph R. Jackson said Roach was "more sinned against than sinner," stating that most of the blame should be attached to his one-time associate Alexander Guterma, who was sentenced in Feb. in N.Y. to 4 years & 11 months in jail and fined $160,000 for conspiring to defraud the U.S. Guterma awaits sentencing by Judge Jackson on the propaganda deal. The judge said that he could give Roach 5 years in jail and fine him $10,000, but that his past record shows he is "a clean man." The judge told Roach: "You have tremendous financial obligations against you, but you are a young man and can rehabilitate yourself."

The Convention Coverage: More than 1,000 newsmen, technicians, commentators and production specialists will represent the 3 TV networks in Los Angeles and Chicago next month. At least 91 TV cameras, 8 mobile units, and hundreds of tons of special equipment are being shipped by the networks to both convention areas. Individual network logistics last week:

ABC-TV: Led by a staff of 30 correspondents, with news vp John Daly at the helm, ABC will invade Los Angeles and Chicago with 20 tons of equipment, including video monitors, short-wave receivers & transmitters, master-control consoles, devices for switching, montaging & superimposing TV pictures, tote boards, cameras & mike booms. ABC is handling the 3-network video "pool" at the Democratic convention and will install 6 TV cameras to feed pool shots. The network will also have 25 camera sites at each convention city, plus 2 mobile units and a "crash unit," which transmits by microwave relay housed in a station wagon.

CBS-TV: On-scene construction of TV studios to handle commercials for sponsoring Westinghouse, control rooms, newsrooms with full telephone & TWX facilities, tape room, observation booth and "all facilities for broadcast from 28 camera locations" will be highlights of CBS's convention setup. Both CBS convention locations will be wired in advance by the network, with 25 miles of cable in each city. In addition to regular TV cameras, CBS will employ "eyewitness" cameras (for "roving reports"). These are powered by a 15-pound battery-transmitter pack slung over the cameraman's shoulders. The network will have 2 mobile units in operation, each a 26,000-lb. "rolling TV studio" with 3 cameras and a control room.

NBC-TV: A tractor-trailer load of 15 tons of equipment is being sent from N.Y. to Los Angeles to supplement the network's West Coast facilities. Two similar loads will be sent to Chicago for the Republican convention, as well as 7 tons of equipment to be flown by chartered plane from Los Angeles to Chicago. Approximately 25,000 feet of camera cable & 100,000 feet of wire for sound transmission are required in each city to make NBC's convention cameras operable. NBC will have a mobile tape unit with 2 cameras, another mobile truck with 3 cameras and the "NBC Cadillac," which will function as a 1-camera transmitter. NBC will have 32 camera locations at each convention in addition to cameras for the 3-network pool at the Republican convention. The network also will operate at the Democratic convention a special "train" (electric locomotive tractor, 3 rubber-tired cars) to haul politicos and newsmen on a shuttle run between the convention hall and the "NBC Cadillac," which will function as a one-camera NBC's convention studios. Although NBC wags proposed such names as the "Sarnoff & Ohio" and "Atchison, Topeka & Free TV," the NBC-operated "railroad" will be known as the "VIP train."

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Substantial increases in network TV billing in the first 4 months of 1960, TvB reported last week, were evidenced in the categories of confectionery & soft drinks, drugs & remedies, beer & wine, apparel, footwear & accessories and household furnishings. Confectionery & soft drinks jumped from $4.3 million in Jan.-April 1959 to $6.1 million in the like period this year. Other increases: drugs & remedies, $29.6 million, up from $24.7 million. Beer & wine, $2.7 million, up from $1.5 million. Apparel, $2.3 million, up from $1.6 million. Household furnishings, $2.3 million, up from $1.3 million.

NETWORK SALES ACTIVITY

ABC-TV

Daytime programming, Mon.-Fri., particips. eff. June 28.
Chemway (Cohen & Aleshire)

Dick Clark Show, Sat. 7:30-8 p.m., full sponsorship renewal, eff. fall 1960.
Beechnut Lifesavers (Young & Rubicam)

The Islanders, Sun. 9:30-10:30 p.m., particips. eff. fall 1960.
Warner-Lambert (Ted Bates)

Debbie Reynolds special, Oct. 27th, 9:30-10:30 p.m., full.
Revlon (Grey)

CBS-TV

Olympic track and field trials, Sat. July 2, half-sponsorships.
P. Lorillard (Lennen & Newell)
Pabst Brewing (Kenyon & Eckhardt)

Pete & Gladys, Mon. 8-8:30 p.m., half-sponsorships eff. fall.
Carnation (Erwin Wasey, Ruthrauff & Ryan)
Goodyear Tire & Rubber (Y&R)

NBC-TV

Thriller, Tue. 9-10 p.m., one-thirds eff. fall 1960.
Allstate Insurance (Leo Burnett)

Today show, 7-9 a.m., participations presently eff.
Standard-Triumph Motor (Doherty, Clifford, Steers & Shenfield)
SatEvePost (BBDO)

Jack Paar Show, 11:15-1 a.m., participations presently eff.
Lipton Instant Tea (SSC&B)
Kiwi shoe polish (Cohen & Aleshire)

Wichita Town, Fri. 8:30-9 p.m., summer re-runs. Full.
Alberto-Culver (Wade)

M Squad, Tue. 10-10:30 p.m., full sponsorship eff. summer.
Alberto-Culver (Wade)

Fred Astaire special, 60-min., fall, full sponsorship.
Chrysler (Leo Burnett)

Advertising

Big Retail Ad Growth Predicted: TV advertising by local retailers will soar to $1.5 billion by 1970, TvB predicted last week (1959 level: $280 million). "This growth on the local front will happen because there's an awakening taking place," said Pres. Norman E. Cash. "Retailers are looking at the success national advertisers have had with our medium, and are now findings ways to adapt it." Working with the National Retail Merchants Assn., TvB is currently preparing a TV manual for retailers.

A recent NRMA survey showed that "2 out of 3 retailers using TV today started since 1955," Howard P. Abrahams, TvB vp for retail sales, pointed out. The survey also showed that the average TV budget of retailers who use the medium is about 10% of total advertising expenditures. The chief TV technique used by retailers today is slides, with wide use of live commercials and scattered use of tape. One in 5 retailers believes he cannot use TV because of the lack of facilities in his town; 43% of retailers surveyed are now using TV, Abrahams reported.

TV's penetration of suburban areas produces "lower cpm than newspapers," Abrahams pointed out. He suggested that any retailer about to embark upon a TV campaign employ a TV-oriented ad agency. "Retailers' past misuses of TV were probably due to lack of knowledge of the medium's flexibility," he said. In line with its retail advertising push, TvB has conducted 17 sales clinics on retail advertising, attended by 867 station executives.

Shell to OBM: Medium-sized Ogilvy, Benson & Mather agency last week won the huge Shell Oil account from giant J. Walter Thompson. Shell is 2nd only to Texaco in TV spending among oil firms and is No. 1 in spot-TV-only field. The latter category accounted for 95% of Shell's $2,564,000 gross time-spending last year.

The official reason for the firm's change, after 31 years at JWT, was stated as "a general reorientation of the company's marketing program" by Shell Pres. H.S.M. Burns. But admen were quick to note the relationship between Shell's spot-oriented TV spending and OBM's growing success in the spot field. It scored first-place in the "Coffees & Teas" category of the recent American TV Commercials Festival & Forum with a Maxwell House Coffee film commercial. Maxwell House (which OBM won away from Benton & Bowles a few seasons back) is also a spot-conscious account, with a 1959 expenditure of $6 million in that area.

* * *

Shopping for a strong TV agency last week was Hazel Bishop, whose mktg. vp Matthew Middleton was quoted as saying that the cosmetics firm believed TV to be "the prime medium for our operation." What Hazel Bishop wants, according to adman Middleton: "An agency that knows TV inside & out & backward & forward; one whose primary billings are in TV." Latest Hazel Bishop budget estimate: nearly $5 million.

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"Deceptive" TV commercials for Rise shaving cream have been used by Carter Products Inc. and its agency Sullivan, Stauffer, Colwell & Bayles to disparage competing products, according to an FTC complaint. Citing a "typical" commercial, FTC said a demonstration of how Rise stays "moist & creamy" while other lathers are "dried out" wasn't what it was represented to be. "In reality," FTC alleged, "the supposed competing lather is a formulation specially prepared for the demonstration and is not a product for shaving purposes."

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Net & Spot Ahead on 6 Counts: The national ad volume in April rose 6% above the year-ago level, buoyed by gains of magazines (16%), business papers (12%) and network TV (5%). *Printers' Ink's* latest index also shows that the Jan.-Apr. ad investment was 10% greater than that cumulative period of 1959. But this was slightly off the 11% pace set during first-quarter 1960 (Vol. 16:23 p11).

In April-over-March volume, network TV's 1% gain looked big against the losses of other major media: network radio (down 21%) magazines (down 4%), newspapers (down 3%). Network radio & newspapers recorded the same declines (21% & 3%) in April '60 vs. '59.

Medium	Index April 1960	Index April 1959	% Change from 1 month ago	% Change from 1 year ago	% Cumulative Change
General Index	238	225	— 1	+ 6	+10
Total Magazines	191	165	— 4	+16	+17
Weekly	217	189	— 5	+15	+23
Women's	139	118	— 1	+18	+10
General Monthly	235	193	+ 3	+22	+11
Farm	98	99	—12	— 1	+ 8
Newspapers	209	216	— 3	— 3	+ 9
Network Television	473	452	+ 1	+ 5	+ 7
Network Radio	19	24	—21	—21	—17
Business Papers	256	229	+ 4	+12	+ 8
Outdoor	160	157	+ 3	+ 2	+ 8
	1st Qtr. '60	1st Qtr. '59	4th Qtr. '59	1 year ago	
Spot TV*	762	672	+ 3	+13	+13

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For eacb medium, the base (100) is an average of total investments in the years 1947-1949 except for the TV base, wbich covers the years 1950-52. Spot TV is not reflected in the general index. *Spot TV data, althougb shown monthly, report the preceding quarter's activity.

Film & Tape

More about

STRIKE DRAMA—ENTER, THE ACTORS: Just as Hollywood's TV-film producers heaved their collective sigh of relief and regeared for full production, following the 22-week writers' strike, they were faced with another labor crisis—with the actors. At the same time, WGA closed in on another agreement—with the networks.

Screen Actors Guild's negotiating committee, which held no sessions with the Alliance of Television Film Producers or the Assn. of Motion Picture Producers last week, did call a special meeting of SAG's board for this Mon. (27) to discuss negotiations. The committee is expected to ask the board to call a membership meeting at which authority to call a strike will be sought.

The board meeting is being called, said SAG bitterly, "in light of the failure of the producers to indicate any keen interest in bringing the negotiations to a conclusion." This statement contrasted to that of Alliance Pres. Richard W. Jencks, who told us "we're making progress."

WGA and the networks reached a verbal agreement late Fri., following lengthy negotiations for contracts covering TV films at the nets. Talks had boiled down to one question: How to compensate writers of sustaining shows under the new royalty concept? The networks told WGA negotiators they would go along with the Alliance-WGA deal. They would be willing to pay cash to writers of sustaining films. But the writers were seeking royalties. Because the royalty concept is based on growth, the sustainer presented unique & puzzling questions. However, it's reported that in the final negotiations, the networks agreed to go along with the royalty plan for such shows, the figures to be determined later by the newly-formed industry fact-finding committee.

Early Actors' Strike Not Expected

SAG's action is motivated by what its negotiators feel is a "brushoff" attitude on the part of the producers, who think SAG wouldn't dare strike again after already having had one strike this year (against the major movie studios).

One of SAG's principal objectives is a pension. While producers have agreed to this, the disagreement is in how to set it up. The producers offer to base it on 5% of the actor's salary, up to double minimum, but SAG wants 5% of the total actor's payroll in TV, including his residuals.

The Alliance offered actors a raise in minimums of 10% the first 2 years and 5% the second 2 years (the same terms the writers accepted), but SAG wants a higher hike. Originally the Guild asked that the residual base of 140% be raised to 200%, but this was rejected by the producers.

While SAG is the largest & most powerful of the Hollywood talent guilds and can shut down production more effectively & quickly than any other guild, there is presently no sense of urgency or expectancy of an early strike.

An irony of the marathon writers strike is that it could have been ended in Feb. instead of June. That was when MCA's Lew Wasserman offered as his solution a royalty plan to give writers 2.2% of the grosses, foreign & domestic, in lieu of the present fixed residuals. WGA immediately accepted the Wasserman proposal, but it was rejected by the Alliance. Eventually, after costly months of strike, the Alliance did accept a royalty formula, but because of the length of the strike, WGA had raised the ante, and got a guaranteed floor of 4% instead of the 2.2% it would have taken in Feb.

HOLLYWOOD ROUNDUP

CNP Has New Policy: NBC's telefilm subsidiary, California National Productions, is following the lead of 20th-Fox Television and MGM-TV by operating without a vp for production. Pres. Earl Rettig sees no need for such an executive and believes it to be "a more economical way to operate." Commenting on the recent departure of production vp Frank Cleaver, Rettig told us that he would henceforth supervise all TV film projects, with a producer assigned to each new series. "Much of our stuff is now done by producers Jack Chertok and Sam Gallu," he said.

Rettig emphasized that Cleaver's exit means no lessening of production at CNP. On the contrary, CNP will increase its 1960-61 production schedule to include at least 8 series (vs. top output of 4 series, in 1959). CNP's new efforts: 30-min. *R.C.M.P.*, 39 episodes based on Royal Canadian Mounties archives; *The Blue Angels*, flying team; *The Jim Backus Show;* more *The Lawless Years;* 5-min. *Henry & His Claymates*, 104 stories in color stop-motion technique; *The Funny Manns* kiddie comedies; 2 "off-beat" Westerns, still untitled.

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Fate of Kaiser's sponsorship of *Maverick* on ABC-TV next season was believed to be in doubt on the West Coast last week, due to a contractual clause stipulating that James Garner will star in 13 of the 26 episodes. But in N.Y., ABC-TV business mgr. Henry Hede told us: "We have a firm year-long contract with Kaiser for sponsorship of *Maverick* sitting in our office." Garner, who starred with Jack Kelly in the series in the past, contends he is no longer under contract to Warners, because it breached his contract when it placed him on *force majeure* last March 3, allegedly because of the writers' strike. Warners and Garner are now involved in litigation, the studio contending the actor is guilty of breach of contract. A pretrial hearing will be held in Aug. Meanwhile, Garner is busy in stock & personal appearances, and has just signed to star in Bob Hope's first special on NBC-TV next fall. When he appeared on Hope's show last season he split his fee 50-50 with Warners; this time he keeps all.

Two rival musicians unions in Hollywood are claiming the right to negotiate post-1948-movie-to-TV residuals deals with the Assn. of Motion Picture Producers. Musicians Guild of America notified AMPP that any such negotiations should be made with it, as the musicians' bargaining representative with the major studios. AFM then told AMPP that since it has negotiated the contracts covering 1948-1958 films, the majors must negotiate such contracts with it. MGA has no right to negotiate or interfere, contended AFM, which has petitioned NLRB for another collective-bargaining election among major studio musicians.

Profit sharing-plan by Desilu Productions for 34 permanent employes excludes: staffers covered by a collective bargaining unit which has pension or health & welfare benefits; those under creative, staff or production contracts; owners Lucille Ball & Desi Arnaz and exec. vp Martin Leeds. Under new plan effected May 1, contributions (based on Desilu's annual profit) ranging to 15% of employes' annual salaries may be placed in a trust fund to be turned over to them when they retire or leave Desilu.

NEW YORK ROUNDUP

Share of post-1948 revenue soon to be negotiated between Hollywood basic craft guilds of International Alliance of Theatrical & Stage Employes and movie producers won't go directly to IATSE union members. Instead, IATSE's Hollywood slice of the post-1948 residual pie would go to the Motion Picture Industry Pension Fund, which covers only Hollywood craft-guild members of the film industry. Other IATSE locals (N.Y., etc.) presumably would work out similar arrangements. Announcement of the union's move came from IATSE Pres. Richard F. Walsh, who flew to Hollywood recently as an observer during the WGA & SAG strikes. The current IATSE studio agreements expire Jan. 31 of next year. However, there is an existing clause in these agreements which states that if any film guild or union negotiates payment for residuals from the TV sale of post-1948 features, IATSE reserves the right to open negotiations in 60 days. Last week, such notice was given to Hollywood producers, we were told in N.Y.

Four Star Films & CBS were named in a $1-million suit filed in Supreme Court in N.Y. last week, involving *Wanted: Dead or Alive.* Also named were Malcolm Enterprises (associate of Four Star), Bristol-Myers (former sponsor) and present sponsors Brown & Williamson and Kimberly Clark. Plaintiffs are Wanted Inc., Walter McGraw and Peggy Mayer. McGraw and Mayer claimed to have originated the show under the title of "Wanted." The complaint alleged that both parties entered into a contract with CBS on April 6, 1955, for the production & broadcast of a series under that title, with the same format as the present Four Star production. In May 1956, allegedly, the agreement was amended so that the title "Wanted" belonged to the contractor and CBS & the plaintiffs would each have a 50% share of the show.

Jack D. Wrather has denied reports, current in Hollywood for several weeks, that he was dropping his various TV interests. The head of the Jack Wrather organization told us last week: "We're not going into any new production in our Hollywood unit, but we're firmly committed to make 35 new *Lassie* episodes for the fall season." He added that no changes are anticipated in Wrather activities concerning Jerrold Electronics (in which Wrather owns substantial interest) or in Transcontinent TV Corp. (station group in which he is a major stockholder).

New post-1948 Warner package may be launched in the syndication market shortly. Linked to the project (although he denied it) is Eliot Hyman, who last week resigned as pres. of UAA. Reportedly, the package will contain 104 Warner Bros. features filmed after the 1948 freeze on TV feature releases. There were also reports last week that Hyman would be associated in the package venture with his former partner, Canadian financier Louis Chesler. Hyman and Chesler originally formed Associated Artists Productions, which became UAA when United Artists acquired controlling interest 2 years ago. UAA distributes the pre-1948 Warner library as well as UA features released to TV. Arthur B. Krim, UA pres., also assumed the UAA presidency, succeeding Hyman.

New Chicago video-tape firm, Tele-Tape Productions, will produce TV programs & commercials.

Television Digest

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Personals: Ross Donaldson named NBC-TV creative services dir.; W. Preston Wood named script services mgr., succeeding Donaldson . . . Howard W. Maschmeier, gen. mgr. of WNHC-TV New Haven, elected chmn., ABC-TV Affiliates Assn. board of governors; Donald D. David, pres. & commercial mgr., KMBC-TV Kansas City, Mo., named vice chmn.; John F. Dille Jr., pres., WSJV South Bend-Elkhart, Ind., named secy.; John T. Gelder Jr., vp-gen. mgr., WCHS-TV Charleston, W.Va., treas. . . . Robert Mochrie named Metro-Goldwyn-Mayer gen. sales mgr., succeeding Jack Byrne, resigned.

Edward DeGray, ex-ABC Radio pres., joins Presidential campaign staff of Senate Majority Leader Johnson (D-Tex.) as TV-radio coordinator; Edgar G. Shelton Jr., ABC vp in Washington, takes leave to work with Johnson staff, planning to return to network office following Democratic convention in Los Angeles next month.

Melvin B. Wright promoted from gen. mgr.-sales mgr., Skyline Stations, to exec. vp & gen. mgr., Skyline TV Network (KID-TV Idaho Falls & 5 other stations in Ida. & Mont.) . . . Al de Caprio named Theatre Network TV programs dir. . . . Dr. Raymond E. Silk, surgeon, named pres. of Young Publications, syndicated TV program producers.

Lee Ruwitch, exec. vp & gen. mgr., WTVJ Miami, elected pres., Fla. Assn. of Bcstrs.; Joseph Field, owner-mgr., radio WIRK West Palm Beach named radio vp; Fred Shawn, gen. mgr., WSUN-TV St. Petersburg, named TV vp . . . Dr. John A. Dawson appointed economics research dir. to Canada's Board of Bcst. Governors . . . Sherman Headley, WCCO-TV Minneapolis-St. Paul asst. mgr., elected pres., Minn. Bcstrs. Assn. . . . James A. Stabile, NBC standards & practices vp, elected pres. of Catholic Apostolate of Radio, TV and Advertising.

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NAB's James H. Hulbert has been promoted to broadcast-personnel & economics mgr., replacing Charles H. Tower, now TV vp (Vol. 16:20 p7). Appointed by new industry-affairs vp Howard H. Bell to the post, he had been asst. mgr. of the NAB dept. since Sept. 1954. Hulbert joined NAB's staff after 2 years with NBC in N.Y. as producer & director at the network's WRCA-TV & WRCA. In 1951, during the Truman Administration, he was a White House editorial asst. Hulbert is a graduate of Harvard College and Harvard Graduate School of Business Admin.

Community Bcstrs. Assn., organization of Class IV radio stations, has elected James L. Howe, WIRA Ft. Pierce, Fla. to board, replacing Frank R. Smith, WBVP Beaver Falls, Pa. All other board members were reelected: F. E. Lackey, WHOP Hopkinsville, Ky., chmn.; Robert T. Mason, WMRN Marion, O., pres.; Merrill Lindsay, WSOY Decatur, Ill., vp; John Henzel, WHDL Olean, N.Y., secy.-treas.; David H. Morris, KNUZ Houston, Tex.; Lee Bishop, KORE Eugene, Ore.

TV Irony: Edgar G. Shelton Jr., ABC Washington vp, suffered a severe 120-volt shock recently while clearing leaves from a copper rain gutter at his home. His hand froze to the gutter but he managed to pull free and slide down the ladder. Back to work the next day after a hospital checkup, he was troubled only by temporary muscle soreness. Cause of the shock: short-circuit in his TV set, which had been repaired 2 days before.

William S. Paley, CBS chmn., was named one of 4 representatives of President Eisenhower with rank of Special Ambassador to attend ceremonies in connection with independence of the former Belgian Congo to be held in Leopoldville June 29. The delegation will be headed by Robert D. Murphy, former Under Secretary of State.

TvB-sponsored course on the advertising & business aspects of TV & radio will be offered this fall at City College of N.Y. TvB sales development dir. Murray Gross will be the instructor.

Obituary

Frieda Hennock Simons, 55, FCC Commissioner from 1948 to 1955, died in Washington June 20 following surgery for the removal of a brain tumor June 16. The first & only woman Commissioner, Miss Hennock was a politically active N.Y. Democrat when she was appointed by President Truman. Her tenure on the Commission was distinguished by an extremely aggressive & successful campaign during the TV freeze to get channels reserved indefinitely for the future use of ETV. She was also noted for her enthusiasm for color & uhf. In 1951, President Truman nominated her for a federal district judgeship, but the Senate Judiciary Committee failed to approve her after the Bar Assn. of N.Y. testified in opposition. Soon after leaving the Commission, she married Washington realtor William H. Simons. She was born in Kobel, Poland, came to N.Y. with her family when she was 6. She obtained her law degree from Brooklyn Law School, rose to a partnership in Choate, Mitchell & Ely, where she was the first woman partner & only Democrat in the firm, before joining the Commission.

John W. Alicoate, 70, *Radio-TV Daily* and *Film Daily* publisher, died of a coronary thrombosis June 21. Alicoate founded *Radio Daily* (now *Radio-TV Daily*) in 1937 as the first daily trade newspaper in the broadcasting field. He similarly served as publisher as well as editor-in-chief of *Radio & TV Annual* and *The Film Daily Year Book of Motion Pictures.* Alicoate is survived by his widow, 2 daughters, a stepson and his brother, Charles A. Alicoate, exec. publisher of *Radio-TV Daily.*

Factbook No. 31 Closes July 15

The 1960 Fall-Winter edition of TELEVISION FACTBOOK (No. 31) is now being prepared for September release by the editors of TELEVISION DIGEST. To reserve your advertising space for this new upcoming edition we suggest you get in touch with our Business Department today. Final advertising deadline is July 15.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TV ENTERS THE SEMICONDUCTOR AGE: Next significant engineering change in American TV sets: widespread use of semiconductors—including both transistors & tunnel diodes. This trend, coupled with a continuing effort to achieve the flat TV screen, or something fairly close to it, showed up as most prevalent topic at a meeting last week of 300 TV-radio receiver engineers.

Half of the papers at IRE's first Chicago spring conference on broadcast & TV receivers dealt with some phase of the use of semiconductors in TV sets. Other significant reports were on reducing depth of picture tube with the flat shape the ultimate goal.

Motorola's 19-in. Astronaut, Philco's 2-in. reflex Safari and Emerson's 10-in. Trans-Viewer are the only U.S.-made transistor sets now on market or promised. Big selling point for all of them is portability, independence of power outlet. But engineers with whom we talked at Chicago conference had something more important in mind than mere portability: reliability, freedom from breakdown.

"A transistor set should be basically a home TV set," the chief receiver engineer of a leading manufacturer told us. "The battery pack and the portability should be just an optional 'plus'." Although more costly—at present state of the art—good semiconductors in proper circuits are far more reliable than consumer-type receiving tubes, practically fail-proof in many applications. Also, in transistor circuits, other components are apt to last longer because of heat reduction & lower voltages. Engineers are striving for this reliability just as much as portability.

Tunnel diode, the new wonder semiconductor, will be ready for TV uses within couple of years—"a lot sooner than you may think" (Vol. 15:30 p16). So we were told by GE's Eric Gottlieb, who delivered paper on tunnel diode applications to TV. Tunnel diodes, he told us, have potential advantages over transistors or tubes in many TV applications—particularly high-frequency small-current uses such as tuners, oscillators, switching circuits. He envisioned hybrid tunnel diode-transistor sets—and even tunnel diode-transistor-tube sets—improving performance & reliability of TV in near future. Extreme sensitivity and low noise of tunnel diode make it ideal for tuners—particularly uhf—Gottlieb told us.

"It won't be too long before tunnel diodes are competitive in price with transistors in applications where tunnel diodes do the job better," said Gottlieb. "They even hold promise in connection with tube circuits." Other engineers told us that it wouldn't be surprising to see "hybrid" tube-transistor sets emerging soon—not designed for battery operation, but for doing best & most reliable job as conventional home sets.

As to battery sets—everybody's got a few in the works. What's biggest engineering problem in designing battery TV? Response was unanimous, from every engineer we asked: power drain. As one leading engineer expressed it: "Our goal is a set which will play 50 to 60 hours on a single battery charge." (Motorola's Astronaut runs 5-7 hours per charge.)

Power drain and how to reduce it was subject of several engineering papers. "Scan magnification," one technique for getting wide-angle deflection with minimum power, was discussed in papers and a panel. Sylvania's H. E. Smithgall detailed techniques by which his company has been able to reduce power requirements of cathode-ray tube heaters by more than 90%—from nearly 4 watts to .3 watt—in picture tubes requiring so little current they could be heated by a flashlight battery.

Approaches to the long-sought "flat tube" also elicited much interest. RCA Labs' Dr. E. G. Ramberg described 3 different systems—the British Gabor tube, Kaiser Electronics' Aiken tube and RCA's little-discussed "reflected beam kinescope." None is really flat (3-5-in. thick). All have disadvantages, he concluded, and appear to be beyond the near future.

Philco's continuing program to chop the depth of conventional-type picture tubes was exemplified in a paper by R. A. Bloomsburgh and associates, revealing that it is now practical to build tubes shorter in length

than one-half their diagonal picture measurement. He described Philco's proposed 18-in. tube, now shelved (Vol. 16:9 p16), less than 9 in. deep thanks to 122-degree deflection angle and redesigned glass & components. Special construction made its power requirements about 25% less than those of a 110-degree tube—although it was 2 in. shorter than shortest now in use. While Philco has given up the 18-in. tube, Bloomsburgh concluded: "The same principle can be applied to any size. It is now possible to reduce the length of a cathode-ray tube a significant amount."

These future trends—plus the others discussed on p. 20—point to still better sets soon. Although TV receivers seldom get the electronics engineering spotlight these days—now it's reserved for more glamorous missile, space & computer engineering—research in this consumer field is probably more intensive (and competitive) than it's ever been. As summed up by Admiral's William L. Dunn, who presided at a session which discussed Japanese TV engineering: "Japanese imports will present a real threat and challenge to the TV industry. We professionals won't take it lying down, but will come up with products second to none, by out-engineering & out-producing them."

MANUFACTURERS 'SELL' EACH OTHER AT MART: There weren't enough dealers to go around, so manufacturers had to sell each other at the 11th-floor TV-radio-stereo displays of the summer home furnishings market in Chicago's Merchandise Mart.

Summer market is normally a quiet show, but this one was slowest in memory of most of the 10 home-electronics manufacturers exhibiting there. Several reasons were given: (1) Most retailers have already seen (and ordered) new lines at regional showings. (2) Music Merchants Trade Show, coming up next month —in Chicago this year—is becoming the show for home-electronics merchandise, and TV-phono dealers are waiting for that one. (3) Doldrums in appliance trade have kept many appliance-TV retailers away.

Manufacturers exhibiting at the Mart agreed, nevertheless, that their presence there was worthwhile. And during first 2 days of show, each manufacturer's personnel had chance to get first close-up look at his competitors' merchandise

It's an anomaly so far this year that TV & radio haven't shared the slump which is blighting most other household consumer durables—appliances & furniture, for example. Most set makers & dealers credit the ripening replacement set market—and new lines on display are primarily designed as replacements.

Never have we seen so much "furniture emphasis" as in 1961 sets. And, for first time since the mid-1950s, every manufacturer displayed at least one set with picture-tube-hiding doors. It's no longer enough to offer a box with a picture tube in it. For their new sets, consumers want "something good-looking," and manufacturers are going out of their way to provide it.

Two Zenith officials, speaking in Chicago last week, underscored TV optimism. Pres. Joseph Wright told an IRE engineering conference (see p. 21) that he looks forward to an increase in set sales back to 1955's record 7.5 million within next 3 years, with over 8 million annually in the middle '60s. Zenith Sales Corp. vp C. J. Hunt, at a Merchandise Mart news conference, pointed out that TV consoles & combos last year took biggest share of market since 1955, "reflecting growing consumer acceptance of fine-furniture styling in TV."

TV inventories at all levels at end of May totaled about 2,285,000, compared with less than 2 million at the same time last year. Nevertheless, Hunt stated they "are not excessive when compared with the going rate of sale, although there is some evidence of imbalance within the categories." He saw 1960 as radio's biggest year since 1946-48, although inventories "are perhaps excessive in relation to the job that has to be done." This year will almost certainly be stereo's 2nd best, he predicted. (Details of Hunt's views on p. 21.)

Making the rounds at Mart and fringe displays, these were our chief impressions of new lines:

Two more manufacturers are joining the color ranks—Magnavox & Olympic. Magnavox won't display its new sets until the Music Show, but it is telling dealers that its color-AM-FM-stereo combo will sell for $995 and that it will have 2 color consoles at about $700 & $850. Olympic displayed a color combo at $995 and console at $695, using RCA-made color chassis. "This is not a token effort," we were told by an Olympic spokesman. "We believe there's a good market for color, particularly in a stereo combination." Also joining parade to color combos is Packard Bell. Including the RCA unit introduced last month (Vol. 16:21 p20), public will have 4 makes of color-stereo combos to choose from this fall; last year none was offered.

Combinations are evident in greatest numbers ever. Magnavox, for example, now has three 21-in., four 23-in., seven 24-in. plus the color combo. Olympic, which also specializes in combinations, boasted "long-

est TV & stereo line we've ever marketed." Every manufacturer (including Symphonic, displaying for first time) had at least one combination to show.

The "squared-off look" in picture tubes is being extended to other sizes beyond the 19- & 23-in. square-corner tubes. Magnavox has squared the mask of its 24-in. tubes; Admiral gives its color sets a "bonded-tube look" by use of wrap-around safety glass inside the picture frame.

Corning's new frosted-glass bonded faceplate was used by only 2 manufacturers exhibiting at Mart: Sylvania in its 19-in. sets and Zenith in its high-end 23-in. receivers & combos. GE was only manufacturer not displaying any bonded tubes on its sets, preferring to stick with separate safety glass for the new sizes.

Remote controls received slightly more play than last year. New approach to ultrasonic remotes—now being sold by Magnavox in a 2-function unit—uses dressed-up plastic "squeeze-bottle" to activate ultrasonic whistle, in place of standard tuning-fork approach. Warwick is adopting similar system for its Silvertone sets. The "pneumatic" remote was described by Warwick engineers in a paper at IRE Chicago receiver conference last week as simpler & more economical in approach.

Zenith has a TV-radio-phono remote on its top-end (to $1,750) Stratosphere combo. Basically a 3-function unit, one button turns off TV, radio or phono; another button changes TV channel or rejects phono record; 3rd controls volume. Lighted panel at bottom of set indicates whether phono, radio or TV is on, and which channel is tuned in.

In stereo field, reverberation was biggest "what's-new" item. Demonstrations by Zenith & Philco drew good-sized gatherings of competitive manufacturers. We asked most of the reverb "have-nots" whether they planned to add the Hammond Organ device to their stereo units. Generally, the answer was "don't know yet." Westinghouse didn't have new sets at the Mart, reportedly will be next to show a reverb set, when it introduces 1961 lines at next month's Music Show.

For more details on new lines shown last week in Chicago, see p. 21.

TV-RADIO PRODUCTION: EIA statistics for week ended June 17 (24th week of 1960):

	June 10-17	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	105,929	99,432	121,369	2,740,097	2,576,252
Total radio	340,871	316,421	310,859	7,888,589	6,562,556
auto radio	135,964	123,364	138,427	3,087,652	2,665,870

New plants & expansions: GE will add 260,000 sq. ft. (making a total of 450,000 sq. ft.) of office, engineering and production space to its transistor facilities in Syracuse, N.Y. within the next few months • International Resistance Co. has begun a $1-million expansion of its Burlington, Iowa div. which will add some 30,000 sq. ft. to the present 56,000 sq. ft. of floor space. Construction is slated for Oct. 1 completion, is expected to boost employment 25% by early 1961 • Eitel-McCullough has started construction of 2 buildings, totaling more than $1 million and 63,000 sq. ft., at its San Carlos, Cal. plant. The new buildings are scheduled for Nov. completion, will increase the hq facilities to 240,000 sq. ft. • Western Electric has authorized the Greater Berks Development Fund to complete the design of a 290,000-sq.-ft. manufacturing plant at Laureldale, Pa. A smaller plant had been authorized earlier, then postponed. Construction will begin this fall, be completed late in 1961. • RCA broke ground last week for a multi-million-dollar, 188,000-sq.-ft. design & production plant on a 50-acre site at Washington, Pa., near Canonsburg. The plant, for communications equipment & industrial electronics, is slated for operation early next year.

Magnavox says there's no truth to rumors that it is negotiating to acquire the Wurlitzer Co. Since announcing the development of an electronic organ, Magnavox notes, it has been approached by "several organ manufacturers."

Magnetic-tape industry is profiled in June 22 *Financial World* which notes that "growth has been phenomenal but new companies entering the field are intensifying competition for available business." Listed among active or planned contenders: 3M, RCA, Reeves, Ampex, Audio Devices, Adams-Millis, Burgess Battery, Astatic Corp., Standard Laminated Yarn, Sarkes Tarzian. The real "tussle" is between "Titans" 3M & RCA, states *Financial World*, adding: "At stake in the contest is a market that has been growing by leaps & bounds and is still in its infant stages. Tape sales at the manufacturers' level topped $40 million last year, up from $32 million in 1958 and a threefold gain over the $13.1 million of 1955. This year, volume is expected to register a further advance of 25% and some companies feel confident the industry will pass the $100-million milestone by 1963."

For remote control of "Mobots"—mobile robots—Hughes Aircraft Co. has petitioned FCC for the allocation of 100 mc in the 13,000-35,000-mc band. Hughes now uses cable-controlled Mobots in nuclear applications but says that radio would give much greater flexibility. Hughes foresees use of Mobots in many "environments exceedingly dangerous to humans or even completely uninhabitable by humans, such as those . . . characterized by nuclear radiation, extreme pressure, vacuums, poisonous atmosphere and extreme heat."

More about

TV's TECHNICAL ADVANCES: Replacement of receiving tubes with transistors and other semiconductors in TV circuits was an important subject of discussion at the first annual Chicago spring conference on broadcast & TV receivers, sponsored by the IRE Professional Group on Broadcast & TV Receivers at the Graemere Hotel June 20-21 (see p. 17).

For example, a Zenith paper on transistorized deflection circuits for 110-degree picture tubes (by Richard L. Sager, Grigory Strachanow & George W. Fyler) made the point that high-power wide-deflection circuits now in use suffer from lack of reliability of tubes.

"Already," he added, "transistors can provide even greater deflection power, with higher efficiency, and possibly better reliability than tubes." The main deterrent to the general use of transistors in TV, he stated, has been their high cost. "Hybrid [transistor & tube] designs with solid-state devices in advantageous circuits are a possibility during the interim period."

Others voiced agreement. A Philco lab report on a developmental 14-in. battery TV, distributed at the meeting, concluded that battery-transistor TVs "may be designed & built with currently available transistors to have performance & reliability comparable with many commercial tube receivers." The cost, it said, need not "greatly exceed that of current TV receivers."

Transistorized TV tuner was displayed at the meeting by Standard Kollsman Instrument (Standard Coil). Co-developed with Motorola for the Astronaut, its sensitivity & noise levels are comparable with the best tube-type tuners. Philco and General Instrument recently announced development of a competitively-priced transistorized tuner with extremely low noise levels (Vol. 16:16 p16).

TV FM Tuner Nuvistor in Production

Tubes aren't dead yet, however. Simultaneously with the engineering meeting, RCA announced commercial availability in quantity of its 2nd tiny nuvistor triode tube. This one is designed for use in TV & FM tuners and is claimed to have a noise factor 2-4 db better than any TV tuner tubes now in use. Priced currently at $1, it's expected to go down to about 60¢, roughly equivalent to a good-quality standard TV tuner triode. Standard Kollsman displayed a nuvistor TV tuner (developed with RCA for its "New Vista" high-end TV sets), which is now available to other TV manufacturers. RCA plans to go into production on a small-signal nuvistor tetrode suitable for TV IF & tuner applications next year, to be followed by a beam pentode for large-signal power output, applicable to TV & hi-fi audio amplifiers.

It's understood that 3 other tube makers are negotiating with RCA to manufacture nuvistors. One non-RCA firm is now marketing a consumer device with nuvistors. It's Harman-Kardon, whose latest hi-fi FM tuner uses nuvistors. The production-model RCA nuvistor for TV & FM tuner designs is designated 6CW4.

TV developments in Japan were discussed at the engineering meeting by Dr. Milton Goldstein, dean of the American Institute of Engineering, a Chicago school. He stated that 14-in. is the predominant Japanese set size, that circuitry is similar to U.S. sets, that biggest new feature in Japanese receivers is "automatic fine tuning" and that most Nippon TVs have earphone jacks for private listening.

He was asked from the floor if it was true that RF radiation from Japanese TV sets far exceed the FCC-mandated permissible levels. The questioner, an engineer employed by a tuner manufacturer, said that he had tested a Japanese FM-AM battery portable and found that its radiation was 11 times as great as the FCC permits for U.S. sets and that its oscillator radiates on the TV band, a potential source of TV interference. Dr. Goldstein stated that he had no figures on radiation from Japanese TV sets and that failure of some of their radios to meet American standards in this respect is due to a "lack of communication" between U.S. & Japan.

EIA recently asked the FCC to look into non-compliance of Japanese manufacturers with the Commission's radiation-certification standards. The FCC replied that it will work on this problem through the Japanese embassy (Vol. 16:21 p19).

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Retailing is becoming obsolete as a business entity, and within a few years some 50% of retail operations will be run by manufacturers—with more large retailers in turn entering manufacturing field. So says N.Y.U. Prof. E. B. Weiss in a special study prepared for Doyle, Dane Bernbach Inc., N.Y. ad agency. His report quotes studies showing that the most successful retailers already make more money out of non-merchandising operations than from selling. Major money-makers for retail stores: departmental leases, shopping-center development, realty investment, warehousing, exploiting manufacturers' ad allowances, installment credit management. Manufacturers, he says, are getting deeper into retailing through the services they perform for stores, but even "the mounting list of services performed by manufacturers and allowances offered by manufacturers have failed to stem the downward trend in retail net profit percentage."

Philco's anti-trust suit against RCA and 4 other electronics companies was narrowed in scope last week when Philadelphia Federal Judge Thomas J. Clary ruled that damages can't be claimed beyond the statute of limitations. In the $150-million treble-damage suit filed in Jan. 1957 and aimed principally at RCA's former "patent-pool" licensing procedure (Vol. 13:3 p2), the judge ruled that Philco cannot collect patent anti-trust damages from RCA for the years before Nov. 20, 1948, and from GE, AT&T, Western Electric & Bell Labs before Jan. 15, 1953, and on other claims (communications monopoly) against AT&T and Western Electric before April 24, 1939.

U.S. export privileges have been denied Maireco Export-Import GmbH, Vienna, and Allround Establishment Inc., related firm in Liechtenstein, for failure to disclose destinations of American-made electronic equipment transshipped by them. In ordering the bans, the Commerce Dept.'s Bureau of Foreign Commerce said Maireco "gave neither direct & responsive answers nor satisfactory reasons for not providing them" when the company was questioned about its electronic business. Bureau sources told us that neither firm supplied information as to whether or not U.S.-made transistors, tubes and other equipment had been sent to Communist-bloc countries.

Admiral TV sets will be produced in New Zealand later this year under license by Collier & Beals Ltd., Wellington radio-phono manufacturer. Auckland currently has an experimental TV station, and regular govt.-owned stations are expected to begin telecasting this year in Wellington and in Christ Church.

More about

MORE NEW SETS: Trend toward broadened lines continues in the new-line showings & announcements made in Chicago last week. Both Olympic & Magnavox announced their longest lines yet, and Symphonic showed its first TV line, consisting of seven 19- & 23-in. sets.

Olympic introduced a TV line boasting no less than 50 "basic" models, excluding style & finish variations. Featuring a color combination and a color console (see p. 18), and including holdovers, Olympic's line starts with 3 open-list portables—2 of them 17-in. and one 19-in. In the line are 17-, 19-, 21-, 23- & 24-in. sets, including 21 "Stereocenter" combinations. There are 34 basic 23-in. models, three 19-in. sets, five 21-in., four 24-in., two 17-in. portables. The 19- & 21-in. sets start at $99.95 and 23-in. table models at $29.95.

Olympic's Stereo Line Has 18 Radio Units

The phono line starts with a stereo console at $99.95, stepping up to 18 basic stereo-radio combinations featuring "sound control center" for switching speakers & varying tone. Six portable phono models are priced from $34.95 to $119.95. Simulcast radio is available at extra cost on most AM-FM models.

Magnavox, whose new TV drop-ins were described last week (Vol. 16:25 p16), now has the "broadest stereo line in history." In line with the industry trend toward lower-priced consoles, Magnavox now has 4 models listing at less than $200—and has added to the top end to make 4 models in the $500-&-up bracket. In the middle range there are step-ups all the way along the line—basic models at $299.95, $399.95 and $499.95.

Prototypes of Symphonic Electronic Corp.'s new TV sets were shown in Chicago last week. The initial line to be merchandised under the Philharmonic name—one of the pioneer TV brands—will consist of a 19-in. portable at $179.95, an open-list 19-in. table model, a promotional 23-in. console at around $229, a 23-in. highboy at $269.95, lowboy at $279.95, an early American console at $289.95 and a TV-radio-stereo combo to sell in the $600 range.

Symphonic's TV production will be under way in August, and the company hopes that its TV business, like its stereo business, will be divided 50-50 between private brand and distributor sales. One selling point will be ease of servicing: The hand-wired chassis may be removed from the cabinet in 3½ minutes.

Packard Bell Has 22 TV Models

Packard Bell showed distributors its new sets in Los Angeles last week, highlighted by a color combination with remote control. Unique set in the line is a 19-in. "Cart-Tenna" portable, which sets in a tea cart doing double-duty as a non-directional antenna. It was designed by Pres. Robert S. Bell, and has been patented. The full line consists of 4 combinations, 2 color sets, three 19-in., thirteen 23-in., three 21-in. sets. Price range: $179.95-$1,325.

Emerson's complete Du Mont line, including holdovers, contains 25 basic models—one 19-in. table model ($198), six 21-in., ten 23-in., three 24-in. and five 23-in. combos (topped by the Royal Sovereign and Marseilles at $1,250 each). Each of the new models is available with transistorized remote control for $100 extra. Grouped as the "Collector Series," the new sets have certified hardwood cabinets styled by designer Jules Cinque. Also shown were 6 stereo-AM-FM consoles at $450 to $550, an AM-FM table radio at $100 and a 9-transistor pocket radio at $58.

More about

ZENITH'S OPTIMISM: On 2 separate occasions in Chicago last week, 2 Zenith officials forecast soaring sales for TV in the 1960s (see p. 18). Pres. Joseph Wright, addressing the IRE conference on broadcast & TV receivers, predicted 8-million annual sales in the mid-1960s "on the basis of existing product."

Pitching for Phonevision, Wright called poor programming one factor in the decline of set sales in the late 1950s. Subscription TV, he said, would act as an incentive for greater set sales. "Pay TV is going to make John Q. Public want a 4x6 screen on his wall and he's going to want it in color."

Zenith Sales Corp. vp C. J. Hunt told a Merchandise Mart news conference that 1960 TV unit sales will come within 10-15% of 1955's record of 7.5 million, but "at a higher average unit price." Some inbalance in inventories, now showing up, is "partly a result of the long lead time required in making production commitments and the industry's inability to predict with great accuracy the impact on the market of the 19- & 23-in. tube sizes." However, he said manufacturers are successfully avoiding "the excesses of the past," which have led to dumps.

Hunt was optimistic about phono sales, too. He called last year's retail sales of 4.4 million units "a remarkable performance considering the confusion over stereo." With retail sales through April 21.6% over last year's level, he stated that 1960 is now destined to outstrip 1959 and become 2nd best phono sales year, even if 1960 sales for rest of the year don't exceed those of the comparable 1959 period. Inventories of phonos are below last year's level, he added, and are well-balanced between mono & stereo.

He predicted that the phono industry "will average nearly 5 million set sales annually over the next 5 years" —not a great jump from today's pace. Radio sales should continue at a rate of more than 10 million a year, with greater emphasis on portable & AM-FM models. "Inroads by the Japanese have served to spur domestic manufacturers to search their production & engineering souls, and the results of this additional effort should also make themselves felt in the areas of new design & major modification of the product."

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Canadians Seek Import Quotas: With "survival of our consumer-goods electronics industry at stake," the Canadian EIA feels that quotas on imports of Japanese-made radios, TVs & parts offer "the only meaningful solution." So said outgoing EIA Pres. Stuart D. Brownlee (Canadian Admiral Corp.) in a news conference at the manufacturer association's annual meeting at Mont Tremblant, Que.

A Canadian EIA statement blamed the Canadian govt. for its inaction while imports are "rapidly forcing the Canadian electronics industry out of business." Brownlee estimated that 2,370,000 man-hours of labor—or more than 1,000 jobs—were lost to Canada as a result of last year's imports of 395,000 Japanese radios. He urged that Japanese radio imports be kept to the 1958 level of 155,000 units—pointing out that similar quotas have been set up in Canada for textiles, hardwood, plywood, stainless steelware.

Imports of Japanese TV "would call into question the survival of our consumer-goods electronics industry." He added: "Canadian [TV] manufacture has the double handicap of high wages and a limited home market already being shared with U.S. & German imports."

Trade Personals: Orrin E. Dunlap, after 20 years with RCA, has retired as institutional ad & publications vp. He will continue as consultant on an advisory basis through 1969. One of the broadcasting industry's pioneers, Dunlap was among the first to originate a newspaper radio column —for the *N.Y. Times*. He wrote it for 18 years (1922-40) before swinging over to RCA PR. He is the author of numerous books on TV-radio, played a major role in building the image of RCA & General Sarnoff. Dunlap told us he hasn't retired from activity, has many plans, including several books & other writing.

Moses Shapiro, former exec. vp, elected pres. of General Instrument Corp., succeeding Monte Cohen, who becomes vice chairman and continues as chmn. of operations committee . . . Albert Coumont, onetime EIA service coordinator and former International GE electronic products sales mgr., promoted to sales mgr., Sprague Products Co., distributor supply subsidiary of Sprague Electric; he was formerly asst. to Sprague Products Pres. Harry Kalker . . . O. O. Schreiber named Philco vp, mktg. inventory control . . . LeRoy A. Amylon named industrial relations dir., Corning Glass electrical products div., succeeded as TV budb sales dept. mgr. by Allen W. Dawson, formerly electronic components dept. mgr.

Robert Sackman elected exec. vp & chief operating officer, Ampex Corp. . . . Joseph N. Benjamin resigns as Bogen-Presto pres. . . . Alvin Barshop, ex-Thompson Starett, named Granco Products sales mgr. succeeding Herbert A. Frank, resigned; Ralph Cohen appointed to new post of merchandise mgr.

———■———

Cain & Co., described as the first nationwide electronics sales-engineering organization, has acquired Memo Inc., electronics sales-engineering firm in the N.Y.-N.J.-Philadelphia area. Headed by Martin Kaplan, Memo represents Jerrold, Lab for Electronics, Motorola communications div., Electronic Measurements, International Resistance computer-products div., General Communications and other major electronics firms. Cain & Co., based in Los Angeles and headed by Gerald A. Cain, arranged the acquisition through Electronics Capital Corp., San Diego.

Electronic watch with transistor mechanism will be marketed "later this year" by Bulova, the giant watchmaker disclosed in its annual pamphlet report last week. Bulova has been working on an electronic watch for several years. For its 1960 fiscal year ended March 31, Bulova posted sharp gains in sales (to $66,606,126 from $58,446,574) & earnings ($2,669,649 vs. $2,527,168). The company attributed the rise in part to record radio sales.

Japan's latest TV inroad: bamboo antenna towers. Toronto-based Hosick Television Co. is importing, expects to start selling the 40-ft. poles early in July. Pres. Wesley Hosick says the bamboo TV towers will sell for about $65 (under the price of most steel towers), weigh only 70 pounds, vary from 3.5- to 5-in. thick, and have a breaking strength of 8,000-10,000 pounds per sq. in.

Obituary

Francis P. (Fritz) Rice, 49, International Resistance Co. dir. of operations, died June 20 in Presbyterian Hospital, Newark, N.J. The former mgr. of Du Mont's TV receiver div. until its sale to Emerson in 1958, he had been associated with Du Mont Labs for 15 years in various capacities, including dir. of manufacturing. As a spare-time musician, he played violin in the N.J. Symphony Orchestra. He is survived by his wife & 2 sons.

Finance

General Instrument sales & earnings for the current fiscal year ending Feb. 29, 1961, are expected to set records, Chmn. Martin H. Benedek told the company's annual meeting last week. He said sales in the first quarter ended May 31 were "slightly higher than last year's record $12.7 million," but earnings were "considerably above the $211,000, or 14¢ a share," of last year's first period." Profit margins are "widening," he said, and this fiscal year the firm "should exceed $65 million in sales, exclusive of any mergers or acquisitions." Last year's gross was $56.2 million, earnings $2.1 million ($1.37 a share). Newly-elected Pres. Moses Shapiro (see Trade Personals) said GI hopes to complete negotiations in Aug. for a merger with General Transistor Corp. Under the terms, it is expected that 7/10 of a GI common share would be exchanged for each outstanding GT share. He estimated that after the merger 35-40% of the combined companies' sales would be in semiconductor devices. He added that GI also seeks to acquire "a number of small, highly specialized companies." GI's order backlog is at a record of more than $46 million, compared with $20.8 million a year ago. Its sales are about 50% military & industrial, 50% "entertainment."

RCA is considering the "advisability" of calling its 3½% convertible subordinated debentures for redemption "to create an expanded base for the future growth of the corporation, particularly in electronic data processing." The company also reported that its first-half earnings will be slightly lower this year than last—despite record sales —because of mounting costs "stimulated by a strong upsurge in orders" for data-processing gear. On Wall Street, there was speculation that RCA's announcement of possible redemption was calculated to encourage holders to convert their debentures to common stock. In this way, RCA would save on interest costs. At present market prices, debenture holders would receive common stock worth more than the cash redemption price of the debentures. Each $100 debenture is convertible to 2 shares of common stock; if redeemed by the company it would be worth $104.75. RCA stock closed June 24 at 66⅝, and a debenture could have been converted to $133.25 in stock.

Standard Kollsman Industries (formerly Standard Coil) will report 6-month earnings of "at least 60¢ a share," up from 32¢ ($639,703) a year ago, secy. Arthur Richenthal told the company's annual meeting in Chicago. Pres. James O. Burke estimated sales would exceed $45 million, up from $35.2 million. He said the company will enter a new electronics field within 90 days, but declined to elaborate. Richenthal said the company's recent acquisition of small-appliance maker Casco Products (Vol. 16:23 p20) will be "as significant in our corporate history as was acquisition of Kollsman Instruments 10 years ago."

Magnavox received the 1960 Investors' Relations Award in the TV-electronics industry, awarded to one company in each of 51 fields by *Investor's Future* magazine. Magnavox was selected "on the basis of its exemplary record in regularly, accurately & effectively disseminating to its shareholders such vital information as figures concerned with earnings & dividends; a general picture of its operation, research, product development and financial data; employe relations, and the corporate image."

Clevite has earmarked 150,000 common stock shares for use in its stock option plan, according to an SEC registration statement (File 2-16670).

Officers-&-Directors stock transactions as reported to SEC for May:

Allied Artists. R. W. Hurlock bought 200, held 19,500. Albert Zugsmith bought 4,000, held 150,100.

American Bosch Arma. David Devine exercised option to buy 500, sold 1,100, held 1,080. Charles Perelle sold 10,000, held 10,000. Harold R. Sennstrom sold 700, held 405.

American Electronics. Maurice Nelles bought 100, held 100.

Ampex. T. Kevin Mallen sold 1,500, held 54,000. Henry A. McMicking donated 150, sold 3,600, held 63,485. Robert L. Pappas exercised option to buy 750, held 789. A. M. Poniatoff sold 3,000, held 5,550.

Audio Devices. C. J. LeBel sold 3,000, held 74,414.

Clarostat. Victor Mucher exercised option to buy 5,000, held 18,100 personally, 27,345 in trust.

Desilu Productions. W. Argyle Nelson bought 700, held 8,700.

Electronics Capital. L. J. Rice Jr. bought 1,000, held 2,000.

Gabriel. Thomas A. Chervensk sold 200, held none.

General Dynamics. Frederic deHoffmann sold 1,300, held 2,430. Vernon M. Welsh sold 1,000, held 7,000.

GE. Chauncey Guy Suits sold 1,500, held 7,591.

Gen. Instrument. J. G. Mayer exercised opt. to buy 10,000, held 40,000.

General Telephone & Electronics. Thomas A. Boyd sold 137, held 24,000 after 3-for-1 split April 20.

Globe-Union. H. Everton Hosley Jr. sold 1,000, held 2,000. Chester O. Wanvig Jr. exercised option to buy 1,500, held 11,477 personally, 15,000 in trust.

Herold Radio & Electronics. Jerome L. Herold sold 1,100, held 72,600. Roland J. Kalb sold 1,100, held 67,710. Frederick Nack sold 100, held 155. Morris J. Steelman sold 700, held 81,846.

Hoffman Electronics. Bruce L. Birchard exercised option to buy 500, sold 200, held 1,900.

IBM. Thomas J. Watson Jr. transferred 8,895 to trusts, sold 2,258, held 26,171 in trusts, 22,675 personally.

ITT. John E. Gingrich sold 225, held 4,871. Charles D. Hilles Jr. sold 2,000, held 14,373. Allan P. Kirby bought 600 for Holding Co. B, held 600 in Holding Co. B, 20,278 in Holding Co. A, 18,505 personally. Paul F. Swantee sold 100, held 3,464.

Lear. William P. Lear exercised option to buy 5,000, held 451,060.

Litton. Charles R. Abrams Jr. sold 200, held 5,500. Alfred B. Connable sold 3,600, held 8,000. Lewis W. Howard sold 400, held 6,900. Myles L. Mace sold 8,000, held 8,685. Carl A. Spaatz sold 600, held 5,400.

Loew's Theatres. Arthur M. Tolchin bought 2,000, held 3,500.

Magnavox. Gerard M. Ungaro sold 300, held 12,829.

Microwave Associate. Irving J. Helman sold 100, held none. Julian Z. Miller sold 700, held 300. Julian Pathe sold 5,400, held 2,800. Benjamin A. Trustman sold 100, held none.

NAFI. George L. Coleman received 10,476 in exchange for KCOP TV Inc. shares, held 12,476 personally, 149,386 in Nafco Inc., 500 in trusts.

National Theatres & TV. B. Gerald Cantor sold 3,526 through Cantor Fitzgerald & Co., 202 through Cantor & Son Inc., 1,020 through First Nevada Corp., held 8,000 in Cantor Fitzgerald & Co., 5,000 in Cantor & Son Inc., none in First Nevada Corp., 108,079 personally. Jack M. Ostrow sold 1,500 through corporations, held 74,025 in corporations, 7,803 personally.

Packard Bell. Robert J. Haldeman sold 100, held 150.

Philco. David B. Smith sold 100, held 2,752. Leslie J. Woods sold 2,000, held 4,077.

RCA. John Q. Cannon sold 422, held 570. Rodolfo A. Correa sold 165, held 200. James M. Toney received 162 as incentive plan compensation, held 197.

Raytheon. David R. Hull bought 2,677, held 4,959 personally, 200 in trust. Richard E. Krafve bought 1,000, held 3,050. Robert L. McCormack sold 465, held 1,000.

Siegler. P. M. Hamilton acquired 1,514 in exchange, held 34,370.

Standard Coil. Robert C. A. Eland sold 150, held 3,000.

TelePrompTer. Fred H. Barkau bought 3,000, held 43,641. Nat C. Myers Jr. bought 1,750, held 3,950. Hubert J. Schlafly Jr. exercised option to buy 2,700, held 37,356.

Texas Instruments. W. D. Coursey sold 100, held 5,845. W. F. Joyce sold 3,000, held 8,262. C. J. Thomsen sold 500, held 11,638. E. O. Vetter sold 400, held 7,388.

Thompson Ramo Wooldridge. Archie T. Colwell sold 3,000, held 10,000. Harold L. George sold 200, held 33,735.

Trans Lux. Harry Brandt bought 600 through Brapick Inc., 100 through Marathon Pictures, 400 through Pamela Amusement, 100 through H. Brandt Foundation, held 2,600 in Brapick Inc., 200 in Marathon Pictures, 1,400 in Pamela Amusement, 22,980 in H. Brandt Foundation, 17,000 for wife, 100 in Bravie Theatres Corp., 400 in Bilpam Corp., 12,400 in Gusti Brandt Foundation, 160,900 personally. Jay Emanuel bought 1,000, held 13,000.

20th Century-Fox. Joseph H. Moskowitz sold 1,800, held 3,200.

Varian Associates. Edward L. Ginzton bought 20, sold 500, held 9,202. H. Myrl Stearns bought 20, sold 200, held 28,668 personally, 3,800 as trustee, 20 in joint tenancy. Sigurd F. Varian bought 8, sold 16 & 1,300 more from community property, held none personally, 79,048 in community property.

Warner Bros. S. B. Trilling exercised option to buy 5,000, held 5,000.

Westinghouse. Mark W. Cresap Jr. sold 5,300, held 1,160. J. H. Jewell sold 2,800, held none. Thomas P. Jones exercised option to buy 250, held 898. Robinson S. Kersh exercised option to buy 300, held 2,620. W. O. Lippman sold 500, held 3,342.

Zenith. Hays MacFarland bought 200 & 500 more for trusts in private transaction, sold 700 through MacFarland Aveyard (500 in private transaction), held 200 personally, 500 in trusts, 500 in MacFarland Aveyard.

Jerrold Electronics has called for redemption its 6% convertible subordinated debentures (due June 1, 1975) on July 25. The redemption price is 105% of the principal amount plus accrued interest. The debentures may be converted into common stock at $5.75 a share through July 20 (over-the-counter bid & asked quotations for Jerrold last week were in the 11-12 range).

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, June 23, 1960

Electronics TV-Radio-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	32	35¼
Aerovox	12	12⅞
Allied Radio	20¾	22¼
Astron Corp.	2¼	2¾
Baird Atomic	39¾	42½
British Industries	16	17½
Capital Cities Bcstg.	8¾	9¾
CGS Labs	13	15¾
Control Data Corp.	47½	51¾
Cook Electric	16⅝	17⅞
Craig Systems	21	22¾
Dictaphone	42	45⅛
Digitronics	23½	25⅝
Eastern Ind.	12½	13⅝
Eitel-McCullough	30	32
Elco Corp	20½	22¼
Electro Instruments	53	56⅞
Electro Voice	12½	13⅝
Electronic Assistance	23¾	25⅞
Electronic Associates	25½	27¾
Erie Resistor	10	11
Executone	35½	38¾
Farrington Mfg.	49½	53
Fischer & Porter	15⅜	16⅝
FXR	60½	64½
General Devices	23½	25⅜
G-L Electronics	10½	12
Granco Products	4⅜	5
Haydu	⅛	5/16
Hewlett-Packard	81	85¾
High Voltage Eng.	138	150
Infrared Industries	29	32½
Interstate Engineering	29	31½
Itek	80	84¾
Jerrold	11⅞	12¾
Lab for Electronics	55	58½
Leeds & Northrup	43¾	46⅝
Lel Inc.	4¼	4¾
LFE Inc.	10	12⅝
Ling Altec Electr.	24¾	26⅜
Magna Theater	3¼	3-11/16
Magnetics Inc.	12¼	14
Maxson (W.L.)	9⅝	10½
Meredith Pub.	36¾	39⅝
Metropolitan Bcstg.	13¾	14⅞
Milgo Electronics	22	25⅛
MPO Videotronics	6	6⅞
Narda Microwave	7½	8¾
Narda Ultrasonic	5¼	6
National Co.	20¾	22½
Nuclear of Chicago	37½	40¾
Official Films	1-7/16	1-11/16
Pacific Automation	8¾	9⅞
Pacific Mercury	7⅞	8½
Perkin-Elmer	48¼	51⅝
Philips Lamp	168½	174¼
Pyramid Electric	2¾	3-3/16
Radiation Inc.	25¼	27½
Howard W. Sams	44	47
Sanders Associates	48	51⅞
Silicon Transistor	8	9⅛
Soroban Engineering	25	27
Soundscriber	15½	17⅜
Speer Carbon	21	22¾
Sprague Electric	65½	69½
Taft Bcstg.	12¾	13⅞
Taylor Instrument	89	94
Technology Inst.	11¼	12⅝
Tele-Broadcasters	1¼	1⅝
Telechrome	9⅝	10⅝
Telecomputing	8¼	9
Telemeter	18¼	20¼
Time Inc.	60½	64
Tracerlab	11¾	12⅞
United Artists	7⅝	8⅜
United Control	30¼	32½
Universal Trans.	2	2½
Vitro	14¾	15⅞
Vocaline	4¼	4⅞
Wells-Gardner	16½	17¾
WJR Goodwill Station	8¾	9¾
Wometco Enterprises	12	13⅛

Corporate profits will fall in the 2nd quarter below the year-ago level, concludes *Wall St. Journal* after a survey of top corporations in major industries. If a profit drop develops, it will mark the first time since late 1958 that each quarter has failed to post a year-to-year gain. The TV-radio industry, however, is numbered among the minority expected to buck the trend. Reports the *Journal*: "Producers of radio & TV sets generally report sales are running ahead of a year ago. One major manufacturer says second quarter profits may top a year ago by as much as 10%, while another looks for earnings to about equal the level of the like 1959 period." Fields anticipating profit sags include automobile, aircraft, steel, railroad.

Herold Radio & Electronics has deferred interest payments on its 6% convertible debentures, but expects to make the payments by the end of the 30-day grace period July 15. The company blamed "heavy commitments" including the extra payroll required by plant-wide vacations.

Merger of Itek Corp. & Hermes Electronics (Vol. 16:20) has been approved by directors of both companies, subject to stockholder ratification. The terms call for exchange of one Itek common share for each 4¾ shares of Hermes common.

International Resistance Co. was admitted to trading on the NYSE last week. Symbol: INT. Recently listed for trading on the American Stock Exchange were Andrea Radio Corp. (AND) and Lafayette Radio Electronics Corp. (LAF).

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Andrea Radio	1960—qtr. to Mar. 31	$ 1,802,085	——	$ 72,623	$0.29	250,700
	1959[2] ——	——	——	——	——	——
Cinerama Inc.	1959—Year to Dec. 31	2,565,251	——	(108,672)	——	2,696,020
	1958—year to Dec. 31	1,773,460	——	(94,194)	——	2,696,010
NT&T[1] Story below	1960—26 wks. to Mar. 29	34,243,076	——	(835,981)	——	2,760,929
	1959—26 wks. to Mar. 29	26,265,830	——	903,838	.34	2,699,486
	1960—13 wks. to Mar. 29	16,767,445	——	(1,237,140)	——	2,760,929
	1959—13 wks. to Mar. 29	14,029,000	——	541,000	.20	2,699,486
Outlet Co. (WJAR-TV & WJAR Providence)	1960—qtr. to Apr. 30	3,907,632	——	220,320	.44	——
	1959—qtr. to Apr. 30	3,878,908	——	210,543	.42	——
Specialty Electronics Development Corp.	1960—9 mo. to Apr. 30	3,578,946	——	151,334	.13	——
	1959—9 mo. to Apr. 30	1,567,000	——	102,000	.09	——

Notes: [1]Includes NTA. [2]Privately owned, report not available.

NT&T reports a net loss of $835,981 for the 26 weeks ended March 29, compared with a profit of $903,838 (34¢ a share) registered in the year-ago period (see financial table). The report for fiscal-1960's first half does not include a net profit of about $3 million which will result from the sale, pending FCC approval, of WDAF-TV & WDAF Kansas City to Transcontinent Television Corp. for $9,750,000 cash. The first-half performance was affected by a loss of $2,669,000 (96¢), attributable to National Telefilm Associates, an 87%-owned subsidiary. NTA's film-rental income for the period totaled $7,238,000; provision for amortization of its inventory of TV programs was $5,527,000. NT&T Pres. B. Gerald Cantor said the market for syndicated TV shows continues to be adversely affected by 2 major factors: expansion of programming by networks, competition from movies sold in bulk to TV by the major film studios.

Taft Bcstg. Co. posted an 18.5% increase in operating profit in the first 2 months (April & May) of its 1961 fiscal year, Pres. Hulbert Taft Jr. reported to the first stockholders meeting. Net earnings were equal to 21¢ a share, compared with 20¢ for April-May 1959. Looking ahead, Taft termed prospects for the rest of the year "excellent."

Audio Devices, maker of magnetic tape & discs, anticipates $7 million sales in 1960, more than 20% over 1959. So said Pres. William T. Hack recently at the company's stockholders meeting, in reporting on "progressive monthly increases in sales" during the first months of this year. He predicted pre-tax at 15% of sales, net earnings of 65¢.

Laboratory for Electronics is offering its common stockholders rights to subscribe for 63,656 shares at the rate of 1 for each 10 held. The rights apply to stockholders of record June 9, will expire June 30.

Reports & comments available: Zenith, report, Freehling, Meyerhoff & Co., 120 S. LaSalle St., Chicago 3 • **Erie Resistor**, report, Fulton Reid & Co., 1186 Union Commerce Bldg., Cleveland 14 • **Amphenol-Borg**, analysis, Francis I. du Pont & Co., One Wall St., N.Y. 5 • **CBS**, memo, Hardy & Co., 30 Broad St., N.Y. 4 • **Ling-Temco Electronics**, report, Parker, Ford & Co., 211 N. Ervay St., Dallas 1 • **General Autronics Corp.**, prospectus, Harrison & Co., 67 Wall St., N.Y. 5 • **Movielab Film Labs**, prospectus, Granbery, Marache & Co., 67 Wall St., N.Y. 5.

Esquire Radio & Electronics Inc. (formerly Esquire Radio Corp.), now selling 150,000 shares of common stock at $5 a share through a group headed by Myron A. Lomasney & Co., reports in its prospectus 1959 net sales of $4,838,228 and net income of $155,800. Formerly wholly owned by Chmn.-Pres. A. Robert Lieberman (who retains 260,000 shares), Esquire lists current assets at $938,991, current liabilities of $608,988 as of Dec. 31, 1959. The prospectus states that 51.5% of its net sales last year were from products of its own manufacture, 48.5% from Japanese products (principally pocket radios). Esquire makes private-label radios & phonos, more than 99% of its output having gone to 4 customers last year, one customer accounting for 60% of its sales. The company employs 125, of whom 15 are in engineering, 20 in sales, 90 in manufacturing. Incorporated in 1946, its net annual income has ranged from a low of $24,700 (1956) to 1959's high. The earnings summary for calendar 1959 & 1958, as given in the prospectus:

	1959	1958
Net sales	$4,838,228	$2,881,023
Net income	155,800	95,027
Per common share	58¢	35¢
Common share basis	267,650	267,650

Movielab Film Labs is making a public offering of 100,000 shares of class A common stock ($10 a share) through an underwriting group headed by Granbery, Marache & Co. (Vol. 16:21 p24). Of the total, 37,500 shares are being sold by Chmn.-Pres. Saul Jeffee. In the year ended Jan. 2, 1960, Movielab registered a profit of $149,660 on sales of $4,221,299.

MGM turned in a profitable fiscal-1960 3rd quarter despite the SAG strike that closed the studio during part of the period. MGM forecast that earnings for the quarter and the first 9 months of the fiscal year would top the year-ago earnings, which were equal to 51¢ & $2.31 a share respectively.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
General Dynamics	Q	$0.50	Aug. 10	Jul. 8
Movielab Film Labs A	—	.10	Aug. 1	Jul. 25
Polarad Electronics	Stk.	2-for-1	Jul. 12	Jun. 27

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

JUL 5 1960

Congress

PAYOLA BILL CLEARS HOUSE, hits Senate snag in Aug. hearings on suspension & forfeitures. Senate okays Sec. 315 suspension for Presidential tickets (pp. 1, 5 & 6).

BOOSTER BILL VOTED. FCC to act fast, expected to finalize rules much as proposed. Major question: How much time do old operators need to comply? (p. 4).

Stations

NAB SCANS 1959 TV-RADIO FINANCES, finds "typical" TV station profits rose to 14.3% of sales, revenues up 10% (p. 2).

FM TOTALS MOUNT AS AM pipelines clog. Mid-year figures show 741 operating FMs, 3,484 AMs. Applications for new FMs total 114, AMs 786 (p. 4). Dept. (p. 12).

FCC

KING NAMED TO FCC, probably starts in Sept., after special session of Congress is over. Will remain unless replacement is appointed (p. 2). Dept. (p. 12).

Networks

NBC-RKO STATION SWAPS attacked again by KRON-TV San Francisco, before FCC & San Francisco court. Westinghouse effort to block deals fails (p. 7).

GROSS TIME BILLINGS GAINED 6.8% to $55.5 million in May over May 1959, but lagged slightly behind April's volume (p. 7).

Film & Tape

ACTORS & PRODUCERS REACH AGREEMENT: SAG may go into royalty plan, following writers' precedent; actors get raise in minimums, pension plan (p. 3 & 8). WGA strike cost $5 million (p. 9).

SYNDICATION MARKET in Los Angeles is soft; buyers in 7-station area tell why (p. 9).

Consumer Electronics

RCA TRIMS FAT from corporate structure to beef up its thrust into computer field (pp. 3 & 15).

JAPAN RADIO QUOTAS for export to U.S. & Canada set at about 1959 level, as self-imposed embargo on transistor sets is lifted; scant comfort for domestic makers (p. 14).

ENTER THE COMPACTRON, GE's new multi-unit tube which may bring substantial cost reductions in TV-radio-stereo—evolutionary weapon in tube-vs.-transistor battle (pp. 14 & 16).

REVERBERATION DEVICES blasted by Columbia's Shallow in first industry attack. They distort carefully balanced recordings, he claims (p. 16).

Programming

LIVE TV SHRINKS ON NETS, with only one out of 4 nighttime hours scheduled for next season. An exclusive report (pp. 3 & 11).

NEW PUBLIC-AFFAIRS SHOWS are being network-scheduled and sold to such sponsors as Firestone. They'll treat birth control, anti-Semitism, debates on national issues (p. 11).

Advertising

TV SELLS CARS in the opinion of both dealers & customers, reports 5th annual NBC-TV study of auto industry. TV has helped compacts get off to fast sales start (p. 3). Dept. (p. 13).

Finance

FAIRCHILD-DU MONT BUY approved by stockholders. 3M negotiating to acquire Revere Camera; Ampex discusses purchase of Telemeter Magnetics; other mergers (p. 18).

Other Departments

PERSONALS (p. 13). **AUXILIARY SERVICES** (p. 20). **TECHNOLOGY** (p. 20). **FOREIGN** (p. 20). **EDUCATIONAL TV** (p. 20).

PAYOLA BILL CLEARS HOUSE, HITS SENATE SNAG: House Commerce Committee Chmn. Harris (D-Ark.) and his free-wheeling Legislative Oversight Subcommittee last week pushed their payola bill through House (see p. 5). They thus chalked up their first major TV-radio legislative achievement in 2½ years of investigative headlines.

Senate also made broadcasting news with approval of unprecedented resolution (S. J. Res. 207) permitting networks & stations to give air time to Presidential tickets this year without running afoul of Communications Act's equal-time Sec. 315 (see p. 6). House passage of resolution seemed certain.

Less certain, however, was final action on payola. Oversighters' hopes for fast Senate concurrence with House bill were dashed by the abrupt moves of Congressional leaders to call recess for political conventions & come back in Aug. Harris had counted on getting his measure through Senate without hearings in pre-convention adjournment rush. But the chances of Senate buying the bill before taking a close look at it went out the window with recess announcement. "It will be necessary to hold hearings," said Chmn. Pastore (D-R.I.) of Senate Commerce Communications Subcommittee. He pointed out that "this very important proposed legislation" had been tossed at Senate as irrelevant amendments to Senate-passed FCC procedural bill (S-1896), and that Senate Committee hadn't had chance to look them over.

Nobody opposes anti-payola-&-plugola sections of House bill, Pastore told Senate. But he added that the broadcaster-opposed station suspension & forfeiture features of measure—which House insisted on keeping —may be something else again. And instead of being sent into prompt House-Senate conference, bill was given at Pastore's request to Senate Committee. It voted at once to start hearings on controversial provisions Aug. 10 or Aug. 17—depending on schedule set on reconvening of Congress.

Broadcasters "have the right to be heard" on issue of whether FCC should get hitherto-unheard-of authority to lift their licenses for 10-day periods and/or fine them $1,000 per day for defying Commission orders, Pastore said. Requests by broadcasters for chance to testify were pouring into Committee office last week. Their objections to license suspensions—in particular—as being against the interests of the viewing & listening public will carry much weight with Committee.

Ultimate fate of payola bill was anybody's guess at last week's end. But with adjournment pressures relieved by convention recess plan, Senate Committee members under Chmn. Magnuson (D-Wash.) at least could take their time making up their minds. One thing was sure: They were under no compulsion from Harris to accept rewritten S-1898 on any take-it-or-leave-it basis. Moreover, some Senators were known to take dim—if not distasteful—view of Harris strategem in tacking major House legislation onto unrelated Senate bill. No Senator likes to see his legislative handiwork come back from House unrecognizable—and Magnuson was original author of S-1898.

NAB SCANS 1959 TV-RADIO FINANCES: "Typical" TV station's profit was 14.3% of sales in 1959 vs. 11.4% in 1958, while revenues rose 10%. That's nub of NAB's latest survey of TV stations. Typical radio station had profit of 7.7% of sales, compared with 7.2% in 1958.

A "typical station" is a statistical median, according to James H. Hulbert, mgr. of personnel & economics dept. A formula is used to weight the responses—which came from members & non-members of NAB.

Typical TV station had revenues of $865,000, expenses of $742,000. Revenue breakdown: national & regional, 44%; local, 29%; network, 27%. Expense breakdown: programming, 36%; general & administrative, 34%; technical, 17%; sales, 13%.

Typical radio station's revenues were $104,000, expenses $96,000. Revenue breakdown: network, 0% (network affiliates had $1,300); local, 85.2%; national & regional, 14.8%. Expense breakdown: general & administrative, 37.2%; programming, 33.6%; sales, 18.3%; technical, 10.9%.

NAB has sent to members complete reports, including groupings by market size & revenue range—making it possible for operators to see how they compare with similarly situated colleagues. These figures aren't released.

NAB has already reported operators' predictions for 1960 (Vol. 16:17 p1). TV stations expect revenues to rise 6.8% this year, radio stations 3.2%.

KING NAMED TO FCC, PROBABLY STARTS IN SEPT: Nomination of Charles H. King, dean of Detroit College of Law, as FCC Commissioner, was sent to Senate last week. He'll take office under a recess appointment when Congress adjourns. Question is "when?"

There was considerable confusion about it, so we checked with the man who should know—David Kendall, Eisenhower's special counsel. He & his associate, Henry McPhee, told us that King won't be able to take office until Congress adjourns after reconvening in Aug. So he'll probably start work in Sept. Then he can serve until he or another nominee is confirmed after Congress returns in Jan. There was also some doubt about his getting paid. Kendall says he will be. After Congress comes back in Jan., he'll continue to be paid —unless the President fails to renominate him within 40 days after Congress convenes. If he's not renominated, he can serve without pay until his successor is confirmed. As McPhee said: "If you think that's confusing, you ought to read the law." (For King's background, see Vol. 16:25 p3).

The whole appointment business re-emphasizes hard facts of political life. For example, FCC Comr. Lee & FTC Chmn. Kintner are long-time public servants, Republicans with good records. Lee made it, Kintner didn't. Kintner has figured prominently in news as payola cleanup man, while Lee has been in background—not being FCC Chmn. Difference is primarily this: Lee made & maintained powerful Congressional contacts, dating from his days as House Appropriations Committee chief of staff. Kintner doesn't command such heavy political artillery on Capitol Hill.

ACTORS & PRODUCERS REACH AGREEMENT: Harassed by labor crises since Jan., Hollywood TV producers were apparently assured of peace last week, following an agreement with the Screen Actors Guild on major issues of a new 4-year contract.

SAG, in reversal of previous stand against royalty concept in lieu of fixed residuals, may adopt royalty base as result of new contract. Whether it will depends chiefly on fact-finding committee being set up by Alliance of Television Film Producers, Assn. of Motion Picture Producers and Writers Guild of America. SAG's old pact with producers expired June 30—the day the new one was signed.

SAG's principal gains were a 5% pension plan and raised minimums (see p. 8).

FAT-TRIMMING TIME AT RCA: Lean & hungry is new look at RCA these days as onetime entertainment-only giant trims down for long, hard pull in industrial electronics. Efficiency expert Pres. John L. Burns is dedicated to slicing out overall corporate fat in order to increase thrust in computer field—"a new industrial area which alone can double the size of RCA within the next decade," he told stockholders only 2 months ago (Vol. 16: 19 p23).

"Fat" means non-essential people, duties and services, and these have been undergoing liquidation piecemeal & quietly in past several months. Layoffs are believed to have peaked, July 1 being the unofficial pare-down deadline. Figures are impossible to come by, but we have been told that average of 15% cuts in most non-essential depts. was goal. Estimates we heard ran as high as 30% for some depts. It is not surprising, considering change in RCA image, that layoffs have been concentrated in entertainment domain: some 150 at Indianapolis TV components plant; about 100 at NBC's CNP TV-film operation; an undisclosed number at NBC, International div., TV div.'s Cherry Hill hq; close-down of RCA's Chicago museum, other constrictions. (For details, see story on p. 15).

NOT MUCH LIFE IN LIVE TV: Trend toward more film programming on networks this fall forecasts further reduction in live programming, despite production freedom afforded by tape. Of 74 weekly nighttime program hours on networks in 1960-61 season, only 18 will be live or tape. That's roughly one out of 4 hours for live, 3 out of 4 for film.

Newest figures represent considerable drop from last season's live situation. Last fall, networks aired 24 live weekly hours, or about one out of 3. Biggest cutback this season: Live & tape entertainment specials on all 3 networks. They'll be reduced nearly 50% in the wake of failure or semi-failure (Ford's Startime, etc.) of many look-alike specials in last season's bumper crop.

Political coverage is sole bright spot in live TV, with generous coverage of conventions & elections planned by networks (Vol. 16:26 p13). Apart from such public-affairs shows, nighttime network programming will be dominated by 30- & 60-min. film shows, largely purchased, controlled and sold by networks (see p. 11).

NBC'S AUTO INDUSTRY STUDY: TV is still most effective medium for selling cars. That's the gist of findings in NBC-TV's 5th annual interview of auto dealers & car buyers shown to top automakers & agencies in Detroit in the past few weeks, and now due for agency-level showcasing in N.Y. Result of 13,047 interviews by R. H. Bruskin Associates and Trendex, the study charts striking trends & TV facts in auto field.

(1) Nearly all auto dealers like new U.S. compacts, with 98% of those handling Corvair, Falcon and Valiant agreeing it was "a good idea" to launch them.

(2) Of compact dealers, 64% chose TV as "most effective in selling the idea of the new small cars."

(3) Multi-program sponsorship pays off for auto firms. In rating Ford as "one of best cars," viewers who watched all of 3 Ford-sponsored show series on NBC outnumbered non-viewers (of any) by 2½ times.

(4) TV drew strongest ad-recall vote of leading media. Of those who were "declared prospects" for 1960 cars (about one in 4 adults), 48% stated that TV stood out "most strongly."

(5) Color TV adds to impact of auto commercials. Among color TV set owners, 69% said TV ads made cars look "more natural & lifelike," 14% gave nod to magazines. Among b&w set owners, 57% said TV, 22% said magazines. Auto-sponsored color TV shows, incidentally, drew larger audience share, higher rating in color TV homes.

BOOSTER BILL VOTED, FCC TO ACT FAST: Road is clear for legal vhf boosters, now that Congress has passed bill which forgives operators for having built without FCC permission and allows them to transmit without hiring licensed technical personnel. Commission has been marking time, waiting for Congressional action, is expected to issue final booster rules soon, probably within couple weeks.

New rules are likely to be similar to those last proposed (Vol. 15:49 p4):

(1) One-watt ceiling.
(2) No mileage-separation minimums.
(3) Stop operation if interference develops.
(4) Settle inter-booster interference "by mutual agreement."
(5) Use only FCC-approved equipment.
(6) No on-channel operation.

New boosters (which FCC calls translators) would be required to start with new standards. Big problem is how much time to give old operators to comply. There's talk at FCC of 4-6 months. If Commission's past practice is prologue, it will set fairly short period, wait for reaction, extend time if outcry is too great.

You may expect Comr. Lee to stick by his position that vhf should be allowed only upon operators' showing that uhf translators are technically or economically impractical. But he's in minority.

FCC engineers, mostly uhf enthusiasts, see uhf winning eventually because no more than 2 vhf boosters can operate in any given area. They note that each booster requires one channel to receive, one to transmit, plus adjacent-channel protection for each (except where Ch. 4 & 5 are involved). Thus, they visualize booster operators ultimately embracing uhf to get 3 or more signals.

"Zoning" idea appears to be dead (Vol. 16:23 p10). This is the concept of: (1) Allowing existing vhf boosters to continue in half dozen northwestern states for substantial number of years. (2) Permitting new vhfs in the zone only upon showing that uhf is impractical. (3) Giving vhfs outside the zone a couple of years to quit. (4) Allowing no new vhfs outside the zone.

Meanwhile, Commission extended for 30 days, from June 30, the grace period during which boosters may operate without FCC authorizations.

FM TOTALS MOUNT AS AM PIPELINES CLOG: Pattern of AM-FM development in last 6 months, in terms of new FCC authorizations & starters, is more of the same, only accentuated—FM rising at faster rate, AM backlog mounting at FCC.

From Jan. 1 to June 30, 64 new FMs started, compared with 28 AMs. At same time, FM authorizations (licenses & CPs) rose 71 while AM increased only 48. There are now 3,484 operating AMs, 741 FMs. Applications for new AM stations have increased from 711 to 786; bids for improved AM familities have bone from 757 to 798. Filings for new FMs total 114 vs. 105 six months ago. Here are year-by-year totals since end of war:

	AM			FM	
Year	Licenses & CPs	On air	Year	Licenses & CPs	On air
1945	1056	913	1945	288	48
1946	1579	1027	1946	684	140
1947	1961	1586	1947	1010	374
1948	2131	1877	1948	976	687
1949	2246	2045	1949	791	728
1950	2351	2199	1950	706	672
1951	2410	2306	1951	654	640
1952	2516	2377	1952	648	612
1953	2644	2451	1953	602	550
1954	2782	2662	1954	583	549
1955	2941	2814	1955	557	536
1956	3140	3024	1956	559	528
1957	3289	3180	1957	588	537
1958	3423	3318	1958	686	571
1959	3527	3456	1959	839	677
1960 (6 mos.)	3575	3484	1960 (6 mos.)	910	741

Congress

More about

PAYOLA BILL NOW UP TO SENATE: Belatedly but decisively, the House last week approved the only major broadcasting reform measure which has a chance of becoming law at this session—the Commerce Committee's payola bill (Vol. 16:26 p1).

Four days of frequently acrid on-&-off debate were marked by floor protests that the bill (a substitute for Senate-passed S-1898) either didn't do enough or went too far. Finally the House passed it 208-15 and hurried it back to the Senate in a late-session push.

With political conventions just ahead and Congressional adjournment plans in confusion, House Committee Chmn. Harris (D-Ark.) hoped the measure would get once-over-lightly treatment from the Senate Commerce Committee, then slide through the Senate itself without further hearings on its tacked-on payola prohibitions & other provisions.

Harris ran into Senate trouble almost at once, however. The Senate Commerce Committee headed by Sen. Magnuson (D-Wash.) refused to go along. It voted unanimously to sit on the bill until next month, then hold full-dress hearings on the measure's most controversial provisions: Authorization to FCC to discipline stations with less-than-license-revocation punishment. There'd be no quick Senate concurrence, at least (see p. 1).

In the House there was no argument about—and scarcely any discussion of—such broadcasting evils as payola, plugola and quiz-rigging as defined & banned in the bill under criminal penalties. "In my opinion," Rep. Anfuso (D-N.J.) said at one point in the debate, "everybody is going to vote for this bill. It is like voting against sin." Nor did anybody pay much attention to sections of the measure providing for such things as local public hearings by FCC and strict FCC rules on pay-offs of station applicants by other applicants (Vol. 16:24 p2).

Network Control Was Issue

The House floor fights swirled around 2 main issues: (1) FCC controls of TV & radio networks—which weren't in the bill and which were kept out. (2) Ten-day-license-suspension and $1,000-per-day cash-forfeiture penalties for wayward stations, which were modified slightly to stipulate that violations subject to the penalties must be "negligent or intentional."

Rep. Bennett (R-Mich.) ranking minority member of the Commerce Committee, as he had promised to do (Vol. 16:25 p4), bucked Chmn. Harris by staging last-ditch battles for amendments putting networks under direct FCC supervision.

Bennett first proposed that his own 1959 bill (HR-5042) for network regulation—but not licensing—be incorporated in the Committee's measure despite objections by Harris & others that the issue hadn't been explored sufficiently in hearings. Bennett was batted down 101-16 on this one.

Undaunted, Bennett than tried to kill the Committee's bill (which he called "a sham") by a motion to recommit the measure to the Committee—with instructions to incorporate a network-licensing bill (HR-11340) authored by Harris himself but pigeonholed by him. Bennett lost 149-35.

In one speech, Bennett said the issue was "whether we prefer a show & a sham to an effective cure of the abuses revealed in radio & TV broadcasting." He told the House that the vote on network regulation would "expose the desire of some to make motions & loud talk about curing abuses but visit their wrath on the little man in TV & radio—the station owner—while leaving the big men—the giant monopolistic radio & TV networks—as free from regulation as they now are."

The "little man" argument—reflecting letter-writing campaigns put on by NAB members—was also used by opponents of the bill's suspension-&-forfeiture penalties.

"In our zeal to clean up this industry, do not think we are required to completely destroy the business of some little operators who could not survive these harsh penalties," said Rep. Jonas (R-N.C.).

"This novel, untried, and dangerous legislation will strike a telling blow at enterprise & initiative," said Rep. Meader (R-Mich.). He added: "This $1,000-a-day forfeiture for failing to knuckle under to a commission is a tyrannical, oppressive sanction which we should never approve. We will rue the day we establish such a precedent."

But amendments they offered or supported to cut out the new penalty provisions or pare them down were rejected by lopsided votes. The House went along with Harris, accepting only Committee-approved modifications which made it clear that the penalties were intended to be invoked by FCC only for knowing or negligent violations.

As an afterthought, Harris also put through an FCC-recommended Communications Act amendment, long since voted by the Senate, to repeal the so-called "honorarium" provision of Sec. 4 which permits Commission members to collect fees for speeches or published articles. As Harris said: "Feeling about it is unanimous."

There was no argument.

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Congressional counterattack on Knight Newspapers & *Life* for their exposes of House expense accounts has been joined—vehemently—by Rep. Moulder (D-Mo.), first chmn. of the Legislative Oversight Subcommittee. Echoing charges by Commerce Committee Chmn. Harris (D-Ark.) that Knight interests & Time Inc. were trying to divert public attention from TV & radio scandals (Vol. 16:26 p1), Moulder said he too has suffered a "vicious smear." In a House speech, Moulder defended his tabs in the Persian Room of N.Y.'s Plaza Hotel as legitimate expenses on an Un-American Activities Committee assignment. Moulder, asking why an "exaggerated, distorted and outright false story" about his Persian Room bill was published, said the Miami Ch. 7 case (Vol. 12:26 p8) provided an answer. He reminded the House that, as the chief Oversighter, he had helped expose John S. Knight's "improper *ex parte* & dishonest political influence" in the case. As for *Life*, Moulder said it's among publications that "live high in reaping huge profits at the expense of the public taxpayer." He said that in 1956 alone, *Life* received $9 million in postal subsidies, and that the Post Office Dept. lost $232,000 in 1958 in handling Knight's *Detroit Free Press*. Such postal subsidies also were scored by Rep. Rhodes (D-Pa.), another among 30 House members mentioned in the Knight-*Life* stories. He said he'd been singled out for attack because he advocated higher magazine postal rates.

Sports anti-trust legislation, including proposals that pro baseball clubs be permitted to control telecasts of games (Vol. 16:25 p12), has been killed by the Senate—for this Congressional session, at least. The threat of legalized TV blackouts was lifted when the Senate voted S-3483 sports bill back to Judiciary Committee.

More about

SENATE EASES SEC. 315: Overriding the suspicions & objections of one man—Sen. Yarborough (D-Tex.)—the Senate last week voted to suspend application of the Communications Act's equal-time requirements for 1960 TV & radio appearances by candidates for President & Vice President (see p. 1).

Yarborough is chairman of a political "watchdog" unit set up by the Commerce Committee to see how broadcasters handle politics this year (Vol. 16:25 p5). He protested that the Sec. 315 suspension resolution (S. J. Res. 207) contained no guarantees of political fair play by the networks. But even he voted for it after a brief debate.

The emergency equal-time resolution had been recommended by the Commerce Committee as a substitute for a drastic measure (S-3171) to require the networks to give free TV time to Republican & Democratic Presidential nominees (Vol. 16:23 p3). It was rushed to the House for expected concurrence, where no opposition was reported.

In a speed-up plea, NBC Chmn. Robert W. Sarnoff wired House Speaker Rayburn (D-Tex.) that quick action would give the network time to plan a *Great Debate* campaign series featuring the top tickets. And CBS Inc. Pres. Dr. Frank Stanton said: "This was a critically important step in freeing TV-radio to fulfill their unique roles in stimulating public discussion and in sharpening the great issues of the day."

ABC-TV Pres. Oliver Treyz, in a wire to Rayburn, emphasized: "Time is of the essence since ABC desires, upon enactment of the resolution, to hold a meeting of the 3 networks seeking an agreement to ABC's proposal of allocating prime time for candidates." (The proposal involves different time slots on all networks to provide maximum audience hours on a rotating basis during the 9-week period preceding Election Day.)

No Support for Restrictive Amendments

Yarborough expressed fears that the wide-open suspension of Sec. 315 would give broadcasters an open political season for favoring one candidate against another. He tried to amend the resolution by requiring candidates to be paired in debates on the air. He then amended his amendment "to make certain that equal & fair time is granted to the major candidates." Finally he withdrew the amendment, which won no support on the floor.

Floor manager for the resolution was Chmn. Pastore (D-R.I.) of the Commerce Communications Subcommittee, who said he was aware that the measure would give networks & stations a chance to put over a favored candidate.

"This is a risk that the Committee feels is outweighed by the substantial benefits the public will receive through the full use of this dynamic medium in Presidential campaigns on a voluntary basis," Pastore told the Senate. "I have faith in the maturity of our networks & broadcasters and their recognition to discharge their obligation."

If broadcasters shouldn't play it fair, Pastore added, they'd "be in a difficult position when their licenses came up for renewal." And he promised quick retaliation at the next session of Congress: "By means of this joint resolution we open the door slightly. But if they dare trespass on equity, we will close the door so quickly, next Jan., that it will be no laughing matter."

Moreover, Pastore said, there's a "moral understanding" between the Commerce Committee, the networks and affiliated stations that fair & equal air treatment will be given to the major Presidential tickets.

Attack on FCC, for proposing to grant Ch. 10 Albany to Capital Cities Bcstg. Corp. (Vol. 16:26 p12), backfired on Sen. Proxmire (D-Wis.) last week. Proxmire had criticized the Commission for favoring Capital Cities (which has been operating WTEN on special temporary authorization) after examiner J. D. Bond had said that one reason for recommending Capital Cities was the "civic backgrounds" of 5 Congressmen-stockholders. FCC Chmn. Ford stated, in a WTOP-TV Washington interview: "There was a speech on the floor of the Senate which, in effect, I suppose was intended at least to influence the Commission by something which is not part of the record in this proceeding." FCC has instructed its staff to draft a final decision in WTEN's favor, but Ford noted that the Commission hasn't decided what weight to give the "civic" factor. He also observed that the factor is only one of many criteria and isn't necessarily controlling—particularly when the stock ownerships are small, as in the WTEN case. (The Congressmen hold a total of less than 5%.) Ford didn't participate in the WTEN vote, said he won't act in the final decision. This left him free to comment on the Proxmire blast. FCC is now in position to write a final decision treating the issue so as to leave Proxmire stranded.

Another allocations study—how govt. & non-govt. assignments are made—has been proposed by Sen. Hartke (D-Ind.) in S.J. Res. 211 which reads: "Joint resolution to establish a commission to study & report on the organization of the FCC and the manner in which the electromagnetic spectrum is allocated in the agencies & instrumentalities of the federal govt." Said Hartke: "We have seen overlapping of agencies and of civilian & military control. There is chaos in parts of the communications field. Where there is no overlapping, members of the commission in charge often cannot agree. Legislation of some kind, perhaps centralizing authority & clarifying development, must come soon. We intend to offer some kind of such legislation in the early days of the next Congress. Meanwhile, a study of the status & needs in telecommunications is vital. I am not so much interested in the form of this study as I am in seeing that there is a study."

Probe of radio operators by the House Un-American Activities Committee has been threatened by Chmn. Walter (D-Pa.). Introducing a bill (HR-12852) to prohibit FCC from granting licenses to applicants who refuse to answer—or lie—about "Communist activities," Walter said he hoped it would get "hearings & legislative consideration at an early date in the next Congress." Already, Walter told the House, his Committee has "information [that] in the recent years past, approximately 100 persons regarded as security risks have received radio operators' licenses" from FCC. Moreover, he said, "a number of other people who are likewise security risks have applications pending."

NAB-sought overtime exemptions for small-market TV & radio stations from application of the Fair Labor Standards Act (Vol. 16:21 p10), are incorporated in minimum wage bills (S-3758 & HR-12677) which are on the Democratic "must" list in Congress. The Senate measure applies to stations in less-than-50,000 market areas, the House bill to less-than-100,000 market areas (but not to any station "part of a standard metropolitan area").

President Eisenhower has signed a bill (S-899) repealing sections of agency laws—including Sec. 4(k) of the Federal Communications Act—requiring that detailed personnel reports be submitted annually to Congress (Vol. 16:26 p11).

Networks

NBC-RKO STATION SWAPS (cont.): Westinghouse Bcstg. Co. was defeated last week in its attempt to block the NBC-RKO series of station exchanges & purchases. Philadelphia U.S. District Court Judge Kirkpatrick turned down its plea to intervene (Vol. 16:24 p7). Promptly KRON-TV San Francisco began its promised new battle before "other tribunals"—FCC & U.S. District Court in San Francisco.

Judge Kirkpatrick turned down WBC, he said, because he had no jurisdiction to allow it to intervene. He added, however, that he would not have let WBC in even if he'd had the power—because Justice Dept. opposed WBC. "The govt. is concerned with the public interest," he said, "and is satisfied that the conduct Westinghouse complains of is not against that interest."

KRON-TV filed 2 petitions with FCC: (1) Requesting a hearing on the license application of KTVU San Francisco, which NBC proposes to buy. (2) Requesting a hearing on all the pending NBC & RKO swaps & purchases involving stations in Boston, Phila., Wash., San Francisco.

KRON-TV traced the history of KTVU's ownership and concluded that "there is reason to believe that effective control [of KTVU] . . . now rests with RKO General which has so much to gain" if its deals with NBC go through. KRON-TV suggested that KTVU principals William D. Pabst & Ward D. Ingrim are really puppets of RKO. It also accused KTVU of trafficking in its FCC permit, in excessive "payoffs" to Edwin W. Pauley & Stoddard P. Johnston, who once headed competing applicants for KTVU's Ch. 2. In addition, KRON-TV said, KTVU's programming hasn't matched its promises to FCC.

KRON-TV petition for a hearing on the sales runs the gamut of charges, asks FCC to examine 14 different matters—ranging from how KTVU was born, to anti-trust allegations against NBC & RCA. It includes a charge that RKO will violate FCC's multiple-ownership rules by acquiring WRC-TV Washington, because RKO's CKLW-TV Windsor, Canada should be counted as a 6th vhf holding.

KRON-TV's civil anti-trust suit in the San Francisco court is directed at NBC, RCA, RKO, KTVU and all of KTVU's stockholders. It alleges that it is losing its NBC affiliation in San Francisco because of the defendants' acts of conspiracy, restraint of trade, etc.

The relief sought by KRON-TV includes: treble damages for anything it loses as result of "acts of the defendants;" stopping NBC from acquiring KTVU; and, finally, revocation of all TV licenses of NBC, RKO & KTVU.

WBC hasn't said whether it will seek similar relief.

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"Today 3 networks control what 180 million people are going to look at. Even if the program heads who wield this vast power were all high-minded, this would be a narrow bottleneck through which to pour all the creative energy of the country. But they're not high-minded men. They are interested in money, and those idiotic ratings, and in control. They seem little interested in the taste or the cultural welfare of the country, or in creating new forms, or in developing new writers or artists or artisans, or even in show business . . . With 4 large studios turning out 85% of the nation's shows and selling them in private little deals to three huge networks, the little independent producer is being driven to the wall."—John Crosby, *N.Y. Herald Tribune.*

Network Television Billings

May 1960 and January-May 1960

For April report, see TELEVISION DIGEST, Vol. 16:25 p9

May 6.8% Ahead: Network TV's May gross time billings of $55.5 million were a shade behind the April volume of $55.9 million, but were 6.8% ahead of May-1959's $51.9-million total, reports TvB. The year-to-date volume of $283.3 million was 8.7% ahead of the $260.6-million business posted in Jan.-May 1959. However, this was off the pace of 9.8% for the first quarter and 9.2% for the first 4 months of 1960.

CBS continued to lead the networks in dollar volume, both in May ($23.2 million) and year-to-date ($116.3 million). NBC, which had out-percentage-gained CBS the preceding month, fell behind with a 1.4% decline in May-from-April billings. ABC, as usual, posted the major percentage gains: 29.5% for May over May 1959, 23.8% for Jan.-May over the year-ago period.

NETWORK TELEVISION

	May 1960	May 1959	% change	Jan.-May 1960	Jan.-May 1959	% change
ABC	$12,876,050	$ 9,946,570	+29.5	$ 65,001,870	$ 52,492,402	+23.8
CBS	23,197,036	22,298,276	+ 4.0	116,275,396	110,576,419	+ 5.2
NBC	19,396,704	19,674,494	— 1.4	102,015,515	97,596,306	+ 4.6
Total	$55,469,790	$51,919,335	+ 6.8	$283,292,781	$260,565,127	+ 8.7

1960 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	$13,260,010	$23,477,358	$20,980,897	$57,718,265
February	12,677,110	22,977,171	19,923,712	55,577,993
March	13,487,460	24,043,799	21,072,164	58,603,423
April	12,701,240	22,580,032	20,642,555	55,923,410
May	12,876,050	23,197,036	19,396,704	55,469,790

Note: Figures revised as of June 29, 1960. These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on basis of one-time network rates or before frequency or cash discounts.

CBC-TV's 'Shady Lady': Canada's govt.-owned CBC is in hot water with the govt. over a divorcee it is protecting—and the result could strongly affect the future of CBC Pres. J. Alphonse Ouimet.

The lady in question, using the pseudonyn "Mercedes Hunter," starred in a May 26 CBC-TV program, *Close-Up*, exposing the divorce racket. Appearing with her face covered, she admitted playing mock co-respondent in 120 Ontario divorces at $100 each (Vol. 16:23 p16).

Ontario Attorney General Kelso Roberts wants her name & address. Revenue Minister George Newlan wants to find her to check whether she paid tax on the income she reported on the TV show. But following the unwritten rule of newsmen, Ouimet so far has not given her correct name. He says he doesn't know her address. Newsmen in Canada, as in the U.S., have been taken to court and convicted for contempt in similar situations.

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CBS News special-assignment cameraman Nicholas Ruiz, a Cuban national, was placed under arrest in Havana June 27 and is being held incommunicado. Ruiz was flying to Miami with on-the-spot films of the aftermath of a June 26 munitions dump explosion in Havana, when he was taken off the plane at Havana airport by Cuban police. CBS News vp John F. Day cabled Cuban foreign minister Dr. Raul Roa June 28, asking for "assurance of Ruiz' safety & his release from custody."

NETWORK SALES ACTIVITY

ABC-TV

Take a Good Look, Thurs. 10:30-11 p.m., full sponsorship renewal eff. fall 1960.
Consolidated Cigar (Erwin Wasey, Ruthrauff & Ryan)

Daytime programming, Mon.-Fri. particips. eff. fall 1960.
General Foods (Ogilvy, Benson & Mather)
Curtis Publishing (BBDO)
Gillette Toni (North)

Cheyenne, Mon. 7:30-8:30 p.m., participations eff. fall 1960.
Dow Chemical (McManus, John & Adams)

American Bandstand, Mon.-Fri. 4:30-5 p.m., participations eff. late summer.
Jantzen (Hockaday)
Vick Chemical (Lennen & Newell)
Gillette Toni (North)

CBS-TV

Captain Kangaroo, Sat. 8-9 a.m., particips. eff. fall 1960.
Hanes Knitting (N.W. Ayer)

Daytime programming, participations eff. July.
T. B. Williams (Parkson)

Witness, Thu. 7:30-8:30 p.m., participations eff. fall 1960.
Schick (Benton & Bowles)
Esquire Boot Polish (Benton & Bowles)

NBC-TV

Those Ragtime Years (*Project 20*), one-time 60-min. special, Oct., full sponsorship.
Purex (Edward H. Weiss)

Dan Raven, Fri. 7:30-8:30 p.m., participations eff. fall 1960.
Union Carbide (William Esty)

Laramie, Tue. 7:30-8:30 p.m., participations eff. fall 1960.
Union Carbide (William Esty)

Our American Heritage, 60-min. specials starting Oct. 21. full sponsorship renewal.
Equitable Life (Foote, Cone & Belding)

Nighttime 40-sec. station breaks, in which TV affiliates may house two 20-sec. spot announcements (or a 30 & 10), are almost certain to be a regular feature of at least 2 network schedules. Affiliates have pressured strongly for longer announcements which would mean an increase in station revenue at the expense of 10 seconds snipped off the end of network-controlled shows. ABC-TV plans to include the king-size station breaks in its schedule this fall at the rate of one per night. NBC-TV officials are currently developing a plan to give about half that number of 40-sec. breaks weekly to affiliates. CBS-TV is "considering" a move to the longer breaks, but has made no decision yet, we were told. Said one NBC-TV official: "It's a foregone conclusion that we'll see 40-sec. network breaks this fall. In fact, the next pressure will be for 1-min. breaks when stations start thinking about that extra hunk of revenue."

NBC's medical radio system, scheduled for fall initiation, has been postponed "for the time being," advertisers subscribing to the network's medical advertising plan were informed recently. The system would have placed FM multiplex receivers in doctors' offices for reception of special medical information broadcasts and advertising announcements. The network has lined up "at least 4 participating advertisers to the system, but would need at least 10 to break even," we learned. Subscribing doctors were to pay $10 a month.

Film & Tape

More about

THAT ACTOR-PRODUCER CONTRACT: With agreement reached between SAG and AMPP & ATFP, Hollywood producers can begin to settle down to turning out films for next season. No labor problems will confront them until Nov., when IATSE negotiations begin.

The core of the negotiations with the writers was adoption of a royalty concept in place of the fixed residuals applied in the old contracts. SAG, which once frowned on royalties on the grounds that they could not apply satisfactorily to actors, has partly reversed its position and is leaving the door open to the royalty plan.

This is being accomplished by a proviso which states that after 2 years, SAG may, at its option, go into the royalty plan in lieu of fixed residuals, with the actors to be guaranteed a floor of 8% of the gross, foreign & domestic. This contrasts with the 4% floor guaranteed the writers. If the actors go for the royalty plan, the contract will be extended another year.

For producers, the possibility that actors may embrace the royalty concept is good news, since they have sought an industrywide pattern. The idea is that dropping of fixed residuals would enable them to unfreeze films now shelved, with proportionately higher grosses. Talent guilds now receive 140% of minimums as their residuals.

SAG had sought to raise the residual base, originally wanting to raise it to 200%, but this was flatly refused by producers. However, daily minimums are raised from $80 to $90 the first 2 years of the contract, and to $100 the second 2 years.

A compromise was reached on the pension plan, so that actors will get a 5% pension based on actors' total salaries & residuals, but limiting the contributions to a ceiling of $3,400 per actor.

Meanwhile, the international board of the Associated Actors & Artistes of America (AFL-CIO parent of all U.S. performers' unions) voted unanimously in N.Y. to approve & support an extra players strike against AMPP, the Alliance, the N.Y. Film Producers Assn. and other unaffiliated movie & TV producers. Screen Extras Guild contracts with the various producer groups & the N.Y. extras agreement administered by SAG expired April 2, 1959. Attempts to reach new agreements have failed.

Hearings have begun before the NLRB in Los Angeles on charges by SEG that the Alliance had refused to bargain in good faith. Although not named by SEG, AMPP moved to intervene in the hearings, and NLRB granted the motion. Meanwhile, SEG's board of directors has voted unanimously to recommend that its membership authorize a strike against the Alliance when SEG holds its annual meeting this week (8).

Ampex Australia Pty. Ltd. has been established as a subsidiary of Ampex International, Fribourg, Switzerland, with Edmund J. Aleks—ex-Western U.S. district sales mgr. for Ampex TV recording equipment—as sales mgr. Initially, the firm will handle sales of Videotape recorders and direct the marketing of other Ampex products. Assembling or manufacturing facilities may be established later.

Irving Pincus named secy. and Winston O'Keefe treas. of the Television Producers Guild. Cecil Barker, Jules Bricken, Robert Finkel, Richard Goldstone, Nat Perrin and Howie Horwitz named to the board.

More about

STRIKE COST $5 MILLION: Both sides have appended a "never again!" to Hollywood's costliest TV strike—the recently-ended 22-week-old walkout of Writers Guild of America against TV film producers affiliated with Alliance of Television Film Producers, the Assn. of Motion Picture Producers and the networks. The Hollywood hangover, conservatively estimated ($50,000 for a 30-min. show; $100,000 for 60-min.), is a $5-million loss in production. Our own tally of episodes never filmed because of the strike came to over $4 million, not counting those telefilmers who would not reveal their losses. And losses, of course, hit all associated with production, as well as the producers & writers.

Here's a partial breakdown of films permanently skipped because of the strike:

Desilu Productions: 5 *The Untouchables.*

Revue Studios: 26 half-hours among its various series.

Four Star Television: 5 *Wanted—Dead or Alive,* 2 *DuPont Show* (June Allyson), 1 *Robert Taylor's Detectives.*

Screen Gems: Several episodes of *Father Knows Best* & *The Donna Reed Show.*

Brennan-Westgate Productions: 9 *The Real McCoys.*

20th Century-Fox TV: 5 *Adventures in Paradise.*

Film executives found concern in some situations resulting from the strike. For example, certain series had to go into reruns earlier and sponsors discovered some reruns doing as well or better than they did as first-runs. As a result, these advertisers may in future think in terms of shorter firm deals, such as 13- or 26-week orders.

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AFTRA & SAG Reject Cole: Screen Actors Guild and the American Federation of Television & Radio Artists have turned down David Cole's proposed merger plan. But they have agreed on a new plan for "merged" contractual negotiations in the fields of tape, live and commercials. Committees for both unions expressed their sentiments at a meeting in Hollywood last week. SAG's board has approved its committee's action, and the next move is up to AFTRA's board—which will probably affirm. Both unions objected to Cole's plan as "unworkable" because it would set up a super-structural rule which would work to the disadvantage of the membership.

AFTRA has jurisdiction in live TV & live commercials, SAG in filmed commercials. The area of dispute is tape, and jurisdiction would be resolved under the contemplated plan. This should lead to peace between the unions. AFTRA has 16,000 members, SAG, 12,000. There is no "accurate" record of overlapping membership.

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"Huckleberry Hound" for President—that's to be the basis of a new stunt promotion this summer by Screen Gems on behalf of its Kellogg-sponsored, spot-placed (Leo Burnett) cartoon series. Now entering its 3rd season, *Huckleberry* is fully sponsored by the cereal firm in 180 markets. It is usually paired (Tue.-Thu. between 5-7 p.m. is typical) with its teammate show, 2nd-season *Quick Draw McGraw.* Both are 30-min. animations, produced by Hanna-Barbera for Screen Gems. Their ratings & sales success have been instrumental in triggering a bumper crop of new animation shows for network or syndication release (Vol. 16:26 p6). Aimed at moppets, *Huckleberry's* frequently-urbane humor also attracts many adults.

L.A. ON SYNDICATION: Los Angeles' 7 stations, once avid buyers of TV film, are—according to our latest checkup—increasingly chilly to the merchandise of the syndicators. The freeze which set in about a year ago (Vol. 15:28 p13) shows no signs of thaw.

The reasons given by station managers, buyers and program directors vary, but most agree that not enough syndication product matches network quality. Some say buying a syndicated series is a bad investment because it takes so long to recoup the money. Others prefer showing movies or live TV. Some are wary of private eyes & Westerns, fearing saturation or being cautious about programming in view of Washington hearings. Here's a capsule of the comment made to us:

William Alcine, film dir., KNXT: "Two years ago *Two Faces West* would have been big, but today Westerns have reached saturation. The private eyes have about had it, too. The Washington hearings have had a definite bearing on our buying & programming policies. For example, we try to avoid violent shows in the early evening hours when the kids are still up."

Jack Kenaston, prog. dir., KRCA: "We are not buying much TV film. We have 317 half-hour films, but show them daytimes & weekends. Not too much is being offered that's exciting or up to par. We have been buying old movies—bought 36 post-1952 European films from Flamingo Films, 61 from Lopert and a package of 90 from Screen Gems. But as for syndication, the only good series I've seen are *Hot Off the Wire* and *Shotgun Slade.*"

Robert Quinlan, prog. dir., KTLA: "We're buying film for the summer, but will return in the fall to a basically live schedule. We can't afford first-run syndicated product. It entails too much investment, and we have to wait 3 years to get it back. We prefer old movies."

Peter Robinson, prog. dir., KABC-TV: "The syndication market is still soft. It's pretty rough—the networks are taking more & more option time from the affiliates, and more & more product is available. We're buying a little. We have very little interest in old movies. Getting heavily involved with big batches of old movies is dangerous because 100 of 700 may be good—the rest become lodestones."

A KHJ-TV spokesman: "Our direction is toward old movies. We are very interested in any major studio post-1948 movie packages which may be made available. We are fairly cool to half-hour syndicated series."

Robert Breckner, vp-gen.-mgr., KTTV: "Syndicated product is not as good as it used to be. Producers can't get enough prime time to pay for good product."

Al Flanagan, vp-gen.-mgr., KCOP: "The climate of TV is still foggy as a result of the Washington investigations, and there is a great uneasiness about what most stations will do in programming. The syndicated market is soft. I don't want to get overloaded with private eyes & Westerns. Prices are down quite a bit on syndicated product, but price isn't the factor."

The significance of these uniformly gloomy views is obvious. If the syndication market continues soft, the hoped-for riches from residuals in TV films may turn out to be pie-in-the-sky, except for the rare hit series like *Father Knows Best, I Love Lucy,* or *Dragnet.*

Series such as *Father Knows Best* and *Danny Thomas* reaped fat profits because reruns were sold to networks for daytime stripping. In the case of *Dragnet,* the films were bought by Sherry TV, a subsidiary of MCA, which did well in the syndication market. But this was several years ago, before the market went soft.

NEW YORK ROUNDUP

TelePrompTer last week reported complete returns from 229 viewing locations of the Patterson-Johansson fight. Gross receipts indicated there were 434,894 paid admissions for a total of $2,251,162. Receipts from 13 CATV systems grossed $23,500. In addition, $450,000 is assured TPT from other sources such as radio, motion pictures and foreign TV. Receipts from ancillary rights alone, excluding the gate at the Polo Grounds, will total more than the all-time record of $2,658,000 for the second Tunney-Dempsey fight in 1927. Feature Sports Inc., fight promoter, announced gate gross at $824,814.

United Artists Associated vp & gen. sales mgr., Bob Rich, on the current post-1948 feature film hassle: "The recurring discussions about the release of the 'first' post-1948 features to TV must be viewed in the proper perspective. Post-1948 features from major Hollywood studios, in significant numbers, are already in TV distribution." Among UAA's 410 post-1948 films in circulation are "Summertime," "Underwater," "Suddenly," "A Bullet for Joey," "Moulin Rouge," "The Big Sky," "Act of Love" and "Affair with a Stranger."

Rank-produced 38-feature package launched in syndication in June by Programs for TV Inc. has begun to score its first major sales. WNBC-TV N.Y. has bought 25 features, and intends to showcase those shot in color as special colorcasts. Some, but not all of the films in the package are post-1948, contrary to pre-release rumor, we learned last week. Chief salesman for the package: PTI exec. vp for sales Michael M. (Mickey) Sillerman, ex-pres. of NTA program sales (syndication arm of NTA).

Creative Telefilm & Artists Ltd., split from United Telefilm in Feb. as TV-film distributor & talent agency, is expected to be headed soon by David Stillman as pres. The keystone of the new operation is understood to be a package of 104 post-1948 Warner features for TV distribution (Vol. 16:26 p15). Veteran talent agent Charles K. Feldman is the most likely candidate to head the representation end of the organization, with ex-UAA Pres. Eliot Hyman handling feature distribution.

Add syndication sales: Package of 62 Lopert films has been bought by KRCA Los Angeles; WAVY-TV Portsmouth, Va., CKLW-TV Detroit; & WMAR-TV Baltimore. This puts the package of post-1948 foreign films in 45 markets to date. Titles include "Pursuit of the Graf Spee," "Richard the Third," "Horse's Mouth" and "Parisienne" . . . NTA last week reported sales in over 50 markets of its *Assignment: Underwater*, 30-min. adventure series starring Bill Williams.

Cal. National Productions' Jim Backus show—*Hot Off the Wire*—has been bought for New England markets by H. P. Hood & Son, regional dairy, for a reported $200,000 . . . Ziv UA's *Case of the Dangerous Robin* has been bought by Brown & Williamson for WABC-TV N.Y. . . . ITC's *Interpol* has been bought for 10 Canadian markets by Procter & Gamble Ltd..

Screen Gems has sold a group of 150 feature films to TCN Sydney & HSV Melbourne. Titles include "Gilda," "The Detective," "Cover Girl," "The Jolson Story," "Mr. Deeds Goes to Town" and "A Song to Remember."

HOLLYWOOD ROUNDUP

People: Ed Adamson signed by Four Star Television to produce *Wanted—Dead or Alive*, starring Steve McQueen. Same company signed William Friedberg to produce its *Peter & Mary* (Peter Lind Hayes & Mary Healy) . . . Henry Weinstein, TV producer, signed as a movie producer by 20th-Fox . . . Selmer Chalif, in charge of liaison with sponsors & agencies for Screen Gems, named general asst. to William Dozier, vp in charge of West Coast activities for the Columbia TV subsidiary . . . William Sackheim named exec. producer of Screen Gems' *Dan Raven*. Lewis Reed & Tony Wilson are alternate producers . . . Walter Grauman to produce 4 segments of Desilu's *The Untouchables* . . . Finlay McDermid named story editor by Revue Studios. His first assignment is *The Deputy*, on which he will also be associate producer . . . Harris Katleman and Bud Austin named exec. vps of Goodson-Todman.

More people: Alice Young named story ed. of Four Star Television's *Michael Shayne* . . . Al Rubin is story ed. of CBS-TV's *Have Gun—Will Travel* . . . Screen Gems has named Dick Wesson producer of *My Sister Eileen*, which goes into production in July . . . Stanley Kallis is named associate producer of Four Star's *The Law & Mr. Jones*, starring James Whitmore . . . Louis Quinn has signed a Warner Bros. term contract. He's in its *77 Sunset Strip* . . . CBS-TV has picked up the option of producer Harry Tatelman.

Girard-Lewis Productions has been formed by producer-writer Bernard Girard and Robert Lewis, to do Paramount's *Mr. Garlund*. The series debuts on CBS-TV this fall, Charles Quinlivan starring. Lewis had resigned from Rosenberg-Coryell agency to join Girard . . . Ex-Cal. National production vp Frank Cleaver and John Florea have formed Vortex Productions. No. 1: a pilot for 60-min. *M.R.*

Ron Com Productions pilots being prepared by exec. producer Alvin Cooperman: *Jingles*, a comedy which may star Louis Nye; *Crusoe's Island*; *Main Street, U.S.A.* (tentative title), an action-adventure series; *The Hot Corner*, a situation comedy which would feature the Los Angeles Dodgers in subordinate roles.

BBDO is shopping for five or six 60-min. specials, to be incorporated into next season's *GE Theater*. The agency & sponsor have selected only one thus far—a show to star Jack Benny. They are also considering featuring a pair of 90-min. shows. Revue Studios will produce 27 half-hour episodes of GE.

Red Skelton will film or tape 10 shows in his CBS-TV series next season at his newly-acquired studios (formerly Chaplin's). He'll produce via his Sursum Corp. The modernized studios will be ready to begin operations Aug. 15.

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Mexican efforts to protect that country's live & film TV production industry have backfired in at least one situation. Televicentro has set a new budget of $80,000 for the purchase of features, shorts & cartoons from non-Mexican sources. The move is chiefly the result of viewer protests that the station was running the same old TV films over & over again. Recently, Mexican film actors, backed to some extent by TV broadcasters, had begun to lobby for a stiff quota on non-Mexican film product.

Programming

More about

LIVE TV, DYING ART: Like Broadway's "Fabulous Invalid"—the legitimate theater—live TV has been enjoying poor health for some time. But with this difference: Whereas the live stage regularly recuperates, things grow steadily grimmer for live television. Next season they'll be at their grimmest. Our 3-network checkup indicates a steady shrinkage of live & tape shows, the following mostly-film outlook for fall:

ABC-TV, with 60-min. film shows as the backbone of its nighttime programming, has scheduled the smallest total of live hours in prime time among the networks. Of a possible 26 weekly nighttime hours, ABC will have only 3 hours of live shows—the *Sat. Night Fights, Dick Clark Show, Lawrence Welk Show* and *Take a Good Look*. Of a possible Mon.-Fri. 32 hours of daytime shows, ABC has scheduled 25 hours of live programming, or 78%. As yet unscheduled are 11 nighttime hours of live "floating" specials, 8 of election coverage, 8½ of sports specials and 7 of public-service specials, all live. Last season ABC had 6 weekly nighttime hours of live shows & 18 hours of film.

CBS-TV, showing a 2-hour weekly drop in nighttime live programming, will have 8.5 hours of live out of a possible 24.5 hours. Included are these: *Witness, Ed Sullivan, Garry Moore, I've Got a Secret, To Tell the Truth, Person to Person* and *What's My Line*. Daytime shows will stay "pretty much the same" (80% live; 20% film) in total live hours as in the recently-concluded TV year. CBS will cut back its live entertainment specials almost in half, from 75 last season to between 40 & 45 upcoming.

NBC-TV, in cutting back from 10.5 to 6.5 weekly nighttime hours of live programming, will step up film 4 hours to make up the difference. However, the network's daytime schedule has 7.5 Mon.-Fri. hours of film of a possible 35 daytime programming hours, or 79% live. Nighttime live shows will include *Dinah Shore, The Price Is Right, It Could Be You, This Is Your Life, Jackpot Bowling* and *America's Future*, the latter replacing filmed *World Wide 60*. In addition, NBC has planned 100 live entertainment specials (last season 168), 39 of which will be regularly scheduled on Tue. night. Number of news & public-affairs specials, and Election Day hours is undetermined.

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Full-length profile—"There's No Show Business Like MCA's Business"—in the July issue of *Fortune* magazine makes the point that Music Corp. of America, dominating the entertainment industry, is the only company that is simultaneously talent agency, producer, selling agent and lessee of production facilities. Salient ideas of author Edward T. Thompson's study: MCA gets some sort of cut from no less than 45% of all TV network evening shows. It has more big-name clients than any other talent agency (although it never discloses its list). In the odd dual role of agency for talent & frequent employer of the same talent, MCA is involved in practices "considered unethical by almost everyone else in the entertainment industry as well as by the Dept. of Justice." Future outlook: MCA may well try its hand at feature movies since it is fully equipped to do this. Even greater returns are expected from an expanding production schedule for TV shows. Lew Wasserman remarked typically to *Fortune*: "And another thing I won't tell you is what interest we might have in pay TV." (For our MCA story, see Vol. 15:24 p19.)

Add Public-Affairs Shows: With most of nighttime TV's entertainment series locked-up in program schedules, networks have been turning their attention to scheduling & selling new public-affairs packages:

NBC-TV: *World Wide 60*, the Sat. 9:30-10:30 p.m. series which launched NBC in the field of regularly-scheduled nighttime public-affairs programming, will be dropped this fall. In its place will go *America's Future*, a series in which "outstanding leaders in public life, with conflicting views, each week will enter into debate before a moderator on a cardinal issue, while simultaneous meetings on that issue will be held around the country." Also scheduled for the same slot: six 60-min. "actuality reports on issues which affect or threaten the survival of the U.S. in the free world." Both series will be created & developed by Irving Gitlin, ex-CBS News executive, recently brought to NBC as exec. producer, creative projects, NBC news & public affairs.

CBS-TV: Firestone Tire & Rubber Co. has apparently found a show that will project an "image" similar to its defunct *Voice of Firestone* series. The package: A 52-week exposure (no reruns) of the CBS-produced, 30-min. *Eyewitness to History*. Time slot: Fri. 10:30-11 p.m. According to CBS plans, *Eyewitness* will be a news-in-depth series with Les Midgley as exec. producer. In addition to the year-long purchase, Firestone also plans to sponsor several news & political one-shot specials.

ABC-TV: A quartet of special closed-circuit telecasts piped to ABC affiliates will be used to whoop up station & dealer interest in the biggest public-service buy so far this season on ABC. The package: A 15-program series of public-affairs specials featuring John Daly and an 8-episode slice of the Sun.-night Winston Churchill memoirs series (Vol. 16:24 p13). Topics in the Bell & Howell series are likely to be thought-provoking; reportedly, they include such matters as birth control and anti-semitism.

On the spot-TV level, however, an indication has come—in the released text of a "media managers conference" recently staged by NBC Spot Sales—that stations might find public-service shows hard to sell. Fuller & Smith & Ross media dir. Donald Leonard, one of 6 admen invited to the conference, said of local-level public service: "As long as TV delivers the news & weather and public-service programming twice a week, beyond that point I can't see divorcing TV from its primary entertainment purpose." Cunningham & Walsh sr. vp Newman McEvoy declared that if a TV station attempted to abandon entertainment and adopt a purely public-service format "up & down Madison Ave. its image would deteriorate quickly —except for those advertisers intending to reach a limited sector of the market."

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Tapes of courtroom proceedings for subsequent broadcast aren't barred under Canon 35 of the American Bar Assn. So ruled the Board of Commissioners of Grievances & Discipline of the Supreme Court of Ohio. Center of the Ohio hassle was *Traffic Court*, 30-min. radio series on Westinghouse's KYW Cleveland, aired from April 1957 to May 1959. The series was yanked by KYW in 1959, following an opinion of the committee on professional ethics of the Cleveland Bar Assn. that the series (which in 1958 had won the station an Alfred P. Sloan award) violated Canon 35. In reversing the previous opinion, the 3-man Board of Commissioners ruled June 30 that tape recordings of court proceedings do not represent "broadcasting from the courtroom."

Stations

2 UHF OUTLETS STARTING: FCC issued program-test authorizations last week to WPCA-TV (Ch. 17) Philadelphia, which plans July 10 programming, and educational WGTE-TV (Ch. 30) Toledo, which began intermittent programming July 1, with full-time schedule set for Sept. 1, official opening day. WPCA-TV is the first commercial uhf outlet in the area which currently has 3 commercial vhf stations as well as educational uhf WHYY-TV (Ch. 35). WPCA-TV owner is non-profit Young People's Church of the Air Inc., which plans to operate on non-profit basis, charging only enough for time to cover operating costs. The two new outlets change on-air total to 569 (89 uhf).

WPCA-TV has 1-kw RCA transmitter at 1230 E. Mermaid Lane. Rebuilt RCA antenna is on radio WRCV's former 481-ft. tower, leased from present owner George Voron Co., Philadelphia mfr. of electronic test & communications equipment. In order to gain viewers, WPCA-TV is offering Philadelphia church members a uhf converter & antenna at $14.95 cost price ($22.95 installed). Pres. Percy B. Crawford also is pres. of Kings College, Briarcliff Manor, N.Y. and owns WMUZ-FM Detroit. He also holds CPs for WLPH-FM Lancaster, Pa.; WMFP-FM Ft. Lauderdale; KDMI-FM Des Moines, and for an FM station in St. Petersburg, Fla. Donald Crawford is station mgr.; Steven Musto, ex-FM radio WYCA Hammond, Ind., program dir.; Robert H. Straton, former Wilmington businessman, business mgr.; William Johnson, chief engineer. Base hour is $300. Rep not chosen.

WGTE-TV has 100-watt GE transmitter and helical antenna on the University Hall tower of U. of Toledo. Owner is Greater Toledo ETV Foundation, which has U. of Toledo and city public-school system as participants. A. R. Bitter, prof. of radio & TV at the U., is exec. mgr. & engineering dir. Harry Lamb, director of school system's FM radio WTDS, also is WGTE-TV program dir.

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FTC vs. payola: Anti-payola consent orders have been filed with FTC by these record manufacturers & distributors: United Telefilm Records Inc., N.Y. • Allstate Record Distributing Co., Chicago • Vee-Jay Records Inc., Chicago • Midwest Distributing Co., St. Louis • Commercial Music Co., St. Louis • Interstate Supply Co., St. Louis • Roberts Record Distributing Co. Inc., St. Louis • RIC Records Inc., New Orleans • Astor Records Inc., Pittsburgh • Ace Record Co. Inc. & Record Sales Inc., Jackson, Miss. • Mercury Record Corp. & 3 subsidiaries, Chicago.

Strike-bound WJZ-TV Baltimore & AFTRA were still at odds as we went to press, but they were in session with the Federal Mediation & Conciliation Service and reportedly near solution (Vol. 16:26 p10). Meanwhile, the situation worsened at the station, where 40 IATSE employes decided not to cross AFTRA's picket lines. Charging contract violation, WJZ-TV notified them to return to their jobs or face dismissal. Telecasting by management & supervisory personnel has continued without interruption despite the new development, the station told us.

WKZO-TV (Ch. 3) Kalamazoo, Mich. has been granted a change in transmitter site from about 7 miles N. of Kalamazoo & 32 miles S. of Grand Rapids to 22 miles N. & 18 miles S. Petition of WKNK-TV (Ch. 57) Saginaw to withhold the action or deny it was turned down by FCC.

The FCC

FCC's Complaints & Compliance Div. has received editorial support from WTOP-TV Washington. "The truth is," said the station, "that the FCC genuinely needs to know more about how TV & radio stations are meeting their broad obligations. We are persuaded that program monitoring offers no serious threat to conscientious broadcasters, but could be a checkrein on the small minority of stations which might abuse the law or whose promises to the Commission do not always square with their performance on the air." If FCC gets out of hand, the station said, "effective remedies" are available: "One is the fact that Congress must appropriate money each year for the FCC, and would be extremely unwilling to pay the bills for any form of censorship. Another is that the broadcast industry is by no means helpless in the face of FCC abuse and could draw quick national attention to any attempt at program dictatorship."

FCC has granted WAFB-TV (Ch. 28) Baton Rouge, La. special temporary authorization for 90 days to operate on Ch. 9 in that city, pending final decision. Use of the channel was denied the station last Feb. by the Court of Appeals, when it vacated FCC's STA which had authorized the shift (Vol. 16:7 p9). Since that time, WAFB-TV and its competition—Community Bcstg. Co.—have agreed to consolidate, and an initial decision looking toward a grant to WAFB-TV was issued by an examiner June 13. The FCC stated that since there are no longer competing applicants, the view expressed by the Court of Appeals in the case, "would not bar favorable consideration of Modern's [WAFB-TV] request in the circumstances presently existing."

"Are you a Communist?" questions may be asked by FCC of stations' engineers and others holding FCC operators' licenses, the Court of Appeals ruled last week, rejecting the challenge by Morton Borrow, employe of radio WPEN Philadelphia. Judges Prettyman & Miller agreed with the Commission that operators are in critical positions affecting national defense and that the Communications Act requires the Commission to take steps to protect the nation. Judge Washington dissented, stating that operators are no different from other people in critical positions and that the Communications Act gives FCC no specific authority to ask the questions. He said that if people are to be questioned by govt. bodies, it's up to Congress to spell out such procedures in legislation.

Proposed shift by FCC of Ch. 6 from New Bedford to Providence (Vol. 16:25 p12) has been supported by prospective applicant Robert A. Riesman. In comments in advance of Commission's new Sept. 1 deadline for filings in the complex allocations case, Riesman said he's organizing "the Riesman Group" to seek the Providence CP, that the shift would increase coverage of Ch. 6 by "41% more people & 48% more area."

New Ch. 7-13 propagation curves, to be used by those preparing comments on the Commission's short-spaced vhf allocation proposal (Vol. 16:24 p9), have been issued. Ch. 2-6 curves remain unchanged. Comments are due Sept. 1.

Ch. 10 Pocatello, Ida. has been granted to oilman Sam H. Bennion, the FCC finalizing a May 11 initial decision (Vol. 16:20 p15).

Ch. 10, Charlotte Amalie, Virgin Islands, was granted to Island Teleradio Service, FCC finalizing initial decision.

Television Digest

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Personals: Thad Brown, ex-NAB TV vp, establishes law offices at 1741 K St. N.W., Washington (Republic 7-6333) . . . Hugh F. Del Regno named business affairs dir., NBC-owned TV stations & NBC Spot Sales . . . Rowe S. Giesen named ABC-TV Western div. program mgr. . . . Malcolm B. Laing, ex-ABC-TV, named station relations regional mgr., NBC . . . Kenneth W. Heady named programming & public affairs dir., KCMO-TV & KCMO Kansas City.

Peter B. Kennedy named station mgr., WRC-TV Washington . . . Leonard Marks, Washington TV-radio attorney, named treas. of National Committee on Behalf of Lyndon B. Johnson for President . . . Marcus Cohn, Washington broadcasting lawyer, appointed counsel for Conn. Committee Against Pay TV.

Adam Young FM Sales rep firm has been formed with Lee Redfield, ex-Petry, in charge. First to sign contracts are KITT San Diego and Concert Network Inc. (WNCN New York, WBCN Boston, WDAS-FM Philadelphia, WHCN Hartford, WXCN Providence, WMTW-FM Mt. Washington, N.H. and WBVA Washington, D.C. area).

Meeting next week: Institute in Industrial & Technical Communications (11-15), Colorado State U., Ft. Collins.

Eurovision will get coverage of the Democratic convention. ABC-TV will fly tapes by jet so that they can be seen on the European network by 3 p.m. the following day.

Obituary

William (Billy) Goodheart Jr., 58, died June 26 in Phoenix, Ariz. Goodheart, an ex-MCA exec. vp, was in charge of that company's N.Y. office, from 1924, when the agency was formed, until his retirement in 1942. He later came out of retirement to become pres. of Official Films, and after 2 years there joined NBC-TV as sales vp. He left NBC to go into the real estate business in Phoenix. Surviving are his wife, a daughter and a son.

Hugo Reyer, 67, retired FCC asst. chief accountant, died of a heart attack at his Chevy Chase, Md. home June 25. Born in Colby, Wis., he attended U. of Wis. & NYU, served in the Navy during World War II, worked in N.Y. with Arthur Anderson & Co. and the N.Y. Public Service Commission before coming to Washington. He retired from FCC 5 years ago. His wife, son and daughter survive.

Advertising

Reps were prodded by N.Y. Ayer & Son last week for a report on their stations' reactions to, and corrective plans for, the agency's complaints about rate chiseling (Vol. 16:23 p1). Media vp Leslie D. Farnath, who got off reminder letters to still-silent reps, told us his June 1 speech had brought favorable comment from many stations. He said he'd heard from 2 major rep firms to the effect that their stations would change their method of doing business. "We are not advocating a single rate card as has been erroneously reported," he told us. "We don't care if stations have 7 rate cards. What we seek is a set of definitions that apply to all stations, so that each knows precisely who is eligible for local, retail and national rates. As things stand now, stations have 101 different definitions, and this opens the way to the wheeling & dealing." Farnath hopes to report within 2-3 weeks on the reaction of reps & stations.

Advertising-agency growth in the 1954-58 period is shown in final selected-services reports compiled by the Census Bureau in its 1958 business census. The number of agencies in the U.S. grew from 5,077 in 1954 to 7,720 in 1958. In the same period receipts of agencies went from $3.24 billion to $4.38 billion.

American Assn. of Ad Agencies 1960 "roster & organization" booklet lists 345 4A member agencies, 6 more than last year. The agencies operate 710 offices, up 17 over last year, and "place exactly three-fourths of all ads handled by U.S. agencies." Qualifications for membership, agency service standards, standards of practice and a statement of 4A aims are also included in the new booklet.

It pays to advertise advertising, believes Denver-based Paul Pairan Advertising Agency, which promotes its services via IDs on KOA-TV's *Play of the Week* telecasts.

New reps: KVOA-TV Tucson to Avery-Knodel July 1 from Branham • KOAT-TV Albuquerque to Avery-Knodel July 1 from Bolling.

Ad People: Jerome J. Cowen, ex-Cunningham & Walsh, appointed Kenyon & Eckhardt vp . . . Sherman E. Rogers named a Cunningham & Walsh vp . . . Jack Rosenthal, ex-Donahue & Coe, named Chock Full O'Nuts vp and ad & mktg. dir. . . . Francis E. Sammons, ex-J. Walter Thompson, appointed Ted Bates vp and PR & publicity dir. . . . Alfred P. Ries named a Needham, Louis & Brorby vp.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
KMBC-TV Kansas City	$1300 (no change)	$350 to $400	June 1
KOMO-TV Seattle	1200 to $1350	[2]	June 1
WBAP-TV Fort Worth	1100 to 1200	300 to 325	June 1
WCKT Miami	1050 to 1250	260 to 300	June 1
WBRC-TV Birmingham	1000 (no change)	300 to 325	June 1
WSPD-TV Toledo	1000 (no change)	250 to 265	June 1
KFMB-TV San Diego	900 to 1000	250 to 260	July 1
WAPI-TV Birmingham	900 (no change)	250 to 300	July 1
KUTV Salt Lake City	700 to 750	200 (no change)	April 7
WOI-TV Des Moines	650 to 700	140 to 170	July 1
WTVW Evansville, Ind.	450 to 600	100 to 115	June 1
KGMB-TV Honolulu	400 to 450	87.50 to 115	July 1
KPAC-TV Port Arthur	400 (no change)	80 to 100[1]	June 1
WALB-TV Albany, Ga.	300 to 350	60 to 80	June 1
KOTA-TV Rapid City	200 to 225	40 to 50	July 1

Canadian Station Rate Increases

CHLT-TV Sherbrooke, Que.	$500 to $525	$120 to $130	July 1
CKVR-TV Barrie, Ont.	385 to 400	90 (no change)	July 1
CJON-TV St. John's, Nfld.	250 to 350	50 to 70	[2]
CHAU-TV Carleton, Que.[3]	175 to 265	40 to 50	[2]

[1] 20 Sec. remains $80. [2] Not reported. [3] Formerly listed as New Carlisle, Que. outlet.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

JAPAN RADIO QUOTAS SET AT '59 LEVEL: There's scant comfort for domestic radio manufacturers in Japan's newly established export quotas for transistor sets. Although figures weren't revealed as Japanese govt. announced resumption of exports to U.S. & Canada starting July 1— after an embargo since May 10 (Vol. 16:20 p17)—it's understood that new quotas for 1960 are about same as 1959 level.

Quotas apply only to broadcast-band sets with 3 or more transistors. In that category, the U.S. imported 3,990,000 units last year—slightly more than the number of transistor sets produced by domestic manufacturers (Vol. 16:15 p20)—while Canada imported 670,000. Sets with fewer than 3 transistors, FM & short-wave receivers and certain novelty radios aren't regulated by the quotas.

It's understood a single quota applies to exports to U.S. & Canada, another to all other countries. Quotas apply to exporters (not manufacturers) and are based on their shipments in 1958 & 1959; an additional allocation is reserved for exporters not in business during the base period.

First western-hemisphere reaction to Japanese move came from Canada where Canadian EIA has just completed a convention marked by extreme concern for the future of the electronics industry there as result of high imports. New quotas were said there by EIA officials to be a "serious disappointment."

TUBES STILL MAKE NEWS—ENTER 'COMPACTRON': Intensive program to revitalize the electron tube has resulted in a device which may soon offer significant savings to TV-radio-stereo manufacturers—GE's compactron. It's latest development in tube makers' crash research campaigns which have already supplied 2 other important advances: Tung-Sol's still-developing cold-cathode tube (Vol. 15:4-5) and RCA's nuvistor, currently in production (Vol. 16:26 p20).

The compactron, developed as part of a holding campaign against semiconductors' inroads on vacuum tubes, basically consists of as many as 4 separate tube functions in a single evacuated glass envelope. In these days of rising component costs, no TV-radio-phono manufacturer can afford to overlook a device which promises such substantial cost reductions as the compactron.

GE's approach to the "save-the-tube" drive has been different from both RCA's & Tung-Sol's. The latter have developed tubes which have many of the advantages of transistors—low power drain, high reliability and (in the case of the nuvistor, at least), small size. While emphasizing savings in size (through the very name "compactron"), GE has chosen to build a device which takes advantage of—and enhances—the present advantages of tubes over transistors: lower cost, higher efficiency.

Like RCA's nuvistor, GE's compactron begins with a lower-case letter—it's not a propriety trademark. GE has no patents on it, hopes rest of tube industry will join in & produce compactrons.

"The most important announcement our department has ever made" is the way GE component facilities gen. mgr. Irvine D. Daniels referred to the disclosure of the compactron at news conferences in N.Y. & Los Angeles last week. This top-priority GE component project is likely to bear fruit very soon in the field for which it was developed—"entertainment" electronics.

Its basic appeal to set makers—and their stockholders—will be in a vital zone: money. If GE's claims are borne out, it offers a just-as-good or slightly-better product with prospect of substantial cost reductions, mainly by cutting down on the all-important item of "labor content." Compactrons themselves, according to GE, will eventually cost about 20% less than the tube functions they replace—and additional important savings will come from savings in component assembly labor.

Already in pilot production, and due for volume output by fall are 2 compactrons for radio (replacing all conventional tubes in 5-tube table model), 4 for TV—and GE hopes some set makers will be using them in next spring's new lines. Nine more types are due in next 12 months, with 75-100 types the eventual goal. Receiver manufacturers now are evaluating samples. (Further details on p. 16.)

More about

RCA TRIMS FAT: Industrial-electronics-minded RCA is slimming down to fighting weight by cleaning out overhead & profitless pockets in its corporate system (p. 3). House-cleaning is not new at RCA, has run pretty much on a 5-year cycle. The last major cutback came in 1954, following an efficiency study by Booz, Allen & Hamilton, in which RCA Pres. John L. Burns was then a senior partner. However, oldtime insiders tell us this latest cost-reduction program has more significant overtones. It's dedicated not to saving money per se but to cornering it to feed a new enterprise that, like color TV, will take a lot of feeding (and dollars) before it gets off the ground.

RCA has much pump-priming to do in the computer field, and priming takes money. Since rental is the thing in computers—rather than outright sale—relative newcomer RCA will have to pour in much before the big profit money gushes out. The lead-time between "sale" & delivery of a computer system may vary from 18-24 months, but in that period, before the first rental dollar is realized, RCA (and other computer firms) must invest in cost of equipment, site preparation, sales commissions, customer training, etc. The monthly revenue doesn't start until the system is in & running perfectly—and it's small, considering the investment: A typical basic system with a sale price of about $750,000, for example, brings in a gross (less service & on-spot engineering costs) of only $14,000 monthly (on 5-year leases). Until RCA gets enough systems out, bringing in a plenitude of profit-building monthly checks, it will have to keep underwriting each rental "sale" and installation it makes.

Complicating RCA's position are these facts of life: (1) Consumer business isn't what it once was, with increased competition and a tighter-fisted public. (2) Color TV and other research activities need hefty chunks of budget. (3) There's rugged competition in industrial electronics field. This of course is not news and never was.

A $2½-Billion Industry by 1965

"Money-in-the-bank losses" is the way RCA describes its venture in computers. Addressing the N.Y. Society of Security Analysts in Feb. (Vol. 16:8 p21), Chmn. David Sarnoff reflected on the fact that RCA is hinging a large part of its future on a heavy investment in electronic-brain business: "What must be spent we are spending to establish RCA as a major participant in this still-formative industry"—an industry calculated to reach $1 billion this year and more than double (to $2½ billion) by 1965. Last year, Gen. Sarnoff acknowledged, RCA "incurred what I call 'money-in-the-bank' losses in data processing, and the losses will continue in 1960. But the day is not far distant when this resolute effort should be rewarded with continuing & substantial profits for our shareholders."

The big question is how much drain the new venture will put on RCA resources before that "not far distant" profit day arrives. Layoffs are one indication that the company is tightening for a squeeze. Among other indications: (1) RCA's announcement that first-half 1960 earnings will be down (Vol. 16:26 p22). (2) Its action last week in calling in its 3½% convertible subordinated debentures for redemption. The debentures had a due date of Dec. 1, 1980, but now are exchangeable at $49.04 (by July 19) for RCA common (selling at $66 June 30). Wall St. interpretation is that RCA is tidying up its capitalization position prior to further financing. Also, conversion to stock by debenture holders will enable RCA to save on interest costs. RCA explains: "The reason for calling the debentures for redemption is to encourage conversion of these securities into common stock, thus broadening the corporation's equity base to provide greater flexibility in financial planning for RCA's accelerating growth in electronic data-processing and other promising areas." Meanwhile, RCA stock has dropped to 66 (June 30) from 77⅝ in past 3 weeks.

RCA will not break into black with its computer business until 1963, reports *Wall St. Journal* in a June 20 analysis of broadening battle for computer business: "The dimensions of the market being fought over are expected to reach a record $500 million this year, up more than 30% from last year's $375-million volume. It's estimated that the field currently is expanding at a rate of $200 million annually, and this rate should pass $1 billion a year, in rental & sales, by 1963." Scrambling for business are more than 30 computer makers, most of them giants in other fields.

RCA is sitting in a rich & rough game, but it's never been afraid to put its money where its convictions are. While the corporation in general is belt-tightening & retrenching, electronic data-processing div. mktg. vp John E. Johnson has declared a planned expansion in his marketing force of 750: "We expect to have 1,500 people a year from now." There are those who may believe RCA's pursuing a critical policy of slimming down Peter to pay Paul, but Paul's the fair-haired boy these days & RCA's staking a big chunk of its future on him.

———— ■ ————

Seeking to bar Du Mont Labs from permitting use of the Du Mont trademark on TV & radio tubes, Emerson has filed suit for an injunction against Du Mont Labs and Dutrex Industries, sales agent for Du Mont tubes. The suit, originally filed in N.Y. County Supreme Court, was removed to N.Y. Federal Court by the defendants on the grounds that it involves a federal statute (trademark infringement). Emerson Radio and its subsidiaries, Du Mont TV & Radio Corp. and Du Mont-Emerson Corp., charge in the suit that the agreement under which Emerson purchased the Du Mont consumer product lines in 1958 bars Du Mont from selling or licensing the sale by others of Du Mont-trademarked tubes & parts for consumer products, as well as the consumer products themselves. In addition to the injunction, an accounting of damages is sought. (DuMont Labs last week took the final steps in effecting a merger into Fairchild Camera & Instrument Corp; for story, see p. 18.)

Raytheon is investing $3 million and will have 40% interest in Selenia S.p.A., a new Italian electronics concern. The Italian govt. holding company Finmeccanica will hold 40% and private electrical-industry group Italian Societa Edison will have the remaining 20%. Selenia will embrace Finmeccanica subsidiary Microlambda (which has production facilities near Naples) and Societa Edison subsidiary Sindel (which has engineering labs near Rome). Raytheon will be responsible for developing Selenia's management organization and furnishing technical assistance. The new concern will engineer & produce a wide range of electronic equipment, including radars, industrial control products, microwave-communications systems, and military products, including Hawk missile components under NATO contract.

More about

ENTER THE COMPACTRON: In its announcements to the consumer press, GE stressed the space-saving aspects of its new multi-function compactrons (see p. 14). As compared with standard tubes, they will make possible some significant size reductions in such items as radios, hi-fi tuners & amplifiers. But in compactness, they're still not in the league with transistors. Their biggest appeal seems to be in cost savings.

Compactrons look like overfed miniature tubes, ⅛ to ⅝-inch shorter, but fatter, with as many as 12 pins. GE hopes they will "very largely replace conventional miniature tubes" in entertainment products, and eventually find their way into some industrial electronic devices. For the tube industry, they present few production problems, according to component mktg. mgr. W. F. Greenwood, and can be produced on standard tube-making machinery.

First radio types to go into production will be (1) a double-diode-triode-pentode (70-volt heater) for radio use as power rectifier, signal rectifier, AF voltage amplifier, AF power amplifier; (2) pentode-heptode (40-volt heater) for IF amplier & frequency converter. Together these 2 types provide all tube functions required for equivalent of a 5-tube series-filament radio.

Because of power requirements in some TV circuits, there will be some single-function compactrons as companions to multi-function units incorporated in "compactronized" TV sets. First TV types, all with 6.3-volt heaters: (1) Dissimilar double triode, for vertical deflection oscillator & amplifier. (2) Duplex-diode-twin-triode, for horizontal phase detector & horizontal oscillator applications. (3) Horizontal deflection damping diode. (4) Horizontal deflection beam-power pentode.

GE said that eventually the compactrons themselves will cost 20% less, per function, than corresponding tubes. Company spokesmen listed these sample compactron quotas for various types of consumer-electronics equipment: Two compactrons equal 5 tubes or 7 transistors in a home radio; 7 compactrons do the job of 10 tubes or 22 transistors in a hi fi; 10 compactrons & one diode equal 15 tubes & 3 diodes or 23 transistors & 11 diodes in b&w TV; 15 compactrons equal 22 tubes & 2 rectifiers or 36 transistors, 5 tubes, one diode & one rectifier in a color set; 2 compactrons equal 4 tubes in a 12-volt auto radio.

As for servicing costs, initial tests indicate that "compactrons will have better life than tubes," GE says. And with fewer components involved, GE anticipates less frequent failures.

GE has high hopes for the compactron, as expressed by Greenwood's prediction that by 1965, the original equipment market will buy at least 225 million "vacuum devices, mostly of the compactron type," and that compactrons will take "significant portion of the replacement business."

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Philco-sponsored "lecture" course on high-frequency transistors will be included in July, Aug., Sept. & Oct. issues of *Electrical Design News*. Claiming a "first," Philco announced that a 33 1/3-rpm recording on thin flexible plastic will be included with every issue of the magazine (circulation 40,333). It will be fastened to an inside page in juxtaposition to printed graphs, circuits and application data.

Motorola-designed transistor tester is being offered to dealers & service technicians at $17.95.

COLUMBIA BLASTS 'REVERB': First industry attack on reverberation devices—featured in the high-end stereo consoles of several manufacturers—came last week from Columbia Records phono dept. vp-gen. mgr. James J. Shallow at its distributor convention in New York.

Artificial reverberation—or "reverb," as it is now called in industry jargon—results in "distortion and a cancellation of what the artist wanted the listener to hear." Columbia Records engineers carefully apply proper acoustical effects to provide perfectly balanced, realistic sound, he said, and when such records are played through reverb sets, distortion is the result, Shallow told distributors.

Zenith & Philco are currently offering the Hammond Organ reverb units in their new lines, and several others are expected to introduce the device later. Small TV-phono maker Curtis Mathes announced last week that it will incorporate reverb in the upper end of its new line.

Shallow predicted 1961 phono distributor sales at 5,250,000 units (including 3 million portables) valued at $600 million. By 1963, he stated, sales should rise to 5.8 million at $625 million.

He said Columbia had placed more advertising than any other exclusive phono manufacturer last year and that it has launched its "most comprehensive" advertising-promotion campaign for 1961. Columbia advertising, according to national sales mgr. Milton Selkowitz, will contain "no watts, no percentages and other technical data" but will stress "pure listening pleasure at a popular price."

Columbia's 1961 line includes portable & tube radios made in West Germany & Japan, a transistorized tape recorder made in Germany at $129.95 and a tube-type tape recorder made by Nippon Columbia at $89.95. Phono line includes 10 portables, 8 stereo consoles at $19.95 to $450.

———— ■ ————

Strike of 2,500 RCA engineers in 3 N.J. plants was threatened as we went to press. With present contract due to expire July 1, RCA & Assn. of Professional Engineers were still deadlocked on key issues and in session with the Federal Mediation & Conciliation Service. The union is seeking salary increases, individual merit-review plan, other benefits for its membership in Camden, Moorestown and Pennsauken plants.

TV picture-tube yoke designed for battery-powered sets was anounced last week by F. W. Sickles div. of General Instrument Corp. The company claims that power requirements are sharply reduced in the new yoke, which will be competitively priced with conventional units and offers component cost-saving possibilities in regular non-transistorized TV sets. Vertical sensitivity is said to be 30-40% greater than conventional yokes.

Westinghouse's familiar trademark—the circle W—and logotype have been redesigned by graphic arts expert Paul Rand, and will be seen by the public for the first time July 10 in the first telecast from the Democratic National Convention, sponsored by Westinghouse. The company has also put out a 22-page guide to the conventions, *Politics 1960*, as a giveaway to promote its sponsorship on CBS.

A typographical error last week produced a non-existent bargain in TV sets. The report on Olympic's new line (Vol. 16:26 p. 21) should have included this sentence: "The 19- & 21-in. sets start at $199.95 and 23-in. table models at $219.95" (not $99.95 & $29.95). We regret the error.

GE radio receiver dept. has completed its move from Bridgeport to Utica.

Mathes' Expansion: Little Curtis Mathes Mfg. Co., which has been carving a niche for itself in the TV-stereo field, hopes to push its annual sales to $25-$30 million within 2 years from its present $12-$14 million volume. So said Pres. Curtis Mathes of the Dallas firm last week in introducing the company's new line to Chicago-area dealers. The company's volume last year was $8 million, he stated.

Although Mathes has no color sets in its line, the company expects that a color boom could run its annual sales to $35-$40 million in 2 years, because of high color prices.

Mr. Mathes stated that his company will use Japanese tubes in about 80% of the sockets it fills this year, but most other components will be American-made. He also revealed that later this year his company will be making most of its own speakers & transformers.

The Mathes TV line for 1961 has 21- & 23-in. sets priced from $199.95 to $329.95, combinations (21- & 23-in.) at $399.95 to $599.95, and stereo phonos at $169.95 to $900. Introduced in Chicago were 2 AM-FM table models at $89.95 & $149.95 (the latter promotionally priced at $119.95 through Sept. 1).

■

Latin-American Electronic Market: Despite increased competition from Japan & Western Europe, U.S. manufacturers are holding their own as main suppliers of electron tubes & semiconductors in Latin America, according to a new survey by the Commerce Dept.'s Business & Defense Services Administration. The 9-country survey ("Electron Tubes & Semiconductors, Selected Latin American Countries," available for 25¢ from the U.S. Govt. Printing Office, Washington 25, D.C.) lists these among highlights:

Argentina—U.S. tubes are preferred, despite higher prices. Brazil—The Netherlands, West Germany and Japan are strengthening their position. Chile—The radio receiver market is weakened by low consumer purchasing power. Colombia—Low Japanese prices aren't yet a determining factor in imports. Cuba—"Economic & political conditions will determine the future potential." Mexico—The U.S. remains the main import supplier. Peru—TV development is enlarging the tube market. Uruguay—The U.S. supplanted the Netherlands as principal supplier in 1958-59. Venezuela—European & Japanese imports are rising because of price advantage & dealer promotion.

■

New-line TV-stereo orders are up from last year, 2 manufacturers reported last week. Summing up its 6 meetings for more than 4,000 dealers at Miami Beach & Las Vegas (Vol. 16:24 p15), Admiral Sales Corp. Pres. Carl E. Lantz said that Admiral booked orders "for more than 350,000 pieces of TV stereo phonos, radios and advance 1961 appliances" at the sessions. "We are back-ordered through Aug. on all products," he said. "These meetings were the most successful ever conducted by Admiral and topped last year's orders by a very substantial margin." Meanwhile, Hoffman consumer products vp-gen. mgr. reported that dealer & distributor orders at the preview of its 1961 line had been 25% greater than the year before.

Webcor has introduced a Japanese-made transistorized miniature tape recorder. The 4½-lb. unit lists at $175.

Bendix & Germany-based Telefunken have formed a Belgian subsidiary, Teldix, for the production, sale and servicing of aircraft systems and equipment.

NARDA Institute of Management for TV-radio-appliance dealers, the 6th annual course, will be held Aug. 7-13 at American U., Washington.

Trade Personals: Charles P. Ginsberg, leader in the development of the Videotape recorder, elected Ampex vp & gen. mgr. of advanced video development; Phillip L. Gundy & Thomas L. Taggart named senior vps—Gundy with responsibility for Ampex International, Ampex Professional Products Co. & Ampex Audio; Taggart for Ampex Data Products Co., Ampex Military Products Co. & Orr Industries Co. (tape). They report to Robert Sackman, newly elected exec. vp & chief operating officer (Vol. 16:26 p22); F. D. (Dan) Meadows, former commercial mgr. of Sarkes Tarzian best. equipment div., named mgr. of video product administration, Ampex Professional Products Co.

Harold A. Goldsmith, co-founder of Magnetic Amplifiers Inc. (recently acquired by Siegler Corp.), named pres. of Siegler's Bogen-Presto div., succeeding Joseph N. Benjamin, resigned . . . C. Wesley La Blanc resigns as asst. to Magnavox Pres. Frank Freimann to join United Industrial Corp. as asst. to pres. . . . Stanley S. Schneider, ex-Magnavox engineering dir., named operations vp, Emerson Research Labs,div. of Emerson Radio's Emertron subsidiary . . . Herman Marsen, ex-manufacturers rep, named to new post of mercandise mgr., Capehart consumer products div. . . . William F. O'Boyle promoted from sales mgr. to gen. sales mgr., Symphonic Electronic Corp., taking over duties of former vp Raymond C. Clevens, who resigned July 1 to establish his own business.

John P. Macri named custom project sales mgr., RCA's electronic data processing div.; T. R. McKee named data handling equipment mgr. . . . Edward J. Gerrity Jr. named ITT news service dir. . . . William W. Wood, former exec. vp, named pres. of General Precision's Link div., succeeding David D. Mason, resigned . . . Dr. Ralph J. Johnson, Thompson Ramo Wooldridge vp and gen. mgr. of its Ramo-Wooldridge div., named to new post of vp of TRW's electronics divs., succeeded as Ramo-Wooldridge gen. mgr. by Milton E. Mohr, operations vp.

James Key, Aerovox, is the new president of EIA of Canada. Other officers elected at the annual meeting in Mont Tremblant, Que.: J. D. Houlding, RCA Victor Ltd., 1st vp & chmn. of electronics div.; W. F. Wansbrough, vp & chmn. of receiver div.; David Knapp, vp & chmn. of components div.; W. S. Kendall, vice-chmn. of electronics div.; R. J. M. Allen, vice-chmn. of receiver div.; A. J. Bauer, vice-chmn. of components div.; R. A. Hackbusch, dir. of engineering; C. S. Martin, honorary legal counsel; F. W. Radcliff, gen. mgr.-secy.

Richard H. Hooper & RCA have parted company after 21 years. As special exhibits mgr., Hooper did much to build RCA TV image & business by staging TV-introducing demonstrations, in color and b&w, throughout the U.S., Europe, South America, Far East. He'll take a short vacation at his Paoli, Pa. home before scouting other opportunities in the industry.

■

Factory sales of transistors in April were nearly 4 million units greater than in April 1959, according to EIA figures. The monthly total, however, declined seasonally from March's record high of 12 million. For the first 5 months of the year, the 1960 total was almost double that of the corresponding 1959 period. The EIA unit & dollar-factory-sales transistor figures, with 1958 comparisons:

	1960		1959	
	Units	Dollars	Units	Dollars
January	9,606,630	$24,714,580	5,195,317	$13,243,224
February	9,527,662	24,831,570	5,393,377	14,550,056
March	12,021,506	28,700,129	6,310,286	18,117,560
April	9,891,236	23,198,576	5,906,736	16,864,049
TOTAL	41,047,034	$101,444,855	22,805,716	$62,774,889

FAIRCHILD-DU MONT BUY OK'D: While the acquisition of Allen B. Du Mont Labs by Fairchild Camera & Instrument Corp. (Vol. 16:14 p4) was being approved by stockholders of both companies last week, several other important electronics-industry mergers were in the wind or being consummated—linking such names as Minnesota Mining & Revere Camera, Ampex & Telemeter Magnetics, National Union & Eureka Williams.

Du Mont sale to Fairchild, effective June 30—date of stockholder meetings of both companies—involves an exchange of 178,000 shares of Fairchild stock for all outstanding Du Mont stock on the basis of one share of Fairchild for each 15 shares of Du Mont common and each 5.7 shares of Du Mont 5% pfd. At the closing price of Fairchild stock June 30 (190), the exchange would involve transfer of about $33.8 million in Fairchild stock. Before the merger, Fairchild had 1,039,140 shares outstanding.

Du Mont will be operated as Allen B. Du Mont Labs div. of Fairchild Camera & Instrument. Fairchild Pres. John Carter said acquisition of Du Mont's management, technical resources & distribution channels should be of "significant value to Fairchild and better equip it to take advantage of rapidly expanding opportunities in the electronics field." He estimated that Fairchild's first-6-months earnings will "substantially exceed" earnings of the first 3 quarters of 1959, and added that the 2nd-half outlook is "excellent." Fairchild's first consumer-goods item, a sound camera & projector (Vol. 16:5 p21) is meeting strong demand, which is "keeping production lines operating at full capacity," he said.

The vote in favor of the merger was about 10-to-1 among stockholders of both companies.

* * *

Other merger news:

Revere Camera Co. Pres. Theodore S. Briskin conceded last week that merger talks between his company and Minnesota Mining & Mfg. Co. have been going on for several months, but added "there is no deal in any way, shape or form." Acquisition of Revere would put 3M, the leading manufacturer of magnetic tape, into the tape-recorder & camera business. Revere is a privately-held firm. The 3M company acquired Mutual Bcstg. System last April for about $1.3 million (Vol. 16:17 p8).

* * *

Ampex Corp. is considering acquisition of Telemeter Magnetics Inc., according to a joint statement by Ampex Pres. George I. Long & Telemeter Magnetics Pres. Erwin Tomash. The proposed merger would be on the basis of 2 shares of TMI for one of Ampex. TMI manufactures computer components, and would be acquired for around $11 million in stock. Paramount Pictures, which owns about 75% of the stock of TMI, also owns 26% of Du Mont stock.

* * *

The merger of old-line tube-maker National Union Electric Corp. with Eureka Williams Corp. was consummated June 30 after approval by NU stockholders. Eureka Williams will be operated by its present management as an NU division. Each of Eureka's outstanding 278,700 shares will be converted to 5.77 NU common shares. NU Chmn.-Pres. C. Russell Feldmann said the stockholders' action in approving an increase in the number of authorized common shares to 7.5 million from 4 million "will put the company in a position to consider acquisition of other businesses where an exchange of stock would prove attractive to potential sellers." NU makes TV picture & special-purpose tubes, furnaces & air conditioners. Eureka makes vacuum cleaners, oil burners, school furniture, aircraft equipment, thermal batteries, and has recently introduced Henney Kilowatt, a battery-powered automobile.

* * *

Houston Fearless Corp., maker of motion-picture-processing equipment, cameras and TV dollies, etc., has purchased Marchetti Associates, the Boston electronics research & engineering firm formerly affiliated with Avco Corp.'s Crosley div.

* * *

Microwave Associates, principally owned by AB-PT & Western Union, will provide Antenna Systems Inc., Hingham, Mass., with a $150,000 five-year loan in return for rights to purchase 28% of Antenna Systems' common stock.

* * *

Axe Science & Electronics Corp. will merge with Missiles-Jets & Automation Fund Inc. if stockholders approve at special July 26 meetings. Both are mutual funds specializing in electronics. The agreement calls for exchange of the Missiles fund's $4.6 million of assets for an equivalent value of Axe. Axe has assets of some $14 million.

* * *

Litton Industries Inc. last week announced the purchase of a majority interest in Fritz Hellige & Co. GmbH, W. German electronics manufacturer, for undisclosed sum.

———■———

Standard Kollsman Industries, new corporate name of Standard Coil Products, is listed on the NYSE as SKO.

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Wednesday, June 29, 1960

Electronics TV-Radio-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	33½	36¾
Aerovox	13¼	14⅜
Allied Radio	21	22¾
Astron Corp.	2	2½
Baird Atomic	42	45⅛
British Industries	15	16¾
Capital Cities Bcstg.	9½	10½
CGS Labs	11½	14¼
Cook Elec.	15½	17
Craig Systems	18¾	20⅛
Dictaphone	42	45⅛
Digitronics	26½	28⅞
Eastern Ind.	14⅝	15⅞
Eitel-McCullough	28¾	30⅝
Elco Corp.	23¼	25⅛
Electro Instruments	53½	58
Electro Voice	12½	13⅝
Electronic Assistance	21½	23⅝
Electronic Associates	24¾	27
Erie Resistor	9⅝	10½
Executone	34½	37¾
Farrington Mfg.	46¾	50⅛
Fischer & Porter	15	16¼
FXR	59	63
General Devices	22	23⅞
G-L Electronics	11¼	12⅞
Granco Products	4¾	4⅞
Gross Telecasting	27¼	29⅝
Haydu	⅛	5/16
Hewlett-Packard	80	84¼
High Voltage Eng.	138	149
Infrared Industries	22	26¼
Interstate Engineering	28¾	30⅞
Itek	79	83¾
Jerrold	11½	12⅝
Lab for Electronics	50½	54
Leeds & Northrup	43¼	46⅜
Lel Inc.	5½	6⅜
LFE Inc.	10	12⅝
Ling Altec Electr.	28½	30⅝
Magna Theater	3	3-9/16
Magnetics, Inc.	10¾	12⅜
Maxson (W.L.)	9⅞	10¾
Meredith Pub.	37½	40⅜
Metropolitan Bcstg.	14	15⅛
Milgo Electronics	21	24½
MPO Videotronics	6¾	7½
Narda Microwave	7½	8¾
Narda Ultrasonic	6¼	7⅛
National Co.	22¾	24⅝
Nuclear of Chicago	38¼	40⅞
Official Films	1-7/16	1¾
Pacific Automation	9¼	10¼
Pacific Mercury	8⅜	9
Perkin-Elmer	43	46¾
Philips Lamp	159	164¾
Pyramid Electric	2¾	3-3/16
Radiation Inc.	22½	24⅝
Howard W. Sams	48	51⅝
Sanders Associates	48	51⅞
Silicon Transistor	7¾	8⅞
Soroban Engineering	26½	28½
Soundscriber	14	15¾
Speer Carbon	20¾	22½
Sprague Electric	63½	67½
Taft Bcstg.	12½	13⅝
Taylor Instrument	79	85¾
Technology Inst.	11½	12⅞
Tele-Broadcasters	1⅛	1⅝
Telechrome	10¼	11¼
Telecomputing	8⅛	8⅞
Telemeter	18	19⅝
Time Inc.	61¼	64¾
Tracerlab	13¾	15⅛
United Artists	7⅝	8⅜
United Control	30¼	32½
Universal Trans.	2	2½
Vitro	14	15
Vocaline	4¾	5⅜
Wells-Gardner	16⅛	17⅝
WJR Goodwill Station	8¾	—
Wometco Ent.	12	13⅛

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Avco Corp. Story below	1960—6 mo. to May 31	$164,846,003	$10,791,559	$ 5,216,559	$0.51[1]	10,305,342
	1959—6 mo. to May 31	148,419,880	7,852,187	4,202,187	.41[1]	10,217,231
Belock Instrument Corp.	1960—6 mo. to Apr. 30	7,489,539	198,735	90,835	.09[1]	928,533[2]
	1959—6 mo. to Apr. 30	8,128,340	329,162	170,342	.18[1]	928,533[2]
Davega Stores	1960—year to Feb. 29	18,112,266	(505,586)[6]	12,739[7]	——	369,600
	1959—year to Feb. 29	18,943,191	(379,360)	(385,315)	——	264,000
Fairchild Camera	1960—3 mo. to Mar. 31	——	——	801,000	.77	1,039,100[5]
	1959—3 mo. to Mar. 31	——	——	385,000	.37	1,039,100[5]
General Tire & Rubber	1960—6 mo. to May 31	350,752,897	——	11,236,964	2.01[1]	——
	1959—6 mo. to May 31	305,339,274	——	13,929,809	2.63[1]	——
Seeburg Corp.	1960—6 mo. to Apr. 30	——	——	1,203,302	.95	——
	1959—6 mo. to Apr. 30	——	——	1,308,000	1.15	——
Television Industries[3] Story below	1959—year to Dec. 31	6,819,152	——	111,362[4]	.14	815,965
	1958—year to Dec. 31	1,422,053	——	189,269	.23	816,151
Trav-Ler Radio	1960—year to Apr. 30	21,400,000	——	700,000	.81	863,061
	1959—year to Apr. 30	14,806,000	——	304,000	.40	770,495

Notes: [1] After pfd. dividends. [2] Outstanding Apr. 31, 1960. [3] 1959 statement includes 3 consolidated subsidiaries not consolidated in 1958. [4] After minority interest. [5] Outstanding Mar. 31, 1960. [6] Includes non-recurring credit of $59,087 due to accounting change. [7] Includes special credit of $523,783, gained from sale of properties under sale & lease-back arrangements.

Magnavox says first-half 1960 sales will exceed $50 million and produce a profit substantially ahead of a year ago. Pres. Frank Freimann also forecasts record sales & earnings for the year. Magnavox earnings for the first 5 months of 1960, he said, were more than 50% above the year-ago earnings, "with the improvement continuing thus far in June." For first-half 1959, Magnavox reported a net of $1,139,556 (48¢ a share) on sales of about $47.3 million. Freimann projects 1960 sales: $80-85 million consumer (vs. $71 million in 1959); $50-55 million military & industrial (vs. $36 million); total $130-140 million (vs. $107.7 million). On the basis of the sales outlook, he said, "we should report earnings of $3 a share [vs. $1.99]." Magnavox, he said, is "very optimistic" about the outlook for consumer products. He said the firm's new "stereo theater" models are developing exceptionally heavy demand.

Television Industries Inc., Matty Fox's TV-film-distribution company, reported 1959 income of $640,854 before minority interest and $111,362 after minority interest (see financial table). The 1959 & 1958 financial statements aren't directly comparable because the former includes 3 subsidiaries which were not consolidated in 1958. The parent company actually lost $553,225 last year and 2 of its subsidiaries also operated at a deficit, but the $1,749,561 earnings of subsidiary C&C Films Inc. resulted in an overall profit. In 1958, non-consolidated subsidiaries C&C Pan Atlantic TV Co. and C&C International Film Co. lost $1,008,601 & $70,427 respectively, while C&C Films Inc. earned $92,276. As of Dec. 31, Television Industries' balance sheet shows total assets of $13,141,958 in 1959 ($7,568,920 in 1958), current assets of $1,703,565 ($598,199 in 1958), current liabilities of $8,468,397 ($841,507), net current assets showing a deficit of $6,764,832 (deficit of $243,308 in 1958).

Polarad Electronics shareholders have approved a 2-for-1 split of the common stock which will be distributed July 12 to holders of record June 27. There will be 1,311,092 shares outstanding after the split.

Clarostat Mfg. Co. shareholders voted confidence in the component maker's management last week by rejecting a bid of an insurgent group to take control of the company. Each of the 4 management nominees for director received 220,964 votes, their opponents getting 125,108 each. Winners were Victor & George Mucher, pres. & exec. vp; Arthur Richenthal, secy., and Dr. Irvin Lavine. Insurgents were headed by Brooklyn contractor Mack H. Stranger, who attacked operations & policies of the company. Answering stockholder criticism of Clarostat's profit margin, Pres. Mucher said his firm was making a 5.6% profit on sales as opposed to an average of 3.9% net for 31 other companies in the industry. He refused to comment on current-quarter earnings prospects, but said that June orders had fallen as a result of the proxy fight. He added that Clarostat is looking into the possibilities of acquiring or merging with other component makers.

Crosley Bcstg. Corp. sales & earnings for 6 months ended May 31 were the highest for any first half in its history, parent Avco Corp. reported last week. No specific figures were given for the broadcasting operation. Avco's earnings were up 24%, sales up 11%, compared with the same 1959 period (see financial table).

Reports & comments available: Amphenol-Borg Electronics, study, Hornblower & Weeks, 40 Wall St., N.Y. 5 • **Daystrom**, memo, Ira Haupt & Co., 111 Broadway, N.Y. 6 • **Indiana General Corp.**, analysis, Laird, Bissell & Meeds, 120 Broadway, N.Y. 5 • **Raytheon**, review, Cohen, Simonson & Co., 25 Broad St., N.Y. 4 • **Heli-Coil**, memo, Cooley & Co., 100 Pearl St., Hartford 4, Conn.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Avco	Q	$0.12½	Aug. 20	Jul. 29
Daystrom	Q	.30	Aug. 15	Jul. 27
Emerson Radio & Phono	(Omitted)			
Hudson Radio & TV	—	.06	Jul. 8	Jun. 21
IBM	Q	.75	Sep. 10	Aug. 10
Packard Bell	Q	.12½	Jul. 25	Jul. 11

Auxiliary Services

Test copyright suit by United Artists Associated, film distributor subsidiary of UA, was launched last week in N.Y. Federal Court against CATV operator NWL Corp., which runs systems in Clarksburg & Fairmont, W.Va. The charge: Copyright infringement through feeding to CATV subscribers telecasts of UAA films (Warner features, Popeye cartoons, etc.) "without payment & without consent of the copyright owner or the TV stations." Seymour M. Peyser, vp & gen. counsel of parent UA, described the case as "an important industry test case, the first of its kind." The suit had been in preparation for several weeks, in the wake of a new round of interest in station property rights & TV signals (Vol. 16:24 p3). Representing UAA: One of film's top law firms—Phillips, Nizer, Benjamin, Krim & Ballon.

Twist in station-CATV conflict: Fla. Cablevision Corp., planning CATV systems in Ft. Pierce, Vero Beach, Melbourne & Eau Gallie, Fla., has protested the modification of CP granted to Gene Dyer's WTVI (Ch. 19) Ft. Pierce. Southern Transmission Corp., a subsidiary of CATV equipment manufacturer Entron Corp., has applied for a microwave to feed the CATV systems, and WTVI has asked that the application be designated for hearing. Fla. Cablevision told the FCC that WTVI's proposed gen. mgr. J. Patrick Beacom has "in bad faith" filed for a CATV franchise in Ft. Pierce. "Thus," the protest stated, "applicant Dyer is relying upon his status as a permittee of this Commission to prevent competition from protestant while he himself is seeking to obtain authority to install a community antenna system which he claims will destroy his proposed TV service.

Statement on CATV legislation, as adopted by NCTA at its annual convention, differed slightly from the preliminary text reported (Vol. 16:26 p3). The original draft read, in part: "The NCTA does not deem it necessary or desirable at this time to recommend or support any legislation . . ." In final form, the words "or support" were eliminated at the request of those CATV operators who urged that the association be prepared to endorse favorable legislation, if proposed.

Translator grants: Ch. 72 & 76, Walker, Minn. to Leech Lake TV Corp. to repeat KDAL-TV & WDSM-TV Duluth.

Translator starts: W74AD & W81AC Paw Paw, W.Va. began June 8 repeating WTTG & WTOP-TV Washington.

Foreign

"World's largest TV studio" has been opened by London TV program contractor Associated-Rediffusion at Wembley. The 14,000-sq.-ft. Studio 5 features: a 50-ton partition which can be lowered to divide the area into 2 giant soundproof studios; 8 EMI 4½-in. image orthicon cameras; facilities for operating with 405-, 525- and 625-line standards; provision for color TV and facilities for taping or filming programs for direct use in foreign markets without standards-modification.

TV shortage in East Germany has buyers wait-listed 18-24 months for certain models. Reports *Wall St. Journal*: "While 500,000 TV sets are in East German consumers' hands, according to Communist statistics, long waits still are necessary before delivery. In West Germany, buyers may obtain delivery at will." A 17-in. "Patriot" model in East Germany carries a $400 price tag.

Technology

Who should own space satellites which relay TV programs & phone conversations around the world? AT&T Pres. Frederick R. Kappel thinks ownership should be shared among Bell Telephone Co. and systems or administrations overseas, as are the ocean telephone cables. In a lecture last week at UCLA, he said: "This puts full responsibility for the service right where it belongs—that is, with the organizations that provide the service." While it's natural now for govt. to take the lead in putting up satellites, he declared, "when we come to providing communication service, I think we in the Bell System should take all the responsibility we can for the job that is given us to do." Space satellites and improved undersea cables can complement each other in world communications, he said, and he indicated that undersea cables may be able to carry TV programs when adequately reliable high-frequency transistor amplifiers are available to enable them to carry sufficiently wide bands of frequencies.

GE's bright big-screen projector (Vol. 16:23 p15) will get its first civilian use at the Democratic Convention when TelePrompTer leases it for installation above & behind the rostrum where virtually everyone in the L.A. Sports Arena will be able to see it. Called the "light valve projection system," the device uses principles similar to those of the Swiss Eidophor system.

British Marconi has sold more than 160 Mark IV 4½-in. image orthicon cameras (82 this year), the company announced recently. Latest orders: 10 from Ampex Corp., U.S. representative of Marconi broadcast equipment; 3 from Polish govt. for the Warsaw TV station; 2 by Tyne Tees TV Ltd., commercial programmers for NE England.

Sun-powered coast-to-coast radio conversation was achieved by the Signal Corps recently as part of the celebration of the Corps' 100th anniversary. Twenty-square-foot solar batteries were set up at Ft. Monmouth, N.J. and Los Angeles, supplying 100 watts to each of 2 transceivers. Signals were reported "loud and clear" at both ends.

Motion picture test film program formerly handled by the Motion Picture Research Council, has been transferred to SMPTE and will be consolidated with that organization's activity in the production of test films for TV & movies.

Educational Television

Last-minute $75,000 gift from CBS to ETV station KETC St. Louis was acknowledged at a June 30 testimonial dinner given by the St. Louis ETV Commission for CBS Inc. Pres. Dr. Frank Stanton. The gift (a new antenna, complete microwave relay system, cash grant) was given on behalf of CBS o&o KMOX-TV St. Louis. Officials of KETC presented a special plaque to Dr. Stanton, thanking him and the network for having rescued the pioneer ETV station from a blackout. Stanton utilized the occasion to relate the problem of educating American viewers via TV with the equal-time problem presented by Sec. 315. "I believe it essential that educators & those interested in education see the need for permanently correcting this as infinitely more than a battle of journalism vs. govt."

Ford Foundation has approved a grant of $41,400 for the U. of N.M.'s ETV program, University Pres. Tom L. Popejoy has announced. The grant will aid accounting & philosophy TV courses.

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WEEKLY **Television Digest**

JULY 11, 1960 © 1960 TRIANGLE PUBLICATIONS, INC. VOL. 16: No. 28

JUL 11 1960

The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Conventions

LOCAL STATION COVERAGE of Democratic convention may set record, with 60 individual stations & groups attending to pick up grass-roots local angles (p. 5).

Congress

SENATE FIGHT ON PAYOLA bill set to start Aug. 10 in Pastore Subcommittee hearings. NAB's Wasilewski mobilizes opponents of station suspensions & fines (p. 2).

FCC

FCC UHF & COMPLAINTS projects still jelling, now that Congress has produced funds. Staff men to manage uhf job with consultants & contractors. Taping of programs to "keep FCC informed" (p. 2).

Film & Tape

POST-1948s ARE COMING TO TV in new round of plans to release backlogs of major Hollywood studios in wake of SAG-WGA strikes. However, such packages will face sales problems (p. 1).

FILM'S NOT-SO-MERRY-GO-ROUND: Approximately 20 production executives, producers leave jobs in season of unprecedented turnover (p. 11).

ETV

NEW GOVT. ETV RESEARCH GRANTS awarded by Office of Education to colleges, universities and school systems for experimental projects totaling $600,000 (p. 13).

Finance

500 INDUSTRIAL GIANTS listed by Fortune include 43 in TV-electronics-appliance fields, from 4th place GE to newly listed Tung-Sol as 495th (p. 18).

Consumer Electronics

FM STEREO DELAYED for 90 days as field tests start in Pa. FCC still hopes to have final standards by year's end, but snags could delay new set market for year (pp. 14 & 17).

TV RETAIL SALES took unusual dip from April to May, but May sales were still well ahead of May 1959; radio retail sales continue at 10-million-a-year pace (p. 15).

MUSIC MERCHANTS' SHOW in Chicago to be one of biggest yet, with 15 TV set makers exhibiting, increases among phono & radio exhibitors (p. 16).

ANNUAL SHUTDOWNS for vacations now in effect in many TV-radio-electronics plants. Vacation dates listed (p. 16).

Networks

WESTERN UNION'S TV MICROWAVE potential increases as plans are revealed for adding more major cities to transcontinental system. Two more coast-to-coast trunks projected (p. 3).

PIECE OF THE ACTION goes to networks from profits of most new film shows in nighttime network schedules, producers tell us. Networks defend trend to control, however (pp. 3 & 8).

Stations

DECCA PAYOLA HEARING PUT OFF by FTC in first such case to reach formal proceedings before trial examiner. FTC counsel too busy to go ahead now (p. 7).

TV & RADIO ORGANIZATIONS and what they're for shown in organizational chart of broadcasting industry, which has something (from AIMS to TIO) for everybody (pp. 4 & 20).

Foreign

BBC EXTENDS SERVICE, gets approval to add 10 TV & 11 FM satellite stations under phase 2 of expansion program; phase-1 expansion, now under way, will add 14 TV & 10 FM (p. 13).

POST-1948s ON THE WAY: Token releases of big-studio post-1948 movies should start hitting the film syndication market this fall, now that settlement of SAG-WGA strikes have given studios a green light on post-1948 pictures for TV. So we were told by film sources in N.Y. last week. Most cited pending TV deal for over 100 post-freeze pictures between Warner Bros. and Creative Telefilms & Artists Ltd. as probable earliest starter (Vol. 16:26 p15).

Nearly every major studio is now exploring TV release of post-1948 movies. Most (Columbia Pictures, Universal-International, Paramount, Warner Bros.) are considering feeding steady stream of small post-1948 packages into normal syndication channels. A few (20th Century-Fox, MGM) are playing both ends against the middle, and considering possible release of biggest post-1948s to pay TV or as network specials. Total post-'48 backlog of these companies: about 2,500 pictures.

Sledding may not be too easy for post-1948 packages, despite rosy predictions of total TV income of $300 million for Hollywood's 4,000-odd pictures made in 1948-1960 period. Film companies are determined to feed small packages slowly at high prices. (Movie industry learned its lesson with the dumping of RKO, Warner, MGM pre-1948 backlogs into market suddenly; down went pre-picture prices.) Such determination is matched by resistance of station film buyers to stiff prices, availability of small but steady flow of inde-

pendently produced (UA, etc.) and foreign-produced post-1948 pictures, and network plans for late-night programming (see p. 9).

Not the least of post-1948 sales problems will be that of the weird variety of screen sizes & shapes in which movies have appeared since advent of 3-D, Cinemascope, VistaVision, Superscope, Todd-AO, Cinerama, Camera 65, Cinemiracle, Technirama-70, Naturama, etc. Normal aspect ratio of pre-1948 pictures was 1.33-to-1, same as TV screen. Nowadays, movies are anywhere from 1.85-to-1 to 2.55-to-1, necessitating special lenses on station projectors or special reduction prints by distributor. Even so, part of many a post-1948 Hollywood picture may be lost somewhere above, below, or on either side of home-TV picture tubes.

FCC GETS FUNDS FOR UHF & COMPLAINTS PROJECTS: Congress finally voted FCC money for 2 new & unusual projects—$2 million for N.Y. uhf tests and $150,000 (instead of the requested $300,000) for new Complaints & Compliance Div.—and Commission is moving expeditiously but cautiously to put the money to work.

For the uhf project, Commission is expected to name staff soon, using own people to head it, probably the men proposed to it by chief engineer Edward Allen. Proposed project director is Arnold Skrivseth, asst. chief of Technical Research Div. (Vol. 16:26 p8). FCC will hire outside consultants as they are needed—from industry, govt. groups, educational institutions, etc. In addition, it will contract with industry for transmitting & receiving equipment and measurement services—presumably putting them out for bids.

Comr. Lee, who spearheaded whole project, is working hard, determined that it won't become a boondoggle. He & staff members were in N.Y. last week, talking with educators and with Empire State Bldg. officials—on programming & transmission facilities. Commission doesn't yet have target for start of operations; too early to figure.

It's too early, too, to judge nature of John Harrington's Complaints & Compliance Div. Before the $150,000 was voted, House of Representatives did some haggling about potential for "govt. censorship" in the Division, but came up with the money after Rep. Thomas (D-Tex.), chmn. of Appropriations Committee, gave assurance that purpose was solely to give FCC "some eyes & some ears."

New Division's functions are seen at Commission as two-fold: (1) Expansion of present activity of investigating complaints, acting more promptly and looking into more of them. (2) Monitoring—actually listening, viewing & taping programs.

No. 2 is what worries some people. What will Commission look for? Answer at FCC: We need to be informed. New unit is seen working in several ways. For example, it could move into cities on random basis, sampling all broadcast fare. It could hear about an alleged "bad actor" (obscenity, etc.), quietly sit down & get him on record.

They could use combination of Nos. 1 & 2—sending investigators to examine alleged law & rule violations, at same time recording programs.

Whole business could be significant, dangerous or meaningless—depending on what FCC does with information it gets. And that depends on composition & leadership of Commission, as it always has.

SENATE FIGHT SET ON PAYOLA BILL: Climactic wind-up hearings for broadcasters in Congressional session made hectic for them by House-exposed industry scandals start Aug. 10. That date for last-chance fight in Senate by industry against punitive provisions of House-passed payola legislation (Vol. 16:27 p1) was set definitely last week.

Senate hearings next month will be focused by Commerce Communications Subcommittee Chmn. Pastore (D-R. I.) on station suspension-&-forfeiture sections of bill. But proceedings may be widened for full-dress inspection of other terms of catch-all reform measure which House Commerce Committee Chmn. Harris (D-Ark.) cooked up & sold to House as substitute for non-controversial, Senate-approved bill (S-1898). Originally it provided only for pre-grant hearings instead of post-grant protests in license cases.

End-of-session hearings will run at least several days—and they may stretch more than a week. No cut-off date was set by Pastore, who promised broadcasters full chance to be heard on their objections to giving the FCC authority to take stations off air for 10-day periods and assess them $1,000 daily for infractions of Commission rules.

Invitations to apply for time on witness stand were being sent out last week by Pastore's staff to station owners who had filed written protests against House version of S-1898. Witness list probably won't be drawn up until just before Senate returns Aug. 8 from recess for political conventions. But lead-off schedule will include NAB govt. affairs vp Vincent T. Wasilewski, who is mobilizing broadcasters for fight, and FCC Chmn. Ford, who favors less-than-license-revocation penalties as weapons against defiant licensees.

Payola bill is only major legislative survivor among raft of broadcasting-reform bills & resolutions introduced at this session. They have covered all angles, from network-licensing by FCC to setting up govt. standards for programming. When Congress took off July 2 for Democratic & Republican Conventions, at least 120 TV-radio-FCC measures were left hanging as unfinished business on House Commerce Committee calendar alone. Senate Commerce Committee's calendar is similarly loaded with bills. None has chance of getting anywhere before 86th Congress finally shuts shop, at which point all pending bills will die.

Broadcasting sound & fury on Capitol Hill this session has been productive of many newspaper bannerlines. But so far, in addition to House action onS-1898, quiz-&-payola furor has produced just one significant result: approval of FCC budget including funds for Complaints & Compliance Div. (see p. 2).

Industry scandals have had no bearing on Congressional action on other broadcasting-related measures. They include: (1) Bills (S-1886 & S-1965) legitimizing boosters and extending expired terms of FCC members (Vol. 16:26 p1), amended by House & sent along by Senate—just before recess—to White House, where President Eisenhower signed booster measure July 7. (2) Equal-time suspension for Presidential tickets (S. J. Res. 207), approved by Senate (Vol. 16:27 p1) but not yet voted by House. (3) CATV-licensing measure (S-2653), killed by Senate (Vol. 16:21 p3).

NETS IN PROGRAM DRIVER'S SEAT: It's clear that networks call the shots this fall in nighttime programming. As network advertiser availabilities dwindled to a handful last week and virtually every time period was program-scheduled (see p. 9), network scoreboard on control stood at nearly 85%.

Actually, every nighttime show is under "control" of network officials in some way. At very least, such client-purchased packages as Bristol-Myers' "Peter Gunn" on ABC-TV, P. Lorillard's "My Sister Eileen" on CBS-TV, Rexall's "National Velvet" on NBC-TV this fall must submit scripts and commercials to continuity-acceptance censors, and be under network scrutiny. At maximum, network-produced fare like "CBS Reports" and "NBC Opera" is under complete creative control of network, from scripts to telecast.

What's generally meant by "control" these days is scheduling and sales responsibility. About 4 out of every 5 regularly scheduled nighttime shows (and many specials) have been packaged or bought, and thus "owned," by a network. These, in turn, are sold by network sales depts. in full sponsorship, co-sponsorship or participation deals. Clients can cancel out of such a show, but cannot kill the show itself. Clients may move their billings to another show or another network, but they can't shift network-bought shows from, say, NBC to CBS or ABC.

Many independent producers are worried about an important byproduct of network control: network financial participation. With networks calling the turn on what goes on network air, public will get more "cultural" and public-affairs programming. But producers tell us that networks are getting a piece of the action from all but the strongest outside packagers, presumably as an incentive to shoehorn the producer's show into jammed nighttime schedules. (For details, see p. 8.)

Situation is odd predicament for networks. On one hand, they've been scolded by Washington and by TV critics to assume more control over network programming to ensure balanced programming, good taste cultural fare, etc. Yet, at the same time, and by some of the same sources, networks have been criticized for possible "monopoly" position in programming, and for network participation in independent packages.

WESTERN UNION'S TV MICROWAVE POTENTIAL: Western Union may or may not intend to compete eventually with AT&T for inter-city TV transmission business, but it's certainly getting into physical position to do so.

Thanks to an Air Force contract, WU is building a $41-million broad-band transcontinental microwave system running from Los Angeles to San Francisco to Boston, serving major cities en route (Vol. 15:44 p3). Last week, however, WU announced that it will add extensions from Boston to N.Y., Albany, Syracuse, Buffalo, Cleveland, Toledo, Detroit & Chicago and from Kansas City to Dallas.

That isn't all. WU's projections into 1965 look toward adding 2 more transcontinental systems which, with offshoots, will enable WU to connect all metropolitan markets in U.S.

WU's FCC authorizations don't permit carrying of TV now. However, it's understood that system is being built with sufficient capacity in towers, antennas, housing, etc., to accommodate video equipment readily. WU says nothing publicly about TV plans but it's obvious it intends to be ready if & when it gets customers. One obvious customer is TelePrompTer, of which WU owns 16%, and whose Chmn. Irving Kahn recently told CATV operators that WU is a potential competitor to AT&T (Vol. 16:26 p4). Talking about AT&T links to CATV systems for Johansson-Patterson fight and for potential wired pay-TV systems, he told NCTA convention: "AT&T is not in a position to be highhanded; competition is good."

If & when WU seeks to compete with AT&T in TV service, it will come to FCC for authorization. Commission has ample power to grant or deny the request. Presumably, AT&T would try to block WU.

WU's schedule for its current project, according to Pres. Walter P. Marshall, calls for completion of Los Angeles-San Francisco link by Oct. 1960, San Francisco-Boston by late 1961. WU said that in addition to handling Air Force traffic of all kinds, including "digitalized" TV, "the new microwave system will make available a tremendous reserve capacity to meet the rapidly-growing needs of business & industry for WU's facsimile, public message & private wire lease service." GE has contract for system engineering, RCA for basic radio equipment (Vol. 16:13 p14).

TV & RADIO ORGANIZATIONS AND WHAT THEY'RE FOR: Few industries outmatch broadcasting in number & variety of trade associations, special-interest groups and social clubs. Bare listings of them fill 6½ pages of close type in our current Television Factbook No. 30.

There's something for everybody. So long as you're eligible, you can take out cards in everything from umbrella-like NAB to the Institute for Education by TV-Radio. In you're in TV, you may qualify for Assn. of Maximum Service Telecasters and/or Society of TV Pioneers. If you're in radio, you can campaign with Clear Channel Broadcasting Service for higher clear-channel power or with Radio Allocations Study Organization against it.

Wide scope of broadcasting interests is indicated in TV & radio organization chart on p. 20. It makes no attempt to cover every group but does outline objectives, eligibility requirements, membership strength and financing of score of the more significant groups in industry. It may help you keep score on such outfits as AIMS, MST, CCBS, JCET, NAEB, NCTA, NET, RAB, RASO, TASO, TvB & TIO. We've sought to limit the tabulation to organizations primarily involving over-all station management—not to include specialized groups such as news directors, commentators, engineers, attorneys, etc.

Congress

"Biased" newspapers which criticized House members' expense accounts have been attacked again by House Commerce Committee Chmn. Harris (D-Ark.). In a statement inserted in a recess issue of the *Congressional Record*, he lauded Rep. Rhodes (D-Pa.) for protesting exposes by Knight papers and *Life* (Vol. 16:27 p5). Harris said he supported "freedom of speech and of the press as provided by the Constitution." But no publication has "the right to smear with ridiculous charges in retaliation [for] exposing or proposing something which adversely affects the particular publication or newspaper," he added. Harris had previously pointed out that Knight newspapers & *Life*'s parent Time Inc. have interests in broadcasting, that TV & radio scandals have been unearthed by his Legislative Oversight Subcommittee.

Proposals to limit use of Canadian radio in election campaigns have been discussed but set over until next year by the House of Commons. One proposal would have had the federal treasury pay for 10 min. on TV and 30 min. on radio for each candidate, with a ban against purchase of any further time.

Revamped "ethics" bill to set up uniform procedures for FCC & other administrative agencies has been introduced by Senate Minority Leader Dirksen (R-Ill.). Replacing a code-of-conduct measure (S-2849) he drafted in Jan. (Vol. 16:4 p12), the revised bill (S-3795) would bind hearing officers to "rules or policies" issued "properly" by the agencies, make agency members ineligible for reappointment after they have served terms lengthened to 15 years. Co-signers of the new bill were Sens. Wiley (R-Wis.) & Hruska (R-Neb.). Dirksen said he has no hopes for action on his proposals this session.

FTC's anti-payola drive (see p. 7) has been cited by the Republican Policy Committee as a major accomplishment of the agency during the Eisenhower administration. Submitted to the Senate by Sen. Goldwater (R-Ariz.), a review of FTC's work by the GOP group boasted that the agency "acted promptly & effectively" after House investigators exposed payola practices in broadcasting. All in all, the statement said, FTC "is doing 3 times the job it did just 10 years ago." Not mentioned in the GOP report, however, was Republican FTC Chmn. Earl W. Kintner, who has failed to get Senate confirmation for a new term in office (Vol. 16:27 p2).

Conventions

LOCAL BOYS MAKE GOOD: There's plenty of room for grass-roots TV-radio journalists at the conventions, even though the 3 networks will field a national team of newsmen, technicians, etc. that will exceed 1,000. The 1960 conventions may well mark the year in which a new type of home-town reporting on delegates & issues by news teams from leading station groups and even individual TV stations comes into its own. It isn't just a case of station news egos at work either; there seems to be plenty of viewer demand for "local angles" in addition to national network reportage. And a growing list of national spot TV advertisers (oil companies, breweries, food packagers, etc.) are hopping on the media bandwagon of such local-level convention packages.

Representatives of about 300 TV & radio stations have been accredited to the convention, according to Democratic hq in Los Angeles, in addition to the networks and TV-radio news services. There will be a total of about 1,000 cameramen & newsmen—excluding technicians. Some 60 TV stations (including groups) are covering the convention with silent cameras, another 19 with both sound & film. The 300 figure contrasts with 215 TV-radio stations which have applied to cover the GOP convention in Chicago.

Latest TV-radio station groups to plan convention coverage to supplement network feeds are the 6-TV-station Triangle Publications, Inc. TV-radio div., the 5-station Taft Bcstg. Co., and the 4-station RKO General div. of General Tire & Rubber Co. Previously announced as in the convention coverage act are the 5-station Corinthian Bcstg. Co. and the 5-station Westinghouse Bcstg. Co. Altogether, these station groups will have between 65 & 75 newsmen & other staffers button-holing home-town delegates and reporting on the activities of state delegations—a figure that's more than double the number of newsmen ABC-TV expects to have on news vp John Daly's reporting team, for example.

Special Coverage Arranged

Other station groups (Metropolitan, Meredith, Transcontinent, and even Britain's BBC-TV) will either have newsmen present at the conventions, or have arranged for special coverage. Metropolitan Bcstg. Co. radio outlets, for example, have hired former N.Y. governors Averell Harriman and Herbert Lehman to act as commentators, supplementing the WNEW radio (N.Y.) coverage headed by news dir. Martin Weldon.

James L. Cox stations will have their own coverage at the conventions as will Gene Autry's KOOL-TV Phoenix & KOLD-TV Tucson (Arizona State Network). In radio, the Yankee Network and other regional groups will be represented, in addition to the 4 national nets.

In the newest group deals, Triangle will send a 10-man news team, with Roy Nassau (WFIL-TV Philadelphia dir. of community relations) as coordinator, and will backstop the coverage with nearly 50 staffers at the Triangle stations. The Taft outlets will cover with a 5-man team headed by Ralph de Toledano, dir. of the Taft Washington news bureau. (Coverage by the Taft Stations, like that of Corinthian, has already been sold out to spot sponsors.) RKO General expects to have 5 TV-radio commentators (supervised by WOR-TV news dir., George Brown) and 2 camera crews. Corinthian and Westinghouse will have teams of 15 or more people.

Lar Daly vs. networks (cont.): Score one win & 2 losses for Lar (America First) Daly in his latest equal-time jousts with networks & FCC. He was given a spot on NBC-TV's *Jack Paar Show* as a Democratic Presidential primary candidate, matching a June 16 appearance by Sen. Kennedy (D-Mass.), after FCC ruled he was entitled to the time. In a 5-1 vote (Chmn. Ford questioning Daly's qualifications as a candidate), Commission pointed out that *Paar* is a "variety program," not a regularly-scheduled news show as defined in exemptions from the Communications Act's Sec. 315. On the other hand, FCC ruled unanimously that Daly wasn't entitled to go on Dave Garroway's *Today* on NBC-TV because Sen. Symington (D-Mo.) was interviewed on it. Garroway's show carries such news features regularly, Commission said. And in response to still another Daly complaint, FCC held that the die-hard Chicago office-runner had no equal-time rights to appear on NBC & CBS just because Sens. Johnson (D-Tex.) & Kennedy were seen & heard responding to comments about them by former President Truman in his televised July 2 press interview. In his *Paar* performance on the July 7 show, Daly was met by chorused boos from the studio audience. Paar was cheered when he commented: "This ruling by the FCC makes me ashamed, for the first time, to be a part of the entertainment industry. It makes an absurdity of equal time." This reception during his 25-minute turn on the show displeased Daly. On July 8 he wired FCC complaining that NBC-TV still owed him 22 minutes to match 47 taken up by Kennedy's appearance.

Political showmanship on TV helps put across a candidate's personality, but it isn't as effective in selling policies & ideas. This is one conclusion of 28 political scientists in as many colleges & universities who were polled by Westinghouse Electric Corp., sponsor of CBS coverage of Democratic & Republican conventions. Other opinions expressed in the survey: (1) TV increases voter interest in campaigns. (2) TV increases the impact of nominating conventions on the public, but there's no proof they're now regarded as more important than in pre-TV campaign years. (3) Voters now tend to become more critical of a candidate's appearance than before TV. (4) Much can be done to improve TV coverage of politics.

Traditional political boss is outdated by TV, stated NBC vp William S. Hedges in a July 5 speech at Northwestern U. "People are now thinking for themselves because of modern communications," he said, "and this marks an end to the power of the bosses and profoundly changes methods of campaigning." That broadcasting plays a vital role in influencing votes is proved by "the increasing percentages of Americans voting in relation to the more widespread TV coverage," he added. Commenting on the proposed waiver of Sec. 315, he said: "If the new journalism of electronics is put into full play, as we are hoping, it will bring about better coverage, even greater participation and more enlightenment in the decision [of] Nov. 8."

"Political hacks" at FCC and on staffs of other federal regulatory agencies have too much say in policy & case decisions, according to U. of Mich. law prof. Frank E. Cooper. In a campus lecture on "Postwar Thinking About the Rule of Law," he called for "effective control" of the agencies by Congress and the courts. "It is not the members of the agency who make the decision," Cooper said. "The actual decision is hammered out by unseen, unknown, unapproachable (we hope!) staff assistants—a group of lawyers, engineers, statisticians, technicians and political hacks."

The FCC

Congressional Stockholders: Sen. Scott (R-Pa.) defended FCC on the Senate floor July 2, countering attacks by Sen. Proxmire (D-Wis.) who criticized the Commission for its tentative vote to give Ch. 10 to WTEN Albany (Vol. 16:27 p6). Proxmire had belabored the Commission because Chmn. Ford told him it is FCC policy to give some favorable weight to applicants with Congressional stockholders.

WTEN has 5 Congressional stockholders who own an aggregate of less than 5% of the stock. Scott's position was that Proxmire's criticism is premature because the Commission hasn't yet issued a final decision giving its views on the matter, and that Proxmire "opens himself to the allegation that he is engaging in an *ex parte* attempt to influence the FCC to change its final vote." Proxmire asserted that the decision is "virtually final." After an agency announces its proposed decision, he said, "to say that any comment on the floor of the Senate and in public on that announcement is out of order or *ex parte* would throttle legitimate & proper criticism & discussion of administrative agencies."

Meanwhile, WTEN's competitor for Ch. 10, Veterans Bcstg. Co., prospective loser in the final FCC decision, was turned down in court last week in its effort to get WTEN taken off the air. Court of Appeals Judges Edgerton & Bazelon, ruling directly from the bench July 7 following argument by FCC's Max Paglin & Veterans' Frank Fletcher, accepted the Commission's basic arguments—that Veterans suffers no injury by WTEN's continuation, that the public would suffer if WTEN ceased, that Veterans objected too late. When the Commission's final decision is issued, Veterans can appeal again.

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Much irked with the FCC for not hastening vhf drop-ins, Sen. Monroney (D-Okla.) scolded the Commission in a July 2 floor speech. He noted the Commission's letter explaining the delay in the decision on availability of more vhf channels—viz., OCDM is still studying (Vol. 16:26 p8)—and called it "gobbledygook." He said he tried to get Commission action 9 months ago but "made no impression whatever." The cities needing more channels, he said, are: Providence, Louisville, Grand Rapids-Kalamazoo, Charlotte, Wheeling-Steubenville, Johnstown-Altoona, Dayton, Champaign-Urbana, Toledo, Jacksonville, Raleigh-Durham, Shreveport, Knoxville, Binghamton, Fresno, Bakersfield. "For the honor of the U.S. Senate," he declared, "I feel obliged to make a new attempt to penetrate the wall of indifference that seems to surround the FCC . . . It seems to me that while we are solving the mysteries of the nuclear age and the mysteries of modern electronics, we are, on the other hand, going backward as regards our attempts to solve the mysteries of bureaucracy."

A crack at vhf drop-ins is sought by the Fla. State Educational TV Commission & Fla. Central East Coast Educational TV Project. Filing with the FCC, they supported the proposed "interim" allocations plan and urged that the Commission "take a new & revised look at the public-interest standard which must govern any allocations & awards under the proposed new rules." They seek the drop-in of Ch. 11 near Orlando.

Sale of WJDM (Ch. 7) Panama City, Fla. for $340,000 by Mel Wheeler (Vol. 16:21) was approved June 29 by FCC. New owner is *Albany* (Ga.) *Herald*, operator of WALB-TV & WALB Albany.

Possible influence in St. Louis Ch. 11 decision, won by CBS in 1957, will be investigated by FCC. The Commission continues to go through cases examined by the House Legislative Oversight Subcommittee, and it recently decided that the St. Louis situation should be examined. The Commission staff probably won't be able to do much work on the case until fall, because of vacation schedules. Questions in the St. Louis case were raised in the Oversight hearings by a Subcommittee staffer, the late Stephen J. Angland. They involved publicist-performer Tex McCrary, who, Angland said, came to Washington to find out why the Commission was taking so long to reach a final decision. Angland testified that McCrary told him he did so on his own, as a newsman, after his friend CBS Chmn. William S. Paley told him he was worried about the delays and TELEVISION DIGEST's disclosure that the tentative vote at the Commission was split 2-2-2-1 for the 4 applicants (Vol. 12:35 p5), no one leading. Angland said that McCrary told him he saw Comrs. McConnaughey, Doerfer & Craven and discussed "the machinery of deciding."

Deintermixture of Fresno has been made final, and KFRE-TV was given until April 15, 1961 to shift from Ch. 12 to Ch. 30. The question of reassigning Ch. 12 is thrown into the Bakersfield deintermixture proceeding, in which deletion of KERO-TV's Ch. 10 is proposed. The FCC requests comments (deadline extended from Aug. 8 to Aug. 22) on a proposal to put Ch. 12 into Santa Maria, Lompoc-Santa Maria, San Luis Obispo or Santa Barbara. Comr. Cross, bearish about uhf, dissented. Paul R. Bartlett, whose group sold KFRE-TV to Triangle Publications, Inc. in 1958 (Vol. 14:47 p4), appeared before the Fresno city council last week to urge that it ask the FCC to delay action because all-uhf for the area is a mistake. Roger W. Clipp, vp-gen. mgr. of Triangle Stations, asserted that Bartlett's "comments before the council indicate he has litle knowledge of technical & practical considerations."

Philco lost one battle against RCA-NBC last week when FCC dismissed its protest against the renewal of NBC's WRCV-TV Philadelphia (Vol. 13:33 p2). The text of FCC's ruling hadn't been released last week so the Commission's reasons haven't been made public. However, it's understood that FCC's grounds were primarily legal technicalities—that Philco had been too vague in its allegations, that it was too late with some of them, etc. Still pending before the Commission is Philco's application to compete for WRCV-TV's Ch. 3 in a license renewal hearing. The Commission hasn't said anything about that yet. Most lawyers believe that FCC is required to accord Philco the hearing, but a few theorize that certain 1952 amendments to the Communications Act may permit the Commission to refuse one. Incidentally, NBC has retained the Washington law firm of Koteen & Burt as consultants in the litigation involving the NBC-RKO station swap deal (Vol. 16:27 p7).

Shift of WEEK-TV Peoria from Ch. 43 to Ch. 25 has been denied by the FCC. WEEK-TV had sought both a modification of CP & a special temporary authorization for the lower channel. Comrs. Hyde & Lee dissented.

Sale of KTVE (Ch. 10) El Dorado, Ark. for $1.1 million to Washington realtor William H. Simons, husband of the late former FCC Comr. Frieda B. Hennock, has been approved by the FCC.

WNEM-TV (Ch. 5) Bay City-Saginaw, Mich. has been denied permission to add Flint to its identification—Comrs. Hyde & Craven dissenting.

Stations

Decca Payola Hearing Put Off: The first contested FTC payola case to reach the formal hearing phase brought Decca Distributing Corp. before Examiner J. Earl Cox July 6, but the proceedings were postponed before they got started.

Cited by FTC in March for allegedly illegal payments to disc jockeys (Vol. 16:13 p6), the N.Y. subsidiary of Decca Records Inc. said it was ready to challenge the charges. However, Cox ordered a postponement—subject to 10 days' notice of another hearing date— when FTC attorney John Walker said that press of other FTC cases prevented him from going ahead.

Meanwhile, more payola complaints against big & little record firms flowed from FTC, which reported its campaign had passed the 100-case mark, with more than half the cases marked as settled with cease-&-desist orders.

New complaints were filed against: James Higgins & Robert West, co-partners in B&H Distributing Co., 3959 Woodward Ave., Detroit, and gen. mgr. Betty Alexander ● General Distributing Co. Inc., 2329 Pennsylvania Ave., Baltimore, and Henry Nathanson ● ARC Distributing Co., 40 Selden Ave., Detroit, and Henry Droz & Ralph Jewell ● Triumph Records Inc., 54 W. 74th St., N.Y., and Herbert C. Abramson ● Columbia Record Sales Corp. & Columbia Record Distributors Inc., 799 7th Ave., N.Y. ● Malverne Distributors Inc., 424 W. 49th St., N.Y., and Abraham Hirsch and William & Jack A. Shocket ● Mayfair Distributors Inc., 640 10th Ave., and Jerry Winston ● Concord Distributing Co., 620 Frankfort Ave., Cleveland, and Arthur Freeman & Ben Herman ● Interstate Electric Co., 3733 Conti St., New Orleans, and L. L. Firsh, George C. Howell Jr., F. P. Goodwin Jr., Millard H. Cook & H. F. Schmidt.

In other FTC payola developments: Dolores Enterprises Inc., N.Y. record manufacturer, was ordered in an initial decision by examiner Cox to stop payola practices, Cox citing its failure to respond to charges or appear for a hearing. Apollo Records N.Y. Corp. filed a denial of payola charges, asked that FTC's case against it be dismissed.

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U.S. households totaled 52.6 million in March—up 600,000 from Jan. estimates by A. C. Nielsen in tabulations of TV set ownership & potential (Vol. 16:23 p5)—according to new Census Bureau figures. Other statistics compiled by the Census Bureau in a sample survey: Of all households, 64% are urban, only 8% are on farms, 75% are headed by husband & wife. The govt. report also said that only 2.4% of 40.2 million married couples don't maintain their own households.

Contempt citation against KTLA Los Angeles newscaster Pat Michaels was dismissed on a technicality recently by Superior Court Judge Russell S. Waite. Michaels had been cited following his refusal to tell a Grand Jury the sources which helped him prepare a documentary about alleged anti-semitism in Elsinore, Cal. The contempt citation was dismissed on the grounds that the newsman had been served less than 10 days prior to court appearance.

WJZ-TV Baltimore & AFTRA settled their 11-day strike July 1 (Vol. 16:27 p12). The strikers & 40 IATSE employes who had refused to cross the picket lines returned to their jobs which had been carried on by management & supervisory personnel without interruption.

Ottawa-Halifax TV Grants: Canada's Board of Broadcast Governors last week wrapped up 10 months of contests for competitive TV stations in 8 cities (Vol. 15:31 p1) by recommending awards in the last 2: Ottawa (Ch. 13), to a company headed by former CBC vp-gen.-mgr. Ernest L. Bushnell; Halifax (Ch. 5), to CJCH Ltd. Awards of licenses had been made previously for competing TV stations in Vancouver, Edmonton, Calgary, Winnipeg, Toronto and Montreal. Heretofore, CBC had monopolies in 6 of the 8 cities; private interests operated the only TV stations in Edmonton & Calgary.

The Ottawa Bushnell group includes British TV program contractor Granada TV Network, NTA's wholly-owned Canadian subsidiary NTA Telefilm Ltd., Canadian TV program supplier Spencer W. Caldwell and 37 individual shareholders. Granada & NTA reportedly are the largest investors, but operational control of the new company will reside with the Canadian shareholders. The Bushnell group won out over 4 other contestants for the Ottawa channel: Lawrence Freiman Associates (including the *Ottawa Citizen*), CFRA-TV Ltd., Roger H. Seguin Associates and M. Grattan O'Leary (for a group including the *Ottawa Journal*).

Halifax winner CJCH Ltd. is headed by Canadian radio personality Finlay MacDonald and includes British program contractor Associated TV. The only other applicant for Halifax was CHAL-TV Ltd., organized by the Franklin & Herschorn theater interests.

Other BBG actions last week:

Atlantic Television Co. Ltd. was awarded Ch. 9 in Antigonish, N.S.

CBC's application for a satellite at Pembroke, Ontario was set aside and award of Ch. 5 there was made to E. G. Archibald, whose investors include Bushnell & Granada TV.

CBC was granted a satellite at Mont Blanc, Que., and obtained a recommendation for power increases for CBMT Montreal and CKCO-TV Kitchener, Ont.

BBG reversed an earlier decision by recommending that the grant of a TV license to CKPG Radio Ltd., Prince George, B.C. be deferred pending a survey on the needs of both Prince George & Fort St. John.

BBG approved the application of Northern Bcstg. Ltd. to purchase CKGN-TV North Bay, Ont. from Tel-Ad Co. Ltd., which advised the Board that it wanted to sell because of "certain market conditions that may develop." Northern Bcstg., which operates radio CFCH North Bay, is owned 91.47% by Mrs. C. E. Campbell, daughter of newspaper-TV-radio magnate Roy Thompson.

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Private TV networks may soon be competing with CBC. The BBG last week announced it will hold public hearings Sept. 1 & 2 on conditions & regulations for licensing & operating private networks. Briefs on regulations must be submitted by Aug. 15 for discussion at the September sessions. BBG also set a Nov. 1 deadline for applications for license to operate a TV network, indicated public hearings on such applications would be held at the end of that month or early in December. At the present time, Canada's only TV network is operated by the govt.-owned CBC. The new BBG action opens the way to the formation of networks by private companies.

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NAB's 1961 conference of presidents of state broadcaster's associations will be held Feb. 22-23 in the Shoreham Hotel, Washington.

Networks

More about

A PIECE OF THE ACTION: Networks have a thumb in the financial pies of more than half of all the shows—primarily film packages—in nighttime network TV (see p. 3). In some, it's because the network has built, financed and produced the show, as in the case of NBC-TV's *Bonanza*. In most, it's a slice that goes to the network for "creative counseling & other services" (as the network contracts phrase it) or "just to be fed out of master control" (as one irate telefilm producer told us last week in N.Y.). All 3 networks prefer to avoid comment on the topic.

A direct result of the trend toward tighter network program control, financial participation by the networks comes in all shapes and sizes. TV columnist John Crosby wrote June 29 that "the going rate is 30%." Producers we talked with, however, stated that this was probably a good average, but an over-simplification.

What's at stake is a share of the profits (if any) on the first run of a telefilm show, and a slice of the often-lucrative syndication or network rerun business and overseas distribution. Here's how it works in practice:

A new 30-min. situation comedy, *I Love Nielsen*, is packaged-priced to a network by an independent producer at $45,000 per first-run episode. The network buys the show, sells it to a pair of sponsors for $25,000 each (or $50,000 per alt. wk.). Now, there's a $5,000 profit above the producer's normal "cushion." The network may get anywhere from 10 to 50% of this profit. And the network's syndication subsidiary may be assigned the rerun sales for a slice that may run as high as 50% of the profits plus a distribution fee (leaving the producer only 25% of the rerun profits).

Networks Reluctant to Comment

Networks dislike being queried about such deals. All will admit (and all did, in recent weeks) that they have financial participation in shows other than those directly produced by the network. But details of such deals are not disclosed at network hqs. Some general aspects of financial cut-ins, however, have come to our attention.

For one thing, producers (who can't be named, for obvious reasons) told us that there's a strong relationship between the size and current importance of a production company and the magnitude of the piece of the action that's awarded a network. A couple of seasons back, MCA's Revue Productions managed to hold onto the rerun and overseas rights on all the film packages it was selling to NBC-TV; this season, NBC reportedly has a big slice of the residual rights of Revue packages on an "every-other-show" basis.

By contrast, Four Star Productions, which has become a major show power, used to go through the motions (via the William Morris Agency) of haggling with CBS-TV over a CBS slice of the residuals. Almost invariably, Four Star had to give in. But lately Four Star is surrendering little or nothing to CBS and other networks in such deals. (Sample: *The Detectives*, in which Robert Taylor reportedly has a 50% share of profits, the show's producer and Four Star have 30%, and ABC-TV has only a 10% interest).

Networks, at the same time, deny that the trend to program control has meant a squeeze on independent producers, or a freeze-out of packages optioned (or bought) by sponsors & agencies. Thus networks are quick to defend the general move toward tighter network control.

"We will never make any progress in TV if we allow a few dozen people outside the network to decide what the network's program structure should be," CBS vp for corporate affairs Richard Salant told us. "What has really altered this year is the resolve at CBS that the scheduling will be our responsibility. By bringing in shows from several sources we can manage to achieve a well-balanced schedule with something for everyone at a decent time."

Stated NBC-TV nighttime programs vp Alan B. Courtney: "We have quite a few outside packages in our schedule this fall that were originally brought to us by clients or agencies. We are definitely not interested in taking over the production of all nighttime TV shows within the network structure. Yes, there's a growing amount of financial participation in shows. But we don't force it. When a producer comes to us, we ask him 'how do you want to do this?' Most producers prefer to arrange a co-production status."

ABC-TV programming vp Tom Moore conceded that "through cancellations and renewals of programs, ABC-TV has, in effect, full control over its nighttime shows." However, this did not, in his opinion, put producers in a creative strait jacket. "From the standpoint of production, the network will advise and make suggestions, but final creative control rests with the producer."

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AB-PT Out of Disneyland: The 37% stock interest in Disneyland Park held by American Bcstg.-Paramount Theaters Inc., which cost AB-PT $500,000 in 1954 (Vol. 10:14 p1), has been sold back to Walt Disney Productions and Disneyland Inc. Total price is $7.5 million, and works out to $1,500 per share. Disneyland Inc. paid a little more than $2 million in cash for the stock; Walt Disney Productions gave nearly $5.5 million in notes payable equally over a 5-year period. AB-PT, however, will continue to operate food concessions it now controls at Disneyland.

Coincidentally with the announcement by AB-PT Pres. Leonard H. Goldenson that the Disneyland shares were being sold back to Disney, AB-PT stated that "certain litigation between the companies involving the prior TV contract [*i.e.*, between ABC-TV and Disney for the *Walt Disney Presents* and other Disney-produced series] has been terminated." There was no connection between the stock sale and the dropping of a breach-of-contract suit by Disney, we were told by AB-PT spokesmen.

Although details of the out-of-court settlement weren't revealed, there's no reason to believe the result will be a complete split between the 2 companies. Disney is going ahead with its plans to do several TV series for ABC-TV this fall, including a show about Daniel Boone in the time slot formerly occupied by *Walt Disney Presents*.

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NBC will take legal action against ABC and Queen for a Day Inc. "to enforce an oral agreement" with the packager for a 5-year renewal of the program's time contract when it expires in Dec. ABC-TV and Queen for a Day Inc. had announced recently that the show would change networks in Jan. The program began on NBC radio in 1945, switched to NBC-TV in Jan. 1956. ABC had "no comment" concerning NBC's proposed legal action.

ARB Los Angeles office moves July 15 to 6615 Whittier Blvd., Los Angeles 22 (RAymond 3-8536).

Fall Sales Status: CBS-TV was nearly ready to post the "SRO" sign to advertisers last week, earlier than any previous sales year. The network's sole nighttime opening is Thu., 10-10:30 p.m., although a Bob Newhart live comedy-variety show has been temporarily planned for the 30-min. slot. Sponsorship is as yet undecided, CBS officials told us.

ABC-TV & NBC-TV are reportedly about 90% and 75% sold out, respectively. While ABC is "in the black" with its convention coverage—after making sales so far to Mutual of Omaha, 20th Century-Fox, Avco Mfg. Co. & Du Pont—it hasn't as yet sold its election coverage. NBC's convention-election package was sold out last week when RCA Victor picked up the remaining available one-sixth sponsorship. CBS's convention & election coverage has long been sold to Westinghouse in a $5-million deal.

Aspiring fall network advertisers can still choose from ABC-NBC availabilities, primarily in 60-min. film shows. ABC has "limited" participations open in *Islanders, Cheyenne, Adventures in Paradise, & Naked City*; 5/6 available in *The Walt Disncy Show*; ⅓ of *Hong Kong*; ¾ of *Roaring '20's*; co-sponsorship of *The Law & Mr. Jones*; and full sponsorship of *Bugs Bunny*. NBC has ⅔ of *Riverboat, Outlaws* and *Bonanza* still open; one-half of *Wells Fargo, Klondike, Tall Man, Deputy, This Is Your Life;* and full sponsorship of *Shirley Temple* and *Groucho Marx*.

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Late-night live shows are being discussed by ABC-TV as an audience rival this fall for NBC-TV's *Jack Paar Show*. No specific formats or stars have been picked. The network's project involves programming the Mon.-Fri. 11:15 p.m.-1 a.m. period now generally filled on ABC affiliates with local feature-film telecasts. Last season, ABC seriously considered programming reruns of 60-min. film shows (from Warner Bros., 20th Century-Fox, etc.) in the late period, with a price-to-producer of about $25,000 per episode. The plan never got off the ground, but apparently ABC's hopes of moving into late-night network programming have not dimmed. To pave the way for the new plan, ABC has urged affiliates not to stock heavily on new feature libraries, and has promised station-level revenues that will compare with present film earnings.

CBS-TV News Facilities is shifting to new quarters on the 28th & 29th floor of the Graybar Bldg., Lexington Ave. & 43 St., N.Y., from its present quarters in the Grand Central Bldg. Broker in the transaction: Herbert Charles & Co. Inc. vp Martin A. Arrowwood. The Grand Central Bldg. will soon be torn down to make way for the giant Grand Central City structure.

CBC's TV-confessing co-respondent-for-hire may prove to have more sham than shame. The *Toronto Telegram* has identified the masked sensation of CBC-TV's May 26 *Close-Up* (Vol. 16:27 p7): a 26-year-old Toronto model-actress who says her recital of a career of providing adultery evidence for lawyers & private detective agencies was pure fantasy—made up for a $150 program fee. The program's interviewer contends, without proof, that the recital was fact. BBG Chmm. Dr. Andrew Stewart has put it up to CBC to investigate. Commented *Close-Up* producer Ross McLean: "It sort of shakes your faith in co-respondents, doesn't it?"

CBC & Canadian Council of Authors & Artists have produced a new one-year agreement covering rates & working conditions for TV performers. The product of a month of discussions, the agreement, subject to ratification, is effective as of July 1.

NETWORK SALES ACTIVITY

ABC-TV

77 Sunset Strip, Fri. 9-10 p.m., participations eff. Aug.
Procter & Gamble (Leo Burnett)

Rockie & His Friends, Sun. 12:30-1 p.m., alt. half hrs., eff. fall 1960.
General Mills (Dancer-Fitz.-Sample) renewal
Peter Paul (Dancer-Fitzgerald-Sample)
American Chicle (Dancer-Fitz.-Sample)

Naked City, Wed. 10-11 p.m., participations eff. April 1961.
Haggar (Tracy Locke)

Daytime programming, Mon.-Fri., particips. eff. fall 1960.
Knapp-Monarch (Frank Block)
Johnson's Wax (Foote, Cone & Belding; Needham Lewis & Brorby)

Walt Disney Presents, Sun. 6:30-7:30 p.m., participations eff. fall 1960.
General Mills (Dancer-Fitzgerald-Sample)

Convention coverage, July & Aug., participations.
Mutual of Omaha (Bozell & Jacobs)

CBS-TV

Eyewitness to History, Fri. 10:30-11 p.m., full sponsorship eff. fall 1960.
Firestone Tire & Rubber (Campbell-Ewald)

The Witness, Thu. 7:30-8:30 p.m., alt. wk. half hrs. eff. Sept. 29.
R. J. Reynolds (William Esty)
Helene Curtis (McCann-Erickson)
Esquire Boot Polish (Mogul, Williams & Sayler)
Schick (Benton & Bowles)

New York Giants pro football coverage, fall 1960, quarter sponsorship.
P. Ballantine & Sons (William Esty)

Captain Kangaroo, Sat. 8-9 a.m., alt. wk. quarter hrs.
Toy Tinkers, div. A. G. Spalding & Bros. (George Bond)
Highlander Sales (Mullen)

Video Village, Fri. 9-9:30 p.m., participations eff. July.
J. B. Williams (Parkson)
Vick Chemical (Morse International)

Special CBS News reports Nov. 13, 9-10 p.m. pre-emption of *GE Theatre*. Full sponsorship.
General Electric (BBDO)

NBC-TV

Convention coverage, July & Aug. participations.
Bristol-Myers (Young & Rubicam)
RCA Victor (J. Walter Thompson)

CBS Venezuela TV station buy-in is being discussed between officials of CBS stations div. and YVLV-TV (Ch. 4) Caracas, commercial outlet whose owners include Diego Cisneros, Cuban broadcaster Goar Mestre and the Venezuelan govt. According to CBS-TV sources in N.Y., no deal has been completed, although CBS is reportedly seeking a 10% interest in the outlet (representing an estimated investment of some $150,000). Other sources report the station is being sold by receivers for $1.1 million to a group of investors who put up 80% of the purchase price. CBS recently concluded a deal with Mestre for a program-production center in Argentina, has a relationship as "special consultant" to a West German group planning a commercial network (Vol. 16:24 p7).

Programming

Susskind's Record TV Slate: Producer David Susskind has a record number of shows set for production next season—30% more than this season—he informs us.

He has a renewal of *Armstrong Circle Theater*, for which he will turn out 39 segments. He will do 6 specials for CBS in a series called *All Family Classics* (including "Great Expectations," "The Sea Wolf," "Huckleberry Finn" and "David Copperfield"). There will also be 7 episodes of *DuPont Show of the Month*, and a live series on CBS-TV, *The Witness*, to be a fictional account of Congressional hearings, "borrowing openly the techniques of Congressional committees." Said Susskind: "We will place before this committee a variety of witnesses, ranging from gangsters to political figures such as Huey Long and international criminals such as Hitler."

The producer's plans also encompass 6 specials, including a salute to Eleanor Roosevelt on her 76th birthday; another show dealing with child welfare, and a 90-min production about Eugene O'Neill. This last will carry excerpts from "A Touch of the Poet," "Moon for the Misbegotten" and "Long Day's Journey into Night."

Also on the agenda are 3 to 6 Elaine May & Mike Nichols specials. *Open End*, the syndicated series, has been renewed for 39 more segments, and Susskind will also produce 6 in the NTA *Play of the Week* series.

To avoid idleness, Susskind has also signed to write a book on TV for Little, Brown & Co. His tentative title, he says, tongue in cheek, is "Happy Shows for Happy People with Happy Problems."

Susskind, no friend of film TV, emphasizes that all his shows will be live from N.Y.

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Short radio newscasts, with 5-&-10-min. programs replacing 15-min. headline reviews in popularity, are preferred by most news directors at more than 300 stations polled by NAB. In a follow-up report on NAB's survey of radio news policies (Vol. 16:23 p16), research mgr. Richard M. Allerton said the study showed the trend is away from a once-popular newscast format in which highlights were first summarized and then detailed. Many news directors now handle each item separately, believing that headlines on radio are superfluous, Allerton said. Also noted in the survey were marked increases (since a similar NAB poll in 1953) in sponsors of network-produced radio news shows. The increases ranged from 170% at small stations to 425% at big ones.

NBC's showcase for specials this fall will be the 10-11 p.m. Tue. slot, currently filled by *M Squad* (10-10:30 p.m.) repeats on the network and 30-min. syndication shows locally. Programming will be a potpourri of shows (5 *Dow Hour of Great Mysteries*, 3 specials for Equitable Life, a Jerry Lewis special, etc.). Other NBC specials will be scheduled on Fri. night for AT&T, plus a few political & entertainment specials on a pre-emption basis. Plans for specials this season at NBC have been trimmed about 40% from the level last season (Vol. 16:27 p11).

ABC-TV has signed 23 writers for documentary dramas based on Sir Winston Churchill's memoirs. The series will debut Nov. 27. Robert Lewis Shayon, TV-radio critic for *The Saturday Review*, will write the first 7 scripts. Also on the "staff" are Quentin Reynolds, William L. Shirer and Sir Arthur Bryant. British writers signed include Peter Fleming, T.E.B. Clarke and Constantine Fitzgibbon.

Two ex-"warmup men" on Jan Murray's *Treasure Hunt* program were arrested in N.Y. last week on charges of splitting winnings with friends they placed on the show. They are associate producer Bernard P. Martin & Artie Roberts. DA Frank S. Hogan said that a 3rd man named in a criminal information was out of town, would be arrested when found. NBC immediately issued a statement pointing out that it was through the initiative of the network and cooperation of Murray that the men were brought to the DA's attention in Nov. 1959, that they had been dismissed last year and that NBC Pres. Robert E. Kintner had testified before Congress last year that the network had discovered evidence of hanky-panky on the show. More arrests may be due soon, as a grand jury probe begins in N.Y., to determine whether criminal charges should be pursued against witnesses who may have testified falsely in Hogan's running probe of TV quiz shows which began last fall. What Hogan described as "a great many" of the 100 witnesses questioned during his office's investigation "are believed to have testified falsely" before a previous jury panel.

Programming questionnaire submitted by WHIO-TV Dayton to 1,500 viewers to ascertain their TV tastes drew a 33% return, established these facts: Detective-adventure programming is the popular favorite; only 54% prefer network specials to regular shows; 51% have no interest in more programming on world problems; 58% do not want prime-time regulars pre-empted for public-interest shows; only 12½% of respondents mentioned crime, violence or the preponderance of Westerns on TV; less than 3% of respondents mentioned the need for more cultural or educational programs. Reports WHIO-TV: "There was little evidence of widespread condemnation of TV programming as a whole—less than 1% were drastically critical. The majority of our viewers look upon TV primarily as a medium of entertainment & relaxation."

"Omnibus" will be back on NBC-TV next fall, with Alistair Cooke as host. At least seven 60-min. programs are planned by Robert Saudek Associates. Aluminium Ltd., which co-sponsored *Omnibus* for 5 years and dropped the series in May 1959, will again sponsor. Negotiations for a Sun.-afternoon time period "are in the final stage."

WSJS-TV Winston-Salem has issued a comprehensive, illustrated *In the Public Interest* brochure which notes, among others, these 1959 community services: 2,796 public-service announcements, 153 five-min. interviews, 188 hours of public-service films, 80 remote on-the-scene telecasts by mobile unit, heavy ETV programming. WSJS broadcast 3,768 service announcements during the year.

World Artists Concert Hall, a series of 13 thirty-min. concerts featuring Pablo Casals, Jascha Heifetz, Jan Peerce etc., was recently purchased by Westinghouse Bcstg. Co. for summer runs on the station group's 5 TV outlets. The package, purchased from Irving Lesser at Major TV Production Inc., includes 3 former NBC-TV programs.

Jackie Gleason will star in 2 CBS-TV specials next season—a 90-min. comedy-drama & a 60-min. variety show. The comedy is "The Million Dollar Incident," adapted by A. J. Russell, Sydney Zelinka and Walter Stone, from an original story by Gleason.

Although AFL-CIO-sponsored newscasts by Edward P. Morgan over ABC Radio have been renewed for one year, John W. Vandercook's labor-sponsored ABC broadcasts have been canceled because of his illness, AFL-CIO secy.-treas. William F. Schnitzler announced.

Advertising

TV vs. Print: New circulation figures for TV and newspapers were available in separate reports for admen last week. Generally speaking, the figures showed that both print media and TV were still growing, but TV was growing faster.

TV: During the past 5 years, according to a special bulletin from the NBC research dept., TV has continued to make strides. The number of TV homes has increased 24% (by 8,800,000) while total homes have increased only 6%. People also spend more time watching TV than they do working in a normal week; the average viewing home watches TV a total of 45 hours weekly, as against the usual 40-hour work week. During the evening, the average TV home watches TV an average of 24 hours & 44 minutes weekly; this is 1 hour & 27 minutes more than the amount 5 years ago. On a Sun.-Sat., full-week basis, TV reaches 43,211,000 U.S. homes (95.6% of all U.S. TV-equipped households).

Newspapers: During the 6-month period ended March 31, U.S. & Canadian daily newspaper circulation rose to 63,534,551, reported the Audit Bureau of Circulation. This, stated ABC, represented an increase of 1.6% (1,063,304 copies) from the comparable 1959 period. Sunday newspaper circulation during the measured period also hit a new high of 50,427,164 for average issues, also a rise of 1.6% over the previous year. Canadian gains, incidentally, were higher than those of the U.S.

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Top 100 U.S. advertisers spent 50.6% of the 1959 ad expenditures for gross time and print space ($1,681,533,569) for network & national spot TV, reported TvB last week. The big TV figure—$850,361,281—represented more money for TV than all other measured media combined. Last year's total investment of the group increased 11.4% from 1958, and of this increase 60.3% came from TV. There was also, TvB noted, a relationship between TV spending and corporate sales income. The average sales of the 42 "heavy" advertisers in TV (those which considered TV their basic medium) were about $2.1 billion. The average of the 52 others (who didn't consider TV a basic medium) was a little more than $1 billion. Sales last year of the "heavy" advertisers were up 11%; sales of the others were up 9%, said TvB.

Million-dollar spot campaign will be built around GE's new "Magoo" series of 1-min., 20-sec. & 8 sec. ID animated film commercials produced by UPA Pictures (Vol. 16:26 p6). Using about 100 spot announcement slots in each of 125 major TV markets this fall, the campaign is termed by GE as "light sell" ("not hard sell or soft sell"). "We found, very definitely, last spring that humor sells, and hence we are repeating the formula," stated GE mktg. mgr. Robert V. Corning. Although spot TV is the media keystone of the campaign, print ads and a 12-min. "Magoo" motion picture for use at GE dealer meetings will be part of the program.

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Ad People: Stuart E. Hample and W. S. (Si) Mowat elected BBDO vps . . . Cecil K. (Mike) Carmichael appointed Benton & Bowles vp . . . Anthony C. DePierro appointed media vp, Geyer, Morey, Madden & Ballard . . . Larry Stoddart named TV group head, Ford Motor Co. account at Kenyon & Eckhardt . . . Edward J. Going named Sullivan, Stauffer, Colwell & Bayles vp.

Film & Tape

Film's Not-So-Merry-Go-Round: In an industry noted for personnel insecurity, TV-film set something of a record this season for executive turnover. At least 3 studio production heads and almost 20 producers left their jobs. The mass exodus was caused by policy differences, studio dissatisfaction with product quality, and—in a few instances—clashes with temperamental stars.

Probably the most sweeping changes occurred at 20th-Fox Television, which a year ago appeared to have a most promising future. There, production chief Martin Manulis resigned to go into feature film production. His 2 executive producers, Herbert Bayard Swope Jr. (*5 Fingers*) and Dominick Dunne (*Adventures in Paradise*) are also gone.

At MGM-TV, production chief Richard Maibaum (a WGA member) resigned, because he refused to hire "scab" writers during the strike. At Paramount Television, production chief Robert Cinader resigned over what he described as policy differences. And Betty Hutton set a record for producer turnover by going through 4 on her series before settling on a fifth. (Her series has since been cancelled.)

Other producer departures included Sam Rolfe and Ben Brady from *Have Gun—Will Travel*; Harry Tugend from *GE Theater*; Alvin Cooperman from *The DuPont Show With June Allyson*. Also: Hal Hudson, *Dick Powell's Zane Grey Theater*; Allen Rivkin, *The Troubleshooters*; Quinn Martin, *The Untouchables*; Herb Meadow, *The Man From Blackhawk*; Stanley Rubin, *Hotel de Paree*; Herbert Hirschmann, *Perry Mason*; Mort Briskin, *Grand Jury*. Mort Abrahams left NTA, where he'd been dir. of creative programming, and production vp Frank Cleaver is leaving Cal. National.

There being less live TV, there was less turnover in that area, the most notable case being the resignation of NBC-TV coast program vp Alan Livingston—now an NBC consultant. He was replaced by Felix Jackson.

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Exit Jan. Changes? Mid-season program changes are virtually a thing of the past, according to Oscar Katz, CBS-TV program vp. Pointing out there were relatively few January changes last season, Katz told us "most shows today have alternate advertisers, each sponsor paying for 13 of the 26 shows. This takes a series through the end of March, and you usually don't start a new series in March."

In Hollywood working on CBS program plans for the 1961-62 season, Katz said pilots for next year will be produced in Dec. and Jan., "maybe earlier." They will all be completed by March 1, he said, because the network doesn't like to have pilots straggling in at end of selling season.

He declined to go into specifics on CBS program plans for next year, but stressed "we're not going down any single route—we plan a great variety of product." He explained CBS is starting early on plans for next year because "the selling season gets earlier and earlier, and there is a disadvantage in doing all this on a last-minute basis."

Katz, CBS-TV Pres. James T. Aubrey and other network executives were in Hollywood in continual meetings on next year's programs and fall season preparations.

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Heritage Productions has sold 30-min. *Campy's Corner*, taped series featuring ex-Dodger Roy Campanella, to Pitluk Advertising, San Antonio, Tex., for 47 markets in Tex. & N.M.

NEW YORK ROUNDUP

Anti-trust complaint against Columbia Pictures, brought by the govt. in N.Y. District Court, was dismissed June 30 by Judge William Herlands. The court held that Columbia's 1958 acquisition of 647 pre-1948 feature films from Universal Pictures "did not constitute price fixing, nor did it tend to lessen competition in the field." Judge Herlands gave Columbia the right to distribute the Universal feature freely and ruled that "feature films are not a separate line of commerce and there is nothing unique about them as TV programming."

Silent movies ride again on ABC-TV this summer. As warm-weather replacement for Dutch Masters-sponsored *Take a Good Look* (Thu., 10:30-11 p.m.), ABC has scheduled *Silents Please*, a package produced by Sterling TV Films. Each episode will provide a condensed version of a silent film classic with such yesteryear names as Rudolph Valentino, the Gish Sisters, Lon Chaney, Clara Bow, Gloria Swanson, Buster Keaton and the Keystone Cops. Sterling acquired the rights to a considerable amount of silent footage, including early D. W. Griffith features, last year.

Independent TV Corp. has taken over distribution of *Best of the Post* for syndication sales. The 26 anthology episodes dramatizing outstanding *SatEvePost* stories by such authors as Stephen Vincent Benet and Conrad Richter, will feature June Lockhart, Everett Sloane and Jerome Cowan among others in leading roles.

Producer Steve Carlin plans to syndicate WABC-TV's *The Schaefer Circle* "in the near future." The 30-min. tape variety-musical will debut on WABC-TV Aug. 13. Singer Lonnie Sattin will star. Richard Hayman & his orchestra will be featured regularly.

WNEW-TV-produced "Remember Us," 60-min. documentary about Nazi concentration camps, will be televised on the station twice this month, and once on WTTG Washington, D.C. The documentary "is comprised of illustrative material recommended for adults only." Plans to syndicate the program, of which Quentin Reynolds is narrator, are in the working stages.

Danny Kaye will make his TV entertainment debut on CBS-TV Oct. 30, pre-empting Ed Sullivan. It will be the first of 3 Kaye specials, to be produced in as many years, under General Motors sponsorship. Kaye's previous TV appearance was a UNICEF documentary.

Official Films has acquired for syndication 2 public-affairs packages, *American Forum of the Air* and *Youth Wants to Know*. Both are Ted Granik productions taped by Westinghouse Bcstg. Co. OF will handle syndication outside WBC markets.

People: Eugene V. Klein was elected National Theatres & TV vice chmn. . . . Sherlee Barish has been named Official Films vp . . . Wardell Gaynor, Robert Lawrence cameraman, has been elected Screen Cartoonists Guild pres. . . . Lloyd Krause has been named United Artists Associated Eastern div. sales mgr. . . . Selmer Chalif appointed Screen Gems assistant vp for West Coast activities . . . Bryon Paul named dir. and Ted Berkman writer for *See America with Ed Sullivan* series on CBS-TV fall 1961 . . . Henry S. White was named Screen Gems national sales mgr. . . . Edward J. Broman elected Ziv-UA Chicago office vp.

HOLLYWOOD ROUNDUP

Bill Bendix's Bonanza: Some Hollywood actors contend the value of telefilm residuals is highly overrated, that they don't really mean much in a market saturated with TV films. That's often true, but not in the case of William Bendix, who starred for 5½ years in *The Life of Riley*.

Bendix originally owned 25% of the net of the 217 films made before the series ended its first-run production 2 years ago. He then persuaded distributor CNP to change his deal so that he owns 10% of the gross.

To date CNP has grossed approximately $3.5 million from *Riley*, earning Bendix about $350,000. Bendix estimated to us the series may gross as much as $5 million, which would mean a handsome $500,000 residual bundle for the actor.

Bendix points out, however, that *Riley* has several factors in its favor. "Ours was a property the public had known for 13 years; we were in radio for 7 years before converting to TV. I did my first *Riley* radio show in 1943. As a result, *Riley* is a kind of tradition by now. It was a very popular series. Nobody liked it but the people," he remarked, in a swipe at the critics.

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Screen Gems begins production Aug. 1 on *Dan Raven*, starring Skip Homeier. William Sackheim is exec. producer. . . . **Production** begins at Revue Studios this week on *Checkmate* and *The Tall Man*, and there will also be a resumption of production on *Johnny Midnight*, *Wagon Train* and *GE Theater* . . . **Four Star TV** begins production this week on its 60-min. series, *Stagecoach West*.

Warner Bros. has given producer Howie Horwitz of *77 Sunset Strip* a new 7-year contract, with a raise, to replace his old pact which had 5 years to run. Seven films for next season have been produced, and the series will have a one-month production hiatus in mid-July.

Producer Frank Cleaver and his Vortex Productions partner, director John Florea, have gone to Tokyo on an inspection trip to see facilities for production of a 60-min. pilot, *M. R.*, and 2 half-hour pilots they plan to film in Japan beginning Aug. 15. The 60-min. pilot is about a troubleshooter for American travelers abroad; one of the other series, *Christopher Blake*, is a melodrama; the other, untitled, is a comedy involving a news correspondent.

Screen Gems resumes production on *Manhunt*, starring Victor Jory and Pat McVey, July 18, with Jerry Briskin as producer. SG's *Route 66*, starring Martin Milner and George Maharis, also goes into production July 18.

Four Star Television has resumed production on *Wanted—Dead or Alive*, starring Steve McQueen; *The Rifleman*, starring Chuck Connors, and *The Law and Mr. Jones*, starring James Whitmore . . . **Frazen Productions** has acquired TV rights to a onetime radio serial, *Don't You Believe It* . . . **Production** on *Dennis the Menace* resumes July 26 at Screen Gems.

People: Harris Clayton, ex-Rosenberg-Coryell agency, named asst. to MGM-TV business affairs dir. Leon Mirell . . . Art Wallace named associate producer and story editor on *Hong Kong*, 20th-Fox TV series . . . Lawrence G. Clemment, ex-NBC, has joined entertainment div. of California Bank in its Beverly Hills office.

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Educational Television

New ETV Research Grants: Federal grants totaling about $600,000 have been awarded by the U.S. Office of Education for 13 more educational TV research projects by colleges, universities and public school systems under Title VII of the National Defense Education Act.

Biggest ETV awards went to Pa. State U., which will spend $159,000 in a 2-year study of closed-circuit college-course programming under Dr. C. R. Carpenter, and to the U. of Ill., which will undertake 3-year $140,716 research in teacher training under Dr. Robert W. James & Dr. Charles J. McIntyre.

Other new ETV grants (among 32 totaling about $1 million for experimentation in teaching-aid uses of radio, movies and recordings as well as TV) included these:

Pacific Union College, Angwin, Cal., "short-term effects of some TV programs," $2,291 for 10 months.

American U., Washington, teacher-student TV communication, $9,237 for 10 months.

U. of Hawaii, ETV uses in speech improvement in elementary schools, $21,600 for 2 years.

U. of Ill., tests of effectiveness of visual production techniques, $10,753 for one year.

Portland, Me. school system, ETV's effectiveness in elementary grades, $2,875 for one year.

Boston U., follow-up study of effects of televised elementary science instruction, $17,578 for 14 months; concept development in elementary science teaching by TV, $80,787 for 17 months.

Okla. State Board of Education, ETV's uses in combination with correspondence courses & visits by student teachers, $13,528 for one year.

U. of Pa., study of audiences for open-circuit college-credit courses, $85,000 for 2 years.

U. of Utah, functions of uhf in distribution of visual teaching aids, $49,956 for 30 months.

George Peabody College for Teachers, Nashville, development of scales to measure attitudes toward new educational media, $4,934 for one year.

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KBTV (Ch. 9) Denver has donated more than $30,000 worth of TV equipment to the U. of Colo. for its planned ETV station.

Foreign

BBC Extends Service: Britain's BBC has obtained government approval to proceed with phase 2 of its service-extension program and will add 10 TV & 11 FM satellite stations to the network by March, 1964. The new stations will bring TV to more than 100,000 new viewers and improve reception for an additional 400,000. The extended radio service will introduce FM to 350,000 listeners.

Phase 1 of the program (Vol. 15:29 p13) already is under way and will add 14 TV & 10 FM stations by early 1962. This expansion will extend TV coverage to 200,000, improve it for nearly a million others, and bring FM to more than 640,000 listeners.

BBC now has 23 TV stations in operation, serving 98.8% of the population. The network is also operating 20 FM stations, covering 97.3% of the nation. Some of the new stations, BBC reports, will serve only the towns in which they will be located; others will have a wider range. "Many will combine to expand TV reception in the Highlands and the Isles of Scotland to scattered communities in the area," BBC said.

Under phase-2 scheduling, TV-only satellites are planned for Caernarvon, Hastings, Scarborough and Swindon; TV-FM satellites for Forfar, Grantown-on-Spey, Lewis, Pitlochry/Aberfeldy, Shetland, and Skye; FM-only satellites for East Lincolnshire, South-West Scotland, Enniskillen, Pembroke/Milford Haven, and Sheffield. All but the first 2 FM-only sites are slated to get TV satellites under phase 1.

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Personals: **Theodore G. (Ted) Bergmann**, former managing dir. of the old Du Mont TV Network and now pres. of Parkson Advertising Agency, July 18 becomes Revlon ad vp, replacing **Evan William Mandel**, who will devote full time to his duties as asst. to the pres.

Hollis M. Seavey, former MBS Washington newsman, Clear Channel Bcstg. Service dir., owner-operator of radio WCUM Cumberland, Md., and Regional Bcstrs. Assn. dir., joins NAB's govt. affairs staff . . . **Frank Merklein**, ex-NBC, named TvB member sales presentations dir. . . . **Martin Codel** returned to his Washington office last week after spending 4 months in Africa and the Middle East surveying TV-radio trade potentials as consultant to RCA; he and Mrs. Codel visited 25 cities in 22 countries . . . **Eugene N. Aleinikoff**, ex-CBS-TV, appointed National Educational TV & Radio Center legal & business affairs dir.

Norman Berger appointed program dir., WKBN-TV & WKBN Youngstown, Ohio, succeeding **Paul Turner**, named asst. TV program dir., KPIX San Francisco . . . **J. D. Bond**, FCC hearing examiner, joins Atomic Energy Commission in similar capacity . . . **Vance L. Eckersley** has resigned as vp-gen. mgr., WDAU-TV Scranton, Pa.

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Meetings next week: Idaho Bcstrs. Assn. convention (July 19-20), Sandpoint, Idaho ● American Federation of TV & Radio Artists annual convention (20-24), Shoreham Hotel, Washington, D.C.

Obituary

Donald Blount Gatling, 60, chief of FTC's radio & periodical advertising div. when he retired from govt. service in 1951, died July 2 at his Takoma Park, Md. home. Surviving are his widow, a son, 2 brothers, 3 sisters.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

FM STEREO DELAYED AS TESTS START: There will be another delay of 90 days in the establishment of standards for stereo FM radio. The FCC still hopes it can give manufacturers & broadcasters final specifications by year's end—but this is far from a sure bet. Further delays of up to a year are conceivable—so there's no assurance that the potentially rich stereo FM receiver market will be in business in 1961.

As the biggest TV-stereo-radio trade show gets under way this Mon. (11)—the Music Merchants' Trade Show at Chicago's Palmer House—the EIA's National Stereophonic Radio Committee starts final phase of its selection of ideal FM radio broadcasting standards in a series of midnight-to-noon field tests. NSRC's findings are advisory, but FCC is expected to ratify them.

The 90-day extension of time to file its findings with FCC was requested by NSRC, which says its field tests can't meet FCC's July 29 deadline. Commission is expected to approve extension to Oct. 29.

Field tests of the 6 proposed FM stereo systems will use facilities of KDKA-FM Pittsburgh and will continue until mid-August. The systems, as previously defined by FCC in its rule-making (Vol. 16:19 p6), are EMI (British Percival system), Crosby Teletronics, GE, Zenith, Multiplex Development Corp. (William Halstead) and Calbest Electronics.

Manufacturers have provided transmitting & receiving gear and all equipment has been checked out by NSRC's field test panel under NAB engineering dir. A. Prose Walker. Tests of stereo & monophonic reception will be made at the transmitter and at 3 locations: Uniontown, Pa. (where signal strength should be about 1,000 microvolts per meter), at transmiter site of AM station WMMN, Fairmont, W. Va. (300 uv/m), and at Fairmont State College (50 uv/m). Measurements & data will then be analyzed and reported to FCC.

If choice of system isn't difficult one, Commission is expected to issue final order before year's end, giving manufacturers green light to start making & marketing FM stereo radios and stereo converters. If whole issue is thrown into hearing, however, proceedings could drag on & on. FCC really wants to expedite FM stereo and can be expected to bend over backwards to get speed.

Although proposed systems have basic differences, most set makers are standing on sidelines merely hoping for quick decision which could open big new radio market and hypo stereo phono sales. For FM broadcasters, choice of system is very important—for some systems will permit use of additional money-making subcarrier (for storecasting, functional music, etc.) and some preclude it.

All the U.S.-invented systems are based on multiplex subcarrier principle. One unique system—proposed by EMI of Britain—stands out as most controversial, and gets its first thorough engineering test in the U.S. with the current field tests. Engineers say that on paper it's a dream system—measurements show it best in signal-to-noise and in freedom from distortion. In addition, networking of EMI stereo would require only a single telephone line, whereas the others need 2. Subjectively, however, there's great difference of opinion as to whether it can provide "true & acceptable" stereo. Field test tapes will provide answer.

Possibility of AM stereo radio standards will be considered by FCC after it returns from its August vacation. It may ask initial comments before FM proceedings are concluded, although some expect it to give FM good head-start by waiting until FM system is established before looking into AM stereo service.

Details on the FM stereo tests being conducted by top industry engineers in NSRC are on p. 17.

TV-RADIO PRODUCTION: EIA statistics for week ended July 1 (26th week of 1960):

	June 24-July 1	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	106,310	123,707	98,426	2,967,529	2,788,945
Total radio	285,651	347,687	258,234	8,522,815	7,110,758
auto radio	98,471	131,752	108,459	3,322,863	2,900,621

TV-RADIO OUTPUT & SALES: TV retail sales took an unusual downturn from April to May this year, newly-released EIA figures indicate. The dip was only 17,000 sets; nevertheless, this was only the 2nd year since 1954 that May sales were lower than those in April (the other year was recession-ridden 1958).

April traditionally is the year's poorest TV retail sales month; May is the 2nd worst. The drop from April to May this year may or may not indicate that TV is feeling the general slump observed in appliances. The decline still wasn't alarming—April 1960 sales beat April 1959 by nearly 55,000, and sales for the first 5 months of the year were still near the 6.5-million-a-year level.

Cumulative 5-month radio retail sales were exactly at the 10-million-a-year mark (on a seasonally adjusted basis). TV & radio production continued their increase. Here are the EIA's official 5-month figures with 1959 comparisons:

TELEVISION

Month	Total Production 1960	Total Production 1959	Uhf Production 1960	Uhf Production 1959	Retail Sales 1960	Retail Sales 1959
January	526,494	437,026	50,119	35,841	590,867	501,704
February	503,453	459,492	43,537	34,678	507,673	448,173
March	549,500	494,032	45,411	32,112	501,829	425,751
April	422,551	389,251	39,240	20,501	351,214	263,998
May	442,176	431,911	32,295	28,247	334,283	279,536
TOTAL ..	2,444,174	2,211,712	210,602	151,379	2,285,866	1,919,162

RADIO

Month	Total Production 1960	Total Production 1959	Auto Radio Production 1960	Auto Radio Production 1959	Retail Sales (excl. auto) 1960	Retail Sales (excl. auto) 1959
January	1,355,788	1,124,737	632,461	420,052	803,388	700,490
February	1,442,368	1,125,385	596,872	432,551	611,479	474,888
March	1,667,550	1,347,554	633,761	511,219	664,441	515,563
April	1,230,323	1,040,183	399,963	422,346	547,839	388,863
May	1,277,040	1,039,562	463,165	476,222	548,322	400,882
TOTAL ..	6,973,069	5,677,421	2,726,222	2,262,390	3,175,469	2,480,686

FM radio production (1959 figures in parentheses): Jan. 33,816 (30,235), Feb. 50,963 (29,145), March 83,127 (32,994), April 61,953 (31,425), May 65,438 (48,841). Five-month total: 295,297 (172,640).

* * *

Factory sales of picture tubes & receiving tubes declined from April to May, EIA figures showed, but 5-month picture-tube sales were ahead of 1959, while receiving tube totals were lower.

	Picture Tubes Units	Picture Tubes Dollars	Receiving Tubes Units	Receiving Tubes Dollars
January	795,250	$15,831,430	31,367,000	$26,872,000
February	741,233	14,495,480	32,734,000	27,881,000
March	794,375	15,654,281	36,382,000	31,751,000
April	707,252	13,782,769	29,737,000	25,759,000
May	659,859	13,329,826	30,354,000	25,580,000
Jan.-May 1960	3,697,969	73,093,786	160,574,000	137,843,000
Jan.-May 1959	3,603,969	69,119,667	164,558,000	142,675,000

Foreign competition with U.S. industry, including electronics manufacturers, would be studied by a special Senate Committee on Trade Adjustment Problems under a resolution (S. Res. 350) drafted by Sen. Hartke (D-Ind.). It calls on the Committee to conduct hearings, report by June 30, 1961 on import impacts—particularly their effect on U.S. employment. A survey of foreign trade policies by a Presidential commission had been proposed earlier by Senate Minority Leader Dirksen (R-Ill.) in a similar resolution (Vol. 16:25 p18). Meanwhile, protests by EIA & Clevite against proposed reductions in tariffs on germanium diodes were inserted in the *Congressional Record* by Rep. Lane (D-Mass.). The U.S. Tariff Commission has announced that cuts—or elimination of the tariff—will be considered at the 1961 conference on the General Agreement on Trade & Tariff (GATT).

Newest do-it-yourself TV repair book: Profusely illustrated *Professional TV Repair Secrets* by Art Margolis (Arco Publishing Co., 141 pp. $2.50), published July 11.

Trade Personals: W. Walter (Wally) Watts, RCA group exec. vp, takes over consumer products responsibilities of exec. vp P. J. Casella who is slated for re-assignment in RCA international activities. Watts has been chief officer of RCA international, tube, semiconductor divs., may retain some of these posts. However, it's anticipated that group exec. vp Charles M. Odorizzi will shortly add responsibility for the international div. to his other duties. A brigadier general in the Army Reserve, Watts is on a July 10-23 assignment at Fort McNair in Washington, D.C. . . . **W. Rogers Herod** retires as a GE vp & pres. of International GE; **James H. Goss**, GE International group vp & group exec. temporarily assumes Herod's duties . . . **John M. Mihalic**, Avco vp & pres. of its Nashville div. (aircraft assemblies, radar), also named pres. of Crosley div., succeeding the late F. C. Reith, deceased (see obituary). An 18-year veteran of Avco, Mihalic was once vp & mfg. dir. of the former Crosley & Bendix home appliances div.

George A. Schupp, ex-GE, named consumer products engineering dir., Magnavox . . . **David Kutner** has resigned as Motorola mgr. of distribution and Motorola Sales Inc. vp; **Phil Reichman**, formerly asst. to Kutner, named admin. asst. to consumer products mktg. vp S. R. (Ted) Herkes . . . **W. G. Paradis** named mfg. vp, Webcor; **Robert G. Moffat** named electronics div. vp . . . **Philip J. Wood**, ex-Zenith Sales Corp. mktg. mgr., appointed to new post of Ampex Audio equipment div. mgr. . . . **Donald G. Clarke** promoted from sales vp to pres., BSR (USA) Ltd. (record changers); **Bernard B. Masket** named vp & controller.

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RCA color-TV gains: RCA distributors tallied a 300% increase in dealer orders of color-TV sets during their June 6-17 introduction meetings, compared with the order volume of the year-ago dealer meetings, reports RCA Sales Corp. Jres. Jack S. Beldon. During June, he said, there were dramatic distributor-to-dealer sales gains in 3 markets which colorcast major league baseball: Cincinnati, up 1,072%; Boston, 528%; Chicago, 493%. There were equally impressive gains in 2 cities which don't: Los Angeles, 1,000%; N.Y., 400%.

Olympic Radio & TV Sales Corp. has been formed as a subsidiary of the Olympic Radio & TV div., Siegler Corp., to handle merchandising, sales administration, advertising, customer relations & service of Olympic consumer products. Olympic Pres. Morris Sobin will serve as chairman of the sales subsidiary, while Olympic vp Morton M. Schwartz will be president.

Reflection-free viewing screens, using Corning's treated glass, have been added to 5 high-end 23-in. bonded-tube models by Sylvania. At no price increase, the treated-glass tubes will be used in 3 Heywood-Wakefield consoles and 2 top-of-the-line lowboy consoles introduced last month.

Obituary

Francis C. Reith, 45, Avco vp & pres. of the Crosley div., was found dead of a revolver wound in bed at his home in Hyde Park, Ohio. Police said the death apparently was suicide. An executive of the Ford Motor Co. for 11 years, he joined Crosley in 1957 when the division was in financial trouble after liquidating its consumer products business the preceding year.

John J. McIntyre, 81, a founder of Clevite Corp., died in Cleveland July 3 after a brief illness. He was Clevite chmn. until 1952, continuing as a director until 1957.

SWEET MUSIC SHOW: There'll be few blue notes at the Music Show this week—at least not for sponsor National Assn. of Music Merchants. The 5-day trade show at Chicago's Palmer House July 10-14 has 260 exhibitors, mostly from the consumer electronics industry, as opposed to 239 last year when the show was held in N.Y. Attendance of 12,000 is expected.

Biggest increase in exhibitors is in the TV field—now that the TV industry has virtually decided to make the Music show its own No. 1 product exhibition (Vol. 16:25 p15). There are 15 TV manufacturers represented this year, up from 6 last year. We know of 2 other TV set makers who were "frozen out" of the show because they applied for their space too late. Some 56 hi-fi manufacturers and 49 radio makers will also be showing their wares at the event, in addition to the electric organ, recorder & accessory manufacturers who are coming to the Music Show in increasing numbers this year.

As prelude to the opening of the Music Show, these announcements were made last week:

(1) Granco Products, big maker of FM sets, announced that it will show its FM auto radio converter (at $49.95) at the Music Show. The small unit attaches to the bottom of the dashboard and plays through the car's AM radio. Although there are several foreign & domestic FM auto radio tuners on the market, this one is the first which has been announced for large-volume production. Motorola, which is making a complete auto FM radio at $125, reports sales "far beyond expectations."

(2) RCA Victor joined the majority of the pre-recorded tape manufacturers in releasing 4-track 7½-ips open-reel stereo tapes, putting out 17 titles last week, with monthly releases of 12 titles to follow. RCA had held out against the 4-track open-reel approach—adopted as a sort of unofficial "standard" by the recorded tape industry—preferring to concentrate on its cartridge tape approach. Tape & recorder makers exhibiting at the show are likely to make news this week as the cartridge-vs.-open reel battle explodes again.

(3) Trend to "packaged-component" hi fi, pioneered by Pilot, Stromberg-Carlson, Fisher and other component houses, is due to pick up more adherents this year. Bell Sound div. of Thompson Ramo Wooldridge, for one, will announce a complete line of "custom-integrated component consoles."

(4) Radio importers will make their most intensive splash to date, as the field becomes more & more competitive. An institutional trade ad by Toshiba sales representative Transistor World, for example, announced last week its new "trade show policy:" It asked dealers to visit its display "with the understanding [that] no orders will be solicited or accepted during the show."

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Prototype quantities of tunnel diodes are now being offered by Westinghouse at $4-$5.50 each in quantities of 24 or less, $3.20-$4 each in larger quantities.

Factbook No. 31 Closes August 1 for Plates

The 1960 Fall-Winter edition of TELEVISION FACTBOOK (No. 31) is now being prepared for September release by the editors of TELEVISION DIGEST. To reserve your advertising space for this new upcoming edition we suggest you get in touch with our Business Department today. Advertising reservation deadline is July 15.

Plant Vacation Shutdowns: Traditional in the industry to fulfill union contracts and to give manufacturers the opportunity to check inventories, most electronics plants again are shutting down for 2 weeks this summer. From EIA and other sources, here are the shutdown schedules:

Set manufacturers: Admiral, July 1-17; Arvin, July 4-17; Bogen-Presto, July 4-17; CBS Electronics, July 4-17; Harmon-Kardon, July 4-17; Hoffman consumer products div., July 4-17; Magnavox, July 18-31; Motorola, July 4-17; Olympic, July 1-17; Packard Bell, July 4-17; Philco, July 18-31; Pilot, July 4-17; RCA, July 1-17; Stromberg-Carlson, July 4-17; Sylvania, July 18-31; Trav-Ler, July 4-17; Warwick, July 1-17; Zenith, July 1-17; GE, TV Aug. 1-14, radio-hi-fi-phono Aug. 1-21.

Tubes & semiconductors: Clevite Transistor, July 4-17; Electronic Tube Corp., July 4-24; General Transistor, July 4-17; Machlett, Aug. 1-14; National Semiconductor Corp., July 18-31; Pacific Semiconductors, July 18-31; Philco, July 18-31; RCA, July 15-31 (Marion & Indianapolis, July 1-17); Sylvania (except picture tubes), July 18-31; Thomas Electronics, July 4-17; Tung-Sol, July 1-19; Varian, Aug. 1-14; Zenith, July 1-14. Not shutting down: Fairchild Semiconductor, Industro Transistor, Standard TV Tube Corp.

Components & others: Adler Electronics, July 25-Aug. 7; Aerovox, July 4-17; Amphenol-Borg (cable & wire div.), July 4-17; Blonder-Tongue, July 4-17; Clarostat, July 4-17; Du Mont Labs, July 18-31; Foto-Video, July 25-Aug. 7; General Industries, July 4-10; Mallory, July 18-31; Merit Coil, July 4-17; Muter, June 27-July 10; Oak Mfg., Crystal Lake plant July 4-17, Elkhorn plant Aug. 1-14 (Clybourn plant not closing); Ohmite, July 4-17; Orr Industries, July 4-10; Quam-Nichols, July 4-18; Radio Condenser, July 4-17; United Transformer, July 25-Aug. 7. Not closing: International Resistance, Lenz Electric, Skiatron Electronics & TV, Speer Carbon resistor div., Sprague Electric.

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Labor Roundup: Five RCA plants in N.J. & Pa. were still strike-hobbled at week's end by the July 5 walkout of some 2,500 engineers and the refusal by an undetermined number of non-strikers to cross picket lines (Vol. 16:27 p16). RCA & the Assn. of Professional Engineering Personnel held week-long sessions with the Federal Mediation & Conciliation Service in a fruitless effort to resolve their deadlock over salary increases, layoff procedures, individual merit-review plan, other issues.

GE, which often sets the labor pattern for Westinghouse and other electrical-electronic companies, has notified its 110,000 unionized employes not to expect any "pot of gold" in renegotiation of contracts which expire Oct. 1. GE said it will make an offer that will give the workers "no valid reason from their standpoint" to strike. The company estimated that demands already presented by the IUE could cost an "astronomical" $500 million in 2 years if extended to all unionized personnel. Responding to the proposals of the largest of its more than 100 unions, GE, in an internal publication, stressed the need to curb inflation and strengthen job opportunities in a "highly competitive" business climate. "Obviously, the very existence of thousands of GE jobs would be threatened or lost if we took on [these] staggering cost burdens," the company said. Contract negotiations are due to begin around Aug. 15.

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Two mobile TV-tape-recorder units, with RCA equipment, are being used by the Army Transportation Training Command School at Ft. Eustis, Va., for demonstrations to students on vehicle maintenance.

More about

FM STEREO FIELD TESTS: More than a month of extensive midnight-to-noon field tests of 6 basic FM stereo systems begin this Mon. (July 11) in the hills of western Pa., moving later to mountainous W. Va. (see p. 14).

Manufacturers have provided experimental stereo receivers & station equipment. The NSRC field-test panel has already completed measurements of the characteristics of the equipment. July 11 will be devoted to testing monophonic reception of the stereo receivers—that is, their ability to receive & reproduce a standard, conventional non-stereo FM program.

With testing & measuring equipment set up at the Uniontown Motel, Uniontown, Pa., the panel will begin testing stereo reception of the 6 systems, using special test transmissions from KDKA-FM Pittsburgh, 40 miles away. The schedule for the Uniontown tests: EMI system, July 12-14; Crosby Teletronics, July 15-16; GE, July 17-18; Zenith, July 19-20; Multiplex Development, July 21-22; Calbest, July 23-24.

Then the crew will move to radio WMMN's more distant transmitter site in W.Va. to repeat the tests. A 3rd round will be staged at the more difficult reception area of Fairmont State College. Tests are being conducted from midnight to noon because these are outside of KDKA-FM's regular broadcast hours.

The tests will include measurements at specified frequencies, within the 50-15,000-cycle audio range, of frequency response, channel separation, distortion, signal-to-noise ratio, inter-channel crosstalk. A standard music stereo "test tape" will be played at the station and recorded on tape at each reception point for each system.

Although test results probably won't be filed with FCC until end of October, a description of the tests will be given by panel Chmn. A. Prose Walker at the Western Electronics Show & Convention (WESCON) in Los Angeles Aug. 23-26.

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Illegal advertising allowances have been granted to favored retail customers by Emerson appliance distributors Emerson Radio Associates Inc., Newark, and Jefferson-Travis Inc., N. Y., according to an FTC complaint. Charging violations of the Clayton Act's price-discrimination prohibitions, FTC cited Emerson Radio Associates for alleged 1958 advertising allowances ranging from $19,547 for Davega Stores to $6,100 for Macy's. Jefferson-Travis was cited in particular for reported deals with Chicago's Polk Bros. FTC said Emerson Radio Associates, a franchised distributor, had appliance sales of more than $10 million in 1959. Jefferson-Travis, a wholly-owned Emerson Radio & Phonograph Corp. subsidiary with 4 metropolitan-area branches, topped $13 million in net sales in 1958, according to FTC.

Radio-phono-housewares brokerage firm has been established by Raymond C. Clevens, who resigned July 1 as sales vp of Symphonic Electronic Corp. (Vol. 16:27 p17). Raymond Clevens Associates (47 W. 63 St., N.Y.) plans to fit manufacturers' products to distributors' needs in consumer goods fields by putting together special lines for credit furniture and jewelry stores. It will handle the entire radio output of Datom Industries, Orange, N.J., as well as a special promotionally-priced line of phonos made by Symphonic and an organ line by Roxy Organ Corp., with whose management Clevens is affiliated. The go-between firm will also handle housewares & tape recorders.

Finance

Officers-&-Directors stock transactions are reported to SEC for June:

Allied Artists. Albert Zugsmith bought 3,000, held 153,100.

AB-PT. Edward L. Hyman sold 1,000, held 9,000. James G Riddell sold 280, held 1,700.

Ampex. Robert Sackman exercised option to buy 5,250, held 6,660.

Amphenol-Borg. Byron C. Booth sold 200, held 2,034.

Arvin Industries. Fred E. Daniel sold 1,000, held 6,280.

Audio Devices. C. J. LeBel sold 1,000, held 73,414. Joseph K. McCammon sold 1,400, held 13,806. Ralph Peverley bought 100, held 100.

Belock Instrument. Harry G. Belock sold 500, held 232,946. Stanley R. Grant bought 3,377 and 1,125 more for trust in exercise of rights, held 5,593 personally, 2,250 in trust. Donald C. Walton sold 400, held 19,171 personally, 1,743 for wife.

Collins Radio. Lester E. Bessemer sold 2,900, held 2,989 personally, 352 in trust. Max W. Burrell sold 3,120, held 3,176. Arthur A. Collins sold 200 as trustee, held 82,423 as trustee, 131,288 personally, 221,864 as trust beneficiary, 55,132 for minor children, Robert T. Cox exercised option to buy 2,000, sold 2,042, held 2,000. H. V. Gaskill exercised option to buy 435, sold 200, held 1,368. Frederick F. Robinson sold 500, held 500. L. M. Schoon sold 260, held 260. Sveinn J. Storm exercised option to buy 100, sold 100, held 1,442. John B. Tuthill exercised option to buy 520, sold 500, held 540.

Corning Glass. Frederick H. Knight sold 100, held 3,085. Thomas Waaland sold 1,100, held 3,600.

Daystrom. Lewis E. Minkel sold 500, held none.

Decca Records. Albert A. Garthwaite sold 300, held 3,700.

Desilu Productions. W. Argyle Nelson bought 300, held 9,000.

Electronics Capital. L. J. Rice Jr. bought 1,000, held 3,000.

Emerson. Benjamin Abrams bought 2,800 and 200 more for trusts, held 281,638 personally, 31,213 in trusts, 65,560 in foundations.

General Dynamics. Frederic de Hoffmann sold 407, held 2,023. Andrew I. McKee sold 7,530, held none. Frank Pace Jr. bought 500, held 30,500. Kenneth Stiles sold 200, held 500. Vernon M. Welsh sold 1,800, held 5,200.

GE. F. J. Borch sold 2,600, held 10,719. Ralph J. Cordiner sold 2,400, held 12,090. Robert L. Gibson sold 1,200, held 6,319. George F. Metcalf sold 200, held 2,937 personally, 242 in profit sharing plan. Charles K. Rieger sold 1,000, held 4,825. Willard H. Sahloff sold 1,570, held 5,109.

General Instrument. Henry A. Mulcahy sold 1,700, held 2,828. Fred C. Rummel sold 3,500, held 3,256.

General Transistor. Norman A. Neumann exercised option to buy 1,500, held 1,500.

Indiana General. Henry H. Arnhold sold 1,901, held 16,866. Paul R Doelz sold 1,920 and 680 more from trusts, held 6,923 personally, 6,160 in trusts. Stephen M. Kellen sold 834, held 6,000.

IBM. John J. Black sold 125, held 263. John G. Phillips sold 100, held 14,994.

International Resistance. C. D. Vannoy exercised option to buy 400, held 2,020.

ITT. John T. Jackson exercised option to buy 2,000, held 2,136. C. Douglas Webb sold 800, held 2,799.

Lear. F. D. Beamer exercised option to buy 300, held 378. Albus Durham exercised option to buy 3,500, held 4,622. Richard M. Mock exercised option to buy 3,500, held 14,810. Glen C. Warman exercised option to buy 300, held 381.

Litton Industries. Lewis W. Howard sold 600, held 6,300. Carl A. Spaatz sold 400, held 5,000.

Loral Electronics. William Lorenz sold 5,500, held 107,000.

Magnavox. Richard A. O'Connor sold 200, held 99,931. T. Elwood Reeves exercised option to buy 578, sold 625, held 703.

MGM. Bennett Cerf bought 300, held 800.

Microwave Associates. Joseph C. Bothwell Jr. sold 2,000, held 6,020. Vessarios Chigas sold 2,000, held 15,000. Lawrence Gould sold 400, held 850. Julian Z. Millar sold 300, held none. Julian Pathe sold 800, held 2,000. Richard M. Walker sold 2,408, held 37,860.

Minneapolis Honeywell. James H. Binger bought 400 for trust, held 400 in trust, 9,228 personally. Richard P. Brown sold 400, held 61,527. Finn J. Larsen exercised option to buy 100, held 300. P. B. Wishart exercised option to buy 200, held 6,460.

Minnesota Mining & Manufacturing. Carl E. Barnes bought & sold 1,500, held 10. Cyril P. Pesek sold 1,000, held 6,063. George W. S. Swenson sold 1,500, held 14,694.

NAFI. George L. Coleman transferred 500 to trusts, sold 1,000, held none in trusts, 11,476 personally, 149,386 in Nafco Inc.

Pentron Electronics. Marshall Petros sold 200, held 10,230. Irving Rossman sold 3,000, held 130,852. Theodore Rossman sold 3,000, held 122,334 personally, 12,519 in trusts.

RCA. Martin F. Bennett sold 128, held 1,330. Charles M. Odorizzi sold 1,850, held 9,007.

Raytheon. Stuart D. Cowan bought 100, held 100. Dean S. Edmonds received 39,059 in exchange for interim certificates, held 38,500.

Reeves Soundcraft. Dolores J. Russell sold 300, held 896.

Television Industries. Erwin H. Ezzes bought 400 as trustee, held 400 as trustee, 800 personally.

Texas Instruments. E. O. Vetter sold 610, held 6,777.

Thompson Ramo Wooldridge. Harold L. George sold 2,000, held 31,935. Burton F. Miller sold 100, held 3,657 personally, 8,700 in trust.

Trans-Lux. Jay Emanuel bought 300, held 13,300.

20th Century-Fox. Francis T. Kelly sold 200, held 1,050.

Varian Associates. Emery H. Rogers sold 900, held 3,000. H. Myrl Stearns sold 100, held 28,268 personally, 3,800 as trustee, 20 in joint tenancy. Sigurd F. Varian sold 1,800 from community property, held 77,248 in community property, none personally.

Westinghouse. John H. Chiles Jr. sold 918, held 96. W. O. Lippman sold 1,342, held 2,000. Dale McFeatters sold 600, held 600.

Zenith. James E. Anderson exercised option to buy 900, held 1,350. Nathan W. Aram exercised option to buy 200, held 275. Alexander Ellett exercised option to buy 420, held 520. Albert J. Franczak exercised option to buy 230, held 240. Karl E. Hassel exercised option to buy 300, held 900. Clifford J. Hunt exercised option to buy 600, held 600. Clarence E. Isgrig sold 120, held none. John Kuhajek exercised option to buy 150, held 450. Donald MacGregor exercised option to buy 900, held 2,100. John A. Miguel Jr. exercised option to buy 300, held 300.

TV-Radio-Electronics Rankings Among 1959's 500 Largest U.S. Industrial Corporations

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RANK '59	RANK '58	COMPANY	SALES[1] ($000)	ASSETS[2] ($000)	ASSETS[2] RANK '59	ASSETS[2] RANK '58	NET PROFITS[3] ($000)	NET PROFITS[3] RANK '59	NET PROFITS[3] RANK '58	CAPITAL[4] ($000)	CAPITAL[4] RANK '59	CAPITAL[4] RANK '58	EMPLOYES[5]	EMPLOYES[5] RANK
4	4	General Electric	4,349,509	2,561,493	11	11	280,242	7	8	1,457,687	12	12	246,840	2
11	10	Western Electric	2,314,874	1,474,821	19	20	102,188	18	17	927,614	17	16	127,913	8
15	13	Westinghouse Electric	1,910,730	1,498,128	17	17	85,947	20	20	924,321	18	18	112,737	9
17	20	General Dynamics[6]	1,811,871	861,294	34	54	31,056	74	51	329,739	70	81	103,600†	10
24	29	Radio Corp. of Amer.	1,388,412	811,208	44	43	40,142	60	67	322,953	72	71	86,000	16
27	28	Int'l Business Mach.	1,309,788	1,466,122	20	18	145,633	13	11	843,520	21	23	65,646†	22
34	•	Gen. Telephone & Elec.[7]	1,081,056	1,820,826	13		72,253	26		863,138	20		85,901†	17
42	44	Sperry Rand	989,602	778,475	51	46	27,644	94	74	345,807	67	63	98,250	13
52	49	Int'l Tel. & Tel.	765,640	932,269	31	30	29,036	85	77	415,088	54	52	136,000†	6
62	58	Bendix	683,798	384,669	95	98	27,404	97	98	231,464	100	97	51,775†	34
64	84	General Tire & Rubber	676,942	339,804	106	115	26,624	99	158	146,061	147	179	39,287†	49
86	110	Minnesota Mining & Mfg.	500,676	378,876	98	109	63,565	28	39	275,241	90	93	25,250†	85
90	111	Raytheon	494,278	206,237	167	226	13,481[8]	185	193	80,212	256	304	41,371†	44
103	97	Whirlpool	430,497	230,111	149	155	20,482	131	174	121,502	179	188	13,494	154
109	124	Thompson Ramo Wool.	417,749	237,800	145	156	9,744	229	204	115,921	188	184	27,451	73
122	123	Philco	384,155	204,759	169	175	7,176	288	387	108,057	202	194	24,000	90
123	129	Minn. Honeywell Reg.	381,409	292,039	122	124	29,399	84	91	187,225	115	117	36,216†	56
127	142	Burroughs	358,119	325,772	112	108	7,110[9]	292	269	122,544	178	166	37,251†	54
146	174	Textron	308,202	218,713	162	171	16,643	151	165	116,802	186	207	21,000	100
148	144	Avco	306,048	187,553	183	174	9,588	231	154	106,077	205	201	19,500	109
158	193	Motorola	289,529	149,764	230	240	14,171	175	240	83,338	249	267	14,000	147
177	172	Time Inc.	271,373	218,830	161	142	9,004	248	210	92,664	227	217	5,650	358
194	221	Zenith Radio	239,818*	129,546	252	268	16,630	152	151	79,604	261	269	10,000	225
212	241	Gen'l Precision Equip.	215,588	146,355	235	235	4,198	384	478	66,253	304	309	16,600	122
221	254	Corning Glass Works	204,887	168,076	211	196	24,336	111	120	124,987	175	183	14,800	137
234	366	Texas Instruments	193,213	105,994	290	429	14,143	176	279	56,728	340	459	13,000	165
244	252	Admiral	187,252*	111,115	280	282	4,108	388	454	63,911	314	307	9,000	242
252	140	ACF Industries	178,726	167,312	214	204	1,714	464	225	118,677	182	169	12,886†	167
322	395	Litton Industries	125,526	83,254	352	418	5,975	325	351	34,547	442	452	12,400†	178
333	309	American Bosch Arma	119,814	60,980	429	387	3,533	410	306	30,191	456	447	8,257†	267
336	318	I-T-E Circuit Breaker	118,501	79,378	366	360	2,748	434	343	46,479	381	358	8,622	254
337	324	Collins Radio	117,864	93,374	324	365	3,719	403	466	29,496	459	461	9,300	237
347	369	Stewart-Warner	114,309	80,403	360	366	7,884	274	298	56,004	343	336	7,762	287
394	456	Times-Mirror	96,259	75,307	377	445	4,800	366	413	44,166	400	440	4,287†	419
409	397	Magnavox	90,624	53,118	456	451	3,361	416	402	25,340	474	467	5,250	376
431	487	Lear	87,002	51,514	465	481	2,407	447	447	17,596	492	492	5,935†	350
432	•	Cons. Electronics Ind.	86,898	77,738	371		5,031	354		49,604	364		5,000	383
435	459	Mallory (P.R.)	86,504	57,606	437	423	4,339	380	390	34,240	444	437	5,678	356
443	489	Clevite	84,651	70,339	400	404	6,494	311	376	48,118	370	380	6,523	325
472	438	Siegler	77,074	40,956	489	479	2,203	450	462	20,535	486	482	3,500	452
475	401	Daystrom	76,640	50,501	470	432	564	487	414	29,765	457	446	6,152	335
489	454	Standard Coil Prod.	73,765	31,556	494	486	1,523	468	475	16,711	493	495	7,950	280
495	•	Tung-Sol Electric	72,345	48,269	476		2,713	435		32,122	451		7,321	300

Note: A bullet (•) in the 1958 sales rank column indicates that company was not in the 1958 list.

*Does not include excise taxes.

[1]Net sales, including service & rental revenues for companies that derive at least 50% of their revenue from manufacturing or mining, for fiscal years ending not later than Jan. 3, 1960. Sales of consolidated subsidiaries included; excise taxes collected by the manufacturer not included. [2]Total assets employed in business net of depreciation & depletion, but including govt. securities offset against tax liabilities. [3]Including special charges or credits; non-recurring items of a non-operating nature are footnoted when they are 10% of total profit or loss. Figures in parentheses are losses. [4]Capital & surplus (i.e., net worth). [5]Average employment for year unless followed by dagger (†), in which case year end. [6]Includes 1959 sales of Material Service (1958 rank: 313), which was merged into General Dynamics on Dec. 31, 1959. [7] Name changed March 5, 1959, from General Telephone (in previous years on *Fortune*'s list of the 50 largest utilities); includes 1959 sales of Sylvania Electric Products (1958 rank: 126), which was merged into General Telephone in March 1959. [8]Includes special credit of $3 million. [9]Includes special charge of $3,635,802.

FORTUNE'S '500': "Last year was the best ever for the 500 largest U.S. industrials"—including 43 in electronics & related fields—concludes July *Fortune* in its 6th annual study of boom at the top (see table).

It was a particularly upbeat year for the TV-radio-electronics-appliance manufacturers. They placed 3 of 12 newcomers to the list (GT&E, Consolidated Electronics Industries, Tung-Sol), lost only Sylvania (through merger with GT&E) among 26 firms displaced from 1958's 500 list (Vol. 15:28 p18), and racked up these 1959-over-1958 median gains: Profit up 44.4%, sales 16.7%; return on invested capital 11.6% (from 9.7% in 1958); return on sales 4.4% (from 3.5%). Consolidated Electronics Industries (expanded last year through consolidation of several Philips companies) led U.S. industrials in sales gains with a 215.8% rise; Texas Instruments was 7th best with a 110.1% gain. Conversely, ACF Industries had greatest decline, down 39.4%.

The top 500 industrials had a banner year: Sales climbed 11.6% to $197.4 billion. Profits rose 25.1% to $12 billion. The median return on invested capital gained to 10.3% from 8.9%; return on sales up to 4.9% from 4.2%.

General Motors continued as the nation's largest corporation, with sales of $11.2 billion, profits of $873.1 million. In 2nd & 3rd places were Standard Oil of N.J. & Ford Motor. GE repeated 1958's 4th-place performance.

Note: *Fortune's* annual list of 100 largest foreign industrial companies will be published in the August issue, along with compilations of 50 biggest banks and merchandising, transportation, life insurance and utility companies. Combined reprints of all lists will be available after Aug. 15 from Fortune Directory, Room 2063, Time & Life Building, Rockefeller Center, N.Y. 20.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Corning Glass	1960—24 wks. to Jun. 19	$99,409,650	$22,871,269	$12,353,269[3]	$1.81[1]	6,754,000
	1959—24 wks. to Jun. 19	87,814,256	23,007,538	11,765,538	1.73[1]	6,722,052
General Electronic Labs	1959—year to Dec. 31	1,907,781	—	44,523	.14	317,800
	1958—year to Dec. 31	1,638,386	—	27,456	.09	300,000
MGM Story below.	1960—40 wks. to Jun. 9	97,000,000[5]	—	7,317,000[4]	2.92	2,505,100
	1959—40 wks. to Jun. 9	101,000,000[5]	—	6,157,000	2.31	2,668,388
Muntz TV Story below.	1960—9 mo. to May 31	8,026,595	—	838,056	.70[1]	1,165,376
	1959—9 mo. to May 31	5,091,239	—	316,556	.27	1,115,376
Republic Corp. Story below.	1960—6 mo. to Apr. 30	14,016,422	2,253,077	1,003,077	.40[1]	2,004,190
	1959—6 mo. to Apr. 30	13,172,995	1,148,137	532,137	.16[1]	2,004,190
Stanley Warner (WAST Albany)	1960—39 wks. to May 28	95,320,896	—	2,530,260	1.25	—
	1959—39 wks. to May 28	92,869,840	—	3,591,330	1.77	—
	1960—13 wks. to May 28	31,799,378	—	454,347	.22	—
	1959—13 wks. to May 28	30,938,598	—	1,337,598	.66	—
Transvl Electronics	1960—6 mo. to May 31	1,658,399	81,612	44,673	.06	750,000
	1959[2]	—	—	—	—	—

Notes: [1]After pfd. dividends. [2]Privately owned, comparison figures unavailable. [3]Excludes non-recurring capital loss of $2,308,132 resulting from sale of investments. [4]Twelve-year high. [5]Approximate.

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, July 7, 1960

Electronics TV-Radio-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	27½	30⅞
Aerovox	12⅝	13¾
Allied Radio	21	22½
Astron Corp	2⅜	2⅞
Baird Atomic	37½	40⅛
British Industries	14½	16¼
CGS Labs	11½	14¼
Control Data Corp.	46½	49⅞
Cook Elec.	15½	17
Craig Systems	20	21¾
Dictaphone	42¼	45⅜
Digitronics	25½	27¾
Eastern Ind.	13⅞	15
Eitel-McCullough	26¼	28½
Elco Corp.	22	24⅛
Electro Instruments	50½	54¾
Electro-Voice	13⅞	14½
Electronic Assistance	24	26¼
Electronic Associates	24¼	25⅞
Erie Resistor	9¾	10⅜
Executone	33½	36⅛
Farrington Mfg.	40	43
Fischer & Porter	14½	15¾
FXR	53	57½
General Devices	20¾	22¾
G-L Electronics	9¾	11¼
Granco Products	6	6¾
Gross Telecasting	19¼	21
Haydu	⅛	5/16
Hewlett-Packard	77½	82¼
High Voltage Eng.	132	142
Infrared Industries	22	25⅛
Interstate Engineering	27½	29⅝
Itek	65	69½
Jerrold	10⅞	11⅝
Lab for Electronics	49	52½
Leeds & Northrup	42	45⅛
Lel Inc.	5⅜	6¼
LFE Inc.	10	12⅝
Ling Altec Electr.	27	29⅛
Magna Theater	2⅞	3-7/16
Magnetics, Inc.	11¾	13⅜
Maxson (W.L.)	10⅝	11⅝
Meredith Pub.	39	43
Metropolitan Bcstg.	14¾	16¼
Milgo Electronics	20	23⅛
MPO Videotronics	7⅝	8⅝
Narda Microwave	7	7⅞
Narda Ultrasonic	6¼	7⅛
National Co.	21½	23¼
Nuclear of Chicago	36½	39⅜
Official Films	1-7/16	1-11/16
Pacific Automation	8	9⅛
Pacific Mercury	10¼	11⅛
Perkin-Elmer	42½	46⅝
Philips Lamp	156¼	162
Pyramid Electric	2¾	3-3/16
Radiation Inc.	23	25⅛
Howard W. Sams	48½	51⅝
Sanders Associates	51½	56
Silicon Transistor	8	9⅛
Soroban Engineering	27	29⅛
Soundscriber	14½	15¾
Speer Carbon	20¼	22
Sprague Electric	62	65½
Taft Bcstg.	12½	13⅜
Taylor Instrument	80	85¾
Technology Inst.	13¼	14¾
Tele-Broadcasters	1¼	1¾
Telechrome	12	13⅜
Telecomputing	9⅜	10¼
Telemeter	18½	20½
Time Inc.	60¾	64¼
Tracerlab	11¼	12⅝
United Artists	7½	8¼
United Control	30½	32¾
Universal Trans.	1⅞	2⅜
Vitro	13⅝	14⅝
Vocaline	4½	5
Wells-Gardner	16	17⅜
Wometco Enterprises	12⅛	13¼

Telectro Industries (symbol: TIC) and Electronics Assistance Corp. (EAC) were listed for trading on the American Stock Exchange last week.

Republic Corp. (formerly Republic Pictures) nearly doubled profits on a strong rise in revenue in the 6 months ended April 30 (see financial table). Chmn.-Pres. Victor M. Carter forecast that earnings for the fiscal year ending Oct. 31 would equal 80¢-$1 a share vs. 24¢ in fiscal 1959. "And we expect earnings to rise to between $1 & $1.25 a share next year," he added. He attributed the increased income to "more efficient operation," said the company has saved $300,000 since last summer by eliminating unnecessary executives, described Republic's plastics operation as the most promising area of growth. He noted that the firm's TV feature film contracts exceed $4 million.

MGM profits climbed 18.8% to a 12-year high of $7,317,000 in the 40 weeks to June 9, despite a strike-induced drop of about $4 million in gross revenue from approximately $101 million in the year-ago period (see financial table). The profit slack was taken up by other divisions, Pres. Joseph R. Vogel said, adding that film rentals to TV represented a prominent profit producer. Although TV rentals accounted for only 10% of MGM total revenue, they produced 40% of total profits, he pointed out. He predicted that the 1960 fiscal year, ending Aug. 31, will show a 30% profit gain over the preceding fiscal (to more than $3.75 a share from $2.91), said MGM in 1961 should "make more money than any other film company ever made."

Muntz TV increased profit more than 2½ times on a 58% sales increase in the 9 months ended May 31 (see financial table). The net earnings rose to 10.44% of net sales vs. 6.22% a year ago. In the 9-month period, Muntz sold a total of 65,715 TV & stereo sets, compared with 45,899 units in the year-ago period. The breakdown: 63,225 TVs (vs. 42,962), 2,490 stereos (2,937).

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
A. C. Nielsen Co.	Q	.25	Aug. 1	Jul. 11
A. C. Nielsen Co.	Extra	.50	Aug. 1	Jul. 11
Howard W. Sams	—	.15	Jul. 25	Jul. 11
Republic Corp.	Q	.15	Aug. 15	Aug. 5

BACKGROUND
No. 8

BROADCASTING'S ORGANIZATIONS — Their Various Functions

July, 1960

ORGANIZATION	PURPOSE	WHO'S ELIGIBLE	NO. OF MEMBERS	DUES
Assn. of Independent Metropolitan Stations (AIMS)	Develop better image of independent radio.	Major-market radio independents which are non-competitive with others in AIMS.	26	$60, annually.
Assn. of Maximum Service Telecasters Inc. (MST)	Assist FCC & industry in assuring maximum TV service to public.	TV stations operating at maximum effective radiated power permitted by FCC.	142	4 times highest ¼-hr. rate, quarterly.
Broadcasters Club (Washington)	Promote better understanding of industry problems.	Executive or professional employes in broadcasting or related business.	150 resident 300 non-resident	Resident: $100 ($250 initiation), annually Non-resident: $50 ($50 initiation), annually.
Broadcast Pioneers	Exchange industry information & historical data.	Anybody with 20 years' direct association with industry.	1,200	$10 ($5 initiating lapel insignia), annually.
Clear Channel Broadcasting Service (CCBS)	Preservation of Class 1-A AM frequencies; authorization for higher power.	Non-network licensees of Class 1A clear-channel AM stations.	12	Assessments, as needed.
Community Broadcasters Assn. Inc.	Obtain 1,000 watts day & night for Class IV radio licensees.	Licensees of Class IV 250-watt radio stations.	100	$100, annually.
Daytime Broadcasters Assn.	Extend winter hours of operation by daytime radio stations.	Daytime AM stations.	235	$25, annually.
FM Broadcasters	Protect FM portion of spectrum.	FM licensees	59	$100 initial contribution.
Institute for Education by TV-Radio (Ohio State U.)	Promote educational programming through annual conferences on broadcasting techniques.	All interested in education by TV & radio.	600 (average enrollment)	$10 registration.
Joint Council on Educational Television (JCET)	Preserve ETV channels & promote utilization.	Professional educational organizations.	10	Foundation-financed.
National Assn. of Broadcasters (NAB)	Foster & promote broadcasting in all its forms; protect members from "injustices & unjust exactions."	TV & radio stations, networks, CP holders (active); individuals & firms in broadcasting-connected business & professions (associate).	363 TV 2,182 radio 106 associate	TV: 20% of highest one-time hourly rate, monthly. Radio: $10.50-$420 in class-&-revenue scale, monthly. Associate: $250-$1,250 in gross sales scale, annually.
National Assn. of Educational Broadcasters (NAEB)	Promote educational broadcasting.	Institutions, organizations, individuals & firms engaged in activities related to Instructional TV & radio.	22 TV 136 radio 770 others	TV: $75-$150 in class scale, annually. Radio: $25-$100 in class scale, annually. Others: $7.50-$500, annually.
National Community Television Assn. Inc. (NCTA)	Assist CATV operators.	CATV systems (regular); CATV manufacturers & suppliers, others interested (associate).	400 regular 24 associate	Regular: 3½¢ per subscriber, monthly. Associate: $500, annually.
National Educational Television & Radio Center (NET)	Promote educational TV & radio for general welfare.	ETV stations.	46	$7,000-$15,000 as ETV network affiliation fee in sliding scale, annually.
Quality Radio Group	Advance quality programming, promotion, advertising.	Radio stations, by invitation.	19	Assessments, as needed.
Radio Advertising Bureau Inc. (RAB)	Promote & sell radio as advertising medium.	Radio stations, networks, reps.	1,188	Highest daytime hourly rate or 7 times one-time one-min. rate, monthly.
Radio Allocations Study Organization (RASO)	Oppose increased power (above 50 kw) for clear-channel stations.	All radio stations.	130	Assessments, as needed.
Society of Television Pioneers Inc.	Preserve history & traditions of early-day TV.	TV executives in ownership & management prior to FCC's July 1952 "freeze"; present executives active in industry for 10 years.	210	$10 (initiation purchase of pin & plaque), annually.
Television Allocations Study Organization (TASO)	Develop technical data on present & potential vhf & uhf service.	Organizations by invitation.	4	Assessments, as needed.
Television Bureau of Advertising (TvB)	Promote TV as advertising medium.	TV stations, networks, reps.	262	Stations: highest non-network ¼-hr. rate, monthly. Networks: $10,000, annually. Reps: 6% of aggregate ¼-hr. rate of clients, monthly.
Television Information Office (TIO)	Create 2-way informational bridge between TV industry & public.	TV stations, networks, NAB.	150	Highest ¼-hr. one-time rate, quarterly.

JUL 18 1960

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

WITH THIS ISSUE: January-June 1960 Index to Television Digest Newsletters

FCC

ROUGH MIAMI & BOSTON "influence" decisions handed out by FCC which gives Miami Ch. 10 to L. B. Wilson Inc., throws Boston Ch. 5 open for another battle among 4 original applicants (p. 1). **KING IN AT FCC** after White House rechecks law, decides recess appointments can be made immediately. Justice Dept.'s Bicks also in (p. 3).

FCC'S WATCHDOG DIV. assignments described, include investigations in depth, recommendations to FCC on methods to foster broadcasters' "responsibility" (p. 6).

ON PATROL WITH FCC'S M-SQUAD: Monitoring files reveal cases of man who spied on wife, glue-dryer which messed up air, shrimper who fouled distress signals (p. 7).

Auxiliary Services

WHO'S WHO & WHAT'S WHAT IN PAY TV—Telemeter, Zenith-RKO General, TelePrompTer, Skiatron, Teleglobe—shown in chart listing systems & current status (pp. 3 & 10).

Film & Tape

POST 1948s ARE HOT in TV market. Action reported at 20th Century-Fox, Screen Gems, Warner Bros. (p. 7).

Technology

OUT-OF-THIS-WORLD TV projected for satellite communications systems by Bell System & others as FCC ponders allocation problems in space age (p. 4).

Consumer Electronics

RHUBARB OVER REVERB has dealers & manufacturers choosing sides at Music Show, but even those who oppose it concede they'll have to add it (pp. 13 & 16).

TV's MUSIC SWEETER than stereo's cash-register tunes, dealers agree at Music Show. Furniture approach still dominates. New TV names and more imports crop up (p. 14).

TOP 100 DEFENSE FIRMS, as released by Pentagon, shows General Dynamics in first place, 31 other prominent electronics companies on honor roll (p. 17).

Conventions

CONVENTION COVERAGE a triumph for broadcast media (p. 5). Democrats pledge govt. agency reform. "Payola & quiz scandals" and "sadistic violence" on TV also scored (p. 6).

Stations

LAZARUS LAYS IT ON LINE. Stinging speech by Columbia Pictures vp warns newspapers that movies may switch ad budgets to TV-radio; cites survey showing TV gets more editorial space than movies (pp. 3 & 11).

Other Departments

NETWORKS (p. 11). **PERSONALS** (p. 12). **ADVERTISING** (p. 13). **FINANCE** (p. 18). **FOREIGN** (p. 20). **EDUCATIONAL TV** (p. 20).

ROUGH MIAMI & BOSTON 'INFLUENCE' DECISIONS: Never was the "new broom" attitude of FCC, under new Chmn. Ford, more evident than last week—when it adopted tough decisions in Miami Ch. 10 & Boston Ch. 5 "influence" cases, rejecting soft recommendations of examiner Judge Horace Stern. Here's what FCC did:

(1) Took Ch. 10 (WPST-TV) from National Airlines' Public Service TV Inc.; gave it to L. B. Wilson Inc. "by default," completely throwing out Public and other 2 competitors—WKAT Inc. & North Dade Video Co.

(2) Took Ch. 5 (WHDH-TV) from WHDH Inc. (Herald-Traveler), strongly criticized WHDH Inc. & Mass. Bay Telecasters—but gave both another crack at the channel (under handicaps however) along with competitors Greater Boston TV Corp. & Allen B. Du Mont Labs.

WPST-TV was given mere 2 months to get off Ch. 10, and—most unusual—L. B. Wilson was granted the channel for only 4 months instead of customary 3 years. Presumably, Wilson can't build new facilities within 2 months, so it's expected it will seek to make deal to take over WPST-TV facilities. If deal isn't made, FCC probably will give WPST-TV an extension.

Vote was 3-1 on Miami, 5-0 on Boston. Comr. Craven participated in neither because engineering firm to which he belonged before joining Commission was consultant to applicants involved. Bartley didn't act in Miami case because he hadn't heard oral argument. Comr. Lee dissented on Miami.

Everyone was puzzled immediately about grant of only 4 months to L. B. Wilson, and decision sheds little light. It says only this: "The Commission is, however, aware and has considered that the peculiar circumstances of this matter have resulted in a type of award by default. Consequently the license period contemplated herein will be for 4 months subsequent to construction, rather than for the 3-year period which has been customary."

We talked to well-informed source at Commission who elaborated, unofficially of course, as follows:

(1) Public interest requires that Ch. 10 service continue without interruption. (2) National Airlines is absolutely disqualified, so we couldn't give it temporary authority to operate while a new grantee is selected. (3) We couldn't set up a trusteeship or the like to operate the station. (4) L. B. Wilson is qualified & available.

Then he got to the guts of it: The law & FCC rules say that anyone can apply for a facility when a license renewal is up. We hereby emphasize that fact. Everyone knows that if a man operates for 3 years his renewal is virtually automatic and a competitor hasn't a chance.

The clear implication, therefore, is that new applicants are welcome when Wilson's renewal is due.

Miami decision was mere 3 pages, had this tosay about the disqualified applicants: "None of them was satisfied to be judged upon the record made in open hearing through the processes of adjudication specified by statute and grounded upon the principles of judicial fair play; each of them sought to influence the results by factors unrelated to the merits of the case and not a part of the hearing record. Willingness thus to pervert the process of administrative adjudication is convincing proof that the requisite character qualifications are lacking."

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Examiner Stern would have kept National Airlines and WKAT in the game but with big black marks against them (Vol. 14:49 p2). He wouldn't have handicapped North Dade, saying that activities on its behalf by ex-Comr. Robert F. Jones were "apparently not ill-intentioned." FCC disagreed last week, concluding that Jones was hired to apply "some form of political & extrajudicatory pressure."

In his dissent, Lee said he would adopt examiner Stern's recommendations—ordering all applicants to file briefs, holding oral argument and picking a winner, letting WPST-TV continue operating meanwhile.

Boston case is different, FCC decided. WHDH-TV principal Robert Choate, it said, "demonstrated an attempted pattern of influence" in lunches with former Chmn. McConnaughey. However, it went on, "Mr. Choate is not guilty of offering any material inducement to influence the outcome of the proceeding or of actually arguing the merits of the case ex parte, but rather of attempting to establish a personal relationship with a member of the Commission with the hope of creating a favorable bias in that gentleman's mind which might be calculated to operate in favor of WHDH in the event of a close decision and of attempting to present to a member of the Commission ex parte a legal brief on a matter so intimately concerned with the then pending hearing that he must have been aware of the applicability of the general problem discussed therein to the specific issue at stake in the Boston hearing." This is bad, FCC said, but not absolutely disqualifying. Commission observed that McConnaughey had refused to accept the proffered "legal brief," which dealt with 1956 Harris-Beamer House bills revamping FCC's policy of encouraging ownership diversification in media.

Commission said Mass. Bay principal Forrester A. Clark was guilty of similar attempt in his lunch with McConnaughey. "We cannot lend full credence to his statement," FCC said, "that he only sought to offset rumored 'political activity' by other applicants, for if he believed such rumors and believed that the Commission could actually be influenced by such activity, he could not seriously have believed that his mild protest at a social luncheon would have altered the course of events."

So Commission cancelled WHDH-TV's grant, but gave it special temporary authority to operate. Meanwhile, FCC invited all 4 applicants to submit briefs within 60 days, each telling why it's superior to competitors. After that, oral argument will be held and a winner picked.

Examiner Stern would have left WHDH-TV grant undisturbed (Vol. 15:39 p1). He concluded that some principals may have "stepped somewhat out of bounds"—but nothing serious.

Only one of the Miami parties commented on FCC's decision—attorney for North Dade who said, referring to Commission's evaluation of Jones's activities: "This is the first time in history that a judicial or quasi-judicial body has said 'we don't know what was done but we're going to hold the applicant responsible for it.'" He said he'd petition for reconsideration, appeal to courts if denied a rehearing.

Attorneys for all Boston applicants expressed assurance they'll win the next round. Said WHDH-TV's Choate: "I am convinced that in any further comparative evaluation, WHDH will be the best qualified applicant. Our record of operation proves that."

Now for more litigation—with an eye on the fact that there will be a new President next Jan., a new FCC Commissioner, and perhaps a new FCC Chairman.

WHO'S WHO & WHAT'S WHAT IN PAY TV: Promotion of pay TV is in ferment again—what with Telemeter's going Canadian project, TelePrompTer's CATV experiments, Hartford plans by Zenith & RKO General (Vol. 16:26), etc., including reports & rumors. We've tried to distill hard-fact developments from this ferment for quick run-down chart showing main companies involved, types of pay-TV systems, current status of promotion. It's on p. 10.

RKO-Zenith and anti-pay forces are girding for a battle, meanwhile, as former pushes for quick approval, latter for delay. When Hartford application was filed, RKO asked Commission for en banc hearing before Commissioners—which is customarily quick. Last week, exhibitor-sponsored Joint Committee Against Toll TV and Conn. Committee Against Pay TV asked FCC to designate Hartford application for "full evidentiary hearing before an examiner"—always a long affair.

All kinds of legal razzmatazz are involved, and best lawyers at Commission can't yet foresee all possibilities. For example, would an en banc hearing & decision immunize RKO from protests? Can anti-pay forces get courts to block Hartford start, if FCC-authorized? Etc., etc.

Exhibitor groups urged FCC to "do everything within its power to encourage the widest possible participation of interested parties in the hearing. A hearing before the Commission en banc would have exactly the opposite effect." Anti-pay camp wants FCC to hear witnesses for labor, veterans, women groups —the works.

Commission isn't exactly blind to the pulling-&-hauling. Even though staff hasn't yet presented them with analysis of RKO application, Commissioners, examining fall workload last week, tentatively set aside several days in mid-Sept. for pay-TV discussion or hearings.

KING IN AT FCC AFTER WHITE HOUSE RECHECKS LAW: Administration lawyers have changed their minds, have decided that FCC nominee Charles King & other agency nominees may indeed get recess appointments right now—won't have to wait until Congress leaves after its Aug. session (Vol. 16:27 p2).

King will take oath this week, therefore, after coming to Washington July 18, will be sworn in by Chmn. Ford. How long he'll serve is up to political fates. If Kennedy wins, King may be out in Jan. If Nixon wins, he could serve until term expires June 30, 1961—then perhaps get full 7-year re-appointment.

He goes to work immediately, at any rate, will return to Detroit to clean up affairs when Commission takes off for August vacation. He sounds eager to dig into some of FCC's big chores.

Another recess appointment of significance to broadcasters is that of Robert A. Bicks, who is in as Asst. Attorney General in charge of anti-trust matters.

LAZARUS LAYS IT ON LINE: Not-so-veiled threat—along with a complaint about the amount of editorial space devoted to TV—was tossed at Newspaper Advertising Executives Assn. meeting in San Franciso July 12. Speaker was leading movie adman, Columbia Pictures vp Paul N. Lazarus Jr. Gist of his beef: Newspapers charge movies a high amusement-page ad rate, get more business from movies than TV, yet give TV a better break editorially. Lazarus was armed with survey figures (see p. 11) in a candid, bitter speech, pulled few punches. "We are sound, stable, publicly-held stock corporations who can and do pay our bills promptly," he said. "Yet, on an average, local amusement rates run about 25% higher than local retail rates. Why this discriminatory rate structure?"

Threat of heavy TV-radio ad usage by movies is the Damocletian sword held over heads of print media executives by Lazarus. During Dec.-1958 N.Y. newspaper strike, Columbia broke box-office records with a TV-radio-sold picture. "Certain pictures cry for radio & TV coverage. They're going to get it even if newspaper schedules have to suffer." Movie budget on which newspapers could virtually bank, Lazarus snapped, are "a thing of the past."

A $35-million ad kitty is at stake, Lazarus warned. The 8 movie majors currently spend some $22 million in co-op newspaper ads (in a cost split with local theaters). There's also $500,000 annually in national newspaper advertising (no cost split), plus $12 million in local-level theater advertising.

Much of this will be lost to newspapers, Lazarus indicated, unless they get on the ball to correct long-standing situation. Movie firms want, he said: (1) A better deal on ad rates. (2) Well-balanced movie pages with lots of Hollywood features, news, reviews and "no outside ads." (3) No censorship of movie ads. (4) More cooperation of newspaper editorial staffs with movie drum-beaters—certainly more than with TV.

OUT-OF-THIS-WORLD TV: Bewildering—but breathtaking—data on potentials of space-age TV & other earth-satellite communications systems poured in on FCC last week in comments on re-opening of its spectrum-allocation proceeding dealing with 890 mc & above (Vol. 16:21 p6).

Wonderful universe of electronics was charted in technical treatises on space-communications subject, which FCC prosaically labeled Docket 11866. Teams of mathematicians & astral physicists could keep busy for long time just analyzing data to prove or disprove conclusions in comments. But Commission proposed to run through oral testimony in its reopened microwave case in all-day hearing July 18. Witnesses representing half-dozen companies & organizations asked for appearances, and AT&T is scheduled to lead off into wide electronic yonder.

Up-in-sky-&-down-to-earth prospects outlined in written testimony, submitted by AT&T's Bell System, envisaged worldwide communications via 50 satellites at height of 3,000 miles in random polar orbits. If about 26 transmitter-receiver stations were spotted in pairs around earth, there'd be enough ground terminals for telephone service anywhere, said Bell Labs' asst. chief engineer Charles M. Mapes. And equipment could be readily adapted for transoceanic TV channels. Total estimated installation cost for telephone-&-TV system (Bell to share expenses with foreign operators): $170 million including satellite-launching, rockets, etc.

Such space communications are "absolutely necessary" to fill future needs of world, Mapes said, reporting on Bell's "extensive program of experimental research [to bring reality to plan] as early as possible." He told FCC that Bell hoped to be ready for active satellite system just as soon as developmental work "gives assurance of reasonable technical & economic success."

High enthusiasm for outlook in space was displayed in most other comments, too. They were filed by such outfits as EIA, RCA, General Telephone & Electronics, Western Union, American Rocket Society, OCDM, Motorola, M. I. T., Space Science Board of National Academy of Science, Collins Radio, Associated Police Communications Officers, Lockheed, Aeronautical Flight Test Radio Coordinating Council.

There was sharp technical disagreement on whether satellite systems can share frequencies with point-to-point microwave systems on earth's surface. Principal adversaries on this point were Bell & EIA.

"Satellite-system ground receivers can operate only if they are well beyond the horizon from any microwave transmitters operating on the same frequency," argued Bell Labs Pres. Dr. James B. Fisk. "This makes it impractical for satellite systems to share frequencies with ground microwave systems. In satellite communications, a transmitter or receiver terminal could use the same frequencies simultaneously in connection with satellites in different parts of the sky."

Not so, said EIA: "Based on the feasibility of co-channel sharing between satellite communications & conventional surface point-to-point systems, it is not necessary for separate allocations to be made for this new use of the spectrum."

Excerpts from other comments to FCC: RCA & RCA Communications—"Initial systems for trial commercial usage might be implemented by 1965. Extensive national & international systems might be implemented by 1970." General Telephone & Electronics—"Absolute minimum frequency assignment for earth-space-earth should provide for one high quality TV channel in each direction." OCDM—"In view of the national importance of spectrum allocation for space communication, we believe it is highly desirable to coordinate govt. & non-govt. needs." Motorola—Endorses EIA statement.

Conventions

BROADCASTING'S CONVENTION TRIUMPH: Most newspapermen attending the Democratic Convention in Los Angeles would rather not have admitted it, but broadcast journalists—network, station-group and individual station newsmen—were setting the news pace at the political event last week. Old-line journalists found themselves, as one writer put it, "in the deuce spot," with key political figures saving their juiciest news & press conferences for right network exposure.

It wasn't of course, that TV was busy putting print news media out of work entirely. But the parade of news beats, hot tips and smoke-filled-room interviews which the small army of TV-radio newsmen fed to viewers & listeners proved without doubt that electronic journalism could win in a walk—when there was enough time available for extensive advance planning, and equipment installation. Newspapers found themselves playing second news fiddle, with analysis, 2nd-day angles and the like, and "pencil journalists" who didn't have access to a TV or radio set were likely to be out in the cold.

High Costs Concern Networks

Although each of the networks found sponsors for all or part of their convention coverage (Vol. 16:28 p9), it wasn't a profit-making operation, they told us last week. CBS dating back to last year, had a full-sponsorship deal with Westinghouse that amounted to $5.5 million. So early was the deal made that there were no pre-emption payments necessary. Even so, CBS-TV will wind up nearly $1.5 million in the hole because of overtime costs, extra transportation, additional talent fees for newsmen added to the package later, extra housing & feeding costs, etc.

The same free-spending problem plagued NBC, which was determined to out-do CBS at the conventions. NBC's outlay for coverage was some $7 million, of which sold-out participation sponsorship will recover only about half. Similarly, ABC sold most of its convention coverage but will recover only $3 million at most of its $5-million expenditure. Last week, we learned, all 3 networks were becoming very concerned and had issued orders to try to keep costs down at the Republican Convention.

NBC Leads in Ratings

NBC led the other networks in Arbitron's national report on the first 4 days of convention coverage. On a 4-day average, NBC posted a 16:5 rating, with 7.3 million homes reached per average minute against 11.7 rating and 5.3 million homes for CBS and 6.3 rating, 2.3 million homes for ABC. NBC's highest score came July 13, the night of nominations and balloting, when the network received a 20.6 rating to reach 9 million homes per average minute, against a 12.2 rating and 5.5 million for CBS and a 6.9 rating, 2.5 million homes for ABC. Trendex would not release individual network ratings last week but announced a 3-network average of 72.6 share of audience and 25.3 rating for July 11. Rating periods were: Mon. 7:30-11 p.m., Tue. 7-11 p.m., Wed. 6-11, Thu. 8-11.

That CBS News was on something of a hot spot because of NBC's convention rating triumph was fairly evident in N.Y. last week. Making the most of the situation, NBC—which has generally played second-fiddle to the news & public-affairs coverage of CBS for the last few seasons—crowed loudly last week about its rating advantage. And, there were rumors in N.Y. of a pending shakeup, both physical & spiritual, at CBS News in the wake of the convention audience loss.

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"Even the Columbia Broadcasting System recognized the appeal of Messrs. Huntley and Brinkley. After starting off with Walter Cronkite as anchor man, the network also put Edward R. Murrow on camera. It was something of an improvement but still wanting in the subtle, informal and spontaneous banter of the NBC pair. The balance of stature among the networks news departments obviously is shifting."—Jack Gould in *The New York Times*.

* * *

KHJ-TV, Los Angeles featured a local ad lib hassle on the Mort Sahl show, *The Future Lies Ahead*. The panel show was presenting prominent Democrats when its sponsor, Bart Lytton of Lytton Savings & Loan, walked on to caution Sahl and Phyllis Kirk not to turn it into a pro-Stevenson rally. Panelist Irving Kupcinet of the *Chicago Sun-Times*, recovered from his visible amazement long enough to remark, "I've never seen anything so crude on TV in my life." Sahl, grim, implied he might not be back the next night. Lytton returned to the show to apologize. Sahl said he'd be back. (Actually, the show featured proponents for all Democratic candidates, not Stevenson alone. Then Drew Pearson took a full-page ad in the *Los Angeles Mirror-News* asserting he had been denied permission by KHJ-TV to appear on the show, and setting forth the remarks he would have made had he appeared. A KHJ-TV spokesman told us Pearson had been scheduled, but was barred after the station could not get indemnification forms from sponsor Lytton. Subsequently the station barred Lytton from his own show, "We didn't see any place where he would fit in."

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Westinghouse promoted a pair of public-affairs TV series, *Reading out Loud* and *Lab 30*, being produced by subsidiary Westinghouse Bcstg. Co., during commercials in its CBS-TV coverage of the Democratic Convention. Using 90-sec. institional promotion announcements produced by Perry Lafferty (named, last week, as producer of CBS-TV's *Person-to-Person*), WBC plugged the series as being "available free of cost to any interested broadcaster" in the theory that many would be watching CBS's coverage of the convention. The rest of the commercial time, saleslady Betty Furness, did her last contractual chore for the electronics firm.

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Paramount Television Productions fed specially-prepared taped coverage of the convention to stations in N.Y., Chicago, Washington, Kansas City, Seattle, Honolulu and Buffalo and CBC. They concentrated on interviews with politicos from areas covered by the subscribing stations. The tape went on direct wire to WGN-TV and CBC, air express to the others.

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Closed-circuit TV at the GOP convention in Chicago will be supplied by Theatre Network TV. Two large projection screens, mounted above & to each side of the rostrum, will be fed by TV cameras positioned in the rostrum wall. In addition to giving convention delegates a view of the speakers, closed-circuit TV will provide prompting through a periscope-projection system using one-way mirrors. TelePrompTer provided the closed-circuit TV & prompting services for the Democratic Convention.

Democrats Pledge Agency Reform: Naming no names and singling out no govt. commission—but obviously aiming at practices exposed by the House Commerce Legislative Oversight Subcommittee in probes centered on FCC—the Democrats last week promised to overhaul regulatory processes.

The 1960 platform adopted by the Democratic Convention in Los Angeles said:

"The Democratic Party promises to clean up the federal regulatory agencies. The acceptance by Republican appointees to these agencies of gifts, hospitality and bribes from interests under their jurisdiction has been a particularly flagrant abuse of public trust.

"We shall bring all contacts with Commissioners into the open, and will protect them from any form of improper pressure.

"We shall appoint to these agencies men of ability & independent judgment who understand that their function is to regulate these industries in the public interest.

"We promise a thorough review of existing agency practices, with an eye toward speedier decisions, and a clearer definition of what constitutes the public interest.

"The Democratic Party condemns the usurpation by the Executive of the powers & functions of any of the independent agencies, and pledges the restoration of the independence of such agencies and the protection of their integrity of action."

Platform language leading to the civil rights plank also reflected headlines made by the House investigators and Congressional criticism of TV programming:

"We have drifted into a national mood that accepts payola & quiz scandals, tax evasion & false expense accounts, soaring crime rates, influence-peddling in high govt. circles, and exploitation of sadistic violence as popular entertainment.

"For 8 long critical years our present national leadership has made no effective effort to reverse this mood.

"The new Democratic administration will help create a sense of national purpose & higher standards of public behavior."

* * *

Democrats' "hostility to advertising" was charged & blasted by July 15 *Printers' Ink* in an open-letter editorial to Presidential nominee Sen. Kennedy (Mass.), keynoter Sen. Church (Ida.), Rep. Bowles (Conn.), and Harvard prof. Arthur Schlesinger Jr. The party's ad attack, the magazine claimed, began with the distribution by the Democratic Advisory Council of a Schlesinger-prepared booklet calling for curbs & a tax on advertising. The attack was "magnified," *Printers' Ink* added, "by Sen. Church's studied elocutionist's dramatics as he vilified advertising in his keynote speech. Now hostility toward advertising seems to be growing among Congressmen who will re-convene in Aug." The magazine rapped as "unwise" and "dishonest" the blaming of advertising for the country's ills, deplored the drive for a punishing tax and urged the Democrats to "stop these deliberately confusing attacks on advertising and those who make use of advertising techniques to communicate their feelings . . . In promoting your own objectives, you continue to use the very machinery you condemn."

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Primer of TV techniques for the political performer in the coming campaigns has been prepared by WXYZ-TV Detroit. It supplements free courses offered to political candidates by the station.

The FCC

FCC'S WATCHDOG DIV.: The FCC has prepared a description of its new Complaints & Compliance Div., and is expected to release it soon. We understand that the description doesn't contain anything earthshaking.

There will be 2 branches—designated, not surprisingly, "Complaints Branch" and "Compliance Branch." The first will do the following about complaints: receive, classify, answer, prepare for FCC consideration, inform the rest of Commission staff.

Compliance branch has a little more, including:

(1) Conduct investigations to get facts about broadcasters' violations or abuses of laws & rules.

(2) Recommend use of field engineering & monitoring bureau help when engineering aid is needed.

(3) Hunt for problems by examining complaints, FCC monitoring reports, trade publications, FTC reports, etc.

(4) Recommend action to FCC, FTC, etc.

(5) Conduct audits in depth on individual stations where warranted.

(6) Supply FCC with information to enable it to judge whether stations, generally, are complying with laws & rules and are maintaining control over all their programs.

(7) Recommend to FCC measures for encouraging the industry generally to meet its public responsibilities—as determined by the Commission.

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Philco's protest against renewal of NBC's WRCV-TV Philadelphia was dismissed by FCC for reasons indicated previously—legal inadequacy (Vol. 16:28 p6). This was shown by the text of the decision released last week. The allegations against NBC by Philco, the Commission said, either were filed 2 years after the protest deadline or had been considered & dismissed by FCC in othe proceedings. Th allegations were built primarily around RCA-NBC's anti-trust litigation through the years. Philco said these made NBC unfit to be a licensee. Concluded FCC: "Many arguments & allegations urged by Philco in its briefs contain matters *dehors* the Protest which may not be considered; certain matters raised by the Protest—pending litigation & Congressional inquiry—are either not alleged at all or without sufficient particularity under Sec. 309(c) of the Act; and still other matters raised are not new to this Commission and occurred so long ago that they do not warrant consideration. It is concluded, therefore, that even if the well-pleaded facts alleged in the Protest were proven, grounds have not been presented for setting aside our conditional grant herein." Comr. Bartley dissented, issuing no statement, and Comr. Cross didn't participate.

Albany's Ch. 10 was finally granted to Capital Cities TV Corp. (WTEN) and Veterans Bcstg. Co. was denied—despite furor kicked up by Sen. Proxmire (D-Wis.) because 5 representatives hold stock in Capital Cities (Vol. 16:27 p6). FCC hasn't yet released the text of its decision, but it's understood that it says this about the Congressmen's holdings: It would be arbitrary to ignore the fact that some of Capital Cities' stockholders are Congressmen and to say that their election to Congress means nothing in terms of "civic activity"—or less than other types of civic work. As for Veterans' argument that members of Congress shouldn't own broadcast facilities, FCC said that Veterans should ask the Commission to start rule-making to that end or request Congress for a new law.

On Patrol with FCC's M-Squad: The annual summer-time roundup of the trials, tribulations & triumphs of FCC's Field Engineering & Monitoring Bureau staffers has been completed. Produced by information chief George O. Gillingham, it yields these historical notes:

Item: Radios in the Long Beach, Cal. area were picking up strange conversations unrelated to any program. FCC's mobile direction-finding crewmen traced the interference to a house, found phone-oscillator-hi-fi equipment radiating on AM frequencies. Also discovered was a mike concealed in the living room so that the man of the house could listen in secretly on his wife's conversations. Equipment was dismantled.

Item: In Rochester, N.Y. an outraged TV viewer got up a neighborhood petition, complained to his Congressman about interference with his reception by a local amateur radio station. Local hams joined FCC's Buffalo field-office staff in tracking down the trouble: A butter conditioner in the complainant's refrigerator.

Item: Interference with air-ground airline communications at Chicago was traced to a Mich. piano factory where a radio frequency heater, being used to dry wood glue, was sending out signals heard hundreds of miles away. Surveillance from an FAA plane was necessary to locate the source of similar air navigation trouble in Mass. —an electronic heater in an industrial plant.

Item: It took banishment of a shrimp fisherman by his employer to remote waters off Fla. to close FCC's files on a case of profanity on the international distress frequency. After much monitoring & direction-finding, the Commission's Tampa marine office traced the terrible language to a shrimp boat whose captain used his radio to express his feelings when the shrimp weren't running. The captain was taken off his regular run when a written FCC warning, 3 successive license suspensions and a $200 fine failed to stem the tide of obscenities.

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N.Y. uhf project was discussed by FCC last week, and, at the request of Chmn. Ford & Comr. Craven, chief engineer Edward Allen was instructed to come up with a complete new report outlining the whole experiment. One of the biggest problems is to find adequate space on the Empire State Bldg. Engineer Dr. Frank Kear, consultant to the Empire State management, says he's sure space will be found. He estimates that it will take 6-12 months to design & test the antenna. Among experts consulted by Comr. Lee in his trip to N.Y. were those of Bell Labs.

Continuity-of-service bill (S-1965), providing that FCC, FPC and SEC Comrs. whose terms expire may stay in their jobs until successors replace them (Vol. 16:28 p2), was enacted into law July 13. President Eisenhower signed the measure to bring the 3 agencies in line with existing law covering FTC, ICC and CAB, whose members already could continue in office after expiration of their terms. The new law specifies, however, that additional FCC, FPC and SEC service can run only until the end of the next Congressional session following expiration of a commission member's term.

No protest to FCC is planned by the Fresno County Board of Supervisors over the conversion of Fresno to all uhf (Vol. 16:28 p6). The Board's decision to accept deintermixture without protest stemmed largely from the recommendations of KFRE-TV & KJEO.

FCC Chmn. Ford will appear on CBS-TV's *Person to Person* this week (July 22).

Film & Tape

POST-1948 ACTIVITY INCREASING: A prime source of movie-industry speculation in N.Y. last week was a possible liaison between 20th Century-Fox and Screen Gems for the distribution of a large package of post-1948 20th features. Although executives of neither firm would confirm, the speculation is along this line: Screen Gems has won its anti-trust battle with the govt. in N.Y. District Court concerning distribution of Universal's pre-1948 backlog. This green-lights the Columbia Pictures subsidiary to distribute picture backlogs for any major company, and its currently available library of Columbia and U-I pictures is running low. (*TV Feature Film Source Book* reports 1,985 post-1948 films already available and a total of 9,200 film features in current release by 45 distributors.) At the same time, 20th will no longer release feature packages through NTA. This is due to possible govt. action springing from 20th's financial interest in National Theaters, now NTA's parent company. Summed up: Screen Gems is on the prowl for post-1948 product, and 20th is seeking a fully-staffed national distributor.

On other movies-for-TV fronts last week:

Warner Bros., with nearly a quarter of its post-1948 film library—slightly over 100 pictures—being readied for TV release via Creative Telefilms & Artists Ltd. (Vol. 16:28 p1), was quietly making a related move on the financial front. According to Wall St. sources, WB may soon attempt to buy back as many as 500,000 shares of its common stock at above-market (about $50) quotations. The idea is to reduce the number of shares outstanding at a time when some substantial new TV revenues will be coming WB's way. WB's agreement with CT&A Ltd. gives the latter exclusive TV distribution rights to the films for 7 years in the U.S. & Canada—at a reported per-picture price of $100,000 plus half the profits after distribution costs. The package reportedly includes such titles as "A Star Is Born," "Battle Cry," "East of Eden" and "The James Dean Story." Meanwhile, Show Corp. of America has released for TV a package of 12 post-1950 features including "Bundle of Joy" and "Susan Slept Here," both starring Debbie Reynolds. A package of Regalscope low-budget post-1948 features also has been released to NTA for TV distribution.

Paramount Stock Is Active

But movie financial activity was most brisk last week in Paramount stock. That company has no immediate plans to sell post-1948s in regular TV channels even though MCA has distributed its pre-1948 library in over 80 markets for a total gross (before MCA's cut) of over $60 million. Paramount subsidiary International Telemeter, however, has received considerable attention for its pay-TV system in Toronto (see p. 10), and is actively pitching possible pay-TV deals with Britain's BBC-TV and Rank.

Some indication of the general TV appetite for movies was provided by Republic Corp. (formerly Republic Pictures) and MGM. Republic, which became the first major Hollywood studio to put its post-1948 backlog into TV distribution (by the simple expedient of frustrating union threats with the dropping of all movie production), called TV sales "an increasingly important source of profits." For the 26 weeks ending April 30, Republic Corp. scored a net income of over $1 million (50¢ per share, double that of

the previous year's comparable period). Current value of non-cancellable feature-film contracts through Republic's subsidiary, Hollywood TV Service: "More than $4 million."

MGM, now in fine shape, thanks in part to record grosses from "Ben-Hur," has thus far grossed $34 million in handling its own release of MGM-produced pre-1948 features & shorts. It visualizes another $24 million in revenue, stated MGM Pres. Joseph R. Vogel, in adding that new movies now produce only 40% of MGM's net revenues against TV's 43%—although the movie gross is actually much higher than TV's. (The remaining 17% comes from MGM Records, music rights, theaters overseas, studio rentals, lab processing of other people's films, lease or sale of stock footage). MGM is in no hurry to unload its post-1948 library—some 500 features—on the TV market, may explore pay-TV deals, but hasn't ruled out straight syndication distribution.

Release of post-1948 Hollywood product may well tend to put a crimp in the TV sales value of British & other foreign films—even those filmed in the last year or so, distributors tell us. Accordingly, sales pressure has mounted behind such mostly-overseas-product packages as those handled by Lopert Films (a UA subsidiary) and the recently formed TV Programs Inc. One indication of this last week: Flamingo Films, which has acquired distribution rights from Joe Harris of a package assembled last year as *Art Theatre of the Air*, is actively making station sales on the 52-picture package—although 20 titles in the group are still in theatrical release. By all indications, it's a case of the scrub team getting in its licks before Hollywood sends out its post-1948 varsity.

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Animators Eye Cartoons Profits: The latest film union demand for a slice of residual profits is due this fall from the Motion Picture Screen Cartoonists, local 839, IATSE, and will affect the growing number of animated TV series in network & syndication release (Vol. 16:26 p6). The cartoon animators want a percentage—probably ½%—of the huge annual gross business done in "franchised merchandise." Such toys, games, dolls, hats, books, etc. tied in with cartoon shows are estimated by the cartoonists' union to be worth $100 million annually at retail level. The cartoonists' slice, which would go to a management-labor trust fund, could amount to $500,000 annually.

If the cartoonists' pending demands are met by producers & others who hold cartoon merchandising rights, they may have some effect on the existing price of current cartoon packages, syndicators & distributors in N.Y. indicated—particularly if labor contracts are so written that higher labor costs are to be automatically passed on to purchasers or sponsors. "It will certainly be a factor in the pricing of new cartoon shows, other than those produced overseas outside the jurisdiction of the union," said Trans-Lux TV sales vp Richard Carlton.

Distributors, networks, news-feature syndicates and others now reaping most of the royalty from franchised cartoon merchandise are likely to oppose the cartoonists' demands. ("It's just another step in the trend toward profit participation by every film union in the field," said a Screen Gems executive in N.Y. "We're certainly not happy about it.") However, the cartoonists may not have to fight too hard. There's a definite shortage of experienced animators and few training facilities for newcomers. Production of an animated TV series in the U.S. with non-union labor would be almost impossible, producers admit.

NEW YORK ROUNDUP

Foreign Sales Report: Overseas telefilm activity of 3 major distributors sharpened last week:

Fremantle International—which holds distribution rights to Sterling TV Films' network-sold *Silents Please* (Vol. 16:28 p12)—sold the series last week to the Australian Bcstg. Commission. One result of the sale: *Silents Please* will have virtually a day-&-date premier in Australia & the U.S. (both, incidentally, on networks whose initials are ABC-TV) this summer.

CBS Films reported that during the first 5 months of 1960 the firm's total overseas business was 45.2% larger than for the same period of 1959. The biggest percentage jump was scored in Europe, where sales increased 455%. The network-owned distribution firm expects to maintain the higher business level, said international sales dir. Ralph M. Baruch, because of "new stations opening in Australia, the new quota in Japan, & additional stations in Canada."

International Television Programs Inc., which handles overseas distribution of Ziv-UA product, is launching a new series of sales trips by its executives. ITP Pres. Edward J. Stern left last week for Europe and sales calls to stations & networks in England, Italy, Germany, Belgium, France and the Netherlands. Executive vp Millard Segal headed for Australia and other Far East markets, while sales dir. Ralph Franklin is planning a swing around South American markets such as Brazil, Argentina, Peru.

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Add syndication sales: UAA's *Mel-o-Toons*, 104 animated cartoons based upon popular children's records, has been sold in 14 markets in the last 2 weeks . . . MCA-TV's *State Trooper* mystery adventure series has been renewed by Liebmann breweries for WNBC-TV N.Y. . . . CBS Films' Robert Herridge Theatre has picked up 3 participating sponsors for WCBS-TV N.Y.: General Foods, Procter & Gamble, Colgate-Palmolive. Pairing of competitors Proctor & Gamble and Colgate-Palmolive in a single show is rather unusual. P&G will advertise Duz Detergent, C-P Palmolive hand soap.

More syndication sales: Screen Gems' *Two Faces West* has been sold in 115 markets for its fall debut. Breweries making multiple-market regional purchases of the new Western include Labatt's, Coor's and Drewry's beers. In addition, Miles of California bought *2 Faces* for San Francisco last week and "is interested in other West Coast markets." Meanwhile, Standard Oil of Texas announced it would sponsor the series in 6 Southwestern markets.

Cal. National Productions' *Blue Angels* (series about a Navy precision flying-demonstration team) was cited in Congress last week by Rep. James E. Van Zandt of Pa., as "coming at a time when this nation cannot afford . . . relaxation in . . . development of its defensive powers."

Robert Lawrence Animation, commercial producer, confirmed its first venture into programming last week (Vol. 16:26 p6), *Toy Box Time*. It's "a children's show with strong appeal to the adult," in 30-min. episodes, produced in color, and aimed at a network sale.

Ziv-UA's *Lock Up* has been locked-up in 133 markets to date. Ziv has sold off to alt.-wk. sponsors 42 of the 53 markets in which American Tobacco Co. has renewed the series on a bi-weekly basis.

HOLLYWOOD ROUNDUP

Ziv-UA is instituting a new co-production policy. The first such deal with an outside production company was signed last week with John Robinson's Libra Ltd. for "a contemporary action-series." Hitherto, Ziv output has been almost entirely "house" production, with producers, directors, *et al.*, working on salary. The addition of jointly-owned co-production packages, however, is not unexpected. Parent United Artists operates in the feature-movie field as a financier-distributor, not as a producer, and has distribution contracts with over 40 independents. Robinson is creator-producer of *Wanted—Dead or Alive*, and was formerly an executive of Four Star Productions. Virtually every major telefilm distributor-syndicator now operates primarily on the basis of co-production deals or deals in which producers & talent own an interest.

Negotiations to sell NT&T's National Telefilm Associates and its N.Y. station WNTA-TV to NTA Pres. Oliver Unger and founder Ely Landau, collapsed last week, when NT&T Pres. B. Gerald Cantor decided against selling either subsidiary. "I don't believe it would be in the best interests of our stockholders," he told us. The three men have held extensive conversations regarding such a sale. Landau, who recently resigned as NTA vp, headed a group which negotiated for WNTA, and later he & Unger discussed the purchase of NTA.

NTA is moving its hq back to N.Y., after having shifted to Los Angeles last year. The move is being made because the company has decided N.Y. is best for sales activity.

Members of Screen Extras Guild voted in Hollywood to instruct their board to conduct a mail referendum seeking authorization for a strike against the Alliance of TV Film Producers, and to plan for a strike unless the Alliance bargains in "good faith." NLRB is currently investigating SEG charges that the Alliance is "unfair" and refuses to negotiate a contract to replace the one which expired April 2, 1959. SEG complains the Alliance has offered no pension-welfare fund nor "any decent wage offer."

Hong Kong's first 3 segments go into production here July 20, Herbert Hirschman producing. 20th-Fox Television has been filming backgrounds in *Hong Kong* for the past 5 weeks . . . Desilu Productions holds its annual public stockholders meeting July 19, with Pres. Desi Arnaz in charge. Lucille Ball will also be on the dais . . . "Angel" has begun production starring Annie Farge & Marshall Thompson. Edward Feldman is producing at Desilu Cahuenga studios.

Screen Gems begins production on *My Sister Eileen* July 27 . . . Hubbell Robinson series, *Thriller*, has resumed production at Revue Studios, Fletcher Markle producing. MGM-TV will shortly film a pilot for *Diamond Jim Brady*, Seton Miller producing . . . Jerry Lewis Productions will do a pilot of *Permanent Wave* late this month. Patrice Wymore is signed for the lead.

Obituary

E. Maurice (Buddy) Adler, 51, 20th Century-Fox production chief, died of lung cancer July 12 in Hollywood. While head of the studio's movie operation, Adler last fall unofficially supervised its TV operations for a time to upgrade quality. Surviving are his widow (Anita Louise), 2 children and 3 brothers.

Programming

All in the Game: Goodson-Todman Productions is the latest packager to feel the lengthening reach of network control (Vol. 16:28 p11), we learned last week. With an eye to tapping the growing amount of revenue from image-minded advertisers, Goodson-Todman—which does a $15-$20-million annual business, primarily in "game" shows—had packaged a new public-affairs game show, titled *A Matter of Opinion*. (As in *What's My Line?*, the audience lure is off-the-cuff wit, rather than a key to a bank vault. Contestants & panelists match guesses on public opinion with actual findings of pollster Elmo Roper.)

Having done considerable business with CBS-TV, G-T offered *A Matter of Opinion* to CBS program buyers, according to the packaging firm's exec. vp Bud Austin. The network turned it down. Reason: Although there's been a thaw in the network freeze on new quiz & game shows, CBS-TV thought the new G-T show invaded the realm of public affairs sacrosanct to CBS News. It would take the series—however funny it was—only if it could be produced by CBS News officials.

Busy Season Lies Ahead

Apart from this setback, Goodson-Todman is set for a busy & lucrative fall season, Austin told us. In the live/tape area, G-T will have the perennial *What's My Line?* (CBS-TV, Sun.), *To Tell the Truth* (CBS-TV, Thu.), *The Price Is Right* (NBC-TV, daytime strip and Wed. night), *Play Your Hunch* (NBC-TV daytime strip and Fri. night) and *Beat the Clock* (ABC-TV daytime). Now entering its 4th season of film packaging, G-T will also have network representation with the co-produced *The Rebel* (with Fen-Ker-Ada Productions) on ABC-TV. It is also discussing network fall deals on 30-min. *The Yank* (dealing with a Union veteran who is a doctor in a small Southern town) and *One Happy Family* (a 30-min. situation comedy). In addition, G-T is talking of a revival of its *Philip Marlowe* series with CBS-TV, and a 60-min. version of its suspense series, *The Web*, with NBC-TV. The stronghold of G-T, however, is game shows.

"We were never really hit by the Washington quiz probe, and none of our shows or personalities were challenged," said Austin. "Also, although it's tough these days for a producer to make an advertiser-agency sale and then find time on a network, we are in good shape."

Austin doesn't share a common network sales theory that full-sponsorship, or even co-sponsorship of programming is dying out in favor of buys governed by sheer audience size, as in partial-sponsorship buys of ABC-TV's *Surfside Six*, NBC-TV's *Dan Raven*, CBS-TV's *Route 66*.

"Advertisers still want sponsor identification," he said. "In live game shows, sponsors can plaster their logo around, develop integrated commercials, and have a feeling of identity in both day and night buys. In film shows, particularly reruns, this is lacking."

G-T also has a foothold in the foreign market, thanks to rerun & overseas sales of its filmed shows. Few production firms have as many overseas distributors, however. ABC Films handles *The Rebel;* Cal. National sells *Philip Marlowe;* and Screen Gems sells *Jefferson Drum* and the 30-min. version of *The Web*. G-T itself handles overseas licensing of its live game shows, although this operation has its special perils. "In England, we licensed *What's My Line?* to BBC-TV. Everybody's happy," said Austin. "In Australia, they lifted the format without a by-your-leave. We're arguing with the Australian govt."

BACKGROUND
No. 9

PAY-TV SYSTEMS—Where They Stand

July, 1960

COMPANY	TRADE NAME	SYSTEM TYPES	STATUS
International Telemeter Corp. (Paramount Pictures Corp.)	Telemeter	Wire & broadcast	Started cable operation Feb. 26, 1960 at Etobicoke, Ont.; 5,400 subscribers.
Zenith Radio Corp.	Phonevision	Broadcast	With RKO General, filed FCC application June 22, 1960 for 3-year test on WHCT (Ch. 18) Hartford; reported readiness to start 6 months after FCC approval.
TelePrompTer Corp.	Key TV	Wire (CATV systems)	Experimented with live feed of June 20 Patterson-Johansson fights to CATV systems; plans tests with movies, merchandising, etc., on TelePrompTer CATV systems.
Skiatron Electronics & TV Corp.	Subscriber-Vision	Wire	Skiatron Electronics & TV stock trading suspended by SEC. System licensee Matthew J. Fox's Tolvision Inc. reported in merger negotiations with 20th Century-Fox and/or MGM.
Teleglobe Pay-TV System Inc.	Teleglobe	Wire (sound) & broadcast (visual)	Reported negotiating with TV stations for joint FCC application for tests.

Telemeter 'Success' Hailed: The wired pay-TV experiment in Toronto suburb Etobicoke will show a profit for its first 6 months of operation. This is the prediction of Trans-Canada Telemeter operations mgr. W. O. Crampton, who says the success proves toll TV is here to stay.

Business is so good, boasts Crampton, that Telemeter has dismissed its 7-man sales staff, and, in effect, is letting the orders come in over the transom. He said the system, which began operation Feb. 26, now has 4,500 subscribers and will have 6,000 by the end of August. Then Telemeter plans to halt further installations for a 2-month examination of costs, programming and public acceptance.

Among findings expected from the study: How much the average home-owner is spending weekly on pay TV. A Toronto newspaper sampled 10 homes and came up with the figure of $2.35 for the average family. Crampton said this was way off, but refused to give even a clue. "I could get a million dollars for those figures," he said. "Movie companies, TV stations & advertisers would love to have them." The results of the study will be released only to Telemeter franchisers in U.S., Canada, England.

Telecasting & advertising firms have been investigating Telemeter's operations on their own, however. Crampton said that NBC and several N.Y. ad agencies have been conducting door-to-door canvasses to find out average spending figures. He said that British TV programmers and 3 British non-TV organizations have also had study groups on the scene. Not one customer has asked that his pay-TV coinbox be removed, said Crampton.

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Anti-pay-TV forces, in the form of movie exhibitors, will concentrate their first main pitch in a petition to FCC requesting that the RKO-Zenith Hartford application (Vol. 16:26 p2) be made the subject of extensive public hearings. After a strategy meeting in New Haven July 5, Philip F. Harling, chmn. of the Joint Committee Against Toll TV, said that JCTT and the new Conn. Committee Against Toll TV would urge the Commission to hear the objections to be offered by representatives of labor, veterans, etc., before acting on the RKO-Zenith application.

British pay-TV project has been mapped by J. Arthur Rank and Associated-Rediffusion Ltd. (film producer-distributor and commercial TV programmer, respectively). The 2 firms reportedly are putting up about $275,000 for technical research on pay-TV systems. The Rank Organisation has long been interested in pay TV, and has even wired up a few British theaters for experimental large-screen pay TV. The new project, named Choiceview Systems, ultimately will be directed at the home audience. Recent visitors to London were Paramount Pres. Barney Balaban and Louis Novins, pres. of International Telemeter, to discuss a deal with BBC-TV (Vol. 16:26 p5).

Stations

NAB legislative lobbying against the House-passed payola bill (S-1898) at Senate hearings next month (Vol. 16:28 p2) will be confined to the measure's station suspension-&-fine features. This was decided by NAB's Policy Committee at a strategy conference in Washington hq last week. The 3-man committee, headed by Clair R. McCollough, instructed NAB govt. affairs vp Vincent T. Wasilewski to offer no opposition to other sections of the bill (including bans on payola & quiz rigging) when he testifies August 10 at Senate Commerce Communications Subcommittee hearings. In a statement calling on the Senate to knock out provisions authorizing FCC to discipline stations by lifting licenses or 10-day periods and/or fining them $1,000 daily, McCollough said: "These amendments to permit suspensions & fines against broadcasters are a matter of serious concern to the industry—and to authorize their use against a communications medium, we believe opens up a whole new concept of govt. regulation."

Sale of WCHS-TV & WCHS Charleston, W. Va. by the Tierney Co. to Rollins Telecasting Inc. subsidiary C-B-T Inc. was announced July 13. The price wasn't disclosed, but was reported to be about $3 million. Not affected by the sale was Tierney's radio WPLH Huntington, W. Va. Rollins owns & operates WPTZ Plattsburgh, N.Y. & WEAR-TV Pensacola, radios in Wilmington & Georgetown, Del., Norfolk, Newark, Indianapolis and Harvey, Ill.

HOW MUCH NEWS SPACE FOR TV? Although 4 out of every 5 newspapers have an amusement page or section, "more than one out of every 5 newspapers adopts a definitely uncooperative attitude toward motion pictures" and "33% of the papers checked do not even review new movies." So stated Columbia Pictures vp Paul N. Lazarus Jr. to a group of leading newspaper executives last week (see p. 3), citing the results of a survey of 160 newspapers in 91 cities prepared recently by the Council of Motion Picture Organizations.

Other highlights of the COMPO checkup:

1. TV gets more editorial coverage than movies in 44% of the nation's major newspapers. This compares with 32% which "emphasize motion pictures over TV."

2. From an advertising standpoint, only 5½% of these papers carried more ads from TV than from movies, while 63% carried more ads from movies than from TV.

Movie adman Lazarus wasn't attempting to put a dollar-laden shotgun to the heads of newspapers—or so he said. "I realize that editorial space is not awarded on the basis of advertising volume," he stated. "I know full well that public interest is the primary criterion . . . But," he added, in an obvious rejection of the traditional responsibility of newspapers to serve their readers before their advertisers, "given 2 entertainment media of equal appeal, does it seem right that the lesser advertiser should receive the greater attention? Particularly when it is an advertising medium competing fiercely with you for the motion-picture dollar."

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New & Upcoming Stations: Spanish-language border outlet XEWT-TV (Ch. 12) Tijuana-San Diego began programming July 18. Owner Telesistema Mexicano S.A. operates Mexican TV network with hq at XEW-TV (Ch. 2) Mexico City. Its principal owners are publisher-industrialist Romulo O'Farrill Sr. and theater-radio station owner Emilio Azcarraga Sr. The latter is also the principal stockholder of Tijuana-San Diego ABC-TV affiliate XETV (Ch. 6). XEWT-TV has 5-kw GE transmitter and guyed 200-ft. tower on Monte San Antonio. It also has TV tape-recorder equipment. Bernard Urilla is gen. mgr.; Ernesto Hevia, sales mgr.; Rene Armando Lafon, program dir.; Felipe Fernandez, chief engineer. Base hour is $96. U.S. on-air total remains 569 (89 uhf) inasmuch as XEWT-TV operates on a channel allocated to Mexico.

* * *

In our continuing survey of upcoming stations, these are the latest reports from principals:

KCBY-TV (Ch. 11) Coos Bay, Ore. has studios ready, expects to have 2-kw RCA transmitter ready for use by end of July and is keeping tentative Sept. 1 programming target, reports S. W. McCready, gen. mgr. of owner KVAL-TV (Ch. 13) Eugene, Ore. KCBY-TV will operate as semi-satellite of parent KVAL-TV, which is NBC-TV affiliate. Work on 200-ft. Fisher tower began toward end of June. Resident engineer is Glenn McCready, ex-KPIC Roseburg, Ore. Base hour will be $150. Rep will be Hollingbery.

WIPM-TV (Ch. 3) Mayaguez, P.R., to be non-commercial operation of P.R. Dept. of Education, has changed target to August, reports R. Delgado Marquez, gen. mgr. of Dept.'s other station WIPR-TV (Ch. 6, educational) San Juan. It has 6-kw RCA transmitter ready, but installation of antenna on 202-ft. Ideco tower was delayed until July.

Transfer of WUSN-TV Charleston, S.C. by Southern Bcstg. Co. Inc. to Reeves Bcstg. & Development Corp.—new company formed in Feb. in a merger of Southern, Reeves Sound Studios Inc. & Reeves Products Inc. (Vol. 16:14 p23)—has been approved by FCC, Comr. Bartley dissenting. In the merger & stock transaction, Hazard E. Reeves relinquished positive control of the station, retaining 43.4%. Other interests include Christiana Oil Corp. (13.3%), Jay Drayton Hastie & 3 relatives in the Hastie family group (11.8%), Southern Stockholders (7.4).

Sale of WDAF-TV (Ch. 4) & WDAF Kansas City for $9,750,000 to Transcontinent TV Corp. has been approved by FCC (Vol. 16:18 p9). This gives Transcontinent a full complement of 5 vhf plus 60% of a uhf.

Networks

ABC affiliate KETV Omaha preempted the network's convention coverage July 12 at 10:15 p.m. to program a movie, "The Yellow Canary." A Mutual of Omaha executive, monitoring the company's ABC convention commercials on KETV, spotted the preemption and reported it to the network. Both ABC and Mutual's agency Bozell & Jacobs, were "irate" at the station's move, but hadn't taken any action as of July 13. KETV was the only station in ABC's lineup, to switch off the convention coverage prematurely, the network said. "The preemption came after everything at the convention had settled down as far as we could see," a KETV spokesman told us July 13.

CBS & NBC won't follow ABC's recently-announced 40-second station-break policy for its nighttime schedule —at least for a while. The policy would allow an additional 10-second break, which affiliates could sell locally. Attitude of most agencymen last week was that the additional spot would "be a dangerous step toward over-commercialization." CBS & NBC station relations departments were in agreement that their respective networks "would be holding the line on evening chainbreaks at present." NBC, however, indicated to us that they may incorporate a 40-second break in nighttime schedule "in about 6 months."

NETWORK SALES ACTIVITY

ABC-TV

American Bandstand, 4-5:30 p.m. Mon.-Fri., participations eff. Aug. —*Jantzen* (Hockaday Associates)

Peter Gunn, 10:30-11 p.m., co-sponsorship eff. Oct.
Bristol-Myers (Dougherty, C., S. & S.)
R. J. Reynolds (William Esty)

The Debbie Reynolds special, Oct. 27, 9:30-10:30 p.m., full sponsorship. —*Revlon* (Grey)

Daytime programming, participations eff. fall 1960.
Peter Paul (Dancer-Fitzgerald-Sample)
Curtis Publishing (BBDO)
Dow Corning (Anderson & Cairns)
Miles Laboratories (Wade)
Ex-Lax (Warwick & Legler)

CBS-TV

California All-Star Rodeo, Aug. 5, 8:30-9:30 p.m., full sponsorship. —*Carter Products* (SSC&B)

NBC-TV

Dan Raven, Fri. 7:30-8:30 p.m., participations eff. fall 1960.
Mentholatum (J. Walter Thompson)

Riverboat, 7:30-8:30 p.m., participations eff. fall 1960.
Block Drug (SSC&B)

Television Digest

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Personals: Howard G. Barnes, CBS Radio program vp in N.Y., named CBS-TV dir. of programs, administration, Hollywood . . . Thomas R. Nunan Jr., ex-Steinman stations, joins Crosley Bcstg. Corp. in N.Y. in new post of TV-radio marketing communications dir.; Walter E. Bartlett, acting gen. mgr. of Crosley's WLWC Columbus since death of James Leonard in June (Vol. 16:25 p13), appointed gen. mgr. . . . Wynn Nathan resigns as vp & dir., MCA TV & MCA International to organize a new TV producers' rep company . . . Charles E. Norton, ex-RCA, named mgr. of Ampex International's video mktg. dept. . . . Frank P. Fogarty, exec. vp, Meredith Bcstg. Co. and vp-gen. mgr. Meredith WOW Inc. (WOW-TV & WOW Omaha), named a dir. of the U.S. National Bank of Omaha.

Peter B. Kenney, ex-NBC International station operations consultant in Buenos Aires, appointed station mgr. of NBC's WRC-TV Washington . . . George C. Carpenter III, ex-WOW-TV Omaha, appointed gen. sales mgr., KCRG-TV Cedar Rapids, Ia. . . . Richard Beesemyer, CBS-TV Spot Sales, N.Y., named sales mgr., KNXT Los Angeles and CBS-TV Pacific network . . . Alfred N. Greenberg, ex-TelePrompTer ad & PR dir., appointed stations promotion-services mgr., CBS-owned radio stations . . . Stephen I. Simon, ex-Compton Advertising, appointed client services dir., TV Audience Research div., NTA Telestudios . . . Richard Dreyfuss, ex-KDKA-TV Pittsburgh, named program dir., WSAZ-TV Huntington, W. Va.

Robert D. J. Leahy, who was FCC's chief investigator when he retired in 1958 after 24 years on staff, joins WSUN-TV & WSUN St. Petersburg-Tampa as business affairs mgr.; David G. Lee, ex-KMSP-TV Minneapolis-St. Paul, named news dir. . . . William H. Bauer, retired FCC patent attorney, establishes own practice in Washington Bldg., Washington . . . Robert M. Parrish, FTC secy. since 1954, promoted to exec. dir., replacing late Harry A. Babcock, who retired April 1 (Vol. 16:19 p19); Basil J. Mezines named to new post of associate exec. dir.

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George B. Storer Sr., chmn.-pres. of Storer Bcstg Co., and Mrs. Dorothy Manville Kiggins were married July 16 in Saratoga, Wyo. Mrs. Kiggins is the widow of Keith Kiggins, former Storer vp, onetime vp of NBC and exec. vp of ABC. The couple will reside in Miami Beach.

FCC members will visit Ft. Huachuca, Ariz. July 21-23, at the invitation of the Army, on a "classified" matter.

Meetings next week: Advertising Federation of America 2nd annual ad & mktg. management seminar (July 24-Aug. 5), Harvard Business School, Boston.

Obituary

Chesser M. Campbell, 62, *Chicago Tribune* publisher and pres. of the Tribune Co. (WGN-TV & WGN Chicago), died July 10 while on a fishing trip in Baie Comeau, Que. Death was attributed to a heart attack. He is survived by his wife, a son and a daughter.

C. P. Edwards, 74, former Canadian govt. radio & aviation official, died July 13 in Ottawa. Retiring in 1951 as deputy minister for the Transport Dept.'s air services div. (responsible for radio, civil aviation & meterological services), he terminated a 41-year career in govt. service. He was a key figure in the negotiations leading to re-allocation of North American radio channels.

Advertising

Anti-trust probe of Sunday newspaper supplements has been started by the Justice Dept., which subpoenaed records of 7 firms for Grand Jury testimony beginning July 19 in U.S. District Court, Buffalo. Ordering the proceedings, Deputy Attorney General Lawrence E. Walsh said there's "reason to believe that an indictable offense may have been committed" in handling & sale of supplements & copyrighted news features. Companies named in the subpoenas were Hearst's King Features Syndicate, Newspaper Enterprise Assn., Greater Buffalo Press, International Color Printing Co., E. W. Scripps Co., Atlantic Features & Printing, Southern Colorprint.

BBDO will not handle Republican National Committee campaign advertising this year. Instead, the Republicans will employ a special house agency, Campaign Associates, to be headed by BBDO vp Carroll P. Newton. Campaign Associates will collect the regular 15% commission on business placed and will return to the party any funds left over after the agency is dissolved at the end of the year. Agencymen from BBDO and other major outfits, loaned to CA, will be retained on the payrolls of their agencies. The Democratic National Committee agency is Guild, Bascom & Bonfigli.

Felix the Cat Creations, Inc., which claims to be the "largest film cartoon house in the U.S.," has announced formation of a commercial film cartoon div. to produce commercials & animated industrial films.

Ad People: Harold Graham Jr., N.Y. client planning mgr., and Thomas F. Greenhow, Los Angeles program services mgr., named vps, McCann-Erickson TV-radio affiliate M-E Productions . . . Maxfield S. Gibbons named vp, Ketchum, MacLeod & Grove.

Station Rate Increases

Station	Base Hour	Minute	Date
KSD-TV St. Louis	$1750 to $2000	$380 to $400	July 1
WJXT Jacksonville	850 to 900	250 to 300	July 1
WAST Albany, N.Y.	800 to 900	[1]	[1]
KTVH Wichita	700 to 800	145 to 160	July 1
WMT-TV Cedar Rapids	700 to 750	160 to 175	July 1
KSBW-TV Salinas-Monterey	425 to 450	110 (no change)	July 1
KCSJ-TV Pueblo, Colo.	225 (no change)	45 to 60	July 1
KSBY-TV San Luis Obispo..	220 to 250	50 to 60	July 1
KCMT Alexandria, Minn.	200 to 300	40 to 70	[1]

[1] Not reported.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

THE MUSIC SHOW—RHUBARB OVER REVERBerberberb: "There hasn't been anything to confuse the public in the last 3 weeks—this was overdue," remarked one cynical dealer. "Terrific—more demonstrable than stereo itself," said another.

Little Sir Echo—the reverberation effect, or "reverb"—was the most controversial issue at the Music Industry Show last week in Chicago's Palmer House. Both sides had powerful supporters & detractors. But, as manufacturer after manufacturer hopped on the bandwagon (some reluctantly), it became obvious that the industry will give reverb a good spin this fall-winter selling season. "We had 3-channel sound last year," summed up one dealer. "This year it's reverb."

Here's the reverb line-up, as of this writing—others due to join without notice: Philco (Reverbaphonic Sound) started it, along with Zenith (Sound Reverberation). Motorola showed an advance preview of some of its fall stereo models, with "Vibrasonic" in 2 top-end stereo units, plus its Drexel & Heritage consoles. Hoffman displayed "Sonic-Tuner" in 2 consoles and a 23-in. combination ($300 to $725) and will soon feature the reverb unit in its high-end portable stereo phono—the first application to a portable. Sears Roebuck is expected to feature reverb sets in its fall catalog. Mathes has it. Capehart plans to add it.

Even in the rarified, perfectionist atmosphere of the "packaged component" hi-fi business, reverb has its adherents. Fisher showed its own version—the Space-Expander—which will be offered in accessory form ($59.95) with Fisher consoles and component stereo. Pilot demonstrated a unit (on request only), admitting it had doubts, but probably will offer it.

Others were even less certain about it, but the attitude was: "If the public wants it, we'll have it." (Loose translation: "If enough of our competitors have it, we will.") Magnavox reluctantly showed a packaged reverb system, which it probably will offer at extra equipment (price guesstimate, $40-50).

There's certainly no agreement whether this electronic echo chamber enhances music or distorts it—but its supporters are by no means limited to such crass & unmusical characters as merchandisers. One of most enthusiastic backers is Avery Fisher, pres. of the Fisher Co., whose name is synonymous with highest-quality high-priced component hi fi. By the same token, there is strong opposition at Stromberg-Carlson—which also caters to sound connoiseurs.

Least confusion of all about reverb was in the Hammond Organ suite at the Music Show. There, in comfortable surroundings, as the organ music rose and swelled—and reverberated—we found Hammond spokesmen enthusiastic about the "acceptance" of their echo effect, developed originally for electronic organs. (No matter what they call it, all set makers buy the reverb delay lines from Hammond.) One official estimated that the basic reverb device (set makers add their own amplifiers) will bring Hammond $1.5 million this year in sales to stereo manufacturers. That's sweet music, and Hammond hopes it will continue to echo down through the years. "That's not all," said a Hammond official. "We have some other devices which we'll introduce soon to phonograph makers."

Reverb by-products are cropping up, too. Checker Electronics, Grayslake, Ill., displayed at the show a $169.95 combination reverb unit, reverb amplifier & speaker which can be added to any hi fi to produce the reverb effect. "We have 8,000 units on order from Hammond," sales mgr. August Buck told us.

We listened to plenty of reverb at the show and are convinced that it adds to some records, detracts from others—that it must be used selectively by the listener. We agree that it's easily and impressively demonstrated—and that it will add more confusion, as well as another control knob. Prognosis for fall-winter selling season: Every major manufacturer will offer reverb, but feature enough non-reverb models to give customer a choice.

For more Music Show trends, see next page.

TV'S MUSIC STILL SWEETER THAN STEREO: When it comes to cash-register music, TV still warbles a far sweeter tune than stereo. So we were told by dealers & manufacturers at last week's Music Industry Show. This is consensus: TV is settling down into a good, all-year, bread-&-butter business. Although most people in the business hopefully predict a "good year" for stereo, they also are disappointed with the extremely seasonal aspect this branch of the business is taking on—both in the console & portable merchandise. They're hopefully looking to Sept. & Oct. to supply big pickup.

"TV is the best business we're in." That was how it was summed up to us by Philco consumer-products gen. sales mgr. Gibson B. Kennedy. And his sentiment was echoed (or reverberated) by others, who commented on health of TV business.

If there's one really significant trend common to both TV & stereo it's the accelerated emphasis on furniture craftsmanship (Vol. 16:26 p18). Westinghouse, which showed new TV & stereo lines, created something of a sensation among design-oriented visitors with its "curio gallery" of experimental hand-crafted furniture pieces, built around TV & stereo. Although they were unpriced and officially "not for sale," Westinghouse officials said after the show that retailer enthusiasm may prompt the production of some of the demonstration models.

"A well-designed piece of equipment can be sold as a fine piece of furniture rather than as an electrical appliance," said famous designer Jay Dorf in introducing Westinghouse line. "We are in the home fashion field." There was some rebuttal from dealers—who don't all fancy themselves furniture salesmen. "Too many portables but not enough emphasis on other low-end stuff" was a comment we heard from one high-volume dealer—aimed at the industry in general.

The furniture emphasis was everywhere—and the larger component-hi-fi manufacturers showed expanded lines of ready-built stereo console models. These included Pilot, Stromberg-Carlson, Fisher, Ampex.

These were other outstanding trends noted at Music Show:

New TV Names: Two component hi-fi houses showed 23-in. TV combination consoles for first time. Fisher had TV-radio-phono units at $1,145 & $1,195, with bonded-tube chassis purchased from an outside supplier. Pilot, once a big name in TV but now concentrating on component & packaged-component hi fi, displayed a home-entertainment-center console (including tape recorder) at $2,500, also with an outside-built TV. Representatives of both Stromberg-Carlson and Columbia conceded they may soon enter the TV-stereo combination field "if there's demand by our dealers."

Capehart again showed its line of TV-radio-stereo & stereo-radio combinations, adding one new TV combo. Its TV chassis are still made by Wells-Gardner pending tooling up of its own plant, a spokesman said, but the entire line will be available for deliveries by this October. Capehart's portables and other TV-only models probably won't be shown till next year. Symphonic, another TV newcomer, soon will be delivering its entire TV and TV-stereo combo line.

FM Radio: If there was any doubt about FM's upsurge, the variety of models and the comments of dealers at Music Show should have dispelled it. More & more console phonos are being shown with AM-FM tuners or with provision for dropping in tuners later. Most AM-FM tuners in stereo or TV-stereo combination consoles are now of the simulcast variety, permitting AM & FM sections to be used simultaneously for pickup of AM-FM stereocasts. Most manufacturers have few illusions about a quick FCC decision favoring FM stereo multiplexing (Vol. 16:26 p14) and feel that the only stereo broadcasting available to public for year at least will be of the AM-FM simulcast variety. But just in case, they point to the "multiplex jack" on back of their tuners—to plug in an FM stereo attachment.

As number of FM stations increases, manufacturers foresee increasing consumer choice of FM in stereo consoles. Most we talked with said they expect more than half of their stereo units to include FM this season. Many big manufacturers already exceed this ratio.

Granco showed its tiny car radio FM converter ($49.95 list), slated for Oct. delivery. FM enthusiast Henry Fogel, Granco president, said he believes sale of domestic FM sets of all kinds will total "close to a million" this year—not including 100-150,000 imported FM radios. Granco's $19.95 FM tuner, he said, has become a bread-&-butter item, in same way as original $29.95 FM-only radio which really put the company "in business" several years ago.

New sets: Westinghouse's was only completely new TV line shown for first time in Chicago. Continuing its "fine furniture" approach, it showed 37 basic TV models, 23 stereo consoles, plus expanded line of portable phonos. Its 19- & 23-in. tubes are non-bonded.

Magnavox, which traditionally drops in large number of new models (but does not change "lines" as such) showed some unique pieces, in addition to those previously announced (Vol. 16:26 p21). Its 3-set color line is dominated by $1,100 stereo theater in 3 cabinets which can be separated or joined—making color unit available for use as TV console, since phono & radio tuner are in removable side speaker cabinets. Also novel in Magnavox line: 23-in. TV console with FM radio (using separate tuner) at $349.50, and return of the 27-in. set, in short-short 90-degree-tube version, at $375 in a console. Considerable comment, pro & con, was aroused by unusually designed non-bonded 19-in. table model in wood cabinet with large speaker grille and tuning controls facing front above screen.

TV imports: Only new imported TV set shown was Star Lite Merchandise Co.'s widely publicized 8-in. plug-in all-tube portable, originally slated to sell for $69, later revised to $89 (Vol. 16:11,17). The midget, made by Riken TV Industry Co., bore surprisingly high retail tag of $110, but is priced to be "marked down" to about $99. Most dealers still were doubtful, remembering their experience with RCA's 8-in. set which was list-priced at $125, liquidated at $99.

Sony again showed its 8-in. transistor portable, was still cryptic about price, but promised deliveries "in time for Christmas." Delmonico's similar set, made by Nippon Victor (Vol. 16:20 p17) is being shipped from Japan now, we were told by exec. vp Herbert Kabat. Although company originally was shooting for under-$200 price, the tiny set now lists at $249.95. Delmonico also showed new Japanese 19-in. stereo-AM-FM combo console at $299.95 (delivery in Oct.) and 19-in. portable at $179.95 (latter Aug.). The 19-in. tubes are U.S.-made, inserted domestically. Both Delmonico & Sampson showed their mammoth color sets again, but neither apparently has firmed up plans for delivery. Only other imported TV sets we saw were in Majestic's German-made Grundig combinations.

For more Music Show highlights, see p. 16.

TV-RADIO PRODUCTION: EIA statistics for week ended July 8 (27th week of 1960):

	July 1-8	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	51,637	106,310	73,087	3,019,166	2,862,032
Total radio	173,906	285,651	198,096	8,696,721	7,308,854
auto radio	75,310	98,471	71,369	3,398,173	2,971,990

Standard Kollsman Industries now owns more than 80% of the stock of Casco Products Corp., for which it paid more than $4 million, Pres. James O. Burke told Casco's annual meeting last week. Casco makes auto accessories & small appliances. Burke said more than 400,000 of Casco's 511,356 shares had been acquired at $10.50 a share, and that the offer to buy at that price has been extended to Aug. 1. He stated that the name of the new Casco president will be announced in 10 days. It's widely expected to be Leonard F. Cramer, ex-Magnavox & Crosley (Vol. 16:23 p20). Burke heads Casco's new 4-man board as pres. & chief exec. officer. Other Casco directors: Arthur Richenthal, Standard Kollsman secy.-gen. counsel; Perry Addleman, management consultant; John P. Hoffman, vp of Continental Ill. National Bank & Trust Co. All 4 are also Standard Kollsman directors. Former Casco Chmn. Joseph H. Cone was named honorary chmn.

Olson Radio Corp., Akron wholesale & retail distributor, has been accused by FTC of misrepresenting rebuilt TV picture tubes as "top quality picture tubes in factory-sealed cartons." Formerly called Olson Radio Warehouse Inc., the firm had been charged earlier by FTC with making deceptive price claims, failing to disclose foreign origins of products and misrepresenting guarantees on them. Olson denied the original charges.

Minnesota Mining & Mfg. Co., whose diversification moves this year have included acquisition of MBS and merger negotiations with tape-recorder & camera maker Revere Camera Co. (Vol. 16:27 p18), is in anti-merger law trouble over two 1956 acquisitions. In a Clayton Act complaint, FTC accused the 3M firm of putting itself into a position to monopolize the electrical insulation business by taking over Chicago's Prehler Electrical Insulation Co. and Fort Wayne's Insulation & Wires Inc. The FTC complaint noted that earlier acquisitions by the company included Irvington Varnish & Insulator Co., Mica Insulator Co. and American Lava Corp.

Merger of Symphonic Electronic Corp. (TVs, phonos) into Lynch Corp. (Vol. 16:23 p19) will be submitted to stockholders of both companies in special meetings late this month or early in August. Directors of both firms have approved the exchange-of-stock transaction. Lynch supplies industrially glass-forming & packaging machinery.

Settlement of 6-day RCA strike came July 11 for 2,400 engineers at 5 N.J. & Pa. plants (Vol. 16:28 p16) with a new 1-year contract retroactive to July 1. Agreement between RCA & Assn. of Professional Engineering Personnel provides: 4¾% salary increase (vs. APEP's 6% demand, RCA's 3¾% counter), union voice in company's merit-review program.

Music Show Highlights

IMPORTS didn't steal the show at NAMM's Music Industry Trade Show in Chicago (see p. 15) this year, although plenty of importers had exhibits there. There was a noticeable increase—compared with last year—in imported products being sold under the labels of U.S. manufacturers.

For example, there was CBS's Columbia phono dept., whose complete radio & tape-recorder line is imported. Paradoxically, Columbia's transistor radios & tape recorders are made in Germany (the recorder is made by Grundig), while the tube-type radios & recorders are from Japan. Webcor showed a line of transistor radios and a battery-operated miniature tape-recorder from Japan. Capehart also displayed, for the first time, a group of Japanese-made transistor radios at $29.95 to $59.95.

Among other Japanese merchandise, most attention was drawn to Yashica's complete 3-piece 14-transistor stereo phono with 2-band radio—all battery operated.

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Record-playing equipment in console phonographs is coming in for more attention. Motorola proudly announced it was the first manufacturer to use a brand new Sonotone-made ceramic pickup cartridge (9-T), whose flat response curve compares favorably with most magnetic cartridges. Its shape is said to be designed to eliminate dust static.

Magnavox showed for the first time a completely redesigned record changer, which is being incorporated in most of its phonos. The Magnavox Imperial, made in Britain by Collaro, which is controlled by Magnavox, features a 3-gram diamond-stylus pickup. Another British changer manufacturer, Birmingham Sound Reproducers, kicked off a big promotional drive at the show. New BSR (U.S.A.) Ltd. plans a large consumer-ad campaign for its BSR brand changers, now used in phonos made by Westinghouse, Emerson, Olympic, Trav-Ler, Arvin and others. BSR also will have cartridges & tape decks.

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Hi-fi component manufacturers have broadened their lines of fine-furniture stereo consoles. Pilot's completely new line, highlighted by the $2,500 TV-phono-radio-tape entertainment center (see p. 14), has 15 stereo consoles from $299.50 to $695. Fisher, which also has a TV combination this year, showed 7 basic consoles at $395 to $2,595. Ampex and Bell Sound also offered new console lines. Stromberg-Carlson showed 14 basic console models at $285 to $1,060.

Two Canadian phono manufacturers launched invasions of the U.S. market—Stereo-Voice, with a line of component consoles, and Clairtone with a complete stereo line.

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Bucking the trend: While almost every manufacturer added more TV-stereo-radio combinations, Westinghouse quietly dropped the only one it had. There are no combos in the 1961 Westinghouse line introduced last week.

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Electronic air purifiers are providing a new field for consumer-electronics manufacturers. Among those entering this market are Pentron, heretofore known almost exclusively as a tape-recorder manufacturer, and Granco, whose products have been limited to radios.

"Picture on a pole" is the unique approach of Fischer Electronics Inc. (7712 S. Broadway), St. Louis. The company showed its "TV-bar," consisting of a formica-covered padded bar for the home, with a metal-encased TV picture-tube atop a brass pole protruding from the top of the bar. The TV chassis & controls are behind the bar, and the picture screen swivels a full 360 degrees. The bar, complete with 17-in. TV, is available at $349.95 up. A company spokesman said the TV picture tubes could be operated up to 18 ft. away from the set's chassis, and that 2 picture tubes could be driven from a single chassis. He suggested that this arrangement would be ideal for classroom TV (but without the bar). The chassis shown were modified Sylvania units.

* * *

Reverberation effect for home use (see p. 13) isn't limited to phonos & organs. Ecco-Fonic Inc. (905 S. Vermont Ave.), Los Angeles, demonstrated a $350 unit designed principally for amateur use with electronic guitars and other musical instruments. The adjustable echo can give the effect of a concert hall or make one guitar sound like a large group. Used to amplify voice, it can make one singer sound like a chorus—or as if he were singing into a rain-barrel. Ecco-Fonic modestly proclaimed in its press announcement that its "unique new development in sound reproduction makes a rank musical amateur sound good."

* * *

Tape-cartridge-vs.-open-reel dispute didn't flare up at Music Show this year. In the pre-recorded music tape field, everything was open-reel—with 2 exceptions. RCA and Bell Sound (Thompson Ramo Wooldridge) again showed their recorder-players for the RCA-type tape cartridge. None of the proposed new cartridge-tape systems now under development (such as the 3M-CBS or the Armour Research Foundation systems) was demonstrated.

Officials of Bell Sound conceded that consumer demand for its cartridge machine had fallen off, but said business was good in other fields—particularly in dentistry. A spokesman said Bell had orders for a total of 10,000 of the machines for use by dentists—not for the playing of music, but as a pain-deadener. The machines, used with headphones, play a pre-recorded "white sound" which cancels out much of the psychological discomfort felt by patients during dental drilling.

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Major contract awards: Magnavox, 2 contracts totaling $32.5 million from the Bureau of Naval Weapons for radar sets & indicators. • **Sylvania,** $20-million contract from Convair div. of General Dynamics for electronic defense systems for the Air Force's B-58 bomber. • **Westinghouse,** $19.2-million Air Force award to produce long-range-search radar systems for the continental air defense network. • **Lab for Electronics,** 2 Air Force awards totaling $12 million for airborne navigation equipment. • **RCA Service Co.,** $5.3-million award to operate an Air Force communications network. • **Belock Instrument,** $5-million Army contract to produce radar simulator systems. • **ITT,** awards totaling $4.7 million to its Federal div. from the Army, Air Force and Federal Aviation Agency for various electronic equipment. • **Daystrom,** $2-million Navy award for continued work on the Julie System. • **International Resistance,** $1.7-million contract to develop precision resistors for North American Aviation's Autonetics div., for use in the Minuteman missile. • **GE,** $1.4-million award from Autonetics for a reliability program on silicon transistors for Minuteman.

TOP 100 DEFENSE FIRMS: General Dynamics pushed Boeing out of first place as the nation's No. 1 defense contractor last year, according to the Defense Dept.'s compilation of the 100 firms with the highest volume of prime contracts in 1959. Of the 100 companies, at least 32 are strongly identified with electronics.

As compared with the 1958 list (Vol. 15:31 p20), the electronics firms show considerable realignment. On the 1959 list but not on the 1958 list are Hazeltine (ranking 56th), Standard Coil (70th), Magnavox (71st), Litton Industries (92nd), Gilfillan Bros. (97th), Texas Instruments (99th). On the 1958 list but missing last year were Cal. Institute of Technology (58th) & Rand Corp. (59th).

Companies showing sharp rises in ranking were Raytheon (18 to 11), Avco (31 to 20), Thompson Ramo Wooldridge (44 to 29), Philco (46 to 35), GPE (67 to 44), Hoffman (94 to 54), Lab for Electronics (97 to 78). In the top 10, GE dropped from 3rd to 5th, AT&T from 6th to 9th.

We've prepared this summary showing standing of prominent electronics firms in the top 100 for calendar 1959 compared with 1958. (Subsidiaries included, dollar figures in millions. Dash indicates firm was not among top 100 during 1958.)

	1959 Contracts	1959 Rank	1958 Contracts	1958 Rank
General Dynamics	$1,491.1	1	$1,542.3	2
GE	915.7	5	952.4	3
AT&T	501.4	9	792.0	6
Raytheon	369.5	11	274.1	18
Hughes Aircraft	322.7	13	565.7	8
Sperry Rand	318.7	14	423.7	10
RCA	303.2	15	365.1	15
Bendix Corp.	279.9	16	243.7	21
IBM	262.5	17	417.6	11
Westinghouse	220.5	18	271.6	19
Avco	199.6	20	102.0	31
ITT	156.9	24	135.8	25
Thompson Ramo Wooldridge	133.0	29	71.9	44
Burroughs	117.9	30	107.0	29
Collins Radio	116.4	32	84.4	36
Philco	102.0	35	71.5	46
American Bosch Arma.	98.2	36	85.4	35
Minneapolis-Honeywell	94.8	37	86.1	34
Northrop Corp.	83.5	41	245.1	20
Gen. Precision Equipment	77.6	44	44.2	67
Mass. Inst. of Technology	64.7	48	60.1	52
Hoffman Electronics	57.1	54	30.1	94
Hazeltine Corp.	54.2	56	—	—
Gen. Telephone & Elec.	51.9	58	41.2*	69
Lear	37.9	67	44.3	66
Standard Coil Products	35.4	70	—	—
Magnavox	34.9	71	—	—
Laboratory for Electronics	32.9	78	27.9	97
Litton Industries	25.9	92	—	—
Motorola	25.0	93	33.2	84
Gilfillan Bros.	24.0	97	—	—
Texas Instruments	23.7	99	—	—

* Sylvania only.

Servel Inc. will enter magnetic tape field this year and expects to initiate production at its Freeport, Ill. plant around the end of October, Pres. Duncan C. Menzies reported recently. The onetime refrigerator-compressor-air-conditioner giant now derives its income almost exclusively from its Burgess battery divs., expects a "substantial number" of the 1,500 electronic parts distributors who handle its Burgess lines also to distribute the new magnetic tape to retailers. Menzies said it would take 3-6 months from the start of production before Servel's magnetic tape is in national distribution. Initial production will be of tape for home recorders. Eventually Servel will branch into magnetic tape for computers.

New plants & expansions: Westinghouse will establish an astroelectronic lab on a 50-acre site in Conejo Valley, Cal. for advanced development of molecular electronics, semiconductors, thermoelectrics, sensing tubes—primarily for military use. A temporary facility at the site will be occupied this month, pending completion of lab next March. • **Collins Radio** broke ground recently for a 38,000-sq.-ft. $750,000 communications & data-processing center at Cedar Rapids. The center is scheduled for March 1961 completion, will house a fully operational system of single-sideband & microwave communications equipment and a centralized computing system. • **Sylvania** semiconductor div. has moved its advanced-device research lab from Northlake, Ill. to the Waltham, Mass. facility—pending relocation early next year at div. hq. in Woburn, Mass. The move was made for "closer liaison" between semiconductor development & production.

Merger of Seeburg and Itek Corp. is the subject of preliminary talks being held between the 2 companies. Seeburg, which claims to be the largest manufacturer of coin-operated phonos, also makes electronic components for the govt., Western Union & American Photocopy Co. (assets more than $11 million; 1959 net profit $1,929, 000 on sales of $22,936,886). Itek Corp., producer of graphic information storage & handling equipment, photocopy machines & accessories, is 22.6% owned by Laurance Rockefeller (assets $13,299,702; for fiscal year ended last Sept. 30, net of $485,483 on sales of $25,056,879).

Best-selling TVs in Britain continue to be 17-in. models, which in 1959 accounted for 91% of the total 2,750,000 sets sold (up from 83% of 1958's 2-million TV sales), notes the annual report of the British Radio Equipment Mfrs. Assn. The 1959 sales of 21-in. TVs increased to 165,000 units (or 6% of total sales) from about 100,000 units (5%) the preceding year. Exports of British TV-radio sets declined 8% in 1959 to a total value of about $9.1 million. Sweden was Britain's top TV customer (purchasing a value of $822,628 TVs), followed by Erie ($285,415). Nigeria was 2nd-highest TV-radio importer, but only a fraction of its total $695,887 purchases went to TV.

Heat-to-electricity converter which can provide practical amounts of power from heat of ordinary fuels has been developed experimentally by RCA Labs. The new thermionic converter tube, developed under an Air Force research contract, has been operated with 14% efficiency from heat sources of 1,100° C—equivalent to the heat produced by gasoline or natural gas. The experimental tube, according to RCA Labs research dir. H. W. Leverenz, "combines practical simplicity with the highest efficiency yet known to have been achieved by any thermionic device working at [such low] temperatures." Being developed primarily for conversion of solar heat to energy in space, the tube points the way to mass-producible devices which potentially could be used in nuclear power plants, to run an auto or to provide standby home power, according to RCA Labs. The tube, which employs no working parts, was developed by RCA Labs' Dr. Karl G. Hernqvist.

Magnavox will acquire facilities in Glasgow, Scotland, for production & distribution of tape recorders & record changers in the British Commonwealth. Output of TVs & radios will be subcontracted initially, but the company may buy or build its own TV-radio plant later.

AM radio designed for desk & office use, the Zephyr, has been introduced by Zenith at $39.95. A special filter-in antenna is designed to reduce electrical interference.

Japan's Export Quotas: Exports this year of radios with 3 or more transistors from Japan to U.S. will total about 4 million sets—or approximately the same as last year. So said the Commerce Dept. Business & Defense Services Administration, on the basis of its own unofficial advices as to the Japanese govt.'s newly-established quotas for shipments to the U.S. & Canada (Vol. 16:27 p14).

The BDSA electronics div. said quotas—which have not been revealed officially—provide for maintenance of 1959's volume of shipments to the U.S. & Canada, but provide for a 10-20% increase in exports to the rest of the world. The quotas are divided among exporters (not manufacturers) on the basis of their exports during 1958 & 1959, but provision is made for companies not in business during the base period.

Last year's Japanese exports of sets with 3 or more transistors to the U.S. & Canada totaled 4,405,738 units. Of these, 4,011,784 went to the continental U.S. & Hawaii, 3,608 to Puerto Rico, 390,346 to Canada.

In addition to radios with less than 3 transistors, these types are exempt from quotas: Sets with FM or long-wave (30-300-kc) bands, vehicular radios and those combined with watches or cameras.

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Trade Personals: R. G. Simpson named consumer-products vp, L. D. Headley record div. gen. mgr., RCA Victor Ltd. (Montreal) . . . Milton Auster and Stanely R. Seltzer named vps, Olympic Radio & TV Sales Corp. (Vol. 16:28 p15) . . . James F. Haley promoted from Motorola Philadelphia regional mgr. to new post of national field sales mgr. . . . Elwood Reeves resigns as Magnavox vp and radio-TV div. sales mgr.

Dr. C. Lester Hogan, semiconductor products div. gen. mgr., named Motorola vp . . . John R. Meagher appointed electronic instruments mdsg. mgr., distributor products dept., RCA electron tube div., responsible for test-equipment merchandising . . . J. A. (Shine) Milling reappointed chmn. of EIA's distributor relations committee . . .Leonard D. Sullivan named Raytheon senior corporate representative in Washington . . . E. E. Ferrey resigns as Hoffman PR dir. to become mgr. of Western Electronics Mfrs. Assn. (WEMA) . . . Berkley J. Baker, ex-Eitel-McCullough, named ad mgr., Litton Industries electron tube div. . . . William H. Cotton, ex-Standard Brands, elected secy.-treas., Reeves Soundcraft.

Joseph A. Lagore resigns as Philco govt. & industrial div. mfg. vp . . . Don Kehn appointed commercial products ad mgr., Stromberg-Carlson, succeeding Ken Juno, named ad operations mgr. . . . Fred W. Edwards promoted from chief engineer to new post of engineering vp, Standard Kollsman Industries . . . Herbert A. Frank, ex-Granco sales dir., appointed American operations vp, Clairtone Sound Corp., Ltd., Ontario, headquartering in N.Y. . . . Irving Kaplan appointed sales dir., Fidelity Electronic Corp. (phonos) . . . Walter L. Schott, Walsco founder, named distributor sales div. mgr., International Rectifier . . . Joseph F. Degen named vp-gen. mgr., Daystrom Weston Instrument div., succeeded as operations vp by Edward Klein.

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Obituary

Forrest F. Davis, 72, retired asst. vp, ITT, died in Mexico City July 10. He was formerly asst. gen. mgr. of the Shanghai Telephone Co., and vp-gen. mgr. of the Mexican Telephone & Telegraph Co. His wife survives.

Finance

Acquisitions & mergers: Bendix has acquired controlling interest in Diseñadores y Constructores S.A. (Discosa), a leading Mexican tool & die company, and will operate it as Bendix de Mexico S.A. • Anton-Imco Electronics Corp. directors have approved the sale of the firm's assets to the Lionel Corp. on the basis of 1⅓ shares of Lionel for each share of Anton-Imco. Shareholders will vote on the proposal at special meetings. • Hudson Radio & TV Corp. is negotiating a merger with Terminal Electronics Co. Both are N.Y.C. area electronic parts & hi-fi jobbers & retailers. • Dominion Electrohome Industries Ltd., Kitchener, Ont. maker of TVs, radios, hi-fi, other products, has acquired control of Campbell Electric Ltd., Brantford, Ont. manufacturer of lighting products. • National Union Electric, manufacturer of electron tubes and home heating & air conditioning equipment, has purchased furniture maker Durham Mfg. Corp. for an undisclosed cash sum. • International Rectifier has acquired Dallons Labs for less than 20,000 shares of International stock, will operate the Los Angeles electronics manufacturer as a wholly-owned subsidiary. • Ling-Altec and Temco Aircraft shareholders have approved the merger of the 2 concerns into Ling-Temco Electronics (Vol. 16:22 p20). For each of their shares Temco stockholders will receive 48-100 of a share of common to be issued by the new corporation, plus 12-100 of a share of a new convertible preferred. Ling-Altec shareholders will get one share of the new common for each share held. • Thompson Ramo Wooldridge has 51% ownership in a new French electronics concern, Compagnie Europeenne d'Automatisme Electronique, formed in partnership with France's largest electronics manufacturer, Compagnie General de Telegraphie Sans Fil (40%), known throughout Europe as C.S.F., and Intertechnique of France (9%). The new concern, with an initial capitalization of $1.5 million, will produce automation equipment for the European market.

Reports & comments available: Zenith, comments, Goodbody & Co., 115 Broadway, N.Y. 6 • Daystrom, analysis, Laidlaw & Co., 25 Broad St., N.Y. 4 • Belock Instruments, discussion, Ira Haupt & Co., 111 Broadway, N.Y. 6 • Avco and AT&T, memos, Oppenheimer, Neu & Co., 120 Broadway, N.Y. 5 • Columbia Technical Corp., offering circular, Diran, Norman & Co., 37 Wall St., N.Y. 5 • Standard Kollsman Industries, profile, July 1 *Forbes*. • Siegler, discussion, Joseph D. Goodman & Co., 1526 Chestnut St., Philadelphia 2 • Victoreen Instruments, memo, Auchincloss, Parker & Redpath, 2 Broadway, N.Y. 4 • Warner Bros., analysis, E. F. Hutton & Co., 61 Broadway, N.Y. 6 • Collins Radio, review, H. Hentz & Co., 72 Wall St., N.Y. 5 • Dynamic Films, offering circular, Morris Cohon & Co., 19 Rector St., N.Y. 6 • Liberty Records Inc., prospectus, Crowell, Weedon & Co., 650 S. Spring St., L.A. 14 • TelePrompTer, profile, July 13 *Financial World* • Varian Assoc., prospectus, Dean Witter & Co., 14 Wall St. N.Y. 5. • Allied Radio, profile by Sidney B. Lurie in July 15 *Forbes*.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Allied Radio	Q	$0.08	Aug. 22	Aug. 8
Gross Telecasting	Q	.40	Aug. 10	Jul. 25
Gross Telecasting "B"	Q	.07½	Aug. 10	Jul. 25
Internatl. Resistance .	Q	.07½	Sep. 1	Aug. 15
Magnavox	Q	.25	Sep. 15	Aug. 25
Taft Bcstg.	Q	.10	Sep. 14	Aug. 15

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Allied Artists	1960—year to Jun. 30[1]	$14,000,000	——[2]	$1,100,000	$1.25	895,346[3]
	1959—year to Jun. 27	15,000,000	——	(262,500)	—	895,346[3]
American Electronic Labs	1960—6 mo. to May 31	1,120,304	——	21,698	.21	96,663
	1959—6 mo. to May 31	882,584	——	25,780	.26	96,663
AT&T	1960—12 mo. to May 31	7,618,508,000	——	1,185,743,000	5.36	214,513,000[4]
	1959—12 mo. to May 31	7,036,389,000	——	1,074,390,000	4.94	211,017,000[4]
	1960— 3 mo. to May 31	1,971,317,000	——	311,848,000	1.41	215,110,000[4]
	1959— 3 mo. to May 31	1,836,938,000	——	290,118,000	1.32	212,561,000[4]
GE	1960—6 mo. to Jun. 30	2,022,699,000	$227,877,000	111,429,000	1.26	87,925,923[6]
Story below.	1959—6 mo. to Jun. 30	2,065,447,000	243,736,000	117,239,000	1.34	87,515,284[7]
	1960—qtr. to Jun. 30	1,065,266,000	120,577,000	58,815,000	.66	87,925,923[3]
	1959—qtr. to Jun. 30	1,088,879,000	135,142,000	64,461,000	.74	87,515,284[7]
General Instrument	1960—qtr. to May 31	13,010,910[5]	——	430,923	.25	1,758,123
Story below.	1959—qtr. to May 31	12,728,861	——	211,129	.14	1,497,723
International Resistance	1960—25 wks. to Jun. 26	10,354,177	——	1,045,972	.75	1,379,398[10]
	1959—25 wks. to Jun. 26	9,409,128	——	927,601	.68	1,354,989[11]
	1960—10 wks. to Jun. 26	4,163,000	——	369,000	.26	1,379,398[10]
	1959—10 wks. to Jun. 26	3,920,000	——	357,000	.26	1,354,898[11]
Loew's Theaters	1960—12 wks. to Jun. 9	10,309,000	——	636,700	.24	2,668,389
radio WMGM N.Y.	1959—12 wks. to Jun. 9	9,968,000	——	375,100	.14	2,668,389
P. R. Mallory	1960—6 mo. to Jun. 30	43,707,226	4,297,961	2,010,806	1.32[8]	1,443,739
	1959—6 mo. to Jun. 30	42,514,460	4,082,795	1,976,686	1.30[8]	1,411,774
Taft Bcstg.	1960—qtr. to Jun. 30	2,874,875	900,798	429,772	.29	1,486,528
	1959—qtr. to Jun. 30	2,498,764	757,739	362,090	.24	1,486,528
Westinghouse	1960—half to Jun. 30	953,844,000	——	40,454,000	1.41	34,679,456[9]
Story on p. 20.	1959—half to Jun. 30	914,204,000	——	34,150,000	.96	34,360,056[9]
	1960—qtr. to Jun. 30	495,027,000	——	20,958,000[5]	.59	34,679,456[9]
	1959—qtr. to Jun. 30	474,132,000	——	19,741,000	.56	34,360,056[9]
Wometco Enterprises	1960—24 wks. to Jun. 18	5,526,953	——	490,235	.51	——
	1959—24 wks. to Jun. 18	4,740,379	——	371,287	.41	——
	1960—12 wks. to Jun. 18	3,108,003	——	289,914	.29	——
	1959—12 wks. to Jun. 18	2,380,111	——	200,643	.22	——

Notes: [1]Estimated. [2]Not subject to tax because of $1.7-million tax-loss carry-forward. [3]On Mar. 29, 1960. [4]Average. [5]Record. [6]Average shares Jan. 1, 1960. [7]Average shares Jan. 1, 1959. [8]After pfd. dividends and based on 1,443,739 common shares outstanding June 30, 1960. [9]Per 2-for-1 stock split Jan. 1960. [10] Jan. 1960. [11]Jan. 1959.

GE reports a profit drop of 9.6% on a 2.2% sales decline in 1960's 2nd quarter and an overall first-half recession of 5% in earnings & 2% in sales (see financial chart). Chmn. Ralph J. Cordiner explained that while TVs & radios are "performing well," other consumer products were down in volume and "disappointing in terms of what had been hoped for the period." Sales of defense products continued the decline begun in the first quarter, he added, "but sales of industrial components & materials continued to show strong gains over the corresponding months of last year. Re the declining appliance volume, Cordiner added: "Consumers are allocating the smaller portion of their higher incomes to the purchase of major appliances. This situation can best be changed by our continuing efforts to make values & services constantly more attractive."

Jerrold's sales for the first quarter ended May 31 were approximately at last year's level, Pres. Milton J. Shapp told the company's annual stockholders meeting. He said the company's backlog of CATV & closed-circuit installation & construction contracts exceeds $1 million. Referring to the company's call for redemption of its 6% convertible subordinated debentures (Vol. 16:26 p23), he said Jerrold will be freed of all long-term debt only 5 years after the issue of the $2,750,000 debentures—"an indication of the company's increased financial strength."

NAFI Corp. Pres. John G. Bannister ruled out the possibility of a stock split or a cash dividend this year at the company's stockholders meeting. "Our first obligation," he said, is to pay off the $28-million debt incurred in the recent purchase of Chris-Craft Corp. Bannister said advertising income of NAFI's TV-radio stations should increase during the 2nd half because of political & convention programs. He reaffirmed the company's intention to eventually acquire 5 TV & 7 radio stations, but said no acquisitions are currently under consideration. NAFI's broadcast properties: KPTV Portland, KCOP Los Angeles, radio KXYZ Houston, KFJZ-TV Ft. Worth.

General Instrument scored a 104% profit gain on record sales of $13 million in fiscal-1961's first quarter ended May 31 (see financial chart). Chmn. Martin H. Benedek credited the improved profit picture to continuing increases in the percentage of industrial-military sales, particularly in the semiconductor field. Semiconductor shipments during the quarter were 46% ahead of the year-ago volume. General Instrument's order backlog was a record $44.6 million at the quarter's end, vs. $20.8 million a year ago.

Electronic Specialty Co. has obtained shareholder approval to create 200,000 shares of preferred stock (the company's first). The Los Angeles concern has 547,240 shares of common outstanding.

Westinghouse posted an 18% profit gain on a 4% sales increase during 1960's first half (see financial chart). The 2nd-quarter profit rose 6% to a record $20.9 million; sales were up 4%. With the exception of major appliances, which declined slightly, all segments of the company contributed to the sales & profit increase. Westinghouse said that new orders booked during the first half were up 9% from the year-ago level.

Famous Players Canadian Corp. consolidated net profit dropped 22.4% in first-quarter 1960 to $593,518 (33¢ a share) from $764,370 (44¢) in Jan.-Mar. 1959. Pres. J. J. Fitzgibbons attributed the drop in part to start-up expenses (including depreciation) of the Telemeter operation.

Republic Pictures sale to Victor M. Carter in July, 1959, in a deal involving common stock shares transferred to him & 6 associates by Associated Motion Pictures Inc. (Vol. 16:24 p6), has been cleared by SEC. Technical noncompliance with the Investment Co. Act in the transaction had been noted by SEC, but it granted a retroactive exemption from the law to Associated.

Capital Cities Bcstg. Corp. (WTEN & radio WROW Albany, with satellite WCDC Adams, Mass.; WTVD Durham, N.C.; WPRO-TV & WPRO Providence) is now listed on the American Stock Exchange. Symbol: CCB.

Dynamic Films, N.Y. program supplier & film producer, last week offered 100,000 shares of common ($3 a share) for public sale through an underwriting group headed by Morris Cohon & Co. Upon completion of the new financing, Dynamic's capitalization will be 250,000 common shares.

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, July 14, 1960

Electronics TV-Radio-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	34	37¼
Aerovox	12⅛	13¼
Allied Radio	20¼	21¾
Astron Corp.	2⅛	2⅝
Baird Atomic	34¼	36¾
British Industries	14½	16
CGS Labs	10½	13⅛
Control Data Corp.	41½	45⅛
Cook Elec.	15¾	17¼
Craig Systems	18	19⅝
Dictaphone	42	45⅛
Digitronics	27	29⅜
Eastern Ind.	12⅞	14
Eitel-McCullough	26⅛	28
Elco Corp.	21¾	23⅞
Electro Instruments	46	50⅛
Electro-Voice	13⅜	14½
Electronic Associates	22¼	24⅜
Erie Resistor	9⅝	10½
Executone	30½	33½
Farrington Mfg.	37	39⅞
Fischer & Porter	15⅛	16⅝
FXR	53	57½
General Devices	19	21
G-L Electronics	10	11¼
Granco Products	5⅞	6¾
Gross Telecasting	19½	21½
Haydu	1/16	5/16
Hewlett-Packard	74	78¾
High Voltage Eng.	125	135
Infrared Industries	21	25⅛
International Rectifier	24¾	26¼
Interstate Engineering	27	29⅛
Itek	63	67½
Jerrold	10¼	11⅛
Lab for Electronics	43	46⅝
Lel, Inc.	5⅛	6
LFE Inc.	10	12⅝
Ling Altec Electr.	25½	27¼
Magna Theater	2⅞	3-5/16
Magnetic Amp.	10	——
Magnetics Inc.	12¼	14
Maxson (W.L.)	9¾	10¾
Meredith Pub.	39	43
Metropolitan Bcstg.	16¼	17½
Milgo Electronics	21	24⅛
MPO Videotronics	7¼	8⅛
Narda Microwave	6½	7⅜
Narda Ultrasonic	5½	6⅜
National Co.	19¼	21
Nuclear of Chicago	31½	34⅝
Official Films	1-7/16	1-11/16
Pacific Automation	8¼	9¼
Pacific Mercury	9½	10⅜
Perkin-Elmer	38¾	41⅝
Philips Lamp	155	160½
Pyramid Electric	2⅝	3-1/16
Radiation Inc.	23¾	25⅝
Howard W. Sams	47	50⅝
Sanders Associates	48	52½
Silicon Transistor	8	8¾
Soroban Engineering	26¾	29⅛
Soundscriber	13¾	15¼
Speer Carbon	19¾	21½
Sprague Electric	58½	62½
Taft Bcstg.	12⅜	13½
Taylor Instrument	71	77¾
Technology Inst.	12	13⅝
Tele-Broadcasters	1⅛	1⅝
Telechrome	12½	13⅞
Telecomputing	8¾	9⅝
Telemeter	17½	19⅜
Time Inc.	59¾	63
Tracerlab	13	14⅜
United Artists	7¾	8½
United Control	32½	35⅛
Universal Trans.	1¾	2¼
Vitro	12⅞	13⅞
Vocaline	3⅞	4¾
Wells-Gardner	15½	16¾
WJR Goodwill Station	9½	——
Wometco Ent.	12¼	13¼

Foreign

Amadeo Barletta, former Cuban GM distributor, publisher of *El Mundo* and owner of Telemundo TV network, in exile in Miami, writes of Castro's seizure of his $40-million business empire (Vol. 16:9 p2) in an article for the North American Newspaper Alliance. "We and the thousands of readers who have been loyal for 58 years still own *El Mundo* and its TV affiliate of 7 stations," he writes, "but they are occupied by the enemies of freedom." His column recounts the events of the seizure ("We had millions in inventory and in the bank—this is what they really wanted"). He spent 111 days in the Italian Embassy in Havana (he is an Italian citizen) before fleeing to Miami. "The Cuba we and many knew is ruined and dead," he writes. "It is now but a cell in the international Communist conspiracy."

British TV-ad spending jumped 33% to a record $51.5 million during 1960's first-quarter. Six product groups topped the £500,000 mark ($1.4 million) and scored impressive gains over the same 1959 quarter: sweets & toffees, 78%; health beverages & baby foods, 59%; soups, gravy makers and meat extracts, 50%; chocolates, 47%; cigarets & cigars, 46%; household soaps, 23%. The last category was the quarter's top TV advertiser, with an investment of $4.4 million.

Educational Television

Stratovision ETV equipment in 2 DC-6 A/B planes scheduled for Feb. 1961 takeoff by the Midwest Council on Airborne TV Instruction (Vol. 16:18 p14) will be installed —and trained technicians supplied—by Westinghouse under a $2.2-million contract. The 2-year agreement for operation & maintenance of the airborne system will be executed under the direction of Westinghouse's Charles E. Nobles, who originated & demonstrated Stratovision techniques in the mid-'40's.

N.Y. city schools more than doubled their use of TV for in-class instruction during the 1959-60 year. TV-viewing classes increased to 15,352 from 6,920 in the preceding year, reported the Board of Education. It attributed the rise to "a wider variety of offerings" and a near tripling of school TVs: to 1,311 from 486 in the 1958-59 year. Each city school now has at least one TV set. The Board's report noted a decline for in-school radio instruction. Radio-listening classes decreased to 33,511 from 39,510.

National Assn. of Educational Bcstrs. has retained radio & electronic consulting engineers Jansky & Bailey. They'll aid NAEB with, among other things, its contemplated survey of education's need for spectrum space.

Technology

Assault on land speed record by Briton Donald Campbell, to take place at Utah's Bonneville Salt Flats in Sept., will make an unusual use of radio. To relieve Campbell of the distractions of dial reading, data from his car's instruments will be telemetered to a "flight engineer" in the pit who will tell Campbell what's going on by voice. Pye is doing the electronic work. FCC has assigned 4 channels for the job: 465 mc for telemetering, 157.4 mc for officials to talk to Campbell, 151.625 mc for pit men to talk to Campbell, 162 mc for Campbell to talk to officials & pit. Because Campbell is an alien, the FCC grants are to his ad-PR organization, Josephson & Cuffari, Montclair, N.J.

JUL 2 5 1960

WEEKLY **Television Digest**

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SUMMARY-INDEX OF WEEK'S NEWS

FCC

FCC, COMMERCIALS & "INTERRUPTIONS." No fixed formula, but FCC eyebrows begin to rise when spots go above 12 per hour in radio. Little trouble in TV—yet (p. 1).

COMMISSION LAWYERS HIT MIAMI CH. 7; urge cancellation of WCKT grant; say 3 out of 4 applications should be completely barred or heavily handicapped (p. 2).

FCC TO QUIZ HOLLYWOOD TV-FILM MAKERS IN OCT., delve into relationships with rest of industry in a 2-week session (p. 3).

FCC UHF PROJECT KICKS OFF JULY 29 with meeting of industry groups to form advisory committee. Manufacturers invited to bid on equipment (p. 9).

Auxiliary Services

JERROLD SELLING ITS CATV SYSTEMS FOR $4-5 MILLION to unidentified purchaser. Nine systems & 32,000 subscribers involved. Jerrold expected to buy others (p. 2).

NLRB SPURNS JURISDICTION, holding—in first labor case of its kind—that community antenna setups aren't communications systems subject to regulation (p. 14).

Advertising

BETTER TASTE IN TV COMMERCIALS noted by Code Review Board's Gaines Kelley & E. K. Hartenbower and FTC's chief broadcasting monitor Charles A. Sweeny (pp. 2 & 5).

Networks

ABC FORMS FILM SUBSIDIARY to develop network-owned film shows, with an eye to bringing major slice of residual income directly to network and to keeping film suppliers on their toes (p. 9).

Consumer Electronics

6-MONTH RETAIL SALES of TV & radio were 13% & 22% above 1959. Some softening of both markets noted in preliminary June figures (p. 15).

RECORD FM SALES certain this year, estimates varying from 1.7 to 2 million receiving devices. Boom will accelerate in next few years (p. 15).

JAPANESE EXPORTS—UP AGAIN, BDSA reporting that $16 million first-quarter 1960 electronic shipments to U.S. are nearly double those in 1959 period (p. 17).

PHONO SALES UP 19% at retail in May over last year; increase for first 5 months is greater than 20%. More stereo means higher dollar volume per unit (p. 17).

3M TO MAKE PLAYERS for its tape-cartridge system. Purchase of Revere puts it in position to accelerate manufacture (p. 18).

Stations

FELLOWS' POST STAYS OPEN; selection of new NAB leader not yet in sight, policy committee Chmn. Clair R. McCollough tells NAB's Harvard seminar (p. 7).

Film & Tape

AFTRA ACCEPTS SAG OFFER for joint contract negotiations & administration, convention approving it as stopgap step toward one-big-union-now plan (p. 12).

Other Departments

CONVENTIONS (p. 4). **PROGRAMMING** (p. 6). **CONGRESS** (p. 11). **EDUCATIONAL TV** (p. 13). **PERSONALS** (p. 14). **FINANCE** (p. 19).

FCC, COMMERCIALS AND INTERRUPTIONS: FCC attitude on "overcommercialization" is much misunderstood subject. Actually, there is no simple formula on "too many commercials," as such. What's involved, according to Commission officials, is excessive "interruption to service."

It concerns radio, mostly, because that's primarily a spot medium. TV, with its format of programs, hasn't had much trouble with Commission. Even in radio, however, FCC has no fixed formula. Nonetheless, staff follows Commission precedent—and that's to give at least a 2nd look at formats showing more than about 12 spots (commercial or otherwise) per hour. If licensee's spots rise to 15-16 or more per hour, he's likely to get a letter asking what's what.

Some Commissioners are tougher than others, Lee probably toughest. He figures that if station averages more than 12 spots an hour, its peak periods must be so broken up that program service is sketchy.

But Commission has yet to revoke a license for "interruptionism." Fact is, however, that receipt of querulous letter is enough to make most stations take measures to avoid catching FCC eye again. It's punishment enough to face a hearing—with its expenses, time-consumption, embarrassment & uncertainties—even if chances of losing license are remote.

TV may be in for some closer scrutiny at FCC, however. Commission began discussing staff's 300-page analysis of its programming hearing on July 14, did nothing conclusive, plans to resume last week of

this month. Study recaps FCC's past policies on assertion of authority over program performance, summarizes testimony of hearing. Included is discussion of principle of requiring stations to seek out community needs and tell FCC what they intend to do to meet them. Big question: How to administer such procedure? It's most unlikely anything final will come before August vacation.

Meanwhile, FCC's heightened interest in programming put another radio station on hook—KOL Seattle. Commision voted to hold up its renewal & pending sale until station tells why its renewal form discloses little or no education, discussion, talks, etc. Comr. Craven dissented.

COMMISSION LAWYERS HIT MIAMI CH. 7: FCC's legal staff continued tough recommendations on "influence" cases last week, urging that grant of WCKT (Ch. 7) Miami to Cox-Knight-Trammel group (Biscayne TV Corp.) be set aside and that 3 of the 4 original applicants be either thrown out completely or heavily penalized in any new comparative consideration.

Encouraged by Commission's tough action week before on Miami Ch. 10 & Boston Ch. 5 (Vol. 16:29 p1), associate gen. counsel Edgar W. Holtz and assistants James Brennan & Joel Rosenbloom analyzed record of hearing before Judge Horace Stern (Vol. 16:25 p11 & 16:26 p8) and concluded there's clear evidence of wrongdoing on part of Biscayne, East Coast TV Corp. and South Fla. TV Corp.—leaving only Sunbeam TV Corp. untainted. FCC attorneys were the only ones filing recommendations last week. Other parties were given extension of deadline to July 25. Judge Stern has said he plans to issue initial decision by Sept. 15.

Commission's Miami Ch. 10 decision, taking grant from WPST-TV and giving it to L. B. Wilson Inc. (Vol. 16:29 p1), has one aspect deserving amplification: Though Wilson is granted license for 4 months, its renewal won't be due until year from now. That's because FCC rules give grantees 2 months to start construction & 6 months more to complete it—so Wilson's 4 months would end July 15, 1961. Meanwhile, Wilson has asked FCC for call letters WLBW-TV.

JERROLD SELLING CATV SYSTEMS FOF $4-5 MILLION: Pioneer & major force in CATV industry, equipment maker & system operator Jerrold Electronics Corp. is presently in the process of selling its 9 systems.

Jerrold spokesman would not confirm the report, but we've learned that deal is imminent—with a purchaser whose name wasn't divulged. The systems have 32,000 subscribers, and with recent system sales going at rate of $100-150 per subscriber, it's assumed that price is in $4-5 million bracket.

Systems are in following communities: Wenatchee, Walla Walla & Richland, Wash.; Pocatello, Ida.; Ukiah, Cal.; Flagstaff, Ariz.; Ventnor, N.J.; Florence, Ala.; Dubuque, Ia. Questioned, Jerrold spokesman stated:

"The systems haven't been sold. It is the general policy of the Community Operations Div. of Jerrold to purchase CATV systems and by application of its technical & management experience to build these systems into profitable operations and to sell them when considered proper & timely from a corporate viewpoint. Within the framework of this policy, Jerrold acquired 10 CATV systems over a 3-year period and on March 31, 1959 sold the CATV system in Key West, Fla. after 2 years of company operation, at a profit of $283,656."

Most of the systems are 6-7 years old, are therefore fairly ripe for sale from depreciation-tax standpoint. From spokesman's statement above, it's apparent that Jerrold will be system-shopping shortly—to get back into field it has found very profitable.

BETTER TASTE IN TV COMMERCIALS: Two men who should know TV commercials best—Gaines Kelley (WFMY-TV Greensboro, N.C.) of NAB's TV Code Review Board & Charles A. Sweeny of FTC's broadcasting monitoring unit—agree that good taste in them is rapidly replacing bad.

"Amazing improvement in good taste & acceptability" of commercials in TV Code's "personal-products" category was noted last week by Kelley at 2-day N.Y. meeting of his Review Board subcommittee which has assignment of policing that sensitive advertising area.

"I can see definite signs of improvement," Sweeny told us coincidentally in Washington, where we inspected FTC's TV & radio surveillance facilities to find out what monitors are up to currently (see p. 5). "In the next few months, as the new TV season comes along, I think we'll see further improvement."

Pockets of resistance to purification of commercials remain, however, it was pointed out quickly.

TV ads for bras need reshaping and those for girdles need tightening, Review Board's personal-products subcommittee reported. "There appears to be a tendency on the part of some advertisers & agencies to go

beyond the limits of acceptable good taste," said Board Chmn. E. K. Hartenbower (KCMO-TV Kansas City), who attended sessions. He also pointed with scorn at some local commercials for movies: "Scenes involving sex, violence and horror clipped from a theater feature film are not suitable for the family viewing audience." Code staffers were instructed to step up clean-up efforts in both areas.

"There is still much to be done," Sweeny said in concurring opinion, expressing personal distaste for hard-sell TV advertising tactics which don't run afoul of FTC law but which he said he finds offensive nevertheless. He added—hopefully—that objectionable commercials may be carry-overs from days before Congressional & FTC disclosures of bad practices aroused industry to reform itself. "In a good many cases, advertisers haven't thrown out old film, which was expensive to make," Sweeny told us. "But new ones do seem to be of better caliber."

"It was a pretty grim experience" for Code Board when it first sat down in April to take new & hard look at personal-products commercials, Kelley conceded in his subcommittee progress report which cited "amazing" changes since then.

FCC TO QUIZ HOLLYWOOD TV-FILM MAKERS IN OCT.: FCC finally set a date for film portion of its marathon network hearing, scheduling it to start in Los Angeles Oct. 5. Chief examiner James D. Cunningham will preside, as he did in previous sessions with witnesses from networks & ad agencies (Vol. 15:28 p2). Top Commission counsel Ashbrook Bryant estimates hearing will run about 2 weeks, delve into details of TV film production & sales, with emphasis on relationships with networks. He & associate James Tierney visited Hollywood last year to scout talent for witness chair (Vol. 15:44 p10).

Hearing is another phase of network inquiry which, FCC explains, "concerns the policies & practices of networks & others in the ownership, acquisition, production, distribution, selection, sales & trade licensing of TV programs." Some time in future, date unpredictable, 2 more sessions will be held to wind up the proceeding—testimony by advertisers and a final round with network policy makers.

DAYTIME'S BIG REACH: Daytime network TV will play major role in "the moving of goods, ideas & services" during the coming decade, says TvB in strong new presentation (see p. 11) which points out that more than 8 out of 10 U.S. homes (85.9%) watch TV during the day in typical Mon.-Fri. week. This gives the medium a basic dimension of 37 million homes—more than the total number of all TV homes only 4 years ago. During average daytime minute (6 a.m.-6 p.m.), there are 8,859,000 homes tuned in to TV, representing 57% increase over 1955 level.

Big power of daytime network TV lies in its ability to reach big cumulative audience with network Mon.-Fri. strip programs, such as quiz shows, audience participation, film reruns, etc. Average network strip reaches only 8.4% of homes per telecast. During course of month, audience turnover jumps the figure to sizable 32.4%, with average frequency of 5.2 times per home.

Daytime gross billings are currently off, as compared with those of year ago. Decline, according to TvB, started last Dec. and has been anywhere from .8% to 5.8% in 1960 (average: about 4%) below comparable months. In 1959, ABC-TV was making its entry into daytime, and shot total billings figure up considerably. Later, ABC lost several daytime sponsors, dropping billings level. Only recently has ABC daytime bounced back to nearly original strength. Other 2 nets have continued meanwhile at strong 1960 pace. Daytime gross figure as late as May was down, however (see p. 12).

THE POST-1948s ARE HERE: Dam is breaking on pent-up post-1948 movies sooner than most buyers had expected. Many film distributors have been hinting about packages reaching the market this fall (Vol. 16:28 p1). But last week it became clear that many of largest distributors aren't waiting that long.

Credit for opening film floodgates goes chiefly to Warner Bros.-Creative Telefilms & Artists deal (Vol. 16:23 p1 et. seq.) hatched in Toronto by financier Louis Chesler and ex-UAA Pres. Eliot Hyman. CT&A, split in Feb. from United Telefilm, has given major Hollywood firms much to think about by depositing $1 million against $11 million price of first package of 100-plus post-1948 Warner features ("Capt. Horatio Hornblower," "Task Force," "Damned Don't Cry," etc.).

CT&A will pay $11 million to Warner Bros. no later than Sept. 1, under present plan, for a total of 122 pictures. After CT&A recoups this sum in syndicated package sales, WB will come in for 50% share of further net receipts after CT&A distribution costs. This share may amount to $10 million, and make whole

deal worth more than $20 million to WB. Since this is new revenue of approximately $175,000 per picture, it proves value of TV market in terms any film producer can appreciate.

Other big studios & distributors are hopping on post-1948 bandwagon, and first sales calls are now being made among top station film buyers. Among latest post-1948 packages headed or being considered for TV: A 24-picture package from United Artists ("Marty," "Man with the Golden Arm," "Devil's Disciple," etc.) via UAA; a 50-picture package distributed by NTA, half of the titles ("Twelve O'Clock High," "Viva Zapata," etc.) from the post-1948 vaults of 20th Century-Fox; a group from Columbia Pictures ("From Here to Eternity," "On the Waterfront," etc.) via Screen Gems. Other (and smaller) packages of post-1948s are also expected from such distributors as Flamingo Films and Show Corp. of America.

Crimp may be put in pay-TV plans for post-1948s by the sudden rush of major film companies to launch them into the regular sales channels. Although financial potential for exposure of post-1948s to paying TV audiences is strong, it's just that—potential. A good post-1948 film, on the other hand, can start grossing immediately upwards of $100,000 in syndication. Real blockbusters (award-winning "Bridge on the River Kwai," for instance) will command prices on order of $30-$50,000 for N.Y. market alone. For producers of good low-budget films ("Marty" cost only $300,000 to produce, and has long since made it all back), free-TV's bird-in-hand may indeed seem worth several in-the-bush rewards of pay TV.

Conventions

AND NOW THE REPUBLICANS: "It feels like half-time at Army-Navy game," a network news official who had ducked into N.Y. for a between-conventions breather told us last week. "We went out to Los Angeles and beat our brains out. Now we're going to Chicago to do it all over again."

In the brief lull between the 2 political wing-dings, many TV executives last week had little chance to rest. Having bowed to NBC-TV in convention ratings in Los Angeles (Vol. 16:29 p5), CBS-TV was in no mood to have it happen again, and was examining various plans for beefing-up its Westinghouse-sponsored GOP coverage.

The networks concentrated on a build-up for their Chicago coverage, using a variety of drum-beating TV specials. ABC-TV scheduled shows for July 23 & 24, including an interview in Washington with Vice President Richard Nixon. CBS-TV scheduled warmup specials for July 21 & 24, and NBC-TV scheduled 4 (July 19, 21, 22, 23).

In Los Angeles, George Murphy, special asst. to the arrangements chmn. for this week's Republican Convention, informed us that it would follow the trend, made necessary by TV, of redesigning the old-fashioned convention. A time limit of 10 minutes has been set for demonstrations, 20 minutes for nominating, 3 minutes for seconding.

"While you can't tell the nominee how long to talk, if it's Vice President Nixon, he'll probably keep it to 15 or 20 minutes, because he doesn't believe in long speeches," Murphy said. The platform report will probably need 40 minutes, Murphy said. President Eisenhower's address will run about 20 minutes, Hoover's will be 10 minutes.

Networks still stand to lose huge sums on their convention coverage, despite heavy sponsorship. When all the bills are paid, the total tab may run as high as $20 million, of which at best about 60% will be recovered by commercial sponsorship. Facilities, engineering costs and labor & line charges will represent a big part of the $20 million outlay, perhaps as much as 65% or $13 million. (By contrast, back in 1948 when Philadelphia-originated network coverage of the conventions involved only 13 stations—and those principally in the Northeast U.S.—costs of all floor pickups, technical facilities and line charges came out of a $95,000 fund raised by the stations. But the final expense amounted to only $87,000—so all 13 stations got a rebate!)

N.Y. independent TV stations told us they "rated very well" against network flagship stations during the Democratic Convention. "Most of the time, the independent stations' combined ratings were 40% higher than the combined network stations' ratings during the week," one WOR-TV N.Y. spokesman told us. He compared this to 2 weeks prior when, on an average night, the network stations' combined rating was 30% higher than the independents. The 4 non-network N.Y. stations went along with their regular programming, consisting mainly of feature films & syndicated 30-min. shows, during convention week.

* * *

NBC-TV led the networks in over-all 5-day Democratic convention ratings, according to Arbitron national reports. In average audience, NBC scored a 16.5, CBS 12.0, ABC 6.4. In homes reached, NBC was highest with 7.3 million in the 5-day tabulations, as against 5.4 million for CBS & 2.4 million for ABC. There were 263.9 million total home hours of viewing for the week, of which NBC had 129 million, CBS 95.7 million and ABC 39.1 million. In a Schwerin N.Y. viewer study, NBC-TV's coverage emerged with the best "image." Some 39% liked NBC's coverage best, 36% CBS-TV, and 3% ABC. More than half the audience panel reported tuning in one network and sticking with it: 25% stayed with NBC, 23% with CBS, 4% with ABC. Of the "switchers," only 12% watched all 3 nets, while 36% rotated between NBC and CBS. More men favored CBS & Walter Cronkite; women preferred the Huntley-Brinkley team on NBC.

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"Return to old values" was NBC-TV's convention-coverage secret, in the view of NBC Chmn. Robert W. Sarnoff. He said last week in one of his periodic open letters to the press: "We tried to treat all our electronic gadgetry as a means to an end and to put the greatest emphasis on the solid journalistic values of getting the story accurately & swiftly." Concerning the conventions themselves, Sarnoff had some sharp words: "It is difficult to understand why the party chieftains persist in the kind of ritual that displays to a national audience the ostentatious indifference of a hallful of delegations to their own speakers. I also found it hard to fathom why the convention planners fritter away the peak viewing hours on drab preliminaries, sometimes putting off their most exciting and important business until only the hardiest viewers are still awake."

Advertising

FTC EYES 53 PRODUCTS: Potential perils for TV & radio advertisers & agencies lurked last week between carbon sheets of a freshly-typed list of 53 separate suspect products—and nearly as many manufacturers —which have been marked for special scrutiny by FTC's broadcasting police force.

The 13-member FTC radio & TV advertising unit under legal advisor Charles A. Sweeny, an ex-FBI man, under instructions to flag commercials—or print ads—for any of the products as evidence for possible proceedings alleging violations of FTC law.

Heavily loaded with familiar trade names of medicinal preparations & toiletries, the 53-item alert list ranged alphabetically from analgesics to weed killers, and it was studded with names of some of the biggest sponsors on TV. Each had been the subject of informal complaints received at FTC offices from competitors and/or consumers—or which came from within FTC.

Yet if past performance is any guide, few of the TV advertisers on the FTC monitoring unit's current surveillance docket will be confronted with formal complaints that they knifed competitors illegally or defrauded the public.

In the preceding fiscal year ended June 30, similar monthly alerts were posted as part of FTC Chmn. Earl W. Kintner's much-publicized drives against deception on the air. From the lists, 75 fraudulent-advertising cases in all media were originated in the 12-month period by Sweeny's TV-radio force, which also polices newspapers & periodicals. Of these, only 7 reached the stage of formal proceedings. Six involved TV in combination with radio & print media. One involved newspaper ads only. Some of the other cases are still pending in FTC's files, but most were either dropped or closed before charges were issued.

Sees Improvement in TV Commercials

This record of beefs vs. police action is seen by Sweeny (who has had 25 years of FTC experience) as evidence in itself that (1) TV commercials are getting better (see p. 2). (2) Knowledge that FTC's monitors are watching makes for fewer actionable cases against TV commercials.

Under Kintner's administration, FTC at least has proceded on the theory that a well-patrolled community is a well-behaved community. The monitoring unit was set up haphazardly in 1957 with 4 staffers. In the past 18 months alone its payroll has more than doubled from $43,265 to $108,430, and more additions to Sweeny's present staff (6 attorneys, 4 monitors, 3 secretaries) are planned.

Chief monitor is Mrs. Olive Vierbuchen, who has put in 20 years with FTC. She spends most of her working days now in a "no admission" room on the top 7th floor of the FTC building in Washington, surrounded by TV sets, radios, tape recorders and camera equipment.

Scattered in cubbyhole offices on the 4th floor are the other monitors—FTC veteran R. Karl Peterson and night law-school students Herbert G. Keene Jr. & Andrew T. Gleason. They spend much of their time going through advertising continuities which are mailed in by TV & radio stations and networks at a rate of 6,000 per day.

Sweeny also counts on other FTC hq employes and field staffers to help in the TV monitoring job at home sets and at hotels when they travel. They are kept supplied with mimeographed forms to fill out whenever they catch commercials that look bad to them. We checked one day's inflow of these backstop forms last week: Not a single report had come in.

High-Priced TV Admen: While networks move more firmly into the TV programming driver's seat (Vol. 16:28 p3), ad agencies' control declines. Yet agencies are, paradoxically, spending more money than ever to maintain top TV executives. The key reason, as quoted in July 18 *Sponsor* study: "It takes a real pro to know where to put his program bets," stated McCann-Erickson Productions Chmn.-gen. mgr. Terence Clyne. "It costs a lot of money to protect a lot of money; competition for audience and for sales is at its roughest."

Because so much of a manufacturer's total ad budget goes to TV, reported *Sponsor*, demands for top TV executives have skyrocketed salaries to $60,000-$100,000 per year. Trends in agency-TV operations cited by the study: There is an upward surge in TV production costs; a specialization of talents becomes necessary at the agency level; high wages for union technicians has its "rub-off" on the higher-ups; bigger-budget clients are often willing to pay premium fees plus the fixed 15% agency commission.

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Republican Party's plan to form a "house agency," Campaign Associates, to handle the GOP campaign (Vol. 16:29 p12) was criticized sharply last week by a N.Y. agencyman who is a veteran of 18 political ad campaigns in the past 12 years. Kastor Hilton Chesley Clifford & Atherton exec. vp Lloyd G. Whitebrook stated to the *N.Y. Times* July 21: "During a campaign, all advertising components have to be blended under the most adverse circumstances. Unless you have a smoothly functioning team to begin with, you're in serious trouble. In addition, there is the problem of who shall be the chief and who shall be the Indians." Another danger cited by the *Times*: "If a political party can set up its own advertising group, why can't the electric companies to sell more electricity or the citrus fruit growers to sell more citrus fruit?"

Procter & Gamble has agreed to an FTC consent order forbidding it to make unlimited exclusive contracts with manufacturers of washing & dishwashing machines to pack samples of soaps, detergents or bleaches in the appliances. In settling the year-old case, in which FTC accused P&G of achieving a monopoly in product promotion (Vol. 15:31 p 14), the company also agreed that its TV commercials & other advertising won't misrepresent tie-ins with the appliance makers. The consent order said there must be "a clear & conspicuous diclosure" of any such tie-ins when the Procter & Gamble samples are supplied free in return for plugs. Neither P&G nor its subsidiary Procter & Gamble Distributing Co., which also signed the agreement, admitted any violations of FTC laws.

Japanese TV audiences will be measured by A. C. Nielsen Co. next year. During a recent trip to Japan, Chmn. Arthur C. Nielsen signed a 5-year research contract with Nihon TV Network Corp. of Tokyo. Initially, Nielsen will measure audience size & characteristics in the Tokyo and Osaka areas. By Nielsen's estimate, Tokyo now has 40% set saturation in a total population of 9 million. The research operation in Japan will use the same techniques & equipment used in the U.S. Nielsen now conducts research in 13 countries.

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Ad People: Jack Sidebotham Jr. named Y&R TV commercial production vp; Stephen Frankfurt appointed a vp for special projects; Dermott McCarthy named a vp . . . Louis A. Kennedy and Raman W. Stultz named Leo Burnett vps.

Programming

MORE SEX & VIOLENCE: Despite the steady stream of criticism, many Hollywood producers are injecting more sex & violence into next season's shows. But the blue-pencil squad is moving in.

In a Los Angeles check we made with the network censors and with Frank Morris, asst. dir. of NAB's TV Code affairs office there, only ABC-TV had a good word to say about those of next year's scripts which are now being studied. Dorothy Brown, dir. of network continuity acceptance, Western div., ABC-TV, told us: "Producers are showing consideration & concern for the large volume of criticism about sex & violence. There is a concerted effort by everybody—producers, writers, ourselves—to keep it down. But on detectives & Westerns, producers feel rightfully that violence is sometimes necessary."

Others did not share this opinion. Perhaps the most outspoken was Morris, who said: "I haven't detected any efforts to tone down sex & violence. Some are trying to put even more into next year's films. The criticism from Congressmen and others hasn't filtered down to the level of the producers & production companies. They don't believe what's going on in Washington is serious. But *we* believe it, and the networks do, and that's where the brakes are being applied. I look mainly at syndicated scripts & films, inasmuch as the networks have their continuity-acceptance depts., which cooperate fully. Among the networks there is a greater awareness for the need of self-regulation. But the producers are different. I killed one script which had lesbianism as its theme. The compulsion of the writer seems to be to find new areas—which gets him into such themes."

William Tankersley, CBS-TV dir. of program practices, said: "I don't see any remarkable change, although I'd hoped the new scripts would have less violence & sex. We're cracking down on the producers. Just last week the first big influx of scripts came in (they're late because of the recent writers' strike), and I turned down one script because it implied incest. I've also rejected parts of other stories because of the amount of sex & violence."

Bob Wood, NBC-TV mgr. of continuity acceptance, told us: "There is more violence & sex in some series, but we have cut it down. I'm certain a number of these series seek to include more violence and would do so if we didn't keep a close eye on them."

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Avoid "needless violence" in fall shows being produced for NBC-TV scheduling, producers were warned last week by network vp for programs & talent David Levy. Restating the network's "responsibility in making certain that the programs we produce & present are in good taste," Levy added: "I am sure that you agree with us that we can achieve audience impact without impairing the dramatic validity of material."

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Continuous exposure to TV-movie violence convinces the youngster that it "is natural and that if he commits an act of violence he is not alone," asserts Philadelphia Youth Study Center dir. Dr. E. Preston Sharp. He also notes that youths at the Center confided that violence on the screen tends to "aggravate & lend an air of legitimacy to the violence on the streets." The interviewees were of the opinion that fictional violence is a dimmed reflection of real-life crime & delinquency; said that if TV portrayed off-screen violence accurately, viewers would be revolted.

ONE STATION'S CONVENTION EDITORIAL

Here's how one station, now using editorials, talked back to those of its viewers who expressed discontent about the monopoly of TV by the Democratic Convention. This editorial was telecast July 13 by WAGA-TV Atlanta:

THE nighttime television this week has been taken over by the Democratic National Convention—something every family in America knows without being told.

An interesting factor has been the reaction noted at this station. Interesting to the station because we're in the business of serving the public, and reactions are important guidelines . . . but in this case, we think the reaction should be of interest to you—an American citizen.

It has been a disturbing reaction, frankly. We'd like to wave the flag a little and beam with pride and read from a stream of congratulatory notes commending this excellent service by television. But this hasn't been so.

Instead, the past two nights have had our switchboard under a steady fire of protest!

Listen to some of the comments noted from these calls:

"When is this mess going off TV?"

"Do we have to listen to this on *all* TV stations?"

"Why do we have to give up our regular TV shows?"

"Do you *have* to carry the Democratic Convention? Why not be daring and be different?"

Many of the callers were even more blunt and forceful in tone and language. And one woman resident undertook her own telephone poll to check public reaction. It wasn't favorable. The result of these comments is a sad commentary on the interest—or lack of interest—of the people in one of the biggest and most important news events of the year. It is true that Georgia's part in the Democratic Convention in Los Angeles is relegated to that of a stepchild at a family reunion. But the man who may well be the next President of the United States was being nominated there—and it behooves every thinking American to know everything about him and how he is chosen.

We agree that much of the goings-on at Los Angeles has been a sad spectacle and it has been poorly staged. But thanks to the TV cameras, it has been truly presented. And the convention is a basic part of our national life, producing decisions vital to the future of our country.

We may disagree with *what* is done; we may disagree with the *way* it is done. But every resident of this country who calls himself a citizen has a responsibility to be as fully informed as possible on the people who would lead our nation and the policies for which they stand. Television gives this age the opportunity to develop the highest level of citizenship in history. With that opportunity goes a responsibility of the individual to use TV with a sense of citizenship.

Indeed, instead of complaining about missing a few hours of entertainment on television, every viewer should be grateful to television for the opportunity to learn what is being afforded by the TV coverage of this convention.

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NAB's editorializing committee will be headed again by co-Chmn. Joseph E. Baudino (Westinghouse Bcstg. Co.) & Daniel W. Kops (WAVZ New Haven & WTRY Troy, N.Y.). Their reappointments for 1960-61 terms were announced by NAB policy committee Chmn. Clair R. McCollough (Steinman stations).

Oscarcast Is Up for Grabs: The movie industry's Oscar Awards show will no longer be sponsored by the industry, and is again open for commercial sponsorship. This is the result of a decision by the Motion Picture Producers Assn. in N.Y. to withdraw financial support. As a result, Academy of Motion Picture Arts & Sciences Pres. B. B. Kahane is currently in negotiations with all 3 networks regarding an alignment for next April's show. NBC-TV has carried it in the past, but its contract has expired. Kahane says a commitment will be made only after a network submits a sponsor, and he & his sales pitch are approved.

Troubles for the Academy began early this year when MPAA member Universal-International withdrew its financial support of the awards show and resigned from MPAA. After much indecision, the other member companies decided to proceed with sponsorship, and Eastman Kodak contributed $100,000 to help out.

In pre-industry-sponsorship years the event had been bankrolled by Oldsmobile, but criticism of the commercials led to industry sponsorship. Now, with boxoffice receipts in decline, the movie moguls don't want to shell out that money to TV. It has always irritated some that the movie industry should pay money to its arch-rival, TV. Movie exhibitors, too, are generally siding with MPAA in applauding this end to movie-industry sponsorship of the Oscar show. In Los Angeles, an exhibitor group spokesman said of the last Oscarcast: "We counted on the show plugging new films, but it wasn't done. Exhibitors won't make the same mistake again."

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Jack Paar will be colorcast by NBC-TV starting in Sept. The move adds 7 more color hours per week to the network schedule. NBC's daytime color schedule is also being expanded, with *Play Your Hunch* and *The Jan Murray Show* slated for regular colorcasting. "The addition of these shows," said NBC, "will bring network color schedule to nearly 1,100 hours in 1960, an increase of more than 50% over last year's 720 hours." Due to be used in the stepped-up color schedule are cameras equipped with RCA's new 4401 image orthicon tube, whose sensitivity is similar to monochrome tubes.

Former "Twenty-One" contestant David Mayer, who won $47,500 in 10 appearances in 1957 on the defunct quiz show, testified before a grand jury exploring possible perjury charges against quiz contestants who had testified before a previous jury panel. Mayer, who declined to comment on his testimony, had been summoned by N.Y. DA Frank S. Hogan, who has charged that "a great many" of the 150 witnesses who testified earlier had done so "falsely." The original grand jury probe is generally credited with having launched the big Congressional quiz probe.

Ernest Hemingway, William Faulkner, William Inge, Budd Schulberg, A. E. Hotchner and Jessamyn West are some of the big names on stories which have been lined up by Revue Productions for *General Electric Theater* as a result of the sponsor's request for a name-writer policy on that show. Stanley Rubin is exec. producer of the series for the 1960-61 season.

Public service idea: KDKA-TV Pittsburgh launched the newly-formed Pittsburgh Pops Orchestra by absorbing time & production costs for a Sunday (6-7 p.m.) debut concert. The orchestra was formed by a group of civic-minded citizens to help keep unemployed musicians in Pittsburgh; the KDKA-TV concert produced 2 immediate bookings.

Stations

Fellows' Post Stays Open: The long search for a successor to the late NAB Pres. Harold E. Fellows, who died March 8, is still under way. There's no telling when a man will be picked, NAB policy committee Chmn. Clair R. McCollough said last week.

Addressing 63 broadcasting-industry executives at commencement exercises at NAB's 2nd annual 2-week management seminar on the Harvard University Business School campus, McCollough asked NAB members to be patient while the 8-man selection committee headed by C. Howard Lane continues its hunt.

"Long is the list of those who have been mentioned as potential candidates by the trade press & elsewhere," McCollough said. "All possibilities, I am sure, will be carefully considered. I do not know when the work of the committee will be completed. It is not a job to be done hastily. No more important decision will be made in broadcasting in the next 10 years."

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Elaborate new broadcasting center, claimed to be the "largest custom-built broadcasting facility ever built in this country for an individual station," is now being built by WFAA-TV & WFAA Dallas. The $1.5-million building will house about $2-million worth of new studio & broadcast equipment. Designed by WFAA engineers with the cooperation of Ampex & GE, the new facility will have: (1) A mobile video-tape cruiser with 2 Ampex recorders, 6 Marconi 4½-in. cameras. (2) Three additional studio-based Ampex VTRs. (3) Over 12 cameras including GE color.

Full TV Code Review Board will meet in Washington Oct. 4 for its next regular check-up sessions, Chmn. E. K. Hartenbower (KCMO-TV Kansas City) announced last week following a N.Y. meeting of NAB's personal-products subcommittee (see p. 2). The Code-planning subcommittee will caucus just before the Washington meeting. NAB's new Radio Code Board under Chmn. Cliff Gill (KEZY Anaheim, Cal.) will hold its first meeting Aug. 29 at NAB hq. Top item on the agenda: enforcement procedures.

Recent Ampex VTR shipments bring total in use to 653, Ampex Professional Products Co. announced last week. Latest shipments: Four each to the educational Stratovision project at Purdue U. and to Sports Network Inc., N.Y.: 2 each to WTVJ Miami and WLOS-TV Asheville, N.C.; one each to WAST Albany, KTLA Los Angeles, KOMU-TV Columbia, Mo., WRBL-TV Columbus, Ga., KARK-TV Little Rock, KIMA-TV Yakima, educational stations WETV Atlanta, WGTV Athens, Ga., WTHS-TV Miami.

Facility changes: WTOM-TV (Ch. 4) Cheboygan, Mich. boosted to 100 kw July 5 • Also due to boost to 100 kw in July is KPHO-TV (Ch. 5) Phoenix, Ariz., which began tests July 1 from new site on South Mt. • WSAV-TV (Ch. 3) Savannah, Ga., boosted power to 100 kw July 23, using new 521-ft. tower at new $1-million Broadcasting Center on E. Victory Dr. • KHQ-TV (Ch. 6) Spokane, Wash. has Aug. 27 target for programming with 87.1 kw, using 904-ft. tower on Krell Hill, renamed Tower Mt.

Radio KOBY San Francisco has been sold, with FM adjunct, to Sherwood R. Gordon Bcstg. Co. (KSDO San Diego & KBUZ Mesa-Phoenix) for $700,000 by David Segal. He acquired it as KEAR in 1956 for $442,000.

Radio WWIL Ft. Lauderdale, Fla. has been brought for $400,000 by Washington TV-radio attorney W. A. Roberts.

Empire State Invites FMs: All 17 N.Y. Metropolitan-area FM stations are being solicited as tenants by management of the Empire State Bldg., which has found antenna designs that can handle them. The building now carries all 7 N.Y. TV stations.

Engineering consultant Dr. Frank Kear said that both RCA & Alford Mfg. Co. have come up with ingenious designs. "It takes quite a bit of mixing," he said, "to handle that many signals. But they've produced designs that permit the addition or removal of stations without disturbing the others. And they can handle every stereo system proposed to date."

Kear reports that FM operators have expressed great interest, and the prospects for use of the antenna are good. It would take 6-8 months to install. The antenna is made up of 2 rows of broad-band dipoles and would be located above & below the 102nd-floor observatory. Five FM stations now transmit from the building. They could continue from the existing antennas or move to the new system.

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Parade to payola mourner's bench at FTC (Vol. 16:28 p7) has been joined by the following record manufacturers & distributors which have agreed to make no under-the-turntable payments to TV & radio disc jockeys (but haven't admitted charges that they had done so): Ideal Record Products Inc., N.Y., and Ideal Record Products of N.J. Inc., Newark • Fargo Records (Lou Fargo), N.Y. • King Records Inc., Cincinnati • Eric Distributing Co., San Francisco • W. S. F. Inc., N.Y. • Southern Record Distributors Inc., Nashville • Field Music Sales Inc., San Francisco • New complaints on FTC's payola docket included charges against: Capitol Records Distributing Corp., 1750 N. Vine St., Hollywood • Schwartz Bros. Inc., 901 Girard St., N.E., Washington, and officials Harry, James, Bertram H. & Stuart D. Schwartz • Meanwhile Joseph M. Zamoiski Co., Baltimore, accused in an earlier FTC complaint of practicing payola, asked dismissal of its case, saying it is "without knowledge of the allegations."

Three-day strike at WTOP-TV & WTOP Washington by 18 announcer members of AFTRA ended July 18 in a new contract settling the issues of job security & taped station-breaks. Negotiations for an agreement replacing the one which expired July 1 had broken down over union demands that present staffers be guaranteed continued employment by the station despite the recorded breaks. Washington Post Co. management kept its right to use the tapes but AFTRA won security concessions in the settlement. Station executives took over during the walkout.

Hold-up of FCC's spot rep decision, requested of the Commission by NBC and its repped stations while they appeal to the courts (Vol. 16:24 p8), has been considered by the Commission and is expected to be turned down. It is understood that FCC leans toward the view that no irreparable harm will be done to the appellants and that the stations have plenty of time to find new reps. CBS & NBC have been given until end of 1961 to get out of rep field.

Rules allowing daytime radio stations to sign off at 6 p.m. without notifying FCC and permitting TV & radio stations to quit briefly for technical reasons without informing the Commission have been finalized by FCC.

Reps merge: TV & radio reps Richard O'Connell Inc. & Devney Inc. have formed the joint firm of Devney-O'Connell Inc., with hq in N.Y., branches in Chicago, L.A., S.F.

The FCC

About Congressmen-Owners: Award of Ch. 10 Albany to WTEN over Veterans Bcstg. Co. was amplified by FCC last week as it issued the text of its final decision giving the reasons reported (Vol. 16:29 p6). Here's what the Commission had to say about Congressmen's stockholdings:

"For the Commission to hold that political activities, unlike other activities of a civic nature, are of no significance, would be without foundation in fact, and arbitrary. Veterans' observation that it is 'up against' a situation in which a competing applicant has stockholders who are also members of Congress carries with it an implication of impropriety either upon the part of the Commission or upon the part of the Congressmen, or both; it is sufficient in this regard to note that Veterans has not even charged, much less alleged any facts to indicate, such impropriety. Veterans also suggests that the Commission should consider the adoption of a policy as to whether it is in the public interest for members of Congress to be stockholders in broadcast licensees.

"Quite aside from the larger question of whether the Communications Act of 1934, as amended, authorizes the adoption of a policy which would proscribe, limit or otherwise qualify such stock ownership by members of Congress, the adoption of a general rule embracing such policy is beyond the scope of an adjudicatory proceeding. The advocates of any such rule should present their views in an appropriate rule-making proceeding or to the Congress. In effect what counsel for Veterans appeared to request at oral argument is the adoption of a policy of discrimination based upon a man's occupation. Aside from the wisdom of such a policy, it is clear that this Commission has no such authority . . .

"A fair reading of the examiner's initial decision will clearly indicate that he did not award an independent preference to [WTEN] simply because certain of its stockholders were Congressmen. On the contrary, the preference awarded was for participation in civic activities which has been considered traditionally as an indication of awareness of community needs. Obviously, it would be unseemly & arbitrary either to favor or penalize an applicant solely because it numbers members of Congress amongst its officers, directors or stockholders. We have had no such discriminatory policies in the past and we have none now."

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Renewal of NTA's WNTA-TV Newark-N.Y. has been challenged by FCC in a stiff letter which demands answers to allegations that the station's management "has been guilty of bad faith & unfair dealings." WNTA-TV was given 30 days from July 20 to come up with a reply or face dismissal of its renewal application on grounds that it failed to fulfill public-service programming promises. Specifically cited by the Commission were complaints by the N.Y. State Board of Regents and Rutgers U. that the station refused to carry out educational program commitments. FCC said WNTA-TV had promised to devote more than 4% of its schedule to such programming, but that its most recent log "fails to reveal the broadcast of any programs of the type described by you as educational." Also challenged was the station's failure to respond to Commission inquiries about "an allegedly questionable quiz show entitled *La Hora Musical.*" Negotiations by NTA's parent NT&T to sell WNTA-TV to NTA Pres. Oliver Unger & founder Ely Landau collapsed earlier this month (Vol. 16:29 p9).

FCC Uhf Project Kickoff: Public notice of its plans for the N.Y. uhf experiment (Vol. 16:16 p2, et seq.) was broadcast by FCC last week. It invited all interested parties to come to the Commission July 29 and help form an Industry Advisory Committee. The Commission asked the following organizations "and others" to join: NAB, EIA, IRE, Assn. of Maximum Service Telecasters, Joint Technical Advisory Committee, Joint Council on Educational TV, TV Allocations Study Organization, Assn. of Federal Communications Consulting Engineers.

The project will be under the direction of Commission chief engineer Edward Allen. All manufacturers seeking to bid on equipment are asked to contact him. Allen is establishing a special staff unit to handle the project. He has proposed the following for Commission approval: Arnold Skrivseth, chief; George Waldo, analyst; Sidney Lines, transmission; Jules Deitz, receivers; Daniel Hutton, measurements & observation.

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Philco's fight to block FCC renewal of NBC's WRCV-TV Philadelphia (Vol. 16:29 p6) has been carried to the U.S. Court of Appeals, as expected. Philco—appealing Commission's rejection of its protest & asking that FCC be ordered to give it a hearing—also petitioned the Court in Washington for an immediate status-quo temporary stay order. Argued Philco: (1) It "has a substantial likelihood of succeeding on the merits of its appeal." (2) Failure by the Court to grant the order "would subvert the statutory policy" of FCC to decide issues in the public interest. (3) "Philco represents the public interest" in the case.

New FCC Comr. Charles H. King (Vol. 16:29 p3) took office July 19. He was sworn in by Homer Ferguson, judge of the Military Court of Appeals and former Republican Senator from Mich. King had first planned to have Chmn. Ford administer oath but changed his mind when he was informed that judges are usually chosen. Ceremony was simple & quick, no speeches. The 7 Commissioners then sat & stood for picture-taking. Two days later, all except Craven left for a 3-day inspection tour of Signal Corp's facilities at Ft. Huachuca, Ariz. (Vol. 16:29 p12), planning to return July 23.

Renewals of KING-TV & KIRO-TV Seattle and their radio affiliates are being held up by FCC pending resolution of a "duopoly" problem. The Commission wrote the principals, noting that: (1) Mrs. A. Scott Bullitt, pres. & major stockholder of KING-TV, is a dir. & stockholder of Pacific National Bank of Seattle. (2) The bank holds in trust, with voting rights, 11,004 shares of KIRO-TV. (3) Bank dir. Dietrick Schmitz owns 1,345 shares of KIRO-TV. FCC indicated overlapping ownership must be eliminated.

FCC examiner Charles J. Frederick got impatient last week, and the Commission announced that he had this to say about the filing of findings & conclusions in the proceeding involving the application of WHAS-TV Louisville to change transmitter & antenna: "Parties are on notice that this extension of time [to July 25] is positively the last extension of time which will be granted for this or any ancillary purpose in this proceeding while it is within the hearing examiner's jurisdiction."

Sale of WKOW-TV (Ch. 27) & WKOW Madison, Wis. for $925,000 to Mid-Continent Bcstg. of Wis. has been authorized by the FCC. Mid-Continent is 80% held by the owners of KELO-TV Sioux Falls, KDLO-TV Florence & KPLO-TV Reliance, all S.D.

Networks

ABC to Film Own Shows: Through parent AB-PT (whose latest earnings show income gains—see p. 19), ABC-TV has created a new subsidiary to produce TV film shows directly. The action is no doubt taken with an eye to the frequently-lucrative residual earnings of wholly-owned telefilm shows, and as a hedge against abdicating film-program creation to outside suppliers.

The subsidiary, as yet unnamed, is not a duplication of ABC Films, and will have no connection with it. ABC Films is primarily a syndication distributor, and involved with production primarily in partnership or co-production deals similar to those conducted by the network with outside suppliers. The idea behind the new film subsidiary is to create, own & produce TV film shows, following the formula of such CBS-TV vehicles as *Gunsmoke* and *Have Gun, Will Travel.* ABC-TV will then not have to split profits or residuals with outside production companies as is now done with Warner Bros., Screen Gems, Four Star, *et al.*

In both N.Y. & Hollywood last week, ABC-TV officials were reluctant to discuss the new AB-PT film offshoot, and refused to discuss possible properties or to speculate on the implications of the move. All that's admitted officially is that the subsidiary is coming into existence, and that it will be headed by Selig Seligman, who's resigning as vp-gen. mgr. of network-owned KABC-TV Los Angeles to become pres. of the subsidiary. (Seligman is being succeeded at KABC-TV by sales mgr. Elton Rule.)

Some of the implications, however, are obvious. Originally receiving nearly all of its film programming from Warner Bros. and Disney Productions, ABC has been spreading the risk—following a season of mixed success with product from its original suppliers—among several film companies. WB's *Bourbon St. Beat, Colt .45,* and *The Alaskans* didn't make the grade for fall renewals, although *Surfside Six* and *Roaring Twenties*—also from WB—are filling most of this slack. With the new film company developing network properties (to which the network, presumably, will give high preference), ABC will keep its film suppliers on their creative toes.

■

Ex-MBS Pres. Alexander L. Guterma, charged by the govt. with failure to register as an agent of the Dominican Republic in a $750,000 broadcast-propaganda deal, tried to change his plea from no-contest to not guilty last week. His counsel asked Judge Joseph R. Jackson in Washington's U.S. District Court to reinstate the case for trial because of remarks made by the judge in fining Guterma's MBS colleague Hal Roach Jr. $500 on similar charges (Vol. 16:26 p12). Jackson had blamed Guterma for Roach's troubles, said Roach was "more sinned against than sinner." The judge said he'd decide in Oct. whether to accept the switch in pleas, which was opposed by govt. attorneys. Meanwhile, the U.S. Court of Appeals in N.Y. upheld Guterma's conviction on SEC conspiracy charges in connection with his alleged manipulation of stock of F. L. Jacobs Co., which he also headed. Two of 14 counts of the indictment in that case were knocked out by the Appeals Court, however, resulting in reduction of Guterma's fine from $160,000 to $140,000. Unchanged by the decision was Guterma's prison sentence of 4 years & 11 months.

Robert Alan Aurthur, exec. producer of NBC-TV's *Sunday Showcase,* has been signed to a new NBC contract for 1960-61. He'll produce 3 original dramas and will write one of them.

FOUR NEW REPORTS: New views of the size, shape & effectiveness of network TV came from 4 sources last week. One, from TvB, was a general status report on an area of TV—daytime network programming—that has witnessed considerable development by program officials & sponsors in recent seasons. The others—one from each of the major networks—had frankly partisan points to make in line with particular network strengths. All, however, had something to say to admen who carefully note audience trends & analyses.

TvB Daytime Network Report: Network TV during the 6 a.m.-6 p.m. hours—said TvB—is becoming increasingly popular with advertisers, and increasingly effective as an ad medium. To prove this point, it last week began distributing a 57-page study of daytime network TV (see p. 3). Some of its facts:

During the average month of 1956, 1,812 commercial minutes were carried in daytime weekday periods on the networks. By last year, the number of such "insertions" had grown to a monthly figure of 2,775—an increase of 53% at a time when all other periods of network TV went up only 6.5%.

A favorite Nielsen-based measure of TV's efficiency, cost-per-1,000 homes reached, has declined 13.4% (from $1.57 to $1.36) in daytime network TV in the 1956-1960 period. At the same time, there's been an increase (from 637 to 735) in terms of home impressions per dollar. (The TvB figures, incidentally, include both net time-&-talent here, unlike the periodic TvB listings of gross time.)

In 1959, there were 59 new network TV advertisers in the medium generally, and of these more than half (54%) bought daytime TV. Advertisers in the daytime ranks are drawn from 18 product categories and range all the way from small advertisers like Gulf Guaranty Land & Title Co. and Old London Foods to giant Procter & Gamble (which spent $29 million of an over-$50 million network budget in daytime gross time).

CBS-TV Boasts Daytime Leadership

CBS-TV Daytime Study: High marks for daytime audience appeal went to CBS-TV this past season (Oct. 1959-April 1960), stated a management-level network memo from the CBS research dept. last week. Some highlights:

Despite stepped-up program competition from NBC-TV and ABC-TV, CBS last season scored 7 of the "Top 10" Nielsen average-audience honors between 7 a.m.-6 p.m. ABC scored 2, NBC one. During the 35 daytime quarter-hour periods weekly in which the networks compete, CBS led the parade in 54%, NBC in 34% and ABC in 12%.

CBS-TV average rating strength gained 6% during the 7 a.m.-6 p.m. period last season as compared with the previous one, and gained 10% during what CBS calls the "housewife TV hours" (10 a.m.-5 p.m.). During the longer daytime period, CBS reached 19% more homes than NBC and 62% more than ABC because of the network's "large list of strong stations" that can be cleared for daytime TV.

Daytime TV shows on CBS reach "a higher concentration of women" for Best Foods, Colgate, General Mills, Scott Paper, Toni, Pillsbury, *et al.* The average number of women per minute between 10 a.m.-5 p.m. tuned to CBS is 3,718,000 vs. 3,050,000 for NBC and 1,379,000 for ABC.

* * *

NBC-TV Views "Specials:" One-spot TV specials have many attractions as advertising vehicles, and can "effectively deliver a wide variety of messages to both the consumer & the dealer audiences." That's the gist of *Special Report*, a booklet issued to admen last week from the office of NBC-TV dir. of research Thomas E. Coffin. The report, based on an R. H. Bruskin Associates consumer-dealer study of the Sinclair Oil-sponsored "Music From Shubert Alley" special (NBC-TV, Nov. 13, 1959), found:

Among those audience members (18.5% of ordinary viewers; 63.5% of Sinclair dealers) who watched the show, consumer-brand awareness and slogan-&-trademark identification were notably higher. Only 27% of non-viewing consumers named Sinclair as a brand of gasoline, while 41% of those tuned to the special gave the correct identification—a 52% advantage for the sponsoring oil firm. Among viewers, 60% could correctly identify the firm's dinosaur trademark, while only 32% of non-viewers could do so—an 88% advantage for the TV-exposed group.

The musical special also gave a boost to the general opinion (i.e., "image") held concerning the sponsor & the sponsor's products. A "favorable attitude" was held by 30% of viewers as compared with only 11% among non-viewers—a 173% advantage. Concerning products of the oil firm, 40% of viewers said they were "more interested" than before the show, 59% hadn't changed whatever views they held, and 1% had no opinion.

Sinclair dealers liked the show. Of the oil firm's dealers queried, 92% said they wanted "more TV specials," only 6% said they didn't want any more, and 2% had no opinion. Most (88%) dealers felt the program "made people feel more favorable" toward the sponsor, and "more interested" in buying Sinclair products. The dealers, incidentally, voted heavily in favor of TV as the "most effective" national ad medium, with 80% naming TV, against 10% for the next highest (newspapers). The remainder was split among magazines, radio, "all others."

* * *

ABC-TV 24-City Study: Network program executives at ABC-TV had an especially good reason to celebrate the recent July 4 holiday. For the week ending July 3, ABC racked up what it called "best performance of the year" in grabbing a big share of the Nielsen-measured TV audience in the 24 cities which have direct network competition during peak nighttime hours. The scorecard:

During the Mon.-Sun., 8-10:30 p.m. period, the ABC share was 38.7 vs. 33.7 for CBS-TV and a 27.6 for NBC-TV. In terms of "advantage," this gave ABC a 15% lead over CBS and a 41% lead over NBC.

The results marked a sizable growth for ABC in the competitive markets as compared with its position at the start of the season. The Oct.-July audience-share growth for ABC was an increase of 28%. For CBS, it represented an 8% drop and for NBC a 17% fall-off. "All the signs," stated ABC, "point to a greater growth still in 1960-61."

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Strong blast by NBC research at Magazine Advertising Bureau's recently-released "Profitable Difference" study (which attempts to show the advantages of national magazines over TV in capturing higher-income consumer audience) was published last week in a 7-page research bulletin. "Even by stacking the cards in their favor by the adroit use of definitions, research design and statistical manipulation, MAB could not avoid the inevitable conclusion: TV as a mass medium reaches a larger share of the advertiser's market than any other medium and does it with greater frequency," said NBC. NBC further charged the study with "definitional and design weaknesses."

CBC To Face ITO Network? Canada's 8 newly-licensed competitive TV stations have wasted little time in arranging stiffer competition for CBC on a network basis. Last week they formed a network-promoting arm, The Independent Television Organization, in a reflex action to BBG's announcement that it will hold September hearings on competitive networks (Vol. 16:28 p7). Included in the group is a 9th member: longtime independent (since 1954) CFRN-TV, which was Edmonton's only TV outlet until BBG's recent award to CBC of a competitive channel.

ITO's formal program has not been disclosed, pending discussions with BBG, but the organization of the newest stations may have closed the door on any other major bid for CBC-competing networks. President of ITO is CFCF-TV Montreal official R. E. Misener. Other officers: Vp, CJAY-TV Winnipeg Pres. Ralph Misener; secy., CFTO Toronto mgr. Charles Baldour; treas., Bushnell Bcstg. Ltd. (Ottawa) Pres. E. L. Bushnell. ITO's directors: CFCH-TV Halifax Pres. Finlay MacDonald; CFTM-TV Montreal (French) vp Paul L'Anglais; CFCO-TV Calgary Chmn. Gordon Love; CFRN-TV Edmonton Pres. G. R. Rice; CHAN-TV Vancouver Pres. Art Jones.

NETWORK SALES ACTIVITY

ABC-TV

Daytime programming, alt. wk. quarter hrs. in 10 shows, eff. fall 1960.
H J. Heinz (Maxon)

Walt Disney Presents, Sun. 6:30-7:30 p.m., participations eff. fall 1960.
General Mills (Dancer-Fitzgerald-Sample)

Naked City, Wed. 10-11 p.m., participations eff. fall 1960.
Dow Chemical (Norman, Craig & Kummel)

Hawaiian Eye, Wed. 9-10 p.m., participations eff. fall 1960.
Procter & Gamble (Compton)

Adventures in Paradise, Mon. 9:30-10:30 p.m., participations eff. fall 1960.
Burlington Hosiery (Donahue & Co.)

Daytime programming, Mon.-Fri. particips. eff. fall 1960.
Knapp Monarch (Frank Block)
S.C. Johnson & Son (Foote, Cone & Belding)
Miles Labs (Wade)
Curtis Publishing (BBDO) renewal eff. July.

CBS-TV

Miss America Parade, Tue. Sept. 6, 8-8:30 p.m., & **Miss America Pageant,** Sat. Sept. 10, 10-12 mid. participations.
Philco (BBDO)
Toni (North)
Oldsmobile (D. B. Brother)

NBC-TV

The Groucho Marx Show, Thu. 10-10:30 p.m., co-sponsorship eff. fall 1960.
Toni (North)
P. Lorillard (Lennen & Newell)

12 specials including 2 *Project 20,* 3 dramas and 7 daytime women's shows, eff. 1960-61 season. Purex (Edward H. Weill)

Timex All-Star Circus, Fri. Oct. 21, 9-10 p.m., full sponsorship.
Timex watches (W. B. Doner)

Riverboat, Mon. 7:30-8:30 p.m., participations eff. fall 1960.
Warner-Lambert (Ted Bates)

Yes, Yes, Nanette, Fri. 8:30-9 p.m., full sponsorship eff. Jan.
Westinghouse (McCann-Erickson)

Inter-American Telecommunications Network, linking all Latin-American countries with the U.S. via microwave & cable, may be organized under auspices of the Organization of American States. Blueprints for the project—which would cost an estimated $232 million—have not yet been drawn. But a permanent organization to develop plans for the network was set up at an OAS conference in Mexico City in May. A proposed charter is being sent to the 21 member states, 11 of which must ratify it before the project reaches a planning-board stage. As envisaged at the Mexico City meeting, the network would have channels for TV as well as radio, telephone, telegraph, facsimile, "alarm & public order," etc. Each participating govt. would be responsible for financing & constructing its segments in links stretching to privately-operated systems in the U.S. The U.S. govt. would not participate directly in the network.

Household-furnishings network TV advertising (gross time billings) increased 78.7% during the first 5 months of this year, to $2.9 million, compared with $1.6 million in the like period last year, reports TvB. Leading advertiser in that classification was Armstrong Cork floors & walls. Procter & Gamble was again the leading network TV advertiser during May with gross time billings of $3.9 million. Following were American Home Products with $2.7 million and Lever Bros. with $2.1 million. Leading brand advertiser was Anacin, with $821,396 in billings, followed by Texaco ($671,953) and Dristan ($648,779). Other product classifications showing substantial gains for the first five months of this year were gasoline, lubricants & other fuels; apparel, footwear and accessories, and beer & wine. May nighttime billings increased 11.3%, daytime billings decreased 3%.

CBC's "shady lady" continues to haunt the network (Vol. 16:28 p9). Her lawyer, in a police affidavit, charges CBC knew in advance that the TV "confessions" were fiction. There were indications at week's end that BBG would take another & harder look at the matter.

CBC gained its first surplus in 5 years last year—a healthy $6,103,722, the Canadian network disclosed in its annual report. Contributing to the profit picture was a record gain of 20.5% in ad revenue to $36,312,000.

Salt Lake City network switch has been advanced to Sept. 25, that being date on which KUTV (Ch. 2) begins with NBC-TV, relinquishing ABC-TV to KCPX-TV (Ch. 4).

Congress

TV campaign debates between Presidential tickets were anticipated last week by Democratic standard-bearer John F. Kennedy—but prospects for any joint appearances depend on whatever action the House takes on suspension of the Communications Act's Sec. 315. The Senate had passed a resolution (S. J. Res. 207) lifting equal-time rules for nominees for President & Vice President, but the measure was left hanging in the House when Congress recessed until Aug. (Vol. 16:28 p2). In Hyannisport, Mass., Kennedy was reported ready to fling a TV challenge at prospective Republican candidate Richard M. Nixon. His press secy. Pierre Salinger explained, however, that Kennedy "presumes such appearances will take place" on the networks following suspension of Sec. 315. Meanwhile, Salinger announced appointment of exec. dir. J. Leonard Reinsch of WSB-TV & WSB Atlanta as Kennedy's campaign communications consultant to coordinate TV & radio appearances and deal with networks & stations. Reinsch, on leave from his job with the Cox Stations, managed arrangements for the 1956 & 1960 Democratic conventions.

Film & Tape

AFTRA Accepts SAG Offer: Much-debated Hollywood-N.Y. proposals for one big union of broadcasting performers won midway acceptance last week when the American Federation of TV & Radio Artists voted for joint contract negotiations & administration with the Screen Actors Guild.

The new AFTRA-SAG cooperation plan, worked out in Hollywood by committees of the 2 unions following rejection of mediator David Cole's merger proposals (Vol. 16:27 p9), was approved by the 23rd annual AFTRA convention in Washington.

Disappointment over failure of the latest merger move was voiced at the AFTRA sessions, but the 160 delegates voted to unite with SAG in network bargaining—due to start Sept. 15—in the fields of live, film & taped commercials and taped programs. The jurisdictional area of tape long has been in AFTRA-SAG dispute.

Also accepted at the AFTRA meeting was an SAG proposal that the 2 unions study the feasibility of interchanging union cards and cross-crediting AFTRA & SAG members for pension & welfare fund purposes. SAG members were being polled meanwhile on both plans as stopgap substitutes for merger.

Other highlights of the 5-day convention, which was scheduled to act on contract-demand guidelines for negotiators before adjourning July 24, included an off-the-cuff speech by Labor Secy. James P. Mitchell and AFTRA executive secy. Don Conaway's state-of-the-union report.

Mitchell challenged TV performers to do what they can about "the mediocrity of some of our TV programs." If something isn't done, he told the convention, "public control of the media you work in" may come.

* * *

Although Writers Guild of America has reached agreement with TV producers after its 22-week strike, feuding within the Guild continues—this time over the means of implementing the agreement. Two WGA factions will have another showdown at a special membership meeting this week (July 27). The faction which has won 2 previous disputes (to reject producer offers) is the negotiating committee & a majority of the membership. The other is a majority on the Guild's TV-radio board. The present disagreement is over how a Guild representative on an Alliance-WGA fact-finding committee should be selected. The agreement with the producers is not in jeopardy. It's understood a move may also be made at the meeting for adoption of a constitutional amendment keeping hyphenated members (producer-writers) out of board positions.

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Sharp criticism of Screen Extras Guild was voiced last week by Alliance of Television Film Producers Pres. Richard W. Jencks for a Hollywood tradepaper ad placed by SEG which, alleged Jencks, attacked the "integrity & good faith" of the producers. The ad stated the Alliance had refused to negotiate a new contract to replace the one which expired in April, 1959. Jencks answered that the Alliance and the Assn. of Motion Picture Producers had met jointly with SEG 10 times in negotiations, but that on March 22 SEG declared that it would no longer bargain with both groups. NLRB is currently studying the dispute and SEG should be prepared to abide by its decision, said Jencks. If NLRB sustains the Alliance position, SEG's threatened strike could be termed an unfair practice by the Guild, added Jencks. SEG complained to NLRB that the Alliance had refused to negotiate.

HOLLYWOOD ROUNDUP

Producer Don Fedderson, Johnny Carson and writers Hal Goodman and Larry Klein are partnered in a new TV venture, *Oh Johnny*, a comedy series starring Carson. Preparations are under way for production of the pilot . . . 20th Century-Fox TV's *Adventures in Paradise*, starring Gardner McKay (Richard Goldstone and William Froug, producers), has resumed production. The same studio is filming *Dobie Gillis* and *Hong Kong* and is preparing pilots of *Silent Investigators* and *The Ginger Rogers Show*.

Four Star Television, which is producing 273 hours of prime time on the 3 networks next season with its 12 series, has named Robert Soderberg and ex-20th Century-Fox TV producer Dominick Dunne exec. assts. to production exec. vp Tom McDermott. Robert Claver, N.Y. TV producer, will also be an asst. to McDermott. Four Star has signed Paul Stewart as associate producer & director of *Michael Shayne*, Tom Gries as writer-director, and Sidney Miller as director.

Movie producer Jerry ("Peyton Place") Wald will produce his initial TV series, *Rocky Point*, about residents of a small American town. Wald's 20th Century-Fox-TV project will be a co-production deal with ABC-TV which already has links with 20th via *Hong Kong* & *Adventures In Paradise*. Still another new 20th series is *Monte Carlo*, to be filmed partly in Monaco.

Revue Studio's *Laramie*, starring John Smith & Robert Fuller, has begun its 2nd season of production. John Champion is producer . . . CBS-TV's *Pete & Gladys*, comedy series produced by Parke Levy, began production last week. Harry Morgan, Cara Williams and Verna Felton star in the series, being filmed at Paramount-Sunset studios . . . *The Andy Griffith Show* has begun production at Desilu Cahuenga, with Aaron Ruben as producer and Sheldon Leonard exec. producer.

Hubbell Robinson Jr. plans a 60-min. pilot on *The Family*, a dramatic anthology series, in Hollywood late this year. The pilot is being financed in part by ABC-TV which intends to offer the show to advertisers for the 1961-62 season. Robinson meanwhile has another pilot completed (*The Lawyer*, a 60-min. film show, also in deal with ABC) and is producer of *Thriller*, to be seen on NBC-TV.

A record $635,078.73 in telefilm-rerun residuals was received by Screen Actors Guild members in June. The figure brings to $15,456,793.37 the amount collected by SAG since such payments began in Dec. 1953. This does not include payments actors received for movies sold to TV—or for TV commercials, which alone total more than $11 million a year.

Warner Bros. will pilot a new 60-min. series, *Las Vegas File*, based on files of the sheriff's dept. of Clark County, Nev. and the Las Vegas police dept. . . . NTA's *Assignment: Underwater* has completed production.

People: Allen H. Miner has signed to produce a documentary series for Cal. National Productions . . . Mike Road is signed to a Warner Bros. contract. The studio plans to slot him in a new series . . . Oren Haglund, production mgr. of Warner Bros.' TV operations, has left the studio . . . Producer-writer-dir. Sherman Marks has left CBS-TV . . . Robert Fellows named exec. producer of Alan Ladd's Jaguar Productions, to supervise TV & movie production. On Jaguar's TV agenda: A pilot of *Hong Kong Express* . . . George Schlatter signed as NBC-TV producer.

NEW YORK ROUNDUP

Electronic sound simulator is being offered as part of the new jingle-writing services of composer-conductor Raymond Scott. To meet agency requests for something other than "just another jingle" in TV-radio commercials, electronics enthusiast Scott has concocted a hooked-together series of electronic sound generators to produce almost anything an adman can dream up in the way of trick sounds. It's known familiarly around Scott's establishment, the Jingle Work Shop (140 W. 57th St. N.Y.), as "The Karloff." Blended with music & jingle lyrics, the machine's results will alert the most commercial-hardened viewers or listeners, Scott claims.

Giantview General TV Network, Detroit closed-circuit & TV-tape producer & manufacturer of TV projection systems, has acquired Tapes Unlimited, independent N.Y. TV-tape producer. Former Tapes Unlimited partners Nat B. Eisenberg & Victor J. Kemper become exec. vp & engineering vp, respectively, of new subsidiary Giantview General TV Network of N.Y. Inc., with offices in the former Tapes Unlimited studio, 1280 5th Ave. (formerly CBS studio 57).

Walter Winchell, who's been absent from network TV since 1955 apart from his narration chores on *The Untouchables*, will be back with a show of his own this fall on ABC-TV (news, commentary and celebrity interviews). He'll hold down what amounts to a warmup position for the forthcoming Churchill memoirs series (Sun. 10:30-11 p.m.), occupying the period from early Oct. to the end of Nov. After that he'll move to a 15-min. network slot at 11, following the Churchill show.

Pathé News is reactivating its TV newsreel service with a 30-min. series, *The World This Week*, to be syndicated in the U.S. & abroad. Each episode will feature 4 Pathé-covered reports. In addition to several reported U.S. sales, negotiations are under way with Canadian, English, French and Latin American stations.

ABC Films has 3 properties set for fall syndication, including ex-ABC-TV adventure series John Gunther's *High Road*. The others are *Exclusive*, a European-produced program featuring adventures of members of the Overseas Press Club, and *Counterthrust*, a Manila adventure series.

Wolper-Sterling Productions—a combine of the production companies of David Wolper and Saul Turell—has been formed for the production of 12 one-hour specials and a 30-min. TV series, both aimed at network sale. The specials will be of an entertainment & public-affairs nature. Both companies will also continue to operate individually.

Cal. National Productions' *Blue Angels* adventure series based on the U.S. Navy's air defense operations, has been bought by Storer Bcstg. Co. for its 5 member stations. CNP also scored its initial regional sale of the series last week—to Continental Oil Co. for 68 central-state markets.

Goodson-Todman Productions plans to film its 5 new pilots in Sept. & Oct. to be ready early for next spring's selling season, we're told by G-T exec. vp Harris Katleman. First pilot is *Las Vegas Beat*, to be produced in association with Andrew Fenady, Irvin Kershner and Bernard Kowalski. G-T has already filmed 19 of *The Rebel*, will take a break after filming 26 by Sept. 1, to allow star Nick Adams time for a personal appearance tour.

Educational Television

NAEB Talks Radio Network: A live radio network to feed educational shows to non-commercial stations may be on the horizon for 1961. The idea was discussed in the 4-day National Assn. of Educational Bcstrs. convention in Madison, Wis. last week. NAEB has previously operated a tape radio network, distributing 10 hours of programming per week to 100 member stations. "We have found this to be inadequate in the past and hope to discover financial & technical means to initiate a more effective educational communications system," stated keynote speaker Hartford N. Gunn Jr., gen. mgr. of WGBH-TV Boston.

Gunn also described the activities of WGBH-TV Boston as "vital to both ETV & commercial stations." Our checkup in N.Y. revealed that several ETV programs, particularly those produced by WGBH-TV, are finding a home on commercial outlets. Examples: WGBH-TV's *Laughter's a Funny Business*, *Invitation to Art*, *Sunday Gallery*, *They Speak for Themselves*, *Recital Hall* and *Open Mind* are all being televised by commercial outlet WNBC-TV. (There is no charge for the shows, which are taped.) WABC-TV N.Y. is using the U. of Cal.-produced *The Written Word*, while WNTA-TV N.Y. is giving its summer audience WGBH-TV's seminar on *American Civilization*. Examples in other cities further indicate this interest among commercial broadcasters in ETV programming.

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N.Y. Board of Education plans to launch a TV workshop program for teachers this fall, offering teacher-level training in elementary science & secondary-level English. The program, to be televised on commercial WPIX N.Y., financed by state funds, will combine 30-min. lectures with 90-min. workshops conducted in city centers. "With this new program, it may be possible to reach in 2 years as many teachers as older methods of in-service training would have reached in 2 generations," reported N.Y. Board of Education authorities.

ETV-testing communications system which enables a TV teacher to quiz & obtain responsive answers from remote students has been placed on the market by Robert E. Corrigan & Associates, Garden Grove, Cal. Heart of the patent-pending "Teletest" system is its push-button "record-o-pak" unit for each student. This enables him to select an answer to a multiple-choice question telecast by the teacher, advises him immediately by light code whether he has pushed the correct button, and automatically records his answer on an IBM card. Corrigan said initial orders for the system have been placed by the Cal. education dept.

School participation in ETV more than doubled in Alabama during 1960 compared with 1959, notes the Ala. ETV Commission in its report on the 3rd year of in-school telecasting by the state's ETV network. In May, more than 500 schools, with a total of 218,000 student viewers, participated in the network's telecourses. A year ago there were 56,000 students in 240 schools. Ala. ETV Commission has also announced that a new educational station in Montgomery may be added to the state's ETV network—on the basis of interest by local "civic groups." The ETV channel reservation in Montgomery is 26 and would provide the network's 4th affiliate.

TV equipment worth $54,000 has been presented to Flint Jr. College, Flint, Mich., by WNEM-TV Bay City-Flint-Saginaw. Included are 2 complete camera chains to enable the college to set up a closed-circuit system.

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Personals: Richard J. Raburn, NBC accounting dir., appointed controller . . . Charles J. Hartman named dir. of engineering operations, TelePrompTer programs & productions div. . . . Richard E. Reed promoted to sales mgr. of WLWC Columbus . . . Martin I. Levy promoted to asst. chief, FCC Broadcast Facilities Div., continuing as chief of TV Applications Branch until replacement is named . . . A. Prose Walker, NAB engineering mgr. & chief editor of new *NAB Engineering Handbook*, toasted by publisher McGraw-Hill at N.Y. authors' luncheon attended by 14 of 47 contributors . . . Milton E. Magruder, from UPI's Washington bureau, joins NAB's public relations staff as asst. mgr., replacing chief writer Larry Sims, who resigned as of Aug. 1 to join Institute of Life Insurance, N.Y.

Lacy Kastner retires as pres., Columbia Pictures International Corp., Columbia Pictures foreign sales subsidiary. He remains as Columbia International vp . . . Albin R. Hillstrom, ex-WOAI-TV San Antonio, appointed chief engineer, KOOL-TV & KOOL Phoenix, Ariz. . . . James M. Henneberry, ex-KMOX-TV St. Louis, named ad, sales promotion & PR dir., WICS Springfield, Ill. . . . David E. Cassidy, ex-Bolling Co., named RKO General asst. to Hathaway Watson, vp for bcstg.

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Total of 1,821 TV-radio courses (1,648 for degrees) was offered in 1959-60 by 145 colleges & universities which responded to U. of Wash. Prof. Harold Niven's 5th annual survey. Other findings: 96 schools had 3,009 upperclassmen majoring in TV-radio for bachelor degrees; 49 had 422 students studying for master; 13 universities had 121 graduates studying for a doctorate. Degree courses were offered in 12 different departments or schools. Number of TV-radio degree courses offered by individual colleges ranged from 5 to 43. Among all 145 colleges & universities, 29 have TV stations, 22 closed-circuit TV, 9 film studios, 4 TV studios, 5 video-tape recorders, 112 TV lab-classrooms.

Meetings next week: International TV-radio workshop (Aug. 1-12), sponsored by Bcstg. & Film Commission and various church groups, 475 Riverside Drive, N.Y.

Sindlinger & Co., market-analysis firm, has moved its central offices to the Sindlinger Bldg., Norwood, Pa.

NCTA picks Washington as site for its 1962 convention, having chosen San Francisco for 1961.

Auxiliary Services

NLRB Spurns CATV Jurisdiction: The first CATV-union dispute to reach the National Labor Relations Board has been sidestepped by the agency on grounds that a community antenna system "is merely an auxiliary service"—not a communications system subject to federal regulation.

Sustaining traditional no-govt.-controls arguments by the National Community TV Assn. (Vol. 16:26 p3), the NLRB rejected jurisdiction in a bargaining-election petition filed by a Warren, Pa. affiliate of the Hod Carriers Union to represent employes of the 3,200-customer Warren TV Corp.

Pointing out that CATV "is not franchised by any govt. authority and is not licensed or regulated" by FCC, the 5-man NLRB—member Joseph Alton Jenkins dissenting—said: "Our own evaluation leads us to conclude that the employer's operations merely service the existing communication at the receiving end for the consumer. This function consists of installing, maintaining and servicing the cables which are, under the special circumstances, an extension of the consumer's own TV antenna."

The representation plea by Construction & General Laborers Local 836 in Warren also was turned down by the NLRB on grounds that CATV business there is almost entirely intrastate in character. The NLRB said Warren TV Corp.'s revenue in the 12 months preceding the petition was $130,000—all derived from local customers—and that there were no out-of-state sales and only $12,500 in out-of-state purchases.

In his dissent, Jenkins agreed that CATV is an auxiliary communications service, but said he couldn't go along with the argument that it doesn't "fall within the general classification of instrumentalities & channels of commerce." He pointed out that FCC itself has held that CATVs "are related to interstate transmission," that testimony in Senate Commerce Committee hearings supported this position. "I believe there is room for doubt, and would hold, that CATV is a part of the communications industry," he said.

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Translator starts: K72AV Big Sandy Valley, Ariz., K77AM Chloride, Ariz. & K80AP Peach Springs, Ariz. began July 5 with KLRJ-TV & KLAS-TV Las Vegas and K82AA Kingman, Ariz. (repeater of KOOL-TV Phoenix) • K83AM & K77AS Carrizo Springs & Crystal City, Tex. began testing in June for start by July 12 with KONO-TV & KENS-TV San Antonio • K71AW, K77AQ & K80AU Memphis, Tex. began May 13 with KGNG-TV, KVII & KFDA-TV Amarillo.

Translator grants: Ch. 70 McDermitt, Nev., to Quinn River TV Maintenance District, to relay KTVB Boise. • Ch. 70, Carrizo Springs & Crystal City, Tex., to Winter Garden Translator System Inc., to relay WOAI-TV San Antonio. • Ch. 70, Susanville & Herlong, Cal., to Honey Lake Community TV Corp., to relay KOLO-TV Reno. • Ch. 81, Alpine & Marfa, Tex., to Honor System TV Assn. Inc., to relay KTSM-TV El Paso. • Ch. 74, Dubuque, to Dubuque Area Translator, to repeat WISC-TV Madison.

First settlement of CATV-station dispute over a microwave to feed the CATV was recorded when FCC granted the joint petition of KSWS-TV Roswell, N.M. and Microrelay of N.M. Inc. to dismiss the former's protest and remove an FCC-imposed freeze on the microwave grant. The dispute faded after KSWS-TV owner John A. Barnett acquired an interest in Microrelay; terms of the acquisition weren't disclosed in the petition.

Consumer Electronics ....

MANUFACTURING, DISTRIBUTION, FINANCE

6-MONTH SALES GOOD, JUNE SOFT: TV & radio retail sales for first-half 1960 were up substantially over 1959, on basis of preliminary estimates, but both markets showed slight softening in June.

If the 6-month pace is maintained for rest of year, 1960 should see total TV retail sales of slightly less than 6.4 million sets, radios (excluding auto) of about 9.7 million units. These figures are based on seasonal adjustments. Historically an average of 41.6% of year's retail TV sales and 39.1% of home radio sales are made during first half.

It's estimated that TV sales at retail are 13% over last year's first half, radio sales up about 22%. While June retail sales in both categories were higher than June 1959, June failed to maintain the sales momentum of the first 5 months. June's TV sales were at an annual rate of 6.35 million, radio sales at 8.75 million. Previously, TV sales had been running at 6.5 million or better, radio at very close to 10 million. First signs of blunting of this boomlet came in May (Vol. 16:28).

Whether this means beginning of let-up in consumer eagerness isn't clear yet. Most set makers & merchandisers are watching closely, but feeling is that in TV the new features of 1961 models will add more zip to market. FM resurgence (see below) is definitely adding to dollar volume of radio market.

TV inventories appear to be in excellent shape. At midway point in 1960, inventories at all trade levels were up 10% from mid-1959, although cumulative retail sales were 13% higher this year. Inventory problem may be developing in radio, however, with pipeline stocks up about 50%.

Retail phono sales for May and for first 5 months of 1960 continued to show good improvement over 1959. (Phono sales details on p. 17.)

FM SALES TO SET RECORD THIS YEAR: FM radio is enjoying a full-fledged boom—even bigger than in its early post-war heyday. And this is only the beginning. All signs indicate FM sales can't go any place from here but up.

Sales of FM receivers this year will top previous record of nearly 1.6 million sets in 1948—perhaps by as much as 30%. They'll be 10 times higher than FM's low-water year of 1954.

It's difficult to get authoritative figures on FM production or sales. The market is complex—and even record-keeping EIA lost interest in tallying statistics during the mid-'50s. But based on what figures are available (radio & phono data from EIA), and from our continuing conversations with industry leaders, here are our estimates of sales of FM receiving devices in 1959, together with minimum & maximum 1960 forecasts:

Type	1959	1960 minimum	1960 maximum
FM & FM-AM radios	540,500	750,000	820,000
Phonos with FM	623,000	700,000	1,000,000
Component FM tuners	150,000	150,000	200,000
Imports (all FM types)	100,000	80,000	120,000
Total	1,413,500	1,680,000	2,140,000

Background of 1960's boom:

Number of FM stations is now increasing rapidly. From a low of 549 in 1954, the figure has grown to 741 on air, 64 having started during first half of 1960.

Upsurge of public interest in music, manifested in rising sales of higher-priced phonos, has been important factor. Phono makers at recent Music Industry Trade Show reported increasing demand for FM in stereo consoles. Some packaged hi-fi makers say about 50% of their sales now include FM radio. Component-maker Pilot says 70% of its console sales include FM-AM tuners, as compared with 60% last year. Every-

one agrees business is going up. One big stimulant is the "drop-in" FM-AM tuner, now offered by most large manufacturers. It can be added by dealer or consumer into special cubbyhole in stereo console—making every phono console a potential FM set.

AM-FM stereocasting is popular in some areas. Most AM-FM tuners in stereo phonos are of the simulcast variety—permitting reception of 2-station stereocasting.

Although hi-fi component sales are said to be down in some areas, popularity of the new combination AM-FM-tunner-preamplifier-amplifier unit (complete radio less speaker & cabinet) is increasing total component FM business. Pilot says its FM tuner sales are up 100% over last year.

European imports are off, say industry specialists—but rising imports of FM-AM radios from Japan may offset any decline in German-made sets with FM.

Public now has available a wide variety of brands & designs of FM & FM-AM table radios. In first 5 months of 1960, U.S. manufacturers made 295,297, a 70% increase from 172,640 in last year's same period.

Here's why FM sales must keep rising in next few years:

(1) Extension of FM service. Manufacturers say FM sales are still largely confined to city areas—but now more & more rural areas are getting multiple-station FM services.

(2) FM stereo-multiplexing. Although it may not come as soon as some industryites anticipate, FM-broadcast stereo service is inevitable (Vol. 16:28 p14). Without exception, all manufacturers predict land-office FM business—particularly in combination with stereo phonos—as soon as FCC sets stereo standards.

(3) New FM receiving devices. Too small to tally now are the varying new shapes & forms of FM receivers, any one of which could spring into big-business category: TV-phono-FM & TV-FM combinations; battery-operated portable FM sets; FM clock radios; FM auto radios.

Take just one category—FM car radios. Complete radios, tuners & converters are now available in U.S., built by Motorola, Gonset and others, as well as European imports. They're even offered in Sears Roebuck catalog. This fall, Granco will bring out its mass-produced auto converter at $49.95 (Vol. 16:29 p14). Granco Pres. Henry Fogel sees "reliable market for 100,000 auto FM sets a year" beginning in 1961—and a much bigger market if auto dealers offer FM as original-purchase accessory.

FM receiver outlook for 1961—a consensus of the industry: another 50-60% increase in retail sales, which could bring total to the 3-million mark.

Here are our estimates of retail sales of all FM receiving devices annually since 1946:

1946	163,055	1951	960,000	1956	420,000
1947	1,175,100	1952	526,000	1957	530,000
1948	1,590,000	1953	455,000	1958	850,000
1949	1,298,000	1954	189,000	1959	1,413,500
1950	1,400,000	1955	256,000	1960	1,680-2,140,000

TV-RADIO PRODUCTION: EIA statistics for week ended July 15 (28th week of 1960):

	July 8-15	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	48,075	51,637	83,907	3,067,241	2,945,939
Total radio	196,175	173,906	198,703	8,892,896	7,507,557
auto radio	68,608	75,310	59,425	3,466,781	3,031,415

GE contract negotiations with IUE broke off abruptly last week when company negotiators walked out, charging IUE Pres. James B. Carey with being "abusive & obscene." IUE represents 70,000 workers in GE plants across the country; present 5-year contract expires Oct. 1 (Vol. 16:28 p16). The 3rd day of bargaining broke up suddenly 75 min. after it began, and the GE team did not appear for a scheduled July 21 afternoon session. Said an IUE spokesman: "If the union walked out every time GE people used that kind of language, we'd never meet."

Sylvania's UK associate, Thorn Electrical Industries Ltd., which produces TV sets & tubes, has acquired for an undisclosed price the Brimar Valve (vacuum tube) div. of ITT's UK manufacturing associate Standard Telephone & Cables Ltd. The Brimar div. manufactures cathode-ray & receiving tubes for TVs & radios. STC will continue to make & sell industrial tubes and, through its Kolster-Brandes subsidiary, TVs & radios. ITT explained the sale as a step in its program of realigning area & divisional activities to achieve increased efficiency & growth.

JAPANESE EXPORTS—UP AGAIN: Exports of Japanese electronic products to the U.S. in the first 1960 quarter totaled nearly $16 million, almost double the level of the similar 1959 period but down seasonally from the final quarter of 1959 (Vol. 16:15 p19).

Reporting the continuing upsurge in shipments from Japan, the electronics div. of the Commerce Dept.'s Business & Defense Services Administration noted "large gainers" in electronic categories: receiving tubes (up 383% from the first 1959 quarter), speakers (up 233%), sound equipment (up 301%), transistors (up 1,059%).

Although BDSA didn't supply comparable first-quarter 1959 figures, from Japanese sources these partial comparisons are available: Total radios, 1,121,000 units in first-quarter 1960 (vs. 895,000 in first-quarter 1959); radios with 3 or more transistors, 662,000 (vs. 436,000); with fewer than 3 transistors, 342,000 (vs. 376,000); tube radios, 117,000 (vs. 83,000); radio-phonos, 4,000 (vs. 2,000); tubes, 2,846,000 (vs. 728,0000); transistors, 386,000 (vs. 42,000).

The BDSA report pointed out that last year the total value of all Japanese electronic products received here rose steadily from $8.29 million in the initial quarter to $22.47 million in the Oct.-Dec. period.

Following is a breakdown of Jan.-March 1960 Japanese exports to the U.S. by products (add 000 to units & dollars);

Product	Units	Value
Radio receivers, total	1,121	$11,838
Tube type	117	833
3 or more transistors	662	10,004
Other	342	1,001
Radio-phonographs	4	92
Sound recorders and reproducers	12	586
Amplifiers	31	110
Microphones	44	74
Speakers	435	636
Capacitors	3,559	145
Earphones	430	103
Electron tubes, total	2,846	762
Receiving tubes	2,839	758
Others	7	4
Transistors	386	336
Other semiconductor devices	34	5
Phono parts, accessories	—	193
Other electronics products	—	1,074
TOTAL	——	$15,954

"Survey of the European Common Market for Electrical Products" has been completed for its members by the British Electrical & Allied Mfrs.' Assn. The 60-page study of export potential in the 6-country market forecasts electrical-product sales of $9.24 billion by 1963—up 44% from $6.44 billion in 1958. In the 5-year period of 1959-63, the Common Market is expected to absorb electrical products totaling some $39.2 billion. This equals 10 years of United Kingdom output at present levels.

Britain will continue its 50% purchase tax on TVs, radios, tubes, phonographs and records. The tax is expected to yield $196 million this year. Arguing against a proposal to reduce the tax to 37½%, Treasury Economic Secy. Anthony Barber told Parliament: "We watch very carefully what happens in industries whose products are subject to a tax of 50%. There is no evidence at present that the products on which there is a duty of 50% are unable to bear it."

Removal of excise tax on uhf sets to encourage uhf receiver production, as proposed in HR-366, is again under FCC consideration. It's understood that the Commission will repeat its opinion that the tax should be removed.

PHONO SALES UP: Retail phonograph sales rebounded in May from a relatively dull April (Vol. 16:25 p14), showing a 19% gain in units sold in May 1960 as compared with May 1959. For the first 5 months of 1960, unit phono sales at retail were up more than 20% over 1959. The dollar gain is probably far greater than the unit gain, because a much higher percentage of sales has been stereo in 1960 than in 1959.

Here are the EIA's official 1960 & 1959 monthly figures for phono factory & retail sales:

PHONO FACTORY SALES

	1960			1959		
Month	Mono	Stereo	Total	Mono	Sterco	Total
January	118,400	341,329	459,729	184,147	177,336	361,483
February	90,854	324,666	415,520	164,873	188,750	353,623
March	63,264	242,523	305,787	119,075	168,117	287,192
April	30,606	142,409	173,015	47,153	125,11I	172,264
May	36,793	144,474	181,267	33,356	89,827	123,183
TOTAL	339,917	1,195,401	1,535,318	548,604	749,141	1,297,745

PHONO RETAIL SALES

	1960			1959		
Month	Mono	Stereo	Total	Mono	Stereo	Total
January	150,688	368,964	519,652	231,429	159,214	390,643
February	100,268	347,860	448,128	171,127	156,477	327,604
March	61,249	249,497	310,746	139,577	140,075	279,652
April	41,147	152,141	193,288	94,226	118,197	212,423
May	39,734	139,378	179,112	70,228	82,765	152,993
TOTAL	393,086	1,257,840	1,650,926	706,587	656,728	1,363,315

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Factory sales of transistors in May continued to run sharply ahead of 1959, although below sales in April. Here are EIA's official figures on transistor unit & dollar sales monthly, Jan.-May 1960, with 1959 comparisons:

	1960		1959	
	Units	Dollars	Units	Dollars
January	9,606,630	$24,714,580	5,195,317	$13,243,224
February	9,527,662	24,831,570	5,393,377	14,550,056
March	12,021,506	28,700,129	6,310,286	18,117,560
April	9,891,236	23,198,576	5,906,736	16,864,049
May	9,046,237	24,714,580	6,358,097	19,007,293
TOTAL	50,093,271	$125,591,228	29,163,813	$81,782,182

Basic patent on magnetic recording tape has been invalidated by the U.S. Appeals Court in Chicago, but Minnesota Mining & Mfg. Co. Pres. Herbert P. Buetow says the decision won't hurt 3M's position in the tape business. The Appeals Court upheld a lower court's dismissal of a patent infringement suit brought by 3M against Technical Tape Corp. and C. K. Williams & Co., which produces oxides used in the manufacture of magnetic tape. At issue was the 1954 Armour Research Foundation patent on magnetic material used in tape. Armour had licensed 3M to produce tape and to grant sub-licenses under the patent. The court said the patent was invalid because the process had been known & used before the patent was filed in 1947. The court also threw out a counter-suit by Williams which charged that 3M had built a tape monopoly. Buetow said, in commenting on the decision, that 3M's technical & manufacturing advantages, plus its other basic tape patents not affected by the decision, continue to give it a strong edge over competitors.

New series of silicon tunnel diodes which extends the range of peak current levels is being introduced by the semiconductor div. of Hoffman Electronics. The devices are designed for new applications in amplifiers, oscillators, switching circuits and voltage level detectors. Hoffman is also reducing prices 40% on its HT-1 through HT-10 tunnel diode line introduced earlier this year.

3M to Make Cartridge Players: With an eye to pushing its tape-cartridge business, Minnesota Mining & Mfg. has decided to make machines to play the cartridges. This week, with that purpose in mind, it announced the purchase of Revere Camera Co.

Development of a tape-cartridge player would have taken at least 2 years, said 3M Pres. Herbert P. Buetow—but, by purchasing recorder-maker Revere, "we acquired these resources immediately." The 3M cartridge system was unveiled to the public last March at the IRE convention (Vol. 16:13 p18), using a player mechanism produced by CBS Labs.

Buetow said last week that the 3M's tape-cartridge ambition was the principal reason for buying Revere. "While a number of top companies in the industry will manufacture tape-cartridge equipment [under 3M license]," he said, "our management felt that to maximize the return on this very substantial research investment, the company should also produce tape-cartridge players."

The acquisition will also put 3M in the camera business—and it wouldn't be surprising to see Revere come out with a sound-on-film camera-projection system for home-movie enthusiasts à la Fairchild and Eastman Kodak. Revere, a privately-held company, is said to have grossed about $25 million last year. Revere Pres. Sam Briskin will serve as consultant. Son Theodore S. Briskin will become 3M vp & chief operating officer of Revere.

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Direct appeal to Japan has been filed by import-troubled EIA of Canada. Gist of the brief to the Japanese govt.: Limit tube exports on the Canadian market to tube types not made in Canada. A tenfold increase in imports of Japanese tubes resulted in a 23% drop in employment last year in Canada's tube industry. The EIA said that a switch in types of tubes exported to Canada would result in an increase of dollar exports to Canada by Japan and prevent serious injury to Canadian industry. Of some 1,200 tube types used in Canada, about 200 are made there. The rest are imported—largely from U.S. & Holland.

Drastic reductions in prices of tunnel diodes—as predicted (Vol. 16:26 p17)—have already made them competitive with transistors for some uses. GE last week cut prices of 2 gallium arsenide tunnel diodes and announced 5 new types. The older types were cut to $4.50 & $6 each from $55 & $60; the new units range from $7.50 to $18. Prices of transistors that operate at the same high frequencies as the tunnel diodes designed for computer use range in the $8-$15 class. Semiconductor mktg. mgr. J. H. Sweeney said the reductions reflect the beginning of high-volume production. He predicted that tunnel diode prices would drop to less than $1 each by 1962.

Craig Corp., Los Angeles, which claims to be the West's largest electronics & photographic consumer-product distributor, has sold $750,000 ten-year convertible debentures to Electronics Capital Corp., San Diego. The small-business investment company will have the right to convert its investment into about 30% of Craig's stock. Craig's sales volume is now at an annual rate of $12 million. Its wholly-owned subsidiary Panorama Enterprise imports consumer & industrial electronics products.

New 6,500-mile scatter system for the Army—extending from Hawaii to the Philippines—has been placed in operation by Page Communications Engineers. The stations are at Oahu, Kauai, Midway, Wake, Ponape, Guam, Palu & Luzon.

Trade Personals: G. C. Connor promoted from regional vp to mktg. senior vp, Sylvania, succeeding **B. K. Wickstrum**, who remains as senior vp with a special assignment; **Arthur L. B. Richardson** named senior vp for PR, industrial relations & purchasing, law dept.; **William F. Rueger** named secy., continuing as senior div. counsel.

Joseph A. Lagore retires as mfg. vp, Philco govt. & industrial div. after 32 years with Philco. . . **Lorin McCarthy** named gen. mgr., Pacific Mercury Electronics mktg. div., succeeding **Eugene J. Freeman**, now vp-gen. mgr., Roberts Electronics . . . **Robert C. Seamans Jr.**, chief engineer of RCA's missile electronics & controls div., named associate administrator of National Aeronautics & Space Administration, replacing **Richard E. Horner**, who resigned to join Northrop as senior vp for technology.

Thomas S. Hurley, ex-Raytheon, appointed CBS Electronics semiconductor operations supervisor of merchandising & advertising, a new post . . . **Reinhard E. Rist** promoted to computer transistor mfg. mgr., RCA semiconductor & materials div. . . . **Ira Kamen**, ex-General Bronze, elected pres., Portland Industries Corp.

Frank Delves named General Precision foreign mktg. vp . . . **Louis H. Aricson** promoted from vp-gen. mgr., Daystrom Transicoil div., to human relations vp for the parent company . . . **J. Gerald Mayer** promoted from vp to defense & engineered products exec. vp, General Instrument. He also heads subsidiaries Radio Receptor & Harris Transducer.

Ralph H. G. Mathews resigns from Westinghouse TV-radio div. Aug. 1 to become dir. of mktg., Blonder-Tongue Labs . . . **George D. Butler**, International Resistance mktg. dir., elected a vp . . . **Boyd B. Barrick** promoted to gen. sales mgr., Raytheon distributor products div. . . . **Warren H. Davis** named to new post of asst. dir. of mktg., Hoffman semiconductor div.

Henry Brief Aug. 12 becomes exec. dir. of Record Industry Assn. of America, succeeded as TV-radio editor of *Home Furnishings Daily* by **Alfred L. Perkins**, now floor coverings editor . . . **James J. Cassidy**, onetime TELEVISION DIGEST associate editor, promoted to new post of associate managing editor of McGraw-Hill's *Electrical Merchandising Week* . . . **Jules Steinberg** returns to his desk as midwest editor of *Mart* after surgery.

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Panel on stereo-multiplex broadcasting will be the consumer-electronics highlight of the Western Electronic Show & Convention (WESCON) Aug. 23-26 at the Los Angeles Sports Arena. The Aug. 23 session will feature papers by NAB engineering dir. A. Prose Walker, chmn. of the NSRC field-test panel, on progress of the FM stereo field tests (Vol. 16:28 p14), and by Hazeltine's R. J. Farber on requirements for FM stereo transmission. Panel members will represent companies espousing 5 of the 6 systems now under test by NSRC: Carl Eilers, Zenith; William H. Beaubein, GE; Murray G. Crosby, Crosby-Teletronics; Harold Parker, Calbest; William Halstead, Multiplex Development.

Obituary

Edward F. McGrady, 88, former RCA vp in charge of labor relations and NBC director, who was the New Deal's foremost labor troubleshooter, died July 17 at Newton, Mass. He joined RCA in 1937 after 4 years as Asst. Secy. of Labor and earlier work in Washington as Asst. NRA Administrator. In World War II he was a special consultant to Secy. of War Henry L. Stimson, and after his retirement was retained by RCA as a labor consultant.

Finance

Upbeat AB-PT: Good news characterized Pres. Leonard H. Goldenson's first-half report to AB-PT stockholders last week: (1) The 2nd-quarter & half-year net operating profits were the highest in AB-PT history. (2) The ABC-TV Network, in the 2nd quarter, posted a 30% increase in gross time-billings over the year-ago quarter. (3) ABC Radio Network's exclusive broadcast of the Johansson-Patterson fight attracted 61 million people—"the largest audience for any entertainment or sports event in the history of radio." The report's only soft spot: "Theater business was not up to last year's level in the 2nd quarter," Goldenson noted, adding: "This was primarily due to the fewer pictures made available because of the recent Hollywood strike and to the quality of the product released."

Net operating profit in the first half soared 45% to $5,653,000 ($1.35 a share on 4,149,362 shares) from $3,886,000 (90¢) in Jan.-June 1959. Including capital gains of $1,328,000, the consolidated net earnings rose to $6,981,000 ($1.67) vs. $3,885,000 (90¢), which reflects a $1,000 loss.

In the 2nd quarter, net operating profit jumped 47% to $2,317,000 (55¢) from Apr.-June 1959's $1,573,000 (36¢). Including capital net gains of $1,284,000, the consolidated net earnings totaled $3,601,000 (86¢) vs. 2nd-quarter-1959's $1,618,000 (37¢) which included a capital gains of $45,000. The 1960 2nd-quarter capital gains of $1,284,000 (31¢) included capital gains (after taxes of $1,400,000) on the cash portion of AB-PT's sale of Disneyland Park stock (Vol. 16:28 p8).

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RCA Profit Sag: Despite a 12% sales gain to a record $707 million, RCA experienced a 7% sag in earnings to $18.1 million during the first half (see financial table). Profit also was down sharply in the 2nd quarter. The cause: "Our rapidly increasing data-processing investment which was stimulated by a strong pick-up in orders & inquiries during the first 6 months," Chmn. David Sarnoff & Pres. John L. Burns explained (Vol. 16:27 p3). "Because of the unique leasing nature of the data-processing business, these costs actually represent a current investment that promises to yield the profits of tomorrow."

Sarnoff & Burns emphasized that RCA's ability to make major advances in the highly competitive data-processing field, to absorb build-up costs, is bolstered by the performance of other divisions.

"Among other strengthening factors has been the performance of NBC, which registered the largest [but undisclosed] first-half profit in its 34-year history," they pointed out. "Color TV set sales, for example, are firmly anchored in the profit column, and the current sales curve indicates that this profit story is only in its first chapter."

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Magnavox rolled up a 60% profit gain on a 10% sales rise during 1960's first half (see financial chart). Pres. Frank Freimann credited the consumer-products div. for the gains, attributed the higher income to a better product mix & reduced operating costs. Although Magnavox's April-May TV-stereo sales declined, June orders ran 50% ahead of the June 1959 volume. Freimann forecast that the rate of increase will be maintained during the balance of the year—the period in which Magnavox normally produces 2/3 of its annual sales volume—and described the 2nd-half profit picture as bright.

Mergers & Acquisitions: Electronics merger news this week was highlighted by the completion of the purchase of Revere Camera Co. by Minnesota Mining & Mfg. Co. (Vol. 16:27 p18)—and the revelation that 3M had tape cartridges in mind in negotiating the acquisition (details on p. 18). Other merger news this week:

General Instrument Corp. and General Transistor Corp. last week signed a merger agreement subject to authorization by the directors of both companies and approval of stockholders at special meetings scheduled for Aug. 30. General Instrument would be the surviving company, each outstanding share of General Transistor common to be converted into .7 of a share for GI.

Stockholders of Itek Corp. and Hermes Electronics approved the merger of the 2 firms, on the basis of issuance of one Itek share for 4¾ shares of Hermes. Merger negotiations between Itek and Seeburg Corp. have been broken off, but both seek other acquisition possibilities.

Daystrom Inc. is acquiring Wiancko Engineering Co., Pasadena, Cal. producer of instrument systems & transducers for measurement & controls, in an exchange of stock said to involve about $4 million.

FXR Inc., manufacturer of microwave test equipment, has acquired Budd-Stanley Co., Long Island City custom microwave-components manufacturer, from Indian Head Mills. Meanwhile, FXR officials are negotiating with Loral Electronics on possible acquisition of FXR by Loral.

Advance Ross Electronics Corp., maker of TV yokes & flyback transformers, announced that it has bought Magneco Corp., maker of ferrite products, for undisclosed sum.

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Desilu Productions will report a loss for fiscal-1961's first quarter ending July 30, reports Pres. Desi Arnaz. He did not disclose the amount of loss, blamed it on the recent writer strike. In the year-ago quarter, Desilu earned $167,500 (23¢ a share) on a gross income of $3.7 million. Arnaz forecast that performance for the 1961 fiscal year, ending next April 30, will at least equal fiscal-1960's net income of $811,500 (70¢ on 1,155,940 shares) on a $23.4-million gross. Meeting with stockholders last week, he had these answers to questions: Salaries—Desi gets $215,000, Lucy $180,000, exec. vp Martin Leeds $135,019. Diversification—being explored but "we have no intention of merging with anyone." Expansion—Desilu International Ltd. has been established to co-produce in Europe and to increase Desilu's quotas in foreign markets; Arnaz heads for Europe in Sept. to explore co-production deals. Inventory—Desilu will continue its policy of piecemeal rather than mass sale of its rerun backlog which, with the studio's current TV series, will increase to about 1,014 half-hours of films.

Hewlett-Packard has proposed a 200% stock dividend which will be payable Sept. 15 to stockholders of record Sept. 1—if shareholders approve at their special Aug. 9 meeting. The proposal would increase the Palo Alto electronics manufacturer's authorized common to 15 million shares from the present 5 million—of which about 3,272,000 are outstanding. Pres. David Packard forecast 1960 earnings of $1.35-1.40 a share, 15% ahead of last year.

Hallicrafters Co., Chicago manufacturer of short-wave radio & military electronic equipment, plans public sale of 300,000 capital stock shares, 100,000 to be offered by the company, 200,000 by present holders. Paine, Webber, Jackson & Curtis head underwriters of the offering, price undetermined, according to an SEC registration statement (File 2-16825).

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Electronic Specialty Co.	1960—qtr. to Jun. 30	$2,496,000	$14,000	$6,700	$0.01	547,440
	1959—qtr. to Jun. 30	2,058,000	172,000	83,000	.20	405,920
Hermes Electronics	1960—3 mo. to Apr. 30	917,902	—	(73,957)	—	999,408
	1959—3 mo. to Apr. 30	875,433	—	30,812	.02	999,408
Hudson Radio & TV	1960—10 mo. to Mar. 31	4,091,986	137,070	82,559	.17	499,970
	1959—10 mo. to Mar. 31	3,481,265	81,013	48,053	.13	374,970
Itek Corp.	1960—7 mo. to Apr. 30	17,864,225	677,396	362,046	.42	859,957
	1959[1]	—	—	—	—	—
Magnavox	1960—6 mo. to Jun. 30	51,700,000	—	1,825,000	.77	2,359,606
Story on p. 19.	1959—6 mo. to Jun. 30	47,278,000	—	1,140,000	.48[2]	2,345,718[2]
RCA	1960—6 mo. to Jun. 30	707,000,000[5]	35,400,000	18,100,000	1.14[3]	14,436,000[1]
Story on p. 19.	1959—6 mo. to Jun. 30	633,700,000	38,800,000	19,400,000	1.29[3]	13,866,000[4]
	1960—qtr. to Jun. 30	345,800,000	10,000,000	5,100,000	.29[3]	14,436,000[1]
	1959—qtr. to Jun. 30	311,900,000	13,000,000	6,500,000	.41[3]	13,866,000[4]
Sangamo Electric	1960—6 mo. to Jun. 30	25,616,000	1,422,000	759,000	.47	1,620,930
	1959—6 mo. to Jun. 30	24,696,000	2,869,000	1,465,000	.91[6]	1,612,266[6]
	1960—qtr. to Jun. 30	13,873,000	—	463,000	.29	1,620,930
	1959—qtr. to Jun. 30	12,744,000	—	689,000	.43[4]	1,612,266[6]
Standard Kollsman Industries	1960—6 mo. to Jun. 30	45,329,044	2,887,064	1,377,714	.69	2,006,213
	1959—6 mo. to Jun. 30	35,221,567	1,155,103	639,703	.34	1,904,779
	1960—qtr. to Jun. 30	23,457,224	1,759,939	805,589	.40	2,006,213
	1959—qtr. to Jun. 30	18,629,715	520,706	249,306	.13	1,904,779
WJR Goodwill Station	1960—6 mo. to Jun. 30	—	—	166,023	.26	—
	1959—6 mo. to Jun. 30	—	—	134,284	.21	—

Notes: [1]Not available, [2]Adjusted to reflect Nov.-1959 stock split. [3]After p'd. dividends. [4]Average. [5]Record. [6]Adjusted to reflect May-1960 2-for-1 split.

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, July 21, 1960

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	30	33
Aerovox	11¼	12½
Allied Radio	20½	22½
Astron Corp.	2	2½
Baird Atomic	34½	36¾
British Industries	14¾	16¼
CGS Labs	10½	12½
Control Data Corp.	42¾	45⅞
Cook Elec.	15	16½
Craig Systems	16¾	18⅜
Dictaphone	39½	43
Digitronics	26½	28⅞
Eastern Ind.	12½	13⅜
Eitel-McCullough	24½	16¼
Elco Corp.	18½	20⅜
Electro Instruments	44	45⅞
Electro Voice	13½	14⅝
Electronic Associates	23¼	25⅜
Erie Resistor	9⅛	9¾
Executone	29	32
Farrington Mfg.	32¾	35⅜
Fischer & Porter	15¼	16¾
FXR	48	52½
General Devices	18	19⅝
G-L Electronics	9¾	11
Granco Products	6¾	7⅝
Gross Telecasting	19½	21½
Haydu	1/16	¼
Hewlett-Packard	82	86¾
High Voltage Eng.	137	147
Infrared Industries	19½	22½
International Rectifier	21¾	23⅝
Interstate Engineering	26¼	28½
Itek	61½	66
Jerrold	10¼	11¼
Lab for Electronics	44½	47¾
Leeds & Northrup	40¾	43½
Lel Inc.	5	5¾
LFE Inc.	10	12⅝
Ling Altec Electr.	22½	24¼
Magna Theater	2⅞	3-5/16

Stock	Bid	Asked
Magnetic Amp.	9	—
Magnetics Inc.	11¼	12⅞
Maxson (W.L.)	8¾	10
Meredith Pub.	42	46⅛
Metropolitan Bcstg.	16¼	17½
Milgo Electronics	22	24⅝
MPO Videotronics	7	7⅞
Narda Microwave	6½	7⅜
Narda Ultrasonic	5¼	6
National Co.	20¼	22
Nuclear of Chicago	34	36¾
Official Films	1-7/16	1-11/16
Pacific Automation	8¾	9⅝
Pacific Mercury	9	9⅞
Perkin-Elmer	40¾	43¾
Philips Lamp	151½	157¼
Pyramid Electric	2⅜	2¾
Radiation Inc.	23¼	25⅜
Howard W. Sams	42	45⅝
Sanders Associates	48	52½
Silicon Transistor	7¼	8⅝
Soroban Engineering	25	27¼
Soundscriber	12	13⅝
Speer Carbon	19¼	21
Sprague Electric	55	59
Taft Bcstg.	12¾	14⅛
Taylor Instrument	72	77¾
Technology Inst.	10	11¼
Tele-Broadcasters	1⅛	1¾
Telechrome	12¾	14⅛
Telecomputing	9	9¾
Telemeter	16	17⅞
Time Inc.	58¾	62
Tracerlab	14¾	16¼
United Artists	7⅞	8⅝
United Control	31¼	33¾
Universal Trans.	1¾	2⅛
Vitro	12⅞	13⅞
Vocaline	3⅝	4⅛
Wometco Ent.	12½	13⅝

"The new millionaires"—identified in July 25 *Time* as "the men responsible for the success of the nation's new growth companies"—are heavily concentrated in the electronics industry. Examples: Arnold O. Beckman, whose 1,380,000 shares of Beckman Instruments stock are now worth $44.9 million; Texas Instrument Chmn. John Erik Jonsson, with $82 million in TI stock; TI exec. committee Chmn. Eugene McDermott with $65 million; TI Pres. Patrick E. Haggerty with $26 million; Transitron's Chmn. & Pres. Leo & David Bakalar with a stock fortune of $307 million (plus $34.4 million realized in cash); Litton Industries Pres. Charles B. (Tex) Thornton, with $37 million in Litton Industries. Hardly a "new millionaire," Laurence Rockefeller is also listed in *Time*, with his $12 million in Itek stock.

Reports & comments available: Tung-Sol Electric and MGM, reports, Francis I. du Pont & Co., One Wall St., N.Y. 5 • **Advance Ross Electronics**, analysis, Freehling, Meyerhoff & Co., 120 S. LaSalle St., Chicago 3 • **Fairchild Camera & Instrument**, report, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 • **Daystrom**, report, Blair & Co., 20 Broad St., N. Y. 5 • **Medallion Pictures Corp.**, offering circular, Hancock Securities Corp., 79 Pine St., N.Y. 5 • **Espey Mfg. & Electronics Corp.**, prospectus, Sutro Bros. & Co., 120 Broadway, N.Y. 5.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Desilu Productions	—	$0.15	Aug. 26	Aug. 12
National Video "A"	—	.22½	Aug. 19	Aug. 4
Storer Bcstg.	Q	.45	Sep. 9	Aug. 26
Storer Bcstg. "B"	Q	.12½	Sep. 9	Aug. 26
TV-Electronics Fund	—	.04	Aug. 31	Aug. 4
Thompson Ramo	—	.35	Sep. 15	Aug. 31

AUG 1 1960

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

WITH THIS ISSUE: Special Supplement No. 7, Full Text of FCC's Report and Statement of Policy on its Programming Inquiry

SUMMARY-INDEX OF WEEK'S NEWS

FCC

FCC PROGRAMMING REPORT—no shocker—brings concurrence of all Commissioners except Hyde. Real battle to come over renewal forms & FCC reaction to "narratives" (p. 1).

FOUNDATION-LAYING FOR N.Y. UHF PROJECT starts in joint FCC-industry meeting (p. 3). Dept. (p. 15).

Auxiliary Services

FCC BLESSES ILEGAL BOOSTERS at last, adopting rules. Existing operators must comply by Oct. 31, 1961 (p. 2).

JERROLD ANTI-TRUST RULING by federal court bars acquisition of CATV systems until 1962, bans tie-in sales (p. 8).

Conventions

FCC CHALLENGES CONVENTION COVERAGE by Little Rock TV stations which passed up Republicans (pp. 4 & 5).

POST-CONVENTION SCRAMBLE is developing among networks as they seek pre-election debate appearances of major candidates, line up news & documentary shows, talk paid political deals (p. 6).

Stations

MIAMI CH. 7 SPY STORIES RETOLD by WCKT & 2 other original applicants in protests to FCC against proposals that they be barred for "influence" attempts (p. 4).

BIGGEST RADIO DEAL EVER set up by Storer in option to buy WINS N.Y. for $10 million from Gotham, which paid $450,000 for it 7 years ago (p. 9).

Consumer Electronics

NO NEW TUBE SIZES due this year, although revival of 27-in. by Magnavox leads to talk that public is ready for bigger pictures. Industry not backing new tube tooling (p. 17).

EMERSON-GRANCO DEAL: Emerson to merchandise Granco sets, loan Granco $200,000, get option to buy control of company (p. 18).

$$$ IN REMOTES: Zenith's 1959 remote-control TV sales were $50 million, or 30% of its TV dollar volume, Truesdell reveals in Admiral patent suit (p. 18).

MOTOROLA POSTS RECORD sales & earnings in first half & 2nd quarter (p. 22). Pres. Robert Galvin & exec. vp Edward Taylor assess home-electronics market (p. 19).

WHERE TV EXPORTS GO: Latin American nations are best U.S. customer, Venezuela buying one-third of 10,000 sets exported at $1 million in March; other statistics (p. 21).

CANADA'S IMPORT THREAT: Stepped-up imports from Japan, UK, Germany have Canada's electronics industry on the ropes (p. 21).

Film & Tape

MORRIS AGENCY'S RECORD YEAR: Talent firm sells 25 network telefilm series (p. 14). MGM-TV's 1961 plans (p. 12).

Other Departments

EDUCATIONAL TV (p. 6). **ADVERTISING** (p. 7). **TECHNOLOGY** (p. 10). **PROGRAMMING** (p. 10). **NETWORKS** (p. 12). **PERSONALS** (p. 16). **FINANCE** (p. 22).

FCC PROGRAMMING REPORT—NO SHOCKER: There's nothing earth-shaking in FCC's much-anticipated report on its role in station programming. Issued late last week (full text herewith in Special Supplement No. 7), it reiterates Commission's traditional position and does 2 additional things:

(1) Says that sponsored programs may be just as much in public interest as sustainers.

(2) Concludes that renewal forms should be revised to include the much-discussed "narrative" in which applicants show what they've done to search out community needs and how they plan to meet them.

Rest of document is devoted largely to avowal of devotion to Constitutional & legal prohibitions against FCC censorship—coupled with assertion that Commission can't blind itself to what goes over the air.

Real policy decision is yet to come. Here are the 2 true areas of controversy: (1) What will FCC require licensees to do specifically before they submit their narratives? (2) What will Commission do after it reads them? Actually, Question No. 2 is the whole story—and, as always, it will depend on makeup of Commission, who its chairman is, temper of the times and second-guessing by Congress & courts.

Commission gives some clue to what it considers in public interest by reiterating kinds of programs it has plumped for in past. "The major elements usually necessary," it said, "to meet the public interest, needs

and desires of the community in which the station is located, as developed by the industry & recognized by the Commission, have included: (1) Opportunity for local self-expression, (2) the development of use of local talent, (3) programs for children, (4) religious programs, (5) educational programs, (6) public-affairs programs, (7) editorialization by licensees, (8) political broadcasts, (9) agricultural programs, (10) news programs, (11) weather & market reports, (12) sports programs, (13) service to minority groups, (14) entertainment programming." However, Commission says carefully:

"The elements set out above are neither all-embracing nor constant. We re-emphasize that they do not serve and have never been intended as a rigid mold or fixed formula for station operation. The ascertainment of the needed elements of the broadcast matter to be provided by a particular licensee for the audience he is obligated to serve remains primarily the function of the licensee. His honest & prudent judgments will be accorded great weight by the Commission. Indeed, any other course would tend to substitute the judgment of the Commission for that of the licensee."

Here's what Commission says about its "narrative-on-needs" policy: "We do not intend to guide the licensee along the path of programming; on the contrary, the licensee must find his own path with the guidance of those whom his signal is to serve. He will thus steer clear of the bans of censorship without disregarding the public's vital interest. What we propose will not be served by pre-planned program format submissions accompanied by complimentary references from local citizens. What we propose is documented program submissions prepared as the result of assiduous planning & consultation covering 2 main areas: First, a canvass of the listening public who will receive the signal and who constitute a definite public interest figure; second, consultation with leaders in community life—public officials, educators, religious, the entertainment media, agriculture, business, labor, professional and eleemosynary organizations, and others who bespeak the interests which make up the community . . .

"By his narrative development, in his application, of the planning, consulting, shaping, revising, creating, discarding and evaluation of programming thus conceived or discussed, the licensee discharges the public interest facet of his business calling, without govt. dictation or supervision, and permits the Commission to discharge its responsibilty to the public without invasion of spheres of freedom properly denied to it."

Punctuating fact that no new restrictions on broadcasters are imposed by the document: Comr. Craven voted for it. Comr. Hyde dissented on grounds that Commission should first have issued its proposals on renewal-form revision. He believes last week's document doesn't mean much, standing alone. New Comr. King didn't participate.

FCC also made public the 368-page staff report on programming, in which attorneys Ashbrook Bryant & James Tierney summarize history of FCC programming actions & testimony in the programming hearing, conclude with recommendations.

Next—let's see what the new renewal forms look like.

FCC BLESSES ILLEGAL BOOSTERS, AT LAST: FCC has finally legalized vhf boosters (translators), adopting rules much as anticipated (Vol. 16:27 p4). New rules go into effect Sept. 6.

Existing operators are given until Oct. 31, 1961 to comply with new rules. By Oct. 31, 1960, they must ask Commission for authority to continue temporarily as is. And by Feb. 1, 1961, they must file with FCC applications for modification of equipment to comply with new rules.

Those seeking to build new translators may apply immediately, using Form 346 (same form used for uhf translators), but they won't get CPs until after Sept. 6.

Text of decision wasn't released last week, so precise working of rules & standards isn't available. However, it's understood that these are the major provisions:

(1) One-watt ceiling.

(2) Operators must eliminate interference to regular stations—going off air if necessary.

(3) Equipment must be "type-accepted" by FCC. This means manufacturers will file description of equipment with Commission. This is less stringent than "type-approval," in which FCC actually tests models.

(4) No licensed operator required.

(5) No on-channel operation with parent station.

(6) On-off control at an accessible place.

(7) Automatic cutoff when parent station goes off.

(8) Interference among translators to be resolved by mutual agreement among operators.

(9) No minimum mileage separations.

(10) No "duopoly" rule, meaning one licensee can operate several translators covering same area.

(11) Can't build in uhf-served areas except upon special showing.

(12) No restriction on who can build, except usual citizenship requirements, etc. Thus, regular vhf station operator can build translators.

(13) Applications to build in cities now served by regular stations will be handled on case-to-case basis—in light of economic impact on local station and advantages of multiple service to public.

Not generally appreciated is fact that new rules also apply to uhf translators, superseding their old rules. Thus, uhf units may now be built much cheaper than before. They still have advantage of 100-watt ceiling vs. vhf's one-watt. Also not generally known is fact that CATV operator's pickup signals are protected against vhf translator interference. Rules provide that translators must avoid interference to any direct pickup of station signals. This includes CATV.

FOUNDATION-LAYING FOR N.Y. UHF PROJECT: Some 50-60 industry representatives sat down with FCC staff last week to help it get started on Commission's $2-million N.Y. uhf experiment (Vol. 16:30 p9). After chief engineer Edward Allen described general purposes & plans, discussion centered on methods of industry participation. Here's upshot:

Five committees will be formed: One overall "broad brush" group, as Allen described it, and 4 groups to work directly with Commission's staff in 4 areas—transmission, reception, measurements & analysis. The 5 committees will be co-equal. All interested parties may offer men to serve on committee, and it's expected that nucleus of each will comprise representatives of NAB, EIA, IRE, AMST, JTAC, JCET, TASO, AFCCE, CCT. Next meeting, in Allen's office Aug. 9, may result in naming of committees.

Committees will operate much as did TASO—an FCC man setting up agenda & convening meetings, to minimize possibilities of anti-trust violations. Procedure conforms to Attorney General's recommendations.

Representatives of AMST (Ernest Jennes) & NAB (Charles Tower) urged that TASO serve as sort of framework or starting point for the new advisory groups—to reduce the time lag & legal hassling over anti-trust fears. This was strongly opposed by engineers Stuart Bailey, John Creutz, Jules Cohen & Jack Poppele. Poppele made speech urging group not to use TASO framework, saying "you'd be reviving a dead horse" and declaring that it didn't do the job it was intended to do. Bailey said that TASO's job was completed, that a new group is needed now, that he wasn't criticizing TASO. Apparently, there's some opinion that TASO was cool to uhf. On the other hand, project sparkplug Comr. Robert Lee told group of his great faith in TASO exec. dir. George Town and that he'd tried vainly to get Town to head project.

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Getting into technical details, Allen said first major problem is to find means of mounting antenna on Empire State Bldg.—no mean chore. As for new receiver possibilities, Allen said "immediate utility" is being emphasized. Therefore, he concluded, parametric amplifiers & tunnel diodes "seem to be out, but crystals sound good." He's hoping for noise figures of 6-8 db, compared with the 10-14 db now achieved in uhf sets. He reported that Airborne Instruments Labs had been commissioned to do a uhf receiver "feasibility study," will report soon. Aim is to have Empire State Bldg. transmitter operating by Sept. 1961. Allen said channel hasn't been selected yet, but he welcomed offer of WNYC spokesman at meeting who said that Ch. 31 is available; station holds CP for it.

Comr. Lee said that N.Y. City govt. & educational institutions can help place receivers, produce some programming. Allen cautioned against expecting much regular program fare—because tests require fiddling with signals. Lee said he hoped station could be turned over to educators after end of experiment.

FCC CHALLENGES CONVENTION COVERAGE: Broadcasters figured they had won big freedom-of-air victory when Congress voted last year to exempt political newscasts from Communications Act's equal-time requirements (Vol. 15:36 p2). Last week FCC provided them with sobering second thoughts.

All 3 Little Rock TV stations were put on spot by Commission for blacking out network coverage of opening session of Republican convention in Chicago (see p. 5). They carried paid primary-eve election speeches by Ark. Democratic candidates for state & local offices instead. Stations (KARK-TV, KATV & KTHV) had transmitted full proceedings of Democratic convention in Los Angeles 2 weeks earlier. How come they didn't make "reasonable effort" to give Republicans similar treatment? FCC wanted to know in telegrams demanding "full statement" from each.

Exemption language of amended Sec. 315 seemed explicit. Excluded from application of equal-time rules for TV & radio appearances by candidates was "on-the-spot coverage of bona fide events (including but not limited to political conventions & activities incidental thereto)." Presumably, stations could use their own news judgments in covering—or ignoring—any conventions or any part thereof. On grounds that Ark. election issues were of more immediate local public interest than Republican speeches in Chicago July 25, KARK-TV, KATV & KTHV chose to pass up GOP convention that night.

But Little Rock stations were brought up short by FCC, which pointed to another sentence tacked on to 1959 amendment. This sentence said broadcasters still were obliged "to afford reasonable opportunity for the discussion of conflicting views on issues of public importance." And in rare party-line split, Commission's Republican majority (Democratic members demurring) said Little Rock schedules for Chicago vs. Los Angeles convention coverage "do not comply with this provision."

Nobody's going to lose his FCC license in new battle of Little Rock—and even before Commission got on their necks, KARK-TV, KATV & KTHV were arranging for taped reruns to make up for missed portions of Republican proceedings. But as lawyer for one station put it to us: "You can't win on Sec. 315, no matter how it's amended. Every time the Commission wants to make an issue, it can."

MIAMI CH. 7 SPY STORIES RETOLD: Most parties in hotly contested 1954-56 Miami Ch. 7 case engaged in espionage & counter-espionage to find out who was doing what to win the grant which eventually went to WCKT—but if anybody applied improper pressures on FCC it must have been the other fellow, Commission was told last week.

This was gist of sometimes-impassioned arguments in filings by WCKT (Biscayne TV Corp.) and 2 other original applicants—South Fla. TV Corp. & East Coast TV Corp.—which had been virtually blacklisted by FCC legal counsel in recommendations winding up Ch. 7 "influence" rehearing (Vol. 16:30 p2). Rebuttal filings went over same hearing testimony, drew opposite conclusions.

"Principals & a representative of Biscayne had certain contacts with members of the Commission" while the grant was pending, WCKT said in its "proposed findings of fact & conclusions of law" for special FCC examiner Horace Stern. It conceded that Fla. Light & Power Co.'s Ben H. Fuqua, for one, had made investigations in Biscayne's behalf, but insisted: "On none of these occasions was there any extra-record presentation made with respect to the merits of the case, nor was there any attempt to influence any member of the Commission." On other hand, Biscayne said, "representatives of East Coast and South Florida sought to influence" vote of ex-Comr. Richard A. Mack.

Miami lawyer Thurman A. Whiteside was paid $5,000 "to obtain information & do investigative work," South Florida conceded. But the only purpose was "to find out whether any pressures were being put on Mack or other Commissioners to vote for Biscayne," South Florida maintained. It insisted that "no principal of South Florida has ever spoken to or contacted any Commissioner concerning the Ch. 7 case while the matter was in an adjudicatory posture."

East Coast said it tried "to arouse public opinion" against newspaper ownership of TV stations inasmuch as Knight & Cox newspapers had interests in Biscayne. Tampa lawyer Miles H. Draper was hired for $5,000 by Washington counsel for this & other special purposes, but any ex-parte work he did on Commission was without East Coast's knowledge, it argued.

Full support for FCC counsel's recommendations against 3 applicants came from remaining contestant, however. Sunbeam TV Corp., only applicant to escape taint in case, said examiner Stern should call for "absolute disqualification" of Biscayne, South Florida and East Coast when he makes his report.

Conventions

More about

THE LITTLE ROCK STORY: A sample of probable future headaches for broadcasters when they handle 1960 political campaign news was provided last week by FCC in a new interpretation of amended Sec. 315 of the Communications Act.

Little Rock's KARK-TV, KATV & KTHV were called on the carpet by the Commission's Republican majority for substituting state & local Democratic primary election politics for network coverage of the opening July 25 session of the GOP convention in Chicago.

Broadcasters who thought revised Sec. 315 gave them freedom to pick & choose political newscasts without fear of running into equal-time trouble had another think coming (see p. 4). The 3 Little Rock stations were told that inasmuch as they had carried full news coverage of the Democratic convention in Los Angeles, they were obligated to do the same for the Republicans.

"Requirements of local political election are recognized," the 4 Republican members said for the Commission in telegrams to the stations demanding explanations—new Comr. King (Vol. 16:30 p9) casting one of his first votes in favor of the action. "However, it does not appear from the facts available that a reasonable effort has been made to meet the fairness provisions of Sec. 315." The 3 Democrats on FCC didn't see it that way.

As amended by Congress last year, the law exempted *bona fide* political convention coverage from equal-time demands by an opposition party. But it also said that nothing in exemption clauses freed broadcasters "from the obligation imposed upon them under this act to operate in the public interest" in handling public controversies.

Triggered By Republican Complaint

FCC's challenge to KARK-TV, KATV & KTHV was set off by one wired complaint in advance of the July 25 GOP convention session. Mrs. W. Y. Pake, pres. of the Greater Little Rock Women's Republican Club, protested the "inequity" of plans announced by the stations to turn over their facilities that night to Democratic candidates for paid appeals for votes in the primary next day.

By telephone, FCC staffers got confirmation from Little Rock of the stations' plans to black out the Chicago convention session for the local-interest politics. The telegrams from FCC followed promptly—but KARK-TV, KATV & KTHV went ahead anyway, carrying speeches by such candidates as Gov. Orval Faubus, who won handily. The stations' time had been committed to them far in advance of the GOP sessions.

"The winning of the Democratic primary is tantamount to election in the state, and we figured carrying the candidates was more in the public interest than the first session of the convention," said vp Douglas Romine of KARK-TV. Similar defenses of policy were made by the other 2 stations. All 3 carried the Chicago convention the next night but interposed news of Ark. election returns.

One demurrer & 2 dissents to the majority FCC position on the convention-vs.-local election issue were filed by the Democratic members.

Comr. Bartley said he agreed "a full statement of the facts" should be supplied by each station. But he added: "Complications arising from conflict with local campaign & election returns may have presented stations with impossible clearance conflicts."

Comr. Craven said: "I believe that from the standpoint of reasonableness the Little Rock (Ark.) TV station licensees have made a proper decision in making their facilities available to candidates involved in local & state primary elections in lieu of broadcasting the Republican National Convention on the night of July 25, 1960."

Comr. Cross (Ark.) said: "I consider the licensees in question have done all that can be reasonably expected of them to live up to their licensee responsibilities."

Lawyers for the stations got to work promptly drafting formal replies to FCC, which wasn't expected to go over them until it returns from its Aug. vacation.

Meanwhile, back in Little Rock, Mrs. Pake said she had no further complaints to make against the stations' handling of the GOP sessions. She switched from one station to another the second night of the Chicago convention, told reporters the coverage "went smoothly."

We asked the stations' lawyers what they thought about the legal basis for FCC's interpretation of the "fairness" section of Sec. 315, got such observations as these:

"It seems to me that this is FCC censorship."

"We would have been accused of violating Sec. 315 if we'd refused time to primary candidates before election."

"I don't see any equal-time issues in this at all. There might have been an issue if the stations hadn't done what they did."

"There's an awful lot of misunderstanding of what is involved here."

Note: House Commerce Committee Chmn. Harris (D-Ark.), who helped push the 1959 Sec. 315 amendments through the House, stayed out of the controversy. He had no primary opposition for re-election, saw no need for making speeches on TV, and wasn't involved in the Little Rock pre-emption of network convention time.

* * *

A "staggering" job in terms of time, effort & money has been done by TV & radio in covering Democratic & Republican National Conventions in Los Angeles & Chicago, NAB policy committee Chmn. Clair R. McCollough said last week. Totting up estimates of the costs alone, McCollough said they'd likely run between $15-$20 million, that income from sponsors would make up for only about $2 of each $3 spent by networks & stations. The industry's investment, he added, "has only one purpose—to keep the public fully informed, minute-by-minute, on each significant development at both conventions."

* * *

Three-network coverage of the GOP was labeled "sharper," "more relaxed," "better paced," and "better organized," than the Democratic variety, by major newspaper TV critics. "The improvement was remarkable," said one columnist, "there was minimum reliance on 'pool' coverage and more emphasis on individual reporting." Critics generally agreed that CBS-TV made a comeback last week "with Mr. Murrow and Walter Cronkite loosening up their commentaries (*a la* Huntley-Brinkley) to provide greater relaxation & humor," as Jack Gould, *N.Y. Times* put it.

NBC, however, retained a substantial rating lead throughout last week and most critics continued to acclaim the NBC anchor team. (For more on ratings, see p. 6.)

Generally, critics were strong in their praise of the total network coverage picture: "We of the TV audience had a better view of the proceedings than most of the delegates," Ben Gross, *N.Y. Daily News*; "TV has put a new life into political conventions," Bob Williams, *N.Y. Post*; "TV may have its problems with quiz scandals & filmed repeats, but it also can render a highly important public service, and this summer it is doing so," Jack Gould, *Times*.

POST-CONVENTION SCRAMBLE: Network political coverage moved out of the convention and into the campaign last week with hardly a pause for breath. The conventions had established a new—and possibly temporary—balance of network news power in NBC-TV's favor. But officials of all 3 networks were already deep in plans for a new round of political TV showcases.

Operating on the assumption that the House will follow the Senate's lead in waiving troublesome Sec. 315 when it re-convenes Aug. 15, top network officials last week were busy lining up the principal political candidates for pre-election TV debates. Telegrams went to Sen. Kennedy and Vice President Nixon from NBC Chmn. Robert W. Sarnoff inviting them to appear on a proposed series of eight 60-min., prime-time telecasts entitled *The Great Debate*. (Kennedy accepted; Nixon indicated he was willing but wanted "to examine the format.") CBS Inc. Pres. Dr. Frank Stanton proposed a similar 8-program series of CBS-TV prime-time appearances between Labor Day & the election. (Kennedy "wholeheartedly" accepted by wire, and designated Leonard Reinsch to meet with CBS to discuss details. Late Friday, Nixon hadn't yet formulated his reply.) AB-PT Pres. Leonard H. Goldenson spoke to the standard-bearers, inviting them to ABC-TV appearances and proposing that the 3 networks alternate in giving the candidates prime-time slots one evening each week for 9 weeks before the election.

Other network political activity: NBC plans political features in the regular Huntley-Brinkley news shows, early-morning *Today* and *Meet the Press*, and is blueprinting several pre-election specials. CBS will have a series of nine 30-min. Westinghouse-sponsored political shows (not debates) starting Sept. 12, *Eyewitness to History*, *Face the Nation*, and political news coverage in *Douglas Edwards & the News*. ABC has scheduled a pre-election 30-min. series, *Campaign Roundup*, to be aired in a Sun.-afternoon slot, is talking of "several pre-election documentaries or specials" (possibly with Bell & Howell as sponsor), and political coverage in news vp John Daly's regular news show.

At the same time, executives of the 3 networks handling the sale of time for paid political telecasts were starting a round of strategy meetings with party officials. Both the Republicans & Democrats are reportedly budgeting "large" amounts for TV-radio. Said one NBC official: "There's little or no problem in 'selling' time; it's a matter of juggling them into the schedule."

On-air ad strategy of the major parties is still in a formative state, but it shapes up something like this: Both parties have experienced the viewer resentment that comes from pre-empting top-rated entertainment & dramatic shows; both parties are now thinking in terms of small, capsulcd political telecasts for the bulk of the campaign.

* * *

Spot TV-radio will be used to combat religious bigotry in the coming political campaign by such organizations as the Anti-Defamation League, the National Conference of Christians & Jews and the American Civil Liberties Union. The plan, according to ADL officials, is to film & produce a series of 60-sec. public-service spots denouncing bigotry & prejudice as influences in choosing candidates. NCCJ hopes to give similar spots to TV & radio stations for frequent airing during the coming months.

Congressional disclosures of TV & radio scandals & practices within FCC were ignored by platform-writers at last week's Republican convention in Chicago. In contrast to the Democratic platform which scored "payola & quiz scandals" and promised to "clean up the federal regulatory agencies" (Vol. 16:29 p6), the Republican policy statement gave the subjects once-over-lightly treatment. The GOP plank on "govt. administration" (written by Robert A. Taft Jr.) said only: "Improved conflict-of-interest laws should be enacted for vigilant protection of the public interest and to remove deterrents to govt. service by our most able citizens."

* * *

Advertising Federation of America will not openly protest to electioneering politicos who publicly criticize advertising, Madison Ave., TV, etc. "We're fighting for public & governmental respect and we feel this is the best way we can earn it—by keeping ourselves calm," said AFA. On the same subject, another AFA spokesman said, "The industry has nothing to be ashamed of, and we feel that actually the politicians are the ones whose ethics are showing the most, strictly because they're looking for a whipping boy to stir up the populace."

* * *

NBC's coverage again outrated the other networks, according to Arbitron overnight national reports. Top score came July 27 when Nixon was nominated. NBC had an 18.2 rating against 10.6 for CBS and 5.8 for ABC. On the same night NBC's average homes-per-min. figure was 8.2 million against 4.8 million for CBS and 2.3 million for ABC. Combined ratings & homes reached for the Republican coverage were: NBC 16.2, 7.2 million homes; CBS 10.8, 4.9 million homes; ABC 5.0, 2.0 million homes. Combined ratings for both conventions, according to Arbitron, were NBC 16.4, 7.3 million homes; CBS 11.5, 5.2 million homes; ABC 5.8, 2.2 million homes.

* * *

Swiss-made Eidophor projection TV received its biggest public exposure at the GOP convention. TNT used the system, manufactured by CIBA Ltd., to throw images of the speakers on two 24x32-ft. screens in the Chicago International Amphitheater. GE's Light-Valve system, operating on a similar system, was used by TelePrompTer at the Los Angeles Democratic Convention (Vol. 16:27 p20).

Educational Television

Funds for ETV: The Ford Foundation last week announced major appropriations for ETV on university, secondary and elementary school levels. Grants to colleges included the following: $86,100 for the activation of university ETV channels; $23,500 to the Twin City Area ETV Corp. for the development of a regional ETV network for Ia., Neb., Minn., N.D., S.D. and Wis.; $500,000 to continue a Ford Foundation-sponsored program releasing faculty members from their regulars duties to teach on TV; $4,950 for visits by teachers to schools or colleges using ETV.

ETV systems in elementary & secondary schools were given $930,520 toward: A national program in the use of TV in public schools; a closed-circuit-TV operation in the Wash., D.C.-Md. area; the Fla. West Coast ETV Inc. and Dade Co. (Fla.) board of public instruction; and the Clover Park schools, Tacoma, Wash. for assistance in preparing 6 TV courses.

Advertising

FTC's 7 COMMANDMENTS: Returning from a 3-week vacation in England—his first in a long time—FTC Chmn. Earl W. Kintner was back at his old speaker's stand last week, preaching his gospel of good broadcast commercials vs. bad.

In the first of a new series of lectures on the evils of advertising, he outlined a 7-point good-conduct guide for the St. Louis Ad Club—"common-sense rules of thumb which have received direct support from the courts in litigation over a period of years":

(1) "Advertisements must be considered in their entirety."

(2) "Advertisements are not intended to be carefully dissected with a dictionary at hand, but rather to produce an impression upon the ordinary purchaser."

(3) "Advertisements as a whole may be completely misleading, although every sentence separately considered is literally true."

(4) "Whether or not the advertiser knows the representations to be false, the deception of purchasers & the diversion of trade from competitors is the same."

(5) "A deliberate effort to deceive need not be proven to prohibit the use of advertising which misleads as an unfair method of competition or unfair or deceptive act or practice."

(6) "Laws are made to protect the trusting as well as the suspicious."

(7) "Advertising representations which are ambiguous will be interpreted in such a way as to accomplish the purpose of the Federal Trade Commission Act."

Reporting on stepped-up operations of FTC's TV-radio monitoring unit (Vol. 16:30 p5), Kintner also told the St. Louis admen that his agency's truth-in-advertising drive is making headway. "Although much remains to be done, I believe that the campaign has been effective to a substantial degree," he said.

For media, advertisers & agencies everywhere, Kintner had these words of general advice: "Any media—newspapers, magazines or broadcasters—would be shortsighted indeed to permit misleading advertising in the belief that the Federal Trade Commission can't attack it, or to believe that reputable advertisers like to spend money for the privilege of having their ads devaluated by the misleading company they keep."

Kintner had words of scorn for "the short-cutters [who] can present an awesome selection of circumventions of the law—devious, imaginative & workable." They're wrong, he said, when "they tell each other that the FTC Act holds terror only for the slow & stupid."

■

Ad People: Richard P. Jones named media dir., J. Walter Thompson . . . **Rodney Albright, James Hayes** and **Frank Reed** elected vps in Sullivan, Stauffer, Colwell & Bayles TV-radio dept. . . . **William S. Robinson** and **Carlton Zucker** named Leo Burnett vps . . . **Oliver H. Barbour,** who succeeded Thomas J. McDermott as vp for broadcast programming at Benton & Bowles when McDermott left to join Four Star Productions as a vp, resigned July 29. Barbour announced no immediate plans.

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Correction by ARB for Special Supplement No. 6: St. Louis, Mo. figures should read 465,900 total households, 428,100 TV households, 92%.

Net TV Up 7% in May: The national ad volume in May pushed 9% ahead of May 1959. There were solid percentage gains by pace-setting magazines (18%), newspapers & business papers (8%) and network TV (7%). The latest *Printers' Ink* index also shows year-to-date business 10% higher than 1959's Jan.-May investment. With the sole exception of network radio, down 11%, all major media contributed to the cumulative gain: magazines (17%), newspapers (9%), business papers (8%), network TV (7%). Among these, however, only TV failed to gain in May-over-April volume. Newspapers (8%) led the gainers, followed by outdoor (4%), magazines (2%), business papers (1%).

Although network radio was the only media that declined across the board, it did improve strongly over its April-index performance (Vol. 16:26 p14). Radio was down 8% both in May-from-April & May-vs.-May 1959, compared with its 21% deficits in the April index. Cumulative radio business was down 11% in May, but sharply reduced from the 17% loss recorded at the end of April.

Medium	Index May 1960	Index May 1959	% Change from 1 month ago	% Change from 1 year ago	% Cumulative Change
General Index	245	224	+ 3	+ 9	+10
Total Magazines	195	165	+ 2	+18	+17
Weekly	226	181	+ 4	+25	+23
Women's	140	122	+ 1	+15	+11
General Monthly	235	209	0	+12	+12
Farm	87	105	−11	−17	+ 3
Newspapers	225	208	+ 8	+ 8	+ 9
Network Television	472	443	0	+ 7	+ 7
Network Radio	23	25	− 8	− 8	−11
Business Papers	258	240	+ 1	+ 8	+ 8
Outdoor	166	171	+ 4	− 3	+ 5
	1st Qtr. '60	1st Qtr. '59	4th Qtr. '59	1 year ago	
Spot TV*	762	672	+ 3	+13	+13

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-1959 except for the TV base, which covers the years 1950-52. Spot TV is not reflected in the general index. *Spot TV data, although shown monthly, report the preceeding quarter's activity.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WABC-TV New York	$4675 to $4890	$1400 to $1800	July 31
KRCA Los Angeles	4300 (no change)	900 to 1000	July 1
WLWD Dayton, O.	1100 to 1200	250 to 285	June 15
WJAC-TV Johnstown, Pa.	1000 to 1100	250 to 300	Aug. 1
WFMY-TV Greensboro, N.C.	900 to 1000	200 (no change)	Aug. 1
WROC-TV Rochester, N.Y.	800 to 900	220 (no change)	Aug. 1
WTVD Durham-Raleigh	750 to 850	150 to 170	Aug. 15
KELO-TV Sioux Falls, S.D.	600 to 700	162.50 to 175	[1]
WNEP-TV Scranton-Wilkes-Barre	575 to 625	125 to 135	Aug. 1
WTOK-TV Meridian, Miss.	325 to 375	65 to 85	Aug. 1
KOLD-TV Tucson	300 (no change)	60 to 65	[1]
WAFB-TV Baton Rouge	250 to 450	50 to 100	[1]

Canadian Station Rate Increases

CKWS-TV Kingston, Ont.	280 to 360	56 (no change)	July 1
CJCB-TV Sydney, N.S.	275 to 300	65 to 70	July 1

[1] Not reported.

New AFTRA demands "are intended to guarantee to the spot-commercial performer payments every week for every city in which his commercial is exposed." Although AFTRA was reluctant to divulge details worked out at the annual convention, the talent union indicated that methods of "weighting" city populations would be used to determine how high the minimum commercial rates in each city would be. For instance, cities with metropolitan population of 1 million or less have "one unit." Cities with population of 1 million or more are awarded additional "units" for every additional 500,000 citizens. Performers would be paid on a scale based on the units. In live & tape programming, however, AFTRA fees will jump about 15% under the existing formula.

Lestoil "house agency" concept is being dropped. Jackson Associates, a Holyoke, Mass. ad shop originally created by Adell Chemical Co. to handle Lestoil and Lestare's ad campaigns (95% TV and currently budgeted at $10 million), is being merged with a small Boston agency, Sackel Co. The combined billings of the newly created Sackel-Jackson Co. will be about $12 million annually. No basic change in the Lestoil-Lestare TV-oriented ad strategy is planned, however, although Sackel-Jackson will actively seek new accounts. Decision to use an independent operation came from Standard International Corp., which purchased Adell last Mar., and set up Lestoil Products Corp. as an Adell subsidiary. Pres. Daniel E. Hogan Jr. of Lestoil products put it thus: "Less than 2% of America's advertisers use house agencies, because they lack the creative & competitive motivation so vital in today's market." Top executives in the new combined agency will be former Sackel men, with Sol Sackel as pres. and former Sackel vp Ralph Schiff as exec vp.

The 85 representative magazines [tabulated by Gallagher] carried 2,207 more advertising pages in the first half of 1960 than they carried in the same period last year. That's a 5.5% increase, compared to 1959 . . Advertising revenues for the first 6 months of 1960 were $439,392,612. That is a gain of 14.8% over last year's $382,834,788 . . . Net profit, after taxes, of member publications of the Magazine Publishers Assn. has slid from 8.3% in 1946 to 1.9% in 1959 . . . Magazine advertising cost-per-thousand is actually falling. The average per-thousand cost of a black & white page in leading magazines was $4.04 in 1958. In 1959 it was $3.99. Per-thousand cost for a 4-color page dropped from $5.78 to $5.72 in the same period . . . Dangerous tendency to rely on cut-rate, short-term subscription offers. Less than 3% of *Reader's Digest* subscriptions are sold at basic prices. With *Life* it's less than 19%. *Time* 22%. *Newsweek* 36%. *Reporter* 42%. *Look* 53%.—*The Gallagher Report.*

Squibb Labs isn't following the general trend toward participation or partial sponsorship of network properties for the fall season. The firm, which is the marketing subsidiary of E. R. Squibb & Sons, has signed for full sponsorship of NBC-TV's *People Are Funny* (Sun. 6:30-7 p.m.) starting Sept. 18, via Donahue & Coe agency. Chief Squibb product to be promoted on the series: Vigran, a multivitamin supplement. The show, which stars Art Linkletter, has been on NBC-TV since 1954.

New reps: WJDM Panama City (changing call to WJHG-TV) to Venard, Rintoul & McConnell Aug. 1 from Hollingbery • KHSL-TV Chico, Cal. to Headley-Reed July 15 from Avery-Knodel • WBOY-TV Clarksburg, W. Va. to Avery-Knodel July 1 from Headley-Reed • WHIS-TV Bluefield, W. Va. to Select Station Representatives Aug. 1 from Katz.

"For a lot of oldtimers the retirement of E. H. Little as Colgate's chief executive officer last week this thought might have been evoked: here goes the last of the 3 autocrats that figured prominently in the rise of air media. The other 2: George Washington Hill, pres. of American Tobacco, and Francis Courtway, pres. of Lever Bros. To each you might ascribe this epitaph: he quickly recognized the value of a new advertising tool but made sure that he himself dictated how it best could be used."—*Sponsor.*

Fordham U. is the first university to become an associate member of TvB. It joined last week under a new plan to provide students with TV presentations & information.

Auxiliary Services

JERROLD ANTI-TRUST RULING: Jerrold Electronics Corp. has been enjoined from acquiring community-antenna systems until April 2, 1962. The complex 55-page decision by Philadelphia U.S. District Court Judge Francis L. Van Dusen climaxes the 2½-year civil anti-trust suit filed by the Justice Dept. (Vol. 13:7 p5 et seq.). At week's end, Jerrold and govt. attorneys were still studying the decision. They declined to comment. Nevertheless, it seemed likely that an appeal would be filed by Jerrold, possibly a counter-appeal by Justice.

How the decision would affect Jerrold's plans to sell its 9 CATV systems (Vol. 16:30) wasn't yet known. Best guess is that the community-antenna equipment manufacturer will go ahead with its plans for the sale.

The court decision represented a clear-cut victory for nobody. The ruling came far from satisfying the Justice Dept.'s pleas. The court refused to order Jerrold to divest itself of ownership of CATV systems, deciding instead to bar Jerrold from acquiring any new ones without court approval for 3 years from April 2, 1959.

In the other principal section of the decision, the court enjoined Jerrold from refusing to sell CATV equipment without service & installation contracts and agreements to buy all replacement parts from Jerrold. Jerrold had contended that it had discontinued this tie-in sale practice before the date of the suit. The court agreed that some of these practices may have been justified for a limited period, but contended that Jerrold had continued the practice after it had no longer been necessary.

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Permanent closed-circuit network is being sought from AT&T by TelePrompTer Corp. to link 8 cities (N.Y., Boston, Philadelphia, Washington, Cleveland, Chicago, Detroit, Pittsburgh). TPT Pres. Irving B. Kahn so informed a luncheon meeting of the Philadelphia chapter of the American Public Relations Assn. last week, adding that the system would be used only for closed-circuitcasts (sales meetings; inter-city conferences, etc.) and would enable TPT "to go to large corporations and to sell them an hour daily or weekly." The network could be made larger or smaller on demand. "Closed-circuit telecasts could be cheaper by the dozen" through leasing lines on a regular basis, said Kahn.

Canadian CATV regulation has been suggested in the annual report of Canada's BBG, which recommended that the Justice Dept. look into the legality of licensing both CATV & pay-TV systems. The report said BBG is also discussing the question of CATV licensing with the Canadian Assn. of Bcstrs. CATV systems currently pay a $25 annual fee but are free from BBG regulation. BBG said there are about 200 operating in Canada now. The Board's report also stated that a Montreal group wants to establish a broadcast pay-TV system on uhf. It was advised that BBG is willing to consider an application which conforms to all TV regulations.

Translator starts: K81AI Alpine & Marfa, Tex. started July 25 repeating KTSM-TV El Paso • K72BE & K76BC Walker, Minn. have set Sept. 1 target for start with KDAL-TV & WDSM-TV Duluth.

Protest by proposed CATV operator Fla. Cablevision Corp. against modification of CP granted to WTVI (Ch. 9) Ft. Pierce (Vol. 16:27 p20) has been dismissed by FCC.

Stations

BIGGEST RADIO DEAL EVER: Storer Bcstg. Co. has signed an option to buy WINS N.Y. from Gotham Bcstg. Corp. (J. Elroy McCaw) for $10 million—the highest price ever set for a radio station.

The $10-million tag on WINS was more than 20 times higher than the $450,000 McCaw paid for the station when he bought it in 1953 from Crosley Bcstg. Corp. (Vol. 9:52 p14). Highest previous radio price was $7.5 million for WNEW N.Y. when the old Du Mont Bcstg. Corp. took it over in 1957 from Buckley-Wrather-Loeb (Vol. 13:17 p4).

Negotiated by station broker Howard Stark, the Storer-Gotham option agreement filed with FCC provided for a $100,000 down payment on WINS for "exclusive & irrevocable option to purchase." Gotham will keep the $100,000 if Storer doesn't complete the transaction.

The option will run 90 days to Oct. 8, but the agreement itself will stay in force until next Jan. 10 if FCC doesn't approve the deal before then. After that, Storer may extend the option for 3 consecutive periods of 6 months each.

If the deal goes through, Storer must sell one of its present radio holdings to keep it within its 7-station limit. Presumably Storer would dispose of a station in a smaller market—such as WPSD Toledo or WWVA Wheeling. Storer's other holdings now: WJBK-TV & WJBK Detroit, WSPD-TV Toledo, WAGA-TV Atlanta, WJW-TV & WJW Cleveland, WITI-TV Milwaukee and radios WGBS Miami, WIBG Philadelphia and KPOP Los Angeles.

In addition to WINS, Gotham's McCaw owns KTVW Tacoma-Seattle and KTVR Denver, holds 50% of radio KELA Centralia, Wash., and has TV interests in Haiti.

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FTC payola complaints, which reached flood stage early this year but have been diminishing since (Vol. 16:1 p7 et seq.), trickled on last week—and more were reported on the way. Latest record firms to be charged with illegal payments to disc jockeys—and bringing FTC's case total to 102 (more than half already settled by consent orders)—were: Jay Kay Distributing Co., 3725 Woodward Ave., Detroit, and officials John S., Marion & Allen Kaplan • Prestige Records Inc., 203 S. Washington Ave., Bergenfield, N.J., and officials Robert, Selig & John Weinstock • Dot Record Inc., 1507 N. Vine St., Hollywood, and officials Randolph C. Wood & Christine Hamilton • Cadet Distributing Co. Inc., 3766 Woodward Ave., Detroit, and officials Harry, Hyme & Isadore Levin • An FTC spokesman told us, meanwhile, that it would be a mistake for anybody in the industry to conclude that the agency's drive was over just because complaints have been tapering off. This source said that the bulk of active cases has been docketed, but he warned that FTC hasn't called off its campaign—and that payola-practicing record manufacturers & distributors who have escaped legal trouble thus far shouldn't start telling themselves: "Okay. The cops have gone home. We can do what we want to now."

Add to our "Background No. 8" on TV-radio organizations (Vol. 16:28 p20): Radio & Television Executives Society Inc. (RTES)—purpose: Provide forums for professionals in broadcasting & allied fields, promote higher standards. Eligible: Individuals, corporations, associations, groups actively engaged in TV & radio and allied fields. Membership: 1,100. Dues: Active, $35 annually ($10 initiation); non-resident, $17.50 annually ($5 initiation).

NEW & UPCOMING STATIONS: KSOO-TV (Ch. 13) Sioux Falls, S.D., started programming with NBC-TV July 31. It's city's 2nd TV outlet and changes U.S. on-air totals to 570 (89 uhf). KSOO-TV has 25-kw RCA transmitter and traveling-wave antenna on 1000-ft. Stainless tower at site near Flandreau S.D. Owners are Morton H. Henkin, pres.-gen. mgr. & 50.7% stockholder; Tom Barnes, exec. vp & film buyer, 19%; Harold W. Bangert, 10%; Earl C. Reineke, 10% (formerly majority owner of WDAY-TV & WDAY, Fargo, N.D., and present 10% stockholder of KCMT, Alexandria, Minn.); Julius Hetland, engineering vp & 10% (WDAY-TV technical director & 10% stockholder in KCMT). Station staff includes Wade S. Patterson, gen. sales mgr.; Ed Starr, regional & local sales mgr.; Kenneth H. Moore, production dir.; Max Pierce, technical dir.; Robert Wheeler, film dir. Base hour is $600. Reps: Avery-Knodel, Harry S. Hyett.

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In our continuing survey of upcoming stations, these are latest reports from principals:

KVOG-TV (Ch. 9) Ogden, Utah has 5-kw Gates transmitter scheduled for delivery soon and hopes to start this fall, according to David B. Affleck, asst. mgr. of radio KVOG, also sales mgr. of KVOG-TV. Studio-transmitter building has been completed and 6-bay RCA antenna has been installed on 400-ft. Utility tower. Network affiliation not signed. Base hour will be $325. Rep: Grant Webb.

WTVI (Ch. 19) Fort Pierce, Fla. has ordered 25-kw GE transmitter for Aug. 30 delivery and plans to begin with CBS-TV programming Oct. 1, reports exec. vp J. Patrick Beacom for Gene T. Dyer, pres. & owner. Studio-transmitter building on Signal Hill, between Fort Pierce & Vero Beach, is 3/4 completed. Foundation work has begun for 290-ft. Stainless tower. Base hourly rate will be $300. Rep will be Forjoe.

KTPS (Ch. 62) Tacoma, Wash., planned as non-commercial outlet by grantee Tacoma School Dist. No. 10, is keeping to Sept. 1961 target. It has 1-kw RCA transmitter on order. Remodeling to accommodate transmitter-studio at vocational school is about one-quarter done. RCA 12-gain antenna will be on school district's 450-ft. tower.

KEYC-TV (Ch. 12) Mankato, Minn. has 25-kw RCA transmitter scheduled for Aug. delivery and plans programming start Oct. 1, writes exec. vp Herbert R. Ohrt, of Lee Radio Inc., 70% owner. Transmitter house in Lewisville, Minn. is half finished, work on studios in Mankato has just started. Network affiliation hasn't been signed. Base hour will be $300. Rep will be Branham.

KCSD-TV (Ch. 19) Kansas City, Mo. has changed to Nov. 15 target for operation by School Dist. 19 there as educational outlet, writes J. Glenn Travis, admin. asst. to the school supt. It has 1-kw GE transmitter on order. Studio will be in Bd. of Education Bldg., transmitter in City Hall. It will use helical GE antenna.

WBNB (Ch. 10) Charlotte Amalie, V.I. started construction Aug. 1 and plans to begin programming by next Jan. 1, according to Robert Moss, pres. of grantee Island Bcstg. Co. A Gates transmitter has been ordered and 160-ft. Utility tower will be installed on Signal Hill. Moss, exec. producer for Martin Block, plans to move to the islands next fall. Robert E. Noble Jr., co-owner of WBNB, already is a resident there. Base hour hasn't been set. Rep not yet chosen.

Technology

And Now—Rockcasting: An intriguing innovation in radio transmission—a 4½-mile transmission through the earth's substrata 1,000 ft. down, and with a potential of 100-mile radius—was demonstrated last week by Developmental Engineering Corp. (DECO).

There's no broadcast-service potential for the system, said DECO Pres. Lester H. Carr, who is also a veteran Washington TV-radio engineering consultant. "What it is," he said, "is a terrific survival medium—come flood, hurricane, hydrogen bomb or what have you."

The system—dubbed "Lithocom"—was demonstrated at mines near Carlsbad, N.M. It's virtually immune to interference & jamming. Ordinary interference doesn't penetrate from the surface to the depths involved, and a jammer would have to find a suitable mine or bore a hole to the proper depth.

Carr said that most of the U.S. has substrata of the proper material, making widespread use of the system possible. Last week's demonstration employed a layer of salt, but other materials work, including limestone, quartzite & granite. If appropriate mines aren't handy, 8-in. well holes would be drilled.

The test used 150 kc, but frequencies from 30 to 3,000 kc are suitable. Bandwidth depends on the antenna system, Carr said, but typical widths are about 10% of the frequency involved.

Carr sees the system as a highly effective, secure & economical communications medium and as virtually an underground microwave for relaying purposes. He finds no TV-relaying potential at present, because the necessary bandwidth would require transmission of frequencies too high to be efficient. And he says it's no source of new frequencies for radio broadcasting. "Every receiving antenna would need a hole," he said.

There has been mine-to-surface transmissions of a mile or so, Carr said, but he knew of no previous work comparable with DECO's. The system was developed with DECO's own funds.

The first message sent was by teletype, addressed to President Eisenhower and stating in part: "The sending of this message opens a new medium of communication, virtually indestructible and free from disturbances, for peaceful and military uses."

Carr sees no reason to use voice on the system, stating that it's an extremely inefficient use of the spectrum.

Among DECO's military projects are the radiation system for the Navy's vlf 2-million-watt facility for Polaris communications, and the Navy moon relay system.

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New Zoomar lenses, in both Super Studio and Super Universal models, are now available, especially designed for complete interchangeability, on both 3- & 4½-in. image orthicon cameras. Zoomars designed exclusively for 3-in. cameras will continue to be offered.

Are You Using Your Binder?

Do all your copies of TELEVISION DIGEST eventually find their way into your permanent file? All subscribers to this Newsletter are supplied with a binder to enable them to keep all copies in convenient & chronological order—along with the indexes which we now issue quarterly. Put your binder to use—it will provide you with a permanent record of everything important that happens in this industry.

Programming

BACKSTAGE WITH THE POST-1948s: Film buyers, keeping close tabs on the post-1948 feature situation, last week reported some interesting battle lines. In one camp are the film majors who have taken, or are taking, the plunge into TV distribution of their post-1948 backlogs. In the second camp are other film companies, which are exploring all possible pay-TV deals before they let their post-1948s go into normal syndication.

In the former group are principally Warner Bros. and 20th Century-Fox (Vol. 16:30 p4). They have already begun their moves toward putting their newer features into TV circulation. On the other side of the fence are Paramount, MGM and Universal, all of which are in no hurry to deal with free TV on post-1948s even though the first 2 are active in telefilm-series production.

An unusual waiting game is being played by Columbia Pictures and Screen Gems. On one hand, SG sales executives have been talking to leading film buyers about possible post-1948 packages, although no promises have been made. ("Taking the market's temperature," is how one SG executive described it to us.) At the same time, management-level executives of Columbia Pictures have held conversations with, or have attended demonstrations given by, the more active pay-TV firms. Which way Columbia Pictures' film cat will jump is something that not even executives of the company will guess.

Film buyers are playing a different kind of waiting game. With several post-1948 packages firmed-up for summer or early-fall sales, stations are not anxious to snap up pre-1948 pictures—unless as "local specials" (such as the one-picture sales by UAA in a number of markets of "Yankee Doodle Dandy" and "Mark Twain") or because the price of older films has suddenly been dropped. With few exceptions, stations aren't expected to buy large packages of post-1948s, preferring to buy cautiously and to remain in a fluid financial position for shopping.

Distributors are also realizing that some of the magic is rapidly going from the words "post-1948." With several post-1948 packages moving out on the sales circuit, film buyers will no longer buy lesser-grade movies just because they're new. One indication of this last week came from UAA, which has been planning to release a 26-title package of United Artists features, all post-1948s (Vol. 16:30 p4). Erwin H. Ezzes, who has moved into the post of exec. vp of UAA to replace ex-pres. Eliot Hyman (who quit to form CT&A) and sales vp Robert Rich (who quit UAA to join Hyman's new outfit), canceled the release of the package. Reason: Although the film package contains some strong properties such as "Barefoot Contessa," the bulk of the titles were low-grade action Westerns. The horse operas will be pulled from the package, and it will be reshaped to include better-grade UA feature properties.

Exhibitors say they're not overly worried that the first post-1948 package of Warner Bros.-produced pictures will create havoc in the U.S. theatrical motion picture field. Reason: As we predicted (Vol. 16:28 p1), distributors are planning to release post-1948s to TV in batches that are small compared with the pre-1948 library-dumping tactics that took place in 1956-57. States a current bulletin of the Theater Owners of America: "We have every reason to believe that while the film companies are anxious for the extra revenue from such sales, they will release the films to TV on a limited & controlled basis so as to minimize the effect upon theatrical grosses of current releases."

TV stations of 4 cities—Chicago, Los Angeles, San Francisco and Denver—are now implementing the TIO idea of issuing regularly joint cultural program guides listing the public-service educational and informational programming in their individual station areas. The schedules, in each case the joint efforts of all stations in the city, are mailed regularly to city leaders in education, religion, government, business, labor, civil service, and people in general who take the cliché position that "there's nothing worth watching on TV." Stations in Boston & Washington are now planning to issue schedules, and "5 other major cities strongly favor the project," we are informed by TIO gen. mgr. Carl J. Burkland. "We hope that these bulletins will show critics what is available so that lack of information does not inhibit audience-growth potential for high-quality programs among the very people who mistakenly criticize TV for lack of them."

Film investment of $750,000 has been made by ABC-TV flagship o&o WABC-TV N.Y. in a summertime buying spree. Included in the latest film packages purchased: A 33-title feature package of pre-1948, Paramount-produced action melodramas; 3 first-run syndication series, *Blue Angels* and *The Jim Backus Show* (Cal. National) and *Case of the Dangerous Robin* (Ziv-UA); reruns of the Ann Sothern starrer, *Susie* (Arrow Productions div. of ITC); 135 MGM cartoons and 130 *Courageous Cat* and *Minute Mouse* former theatrical shorts (MGM-TV) and 100 cartoon episodes of the *Q. T. Hush*, private eye series (M&A Alexander). All will be in the station's fall schedule.

RKO General has bought, for a reported $250,000, U.S. TV rights to a package of 17 European-produced post-1948s from Premiere Films, headed by Marshall Shacker, an independent producers' representative who makes his hq in N.Y. All of the films will be English-dubbed prior to TV release, and 4 of them will be released theatrically by RKO General prior to TV distribution. The pictures are not specifically a "group purchase" for WOR-TV N.Y. and the other RKO General-owned TV outlets, but are expected to go into the film libraries of these stations with RKO General syndicating the package to other TV markets. Sample title: "Bread, Love & Dreams," starring Gina Lollobrigida.

Real-life attorneys will be banned from appearing on TV courtroom shows if the Cal. State Bar Assn. approves a recommendation from the Los Angeles Bar Assn. After hearing testimony from attorneys & TV industry representatives, the Board of Governors of the State Bar Assn. said it would meet in San Francisco next week (Aug. 10-13) to resume discussion. Selig J. Seligman, ABC-TV vp and exec. producer of *Day in Court*, *Traffic Court* and *Accused*, proposed that the Board adopt & administer a rule of professional conduct which would govern TV appearances of its members, using its own ethical standards as a base. He also urged that TV be used to educate viewers in the administration of justice, and that the Board reject the ban.

Bing Crosby is planning to tape one of his next-season ABC-TV specials in Ireland. He will surround himself with a cast recruited entirely in that country. "We'll have to take a look at the talent there first," Crosby told us. The show would be telecast for St. Patrick's Day, of course, said Irishman Crosby. Bing will tape the first of his 2 ABC-TV specials in Aug. (for Oct. 5 airing) and has signed for it Rosemary Clooney, Carol Lawrence, Johnny Mercer, 3 of the Crosby sons working as a trio.

WNEW-TV N.Y. will do another 60-min. "local special" this week (Aug. 2)—a profile of Frederic Chopin.

Charles Van Doren was back in the news last week when he testified before a new N.Y. grand jury weighing charges of perjury in previous TV quiz-show probes. Van Doren won $129,000 on *Twenty One*. He testified for 2 hours and later told the press he waived immunity. He said his testimony had been "fundamentally no different" from his statements before the House inquiry last fall (when he admitted giving false testimony to a grand jury). Another witness in the probe last week was Hank Bloomgarden ($98,000 on *Twenty One*) who also testified for 2 hours. What he said was not made public but it was believed that he too waived immunity. Earlier Elfrida von Nardroff, another top money winner ($220,500) testified for an hour and a half, and declined comment afterward. In pressing the current investigation, D.A. Frank S. Hogan restated: "It is my opinion that some of the 150 witnesses who appeared in an earlier investigation had lied and that perjury charges might be warranted."

Religious broadcasting will be spotlighted in a 12-day international TV-radio workship beginning in N.Y. this week (Aug. 1), sponsored by the National Council of Churches. Seminars include: writing for TV-radio; religious programming for children; religious newscasting; devotional programming; general courses in the possibilities & limitations of broadcasting. "Highly important is the fact that graduates of this course, through membership in local broadcasting committees of church groups, will be better able to exert an influence on program upgrading in their areas," stated workshop dir. Rev. Charles H. Schmitz.

Viewer movie-preference survey, made recently by Alliance Mfg. Co., makers of TV antenna rotators, will interest station film-buyers. Alliance asked 500 TV servicemen to quiz TV homes during service calls on feature-film favorites. From 20,000 home quizzes, these were the results: Best actor—Humphrey Bogart; best actress—June Allyson; best TV movie "of all time"—"Gaslight."

KTTV Los Angeles newscaster George Putnam has filed a $2,200,800 damage suit in Los Angeles Superior Court against Teamsters' Union Pres. James Hoffa and his aides, John Fillipoff & Meyer Singer. Putnam charged they "maliciously" attempted to prosecute him, conspiring to bring a libel suit last Jan. "for me to cease & desist from making . . . telecasts about unlawful labor activities."

Same L.A. station has arranged a special West Coast network for coverage of the 10-day, 60-nation International Beauty Congress beginning this weekend in Long Beach (Aug. 6). KTVU San Francisco and KOVR Stockton will carry the KTTV feed which will include 6 telecasts totaling more than 13 hours. Sponsors: Lestoil and Lorillard.

Ironically paralleling the unceasing volume of program criticism, program viewing keeps right on moving up. Nielsen reports average hours of TV viewing per day, per home, for May was 4 hours, 28 minutes. This was an increase of one minute over May 1959, which in turn had been an increase of 13 minutes over May 1958.

"Lippmann on Leadership," the recent widely-praised *CBS Reports* 60-min. special is due for a repeat-by-request Aug. 11. The decision to repeat the ad-lib discussion between author-critic Lippmann & interviewer Howard K. Smith was prompted by "unusually large public demand for an encore," said CBS.

"Hallmark Hall of Fame" plans to open its 10th consecutive season on NBC-TV Oct. 24 with a color musical version of James Hilton's *Lost Horizon*.

Networks

New Home for CBS: "By the spring of 1964" CBS Inc. Pres. Dr. Frank Stanton hopes to see the hq & administrative functions of CBS housed in an Eero Saarinen-designed skyscraper in N.Y. on Ave. of the Americas between 52nd & 53rd streets. The site is 2 blocks north of the RCA Bldg., home of NBC; comprises some 40,000 sq. ft.; and reportedly cost CBS $7 million in a deal with Webb & Knapp Inc., 1316 Corp., and 51 West 52 Corp. Webb & Knapp Pres. William Zeckendorf (who recently had to scrap plans to build a super-hotel in the same area) assembled the realty package.

No studios are planned for the building. It will be used principally to house the CBS-TV-radio network offices, the corporate offices, o&o station administration, CBS News, CBS International, Columbia Records and Columbia Phonograph div. of CBS Electronics. No height has yet been set for the new hq building, and "we are giving Saarinen a very free hand in planning it," CBS-TV facilities vp Clarence Hopper told us. CBS has been in its 485 Madison Ave. hq since 1929.

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No target date exists for completion of the new hq building at 66th St. & Columbus Ave., N.Y., to house the ABC-TV & radio networks, AB-PT administration, ABC Films, ABC-Paramount Records, etc. A series of architect's visual conceptions of the new ABC building, however, is to be seen in the reception lobby of the network's present hq in the converted riding academy at 7 West 66th St. The ABC building, when built—and which will complete a trio of built-to-order network hqs in N.Y.—(NBC's RCA Bldg. was erected in 1932)—will be the farthest uptown of the 3, but will occupy a choice site opposite New York's new Lincoln Square Center of the Performing Arts.

NETWORK SALES ACTIVITY

ABC-TV

Hong Kong, Wed. 7:30-8:30 p.m., particips. eff. fall 1960.
Derby Foods (McCann-Erickson)
Brillo (J. Walter Thompson)

Walt Disney Presents, Sun. 6:30-7:30 p.m. participations eff. fall 1960.
Ludens (J. M Mathes)
Brillo (J. Walter Thompson)

Maverick, Sun. 7:30-8:30 p.m., participations eff. fall 1960.
Derby Foods (J. M. Mathes)
Brillo (J. Walter Thompson)
Union Carbide Consumer Products (William Esty)

Daytime programming, participations eff. fall 1960.
Welch grape juice (Richard K. Manoff)

American Bandstand, Mon.-Fri. 4-5:30 p.m., participations eff. fall 1960.
Welch grape juice (Richard K. Manoff)

NBC-TV

Dan Raven, Fri. 7:30-8:30 p.m., participations eff. fall 1960.
Colgate-Palmolive (Ted Bates)

Outlaws, Thu. 7:30-8:30 p.m., participations eff. fall 1960.
Colgate-Palmolive (D'Arcy)

People Are Funny, Sun. 6:30-7 p.m., full-sponsorship eff. Sept.
Squibb Laboratories (Donahue & Coe)

Summertime spot bargains are being offered by NBC-TV o&o outlets & affiliates as a result of the network's decision to surrender to the stations unsold time in 6 nighttime shows for co-op sale locally. The shows involved are *Moment of Fear, Music on Ice, Law of the Plainsman, Wichita Town, Cimarron City,* and *Overland Trail.* All except the first 2 are film reruns. The highly volatile prime-time spots (they're subject to recapture on short notice if the network can find participation customers) are priced in some cases below usual rates. On o&o WNBC-TV N.Y., for example, the net time cost of the within-program minute is only $1,500, as against a normal card rate of $2,300. This produces a cost-per-1,000 viewers of as little as $1.20 at current rating levels.

Film & Tape

A TV-Cinema Honeymoon Ends: NBC-TV last fall announced with customary fanfare that it had induced moviemakers John Lee Mahin and Martin Rackin into TV to develop, write, and produce. But last week, the pair were quietly released from their contracts in another testimonial to the fact that a good track record in movies doesn't guarantee success in TV.

Mahin and Rackin had produced 3 pilots and were working on a 4th when the network released them. None of the trio had sold—but that was only part of the story.

The team had convinced NBC-TV to give it the green light on a costume series, *The Barbarians,* which, they promised, would be "the Ben Hur of television." With NBC-TV financing, they went to Rome to shoot the pilot, with Jack Palance as the star of the 60-min. series. There they built a lake, a boat, all the accoutrements for a permanent series. Disturbed by the rising expenses, NBC-TV's program vp David Levy went to Rome as troubleshooter—but it was too late. The team finished its picture at an all-time expenditure for any pilot—$450,000.

There was talk in the trade that NBC-TV might attempt to recoup by releasing the telefilm abroad as a movie, but network sources told us that no decision had yet been made on what to do with the film. The other Mahin-Rackin pilots are *Postal Inspector* and *Renegade,* and they were preparing *Shield and Glove* at the time of their release. Despite his abortive TV venture, however, Rackin wasted no time landing another post in the movies. He was named supervisory executive of production at Paramount.

MGM-TV's 1961 Plans: Like most Hollywood telefilm companies, MGM-TV is planning earlier than usual on next year's production. A meeting of executives from both coasts at the Culver City studio last week to formulate pilot plans for the 1961-62 season, decided on a list of 5 to 10 pilots in comedy, musical, action and drama formats. (The final number depends on clearance of rights & talent availability.) Vp George Shupert presided.

Definitely on the schedule: *The Adventures of Hercules Poirot,* 60-min. pilot with Jose Ferrer as producer-star, to be filmed next fall. *Andy Hardy,* based on the Mickey Rooney movie series. Three films of *Les Girls,* starring Larry Blyden, to be shot in Paris in August, with Alan Jay Lerner as exec. producer and Ralph Levy producer-director. *Diamond Jim Brady,* which may star Rory Calhoun. Series which may star Dana Andrews. MGM-TV will also submit *Paradise Kid,* withheld last spring because of the saturation of Westerns.

HOLLYWOOD ROUNDUP

Screen Extras Guild resumed negotiations last week with the Alliance of Television Film Producers and the Assn. of Motion Picture Producers. The talks followed an SEG membership vote of 1,579 vs. 188 to authorize its board to call a strike against the Alliance if necessary. SEG had accused the Alliance of refusing to bargain collectively, in charges before the NLRB. The Alliance had contended it wanted joint negotiations, to include AMPP. The NLRB hearing has been postponed until Aug. 4. SEG's contract with the producers expired a year ago this week (Aug. 2, 1959).

Producers Ackerman and Burrows will begin production Sept. 1 on 60-min. *The Corrupters* for ABC-TV. Stephen McNally & Robert Harland star. The network hasn't decided whether it will use several segments as specials next season, or begin the series in the fall of 1961.

Jane Powell, Roger Smith, Warner Anderson, John Doucette, Alan Hale and Marshall Thompson have been elected to the board of Screen Actors Guild . . . MGM-TV vp George Shupert has returned to N.Y. following program conferences dealing with next season and 1961-62.

Four Star Television begins productions in Aug. on the pilot of a comedy starring Gertrude Berg & Sir Cedric Hardwicke who co-starred in *A Majority of One* on Broadway. Producers are Leonard Ackerman and John Burrows.

Bob Braun, associated with the William Morris agency for 17 years, leaves Aug. 1 to form his own personal-management and TV film-production company.

KCOP Los Angeles' new studios will have 2 separate video-tape recording installations—a new mobile unit and 3 special effects systems for its commercial tape dept. Plans call for the station to move to its new Hollywood site within 30 days.

People: Producer Nat Holt signed Clu Gulager to star with Barry Sullivan in the Western, *The Tall Man,* on which production began recently at Revue Studios . . . **Desilu Studios** signed Herman Hoffman as one of the producers of its *The Untouchables* series starring Robert Stack . . . **Warner Bros.** has renewed the contract of TV producer Charles Hoffman . . . **Herbert Phillips** has resigned as head of NBC-TV's design & creative operations dept. . . . **Arthur Fellows** named exec. vp of QM Productions, which will produce 4 pilots for ABC-TV . . . **Robert Pelgram** heads a new dept. of Bill Burrud Productions as creator of new properties, will also supervise Burrud's *Wanderlust* series . . . **Jack Kruschen** signed as a regular in 20th-Fox Television's *Hong Kong* series . . . **Jack Weston** signed for Screen Gems' *My Sister Eileen.* Shirley Bonne will star in the series, which went into production July 27. Harry Ackerman is exec. producer . . . **Judy Atkins** named casting director for Don Fedderson Productions; **Fred Henry** named exec. vp, **Charles Spira** vp-business mgr. . . . **Richard Long** has been signed by Warner Bros. to a new contract. The former *Bourbon Street Beat* star will now star in *77 Sunset Strip* . . .**Doris Singleton** and **Don Keefer** are signed as regular featured players in *Angel* . . . **Gail Patrick Jackson** elected pres. of the Los Angeles chapter of the Academy of TV Arts & Sciences . . . **Walter Grauman** signed by Mirisch to develop new properties.

Four Star TV is proceeding with long-pending plans to float a public stock issue (Vol. 16:9 p12). It has applied to SEC (File 2-16847) for registration of 120,000 common shares to be offered through underwriters headed by Dempsey-Tegeler & Co., price undisclosed. In its application the firm headed by Dick Powell said affiliated Four Star Films Inc. will be merged with it in a reorganization. At the same time, Four Star TV will acquire all outstanding shares of affiliated Dayton Productions Inc., BNP Music Publishing Co. and Trend Music Publishing Co., which will become wholly owned subsidiaries. According to the SEC prospectus, the company has 480,000 shares outstanding, reflecting the merger & reorganization. Net proceeds of the stock issue would be used for working capital. The SEC statement listed Pres. Powell as 42.5% owner of Four Star TV, Others in firm are exec. vp Thomas McDermott (15%), vps Charles Boyer & David Niven (21.25% each).

Screen Gems' *Dan Raven* series went into production this week, with William Sackheim as producer . . . **Four Star Television** has begun production of *Dante* (starring Howard Duff, with Mike Meshekoff as producer) and resumed production on the *Du Pont Show with June Allyson.* This makes a total of 10 series before the Four Star cameras. The same company's *Tom Ewell Show* goes into production later this week.

June movie attendance fell 21% below a year ago, dragging the cumulative first-half business more than 5% behind Jan.-June 1959, reports researcher Sindlinger & Co. The decline continued through the first 2 weeks of July and exhibitors blamed the business lag on the poor quality & quantity of films. To date, they say, producers have released only 134 pictures, 13 less than a year ago.

QM Productions will produce the pilot of a 60-min. crime show and a half-hour series (latter still unselected) for ABC-TV next fall. Exec. producer Quinn Martin's deal with ABC-TV, in which the network finances pilots and they share 50-50 on profits, also calls for production of 2 pilots next year.

Screen Gems will pilot *Tangier,* an adventure melodrama, to be produced by Clarence Green and Russell Rouse . . . MGM-TV has begun production of *National Velvet* with Rudy Abel producing.

Official Films vp Sherlee Barish, in Hollywood looking for new film, has set one series and is in negotiations for 3 more, she informs us. She did say: "I'm not looking for half-hour series, it's tough to sell them right now." But Official is interested in 5-min. & 60-min. series.

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Overseas installations of Ampex Videotape recorders now total 182, with the placement of 12 new machines, Ampex International announced last week. These new installations were announced: Rio de Janeiro; Brasilia; CBC, Edmonton; CBC, Ottawa (2); CFCF, Montreal; Finnish Bcstg. Corp. (2); RAI, Italy (2); Asagi Hoso Kyokai, Osaka (color); "research facility," UK. The firm also announced shipment of 14 more recorders (not yet installed) to customers in Europe & Canada.

TV Enterprises Corp., TV film distribution firm, was announced last week by ex-NTA vp Harold Goldman. The new company's distribution will not be confined to the U.S., Goldman said. He is currently negotiating "for the acquisition of a number of important properties of a specialty nature to be put into TV distribution shortly." Hq will be in Hollywood.

Morris Agency's Record Year: Selling 12 new network film series and obtaining renewals of 13 others, the William Morris agency is enjoying its best year since it entered TV about a decade ago. The agency's list of 25 shows is all set for next season—with one exception: Four Star's 60-min. *The Corrupters*, which is still dateless but will begin on ABC-TV next season or in the fall of 1961.

Morris people, elated at their success in one of the most fiercely competitive fields of show business, attribute it to (1) the agency's long-standing policy of not owning all or any part of any show it represents, and (2) the policy of some of its clients—notably Four Star—to give percentages of series to the better creators & actors. Unlike its rival, powerful MCA, which runs subsidiary Revue Studios as a production arm, Morris is not in production.

Here is a breakdown of Morris-sold series, leading off with 13 from Four Star Television, which is challenging Revue for volume supremacy in TV-film production:

Four Star: *Wanted—Dead or Alive, Dick Powell's Zane Grey Theater, The DuPont Show With June Allyson, Peter & Mary, Stagecoach West, The Tom Ewell Show, Michael Shayne, The Westerner* (formerly *The Lone Westerner*), *The Law & Mr. Jones, Robert Taylor's Detectives, The Rifleman, Willie Dante, The Corrupters.*

Other Morris-sold series: *The Real McCoys, The Danny Thomas Show, The Andy Griffith Show, Wyatt Earp, You Bet Your Life* (Groucho Marx), *Hennesey, Adventures in Paradise, Hong Kong, The Ann Sothern Show, Guestward Ho!, Barbara Stanwyck Theater* and *The Loretta Young Show.*

In addition to its first-run telefilm shows, the agency is also selling reruns, having sold *The Danny Thomas Show* reruns to NBC-TV for $5,450,000 last April. It also has a number of live TV programs, including *The Garry Moore Show*, among its clients.

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Membership of Writers Guild of America, for the third time this year, has rebuffed its TV-radio board. This issue: How to implement WGA's agreement with the Alliance of Television Film Producers, the Assn. of Motion Picture Producers and the networks, which ended the recent strike. Part of the agreement was establishment of a fact-finding committee to determine a royalty figure for writers. The TV-radio board had rejected a proposal by the negotiating committee that one of its members, Sam Newman, be named as a fulltime, paid committee representative, recommended instead a voluntary committee of writers. Angered writers petitioned for & got a special membership meeting, overwhelmingly voted to recommend to the board that Newman be placed on the committee as a fulltime, paid member and that the negotiating committee serve on a revolving basis. Whether the board will reverse itself as a result of this membership dictum remains to be seen. During the recent strike, WGA membership twice rejected board recommendations that Alliance offers be accepted.

Newly-formed Television Artists & Producers Corp., owned by Edward Small, plans a wide range of operations, including financing of TV films, co-production deals, production and program development. Bruce Eels, who resigned as exec. vp of United Artists TV to join TAPC as exec. vp, told us the new company intends to tape some shows for syndication, and plans a 60-min. film series with different producers contributing episodes. It is also contemplating a series of specials, among other projects. The firm's hq is at the Sam Goldwyn studios.

NEW YORK ROUNDUP

Program Sales Inc., 15 E. 48th St., has been formed as a new telefilm producer-distributor to service the network & syndication fields. It will have ex-Official Films sales executives Ray Junkin as pres. and Harold Hackett as vp. First program project is *Newsbreak*, a 5-min. feature news strip being developed between PSI and 20th Century-Fox Movietone News. Footage will be culled from the worldwide Movietone theatrical news coverage. Three international co-production telefilm dramatic shows are being discussed—2 for Canadian production, one in London.

Flamingo Films has bought the foreign film package formerly titled Art Theatre of the Air from ex-Flamingo owner Joe Harris, and has renamed it the Imperial Package. Flamingo has added 12 titles, bringing the total to 52 post-1953 features. Titles include "The Sheep has 5 Legs," "Return of Don Camillo," "Marcellino," "Pantaloons," "Back to the Wall" and "Demoniac." Flamingo also distributes the Critics Award Package and the Festival Package, now in 130 markets.

International TV Programs Inc., foreign distributor of Ziv UA programs, scored 150 sales of 30 Ziv shows in 31 countries during June. This was ITP's biggest sales month to date. Series scoring most foreign market sales include *Highway Patrol, Men into Space, Man & the Challenge, Mr. District Attorney* and *Sea Hunt.*

UAA noted last week a "marked increase" in the number of individual feature films being bought by local stations as "specials." Getting a big play were "Yankee Doodle Dandy," "Don Juan," "Robinson Crusoe," "Juarez," "Goald Raiders," "Son of the Sheik," "The Adventures of Mark Twain."

CBS Films scored 3 major regional sales of *The Brothers Branagan* last week. American stores supermarket chain bought the series for 6 Eastern markets including Philadelphia & Baltimore. Standard Oil of Ind. will underwrite the series in 9 Midwest markets and Standard Oil of Tex. in 3 Tex. cities.

Official Films will syndicate *Playboy's Penthouse*, a 60-min. taped variety series produced by the magazine, which has previously distributed the series in several markets. Entertainers featured include Ella Fitzgerald, Dizzy Gillespie, Tony Bennett, Count Basie, Jonah Jones and Sammy Davis Jr.

Screen Gems' *Two Faces West* has been picked up for 5 upstate N.Y. markets by Utica Club beer. Three of the series' 4 other regional sponsors also are breweries, including Labatt's Beer in the East, Coors' in the West and Drewrys in Mich. & Ia.

ITC's Canadian sales for the first 6½ months of 1960 have topped the $1 million mark, international-sales vp Abe Mandell announced last week. Latest top ITC Canadian sales are *Danger Man*, to the English network, and *Interpol Calling*, to the French network.

"Tape Measures," a newsletter covering trends in the use of videotape for TV commercials, was distributed recently by N.Y. Videotape Productions. First issue of the monthly publication includes items on uses & advantages of the British-made Marconi cameras and examples of up-to-date tape methods.

The FCC

WBAI-FM N.Y., non-profit subscriber-supported station specializing in classical music & offbeat verbal presentations, has run into trouble—and FCC's new Complaints & Compliance Div. has the job of scanning some 2,000 pro & con letters. The station's license renewal & application for transmitter move have been held up. Principal charges are "profanity & obscenity." The station is owned by Pacifica Foundation, which operates 2 similar outlets in San Francisco, another in Los Angeles. It had an application for Washington but withdrew. The Washington application had been attacked at one time, complainants citing West Coast programs. Among the allegations were charges that poems by Lawrence Ferlinghetti—"The Lord's Prayer" and "The Naz"—were profane. Pacifica did acknowledge that they went beyond its standards of good taste, but it submitted a sheaf of commendations, including a unanimous resolution of praise from the Cal. State Legislature and a statement from the Harvard Divinity School that Ferlinghetti has written deeply religious poems. WBAI-FM was given to Pacifica by industrialist (cigaret paper, etc.) Louis Schweitzer, whose firm is now a subsidiary of Kimberly-Clark Corp. FCC has said nothing about the case yet, hasn't written anything to the station.

Sale of KFJZ-TV Fort Worth-Dallas to NAFI Corp. by Texas State Network Inc. in a deal totaling about $4 million (Vol. 16:21 p10) has been approved by FCC, Comr. Bartley dissenting, Comr. King not participating. Terms of the sale included a 15-year lease ranging from $6,666 per month for the first 5 years to $14,583 per month at the end of the period, a termination option to purchase for $1 million, sale of contracts for $650,000, and $250,000 for a 10-year agreement against area competition by Texas State.

Shift of WNHC-TV (Ch. 8) New Haven to a site 13.9 miles from its present location was denied by the FCC as it granted the protest of WWLP (Ch. 22) Springfield, Mass. The Commission overruled examiner Basil P. Cooper (Vol. 14:27 p8). Comrs. Craven & Cross dissented and Comr. King didn't participate. Text of the decision hasn't been released yet, so FCC's reasons for the decision aren't available.

Translator grants: Ch. 75, Leadville, Colo., to People's TV Inc., to repeat KBTV Denver • Ch. 70, Trego, Mont., to Mt. Marston TV Assn., to repeat KHQ-TV Spokane • Ch. 74, Dubuque, to Dubuque Area Translator, to repeat WISC-TV Madison. The translator would be one of the very few in cities with CATV systems.

Radio station sales approved by FCC: KWKW Pasadena to KWKW Inc. (John F. Malloy, pres.) for $700,000; KOBY San Francisco to Gordon Bcstg. of San Francisco (Sherwood R. Gordon, 100% owner) for $700,000.

FM stereo comments are due at FCC by Oct. 29, the Commission having extended the deadline from July 29 at the request of EIA which said it needed more time to complete tests (Vol. 16:28 p14).

Approval of sale of WDAN-TV (Ch. 24) Danville, Ill. to Plains TV Corp. has been granted by FCC. Conditions: $75,000 plus $1,500 monthly lease for 5 years.

Protest against license renewals of WVET-TV & WHEC-TV (Ch. 10) Rochester, filed with FCC by radio WSAY Rochester, has been dismissed.

Sale of radio WIST Charlotte for $507,500, by Bcstg. Co. of the South to Carolina Bcstg. Co., has been approved.

Oral argument on 23 of the 31 unbuilt uhf's which replied to FCC's letter of Feb. 17 (Vol. 16:23 p14) has been scheduled for 9:30 a.m. Sept. 23. The other 8 are not yet officially scheduled. Those scheduled: WBMG (Ch. 42) Birmingham; KMYR (Ch. 34) Los Angeles; WELI-TV (Ch. 59) New Haven; WNLC-TV (Ch. 26) New London; WEHS-TV (Ch. 26) Chicago; WBID-TV (Ch. 50) Detroit; WMCN (Ch. 23) Grand Rapids; WHLS-TV (Ch. 34) Port Huron, Mich.; WHCU-TV (Ch. 20) Ithaca; KTRB-TV (Ch. 14) Modesto, Cal.; KFMX-TV (Ch. 27) San Diego; WCBF-TV (Ch. 15) Rochester, N.Y.; WTMV (Ch. 54) Utica; WCIN-TV (Ch. 54) Cincinnati; WERE-TV (Ch. 65) Cleveland; WTOH-TV (Ch. 79) Toledo; KMPT-TV (Ch. 19) Oklahoma City; WQCY (Ch. 39) Allentown; WAZL-TV (Ch. 63) Hazelton, Pa.; WLAN-TV (Ch. 21) Lancaster, Pa.; WRAK-TV (Ch. 36) Williamsport, Pa.; WAMT (Ch. 4) Memphis; WFOX-TV (Ch. 30) Milwaukee.

FCC passed special resolution commending 2 sisters, whose combined service with the Commission & predecessor agencies totaled more than 75 years at their retirement July 31. Mrs. Mary E. Corridon joined the Commerce Dept. on Aug. 11, 1919, and at retirement was administrative asst. in the Field Engineering & Monitoring Bureau in Washington. Miss Anna L. Poloske started in the Boston field office Oct. 16, 1923, retired as secy. to the engineer in charge there. The resolution cited their contributions, concluded: "They have served the public & their govt. well & faithfully. The Commission is, therefore, pleased & honored to give both Mary & Anna this official recognition which they so justly deserve, and to wish them health, happiness, and contentment in the years that lie ahead."

Radio WORL Boston had its renewal & transfer granted last week as FCC broke the ice in its payola investigations. No action was taken on the other 3 Boston stations under study—WMEX, WILD & WHIL. The reason WORL received a decision was that its investigation had been completed. There was discussion of other payola cases but none was ripe for action. The WORL decision isn't necessarily a bellwether because each case will be considered on the basis of facts turned up.

Ch. 9, Alpena, Mich. has been granted to Lake Huron Bcstg. Co. with the condition that FCC may substitute another channel for Ch. 9 if such a change is necessary as a result of pending rule-making proceedings. The FCC upheld examiner Walther W. Guenther's initial decision of June 16 (Vol. 16:26 p9).

Interleaved picture & sound experiment proposed by NBC has been authorized by FCC for Sept. 1-30 (Vol. 16:19 p16). NBC said that interleaving would provide TV networks with emergency sound over video routes when drop-outs occur on the separate audio routes.

Grant of Ch. 9, Baton Rouge, to WAFB-TV (Ch. 23) has been made final by FCC. Competitor radio WIBR had withdrawn after obtaining an option to acquire 20% of the grant (Vol. 16:26 p9).

Shared use of Ch. 3, Corpus Christi, is sought by Tropical Telecasting Corp. (*Caller & Times*), which filed an application this week, and the U. of Corpus Christi, which plans to apply.

Ch. 9, Eugene, Ore. has been granted to Liberty TV Inc. by the FCC, which affirmed examiner Thomas H. Donahue's initial decision (Vol. 15:40 p5).

WOLE-TV Aguadill, P. R. may now identify itself also with Mayaguez under a waiver granted by the FCC.

Suspension of FCC's spot-rep decision, sought by NBC and of 4 of its repped stations, was denied by the Commission as expected (Vol. 16:30 p8). Text of the decision hasn't been released yet, but it's understood that major reasons given for the turndown are that CBS & NBC won't suffer any irreparable injury during the 2 years they have in which to get out of the rep business, even though an element of uncertainty is involved because NBC and the 4 stations have appealed the decision to the courts.

An evidentiary hearing on pay-TV tests would produce nothing but delay, said Hartford Phonevision Co. (RKO-Zenith) in a letter to FCC responding to the request by the Joint Committee Against Toll TV and Conn. Committee Against Pay TV (Vol. 16:29 p3). Counsel for the pay-TV proponents insisted that both FCC & Congress had long ago decided that a test is the only method of gaining the needed information on toll-TV's workability. They reiterated their request for an en banc hearing before FCC.

Educational FM multiplexing, strictly non-commercial, is proposed in a notice of rule-making issued by FCC on the basis of petitions by NAEB & WGBH-FM Boston. The Commission pointed out that the NAEB petition would permit subcarrier services of all kinds and it stated that the proposed rules contemplate "no sponsored or commercial" programs or announcements. Earlier, the NAEB petition was opposed by gen. counsel Douglas Anello as "completely out of keeping" with long-standing FCC policy.

Control of WDAY-TV (Ch. 6) & WDAY Fargo, N.D. has been acquired by Forum Publishing Co., owner of *Fargo Forum* and *Moorhead Daily News*, with FCC's approval of its purchase of 55.56% for $900,000 (Vol. 16:25 p10). Comr. Bartley dissented, stating: "In light of the local objection and the concentration of media of communication in this area, I would favor a 309(b) letter to determine the question whether the public interest would be served through such concentration in a single area."

Ex-FCC secy. Mary Jane Morris, who resigned in April to return to private law practice (Vol. 16:15 p19), has opened Morris & Morris offices in Grand Rapids at 404 Fountain St., N.E., in partnership with her brother John Chester Morris. (Telephone: GLendale 8-2862). Specializing in practice before federal & Mich. courts & agencies, the firm also will maintain a Washington office. Miss Morris and her brother, who recently resigned as a Republican member of the Mich. state legislature, are graduates of the U. of Mich. Law School.

Complaint of WKYT Lexington, Ky. against WHAS-TV Louisville—for the latter's refusal to grant it rebroadcast rights to CBS-TV's *Game of the Week*—needs to be explored in a hearing, FCC told the disputants. However, the Commission gave the stations 15 days to try to settle their differences.

FCC logging requirements for political announcements one-min. or less aren't clear, according to Westinghouse Bcstg. Co., which has asked the Commission to issue an interpretation of its rules. The rules require the logging of individual "programs" but not of "announcements."

FCC's August meeting will be held Aug. 31 instead of Aug. 1 as previously scheduled, the Commissioners deciding that the later date is more convenient. The Commission is required by law to hold at least one meeting monthly.

Common antenna site has been authorized at Walnut Grove, Cal. for KCRA-TV & KXTV Sacramento and KOVR Stockton. It is 22 miles from Sacramento, 20 miles from Stockton.

Television Digest

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Personals: Irwin Klein, ex-MCA, rejoins ABC as program mgr., ABC international div. . . . Robert Palmer named NBC-TV Hollywood nighttime program mgr.; Frank Telford named NBC-TV West Coast program development dir. . . . Peter Reinheimer named ABC-TV asst. daytime sales mgr.

J. Howard Wood, pres. of WGN Inc., appointed also pres.-publisher of *Chicago Tribune*, succeeding the late Chesser Campbell (Vol. 16:29 p12) . . . Frank Brill appointed mgr. of the N.Y. office of MCA TV film syndication div. . . . Joseph H. Hallock, engineer in charge of FCC's Portland, Ore. office, retires after more than 50 years of govt. service, having begun in Dept. of Commerce's radio service . . . William C. Rubenstein named Paramount International Telemeter vp for administration of its research and development lab in Los Angeles . . . J. Leonard Reinsch, exec. dir., Cox Stations, appointed communications consultant for Kennedy-Johnson ticket. He was radio dir. for President Roosevelt's 4th term campaign.

Irving Lichtenstein named NTA general exec. in charge of special events, promotions & merchandising, succeeded as gen. mgr. of radio WNTA Newark-N.Y. by Ted Steele, from WNTA-TV . . . Don Redell named dir. of sales, TelePrompTer programs & productions div. . . . Harold Sundberg appointed gen. mgr., WMBD-TV & WMBD Peoria . . . William Hart, ex-radio WPON Pontiac, Mich., succeeds John Pomeroy as station mgr., WILX-TV Jackson, Mich. . . . Dr. John E. Ivey Jr., chief exec. officer of Midwest Program on Airborne TV Instruction, resigns as head of Learning Resources Institute, N.Y., to take post of consultant to the pres. and professor of education & sociology, Michigan State U. He continues to serve in the MCATI post . . . Philip S. Cross, FCC Broadcast Bureau, named legal asst. to Comr. Robert T. Bartley.

Obituary

Nate J. Blumberg, 66, Universal Pictures chmn., died after a long illness, at his home in Van Nuys, Cal. July 24. By 1929 Blumberg had been hired & fired at Universal, and in 1938 he was rehired as pres. He engineered the Universal-International merger in 1946, and became chmn. of the subsidiary in 1952. He is survived by his wife, a son and daughter.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

NO NEW TUBE SIZES DUE THIS YEAR: You can discount those reports of upcoming square-cornered tubes in sizes bigger than 23-in. They're just not in the cards for this year or next, we're told by leaders of the set, tube & glass industries. But this doesn't mean there won't be some revival of the old-shape 24- & 27-in. sizes in new short-short versions.

Talk of a possible 26-in. square-cornered version of old 24-in. reached crescendo couple of weeks ago within industry, but it turned out to be just that—talk. It's understood nobody was willing to put his money where his mouth was, and there is no concrete move in sight to develop new-style giant-screen tubes.

Most of talk probably was started by Magnavox's revival of 27-in. tube in a $375 console at the recent Music Show in Chicago (Vol. 16:29 p14). So pleased was Magnavox with dealer reaction to this set that this week it announced 2 more 27-in. sets will be forthcoming—horizontal console ($395), stereo theater ($850-895.)

Magnavox Pres. Frank Freimann feels time is ripe now for larger sizes. He says the more elaborate TV program production and greater perfection of camera & producing techniques will make public want to see more clearly, get "full thrill of stage presence in the living room." Magnavox had been out of 27-in. set market for 2 years, but never dropped 24-in. sets.

The 24- & 27-in. tubes arrived initially in early 1950s as end of unbroken progression of larger & larger sizes—but public stopped buying at 21-in. From nearly 120,000 in 1953, production of 27-in. tubes declined steadily, dropping to only 12,280 (including replacements) last year. The 24-in. size showed similar pattern, although it was produced in larger quantities.

New tricks in shortening necks of these big tubes will make possible more pleasing furniture proportions, and there could be increasing use of these existing shapes this year & next. Except for Magnavox, to our knowledge, Sears Roebuck is only brand now using 27-in. Several makers are showing 24-in. sets.

If glass makers are reluctant to design new-shaped giant-size tubes it's only because they haven't yet even recovered development costs of the 24- & 27-in. sizes. Most set & tube manufacturers agree it would be "nice" to have new-shape big-screen jobs available to them, but nobody seems to want to underwrite development—either individually or on a joint basis.

Most set makers we talked with agree 23-in. is ideal picture size & shape—at least for now—and have no plans to push for new larger sizes, even though some of them have advance design contingents looking at all possible (and some impossible) sizes & shapes.

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With no more new tube shapes & sizes on horizon, a couple of old sizes are dying. There's no doubt now that 17- & 21-in. tubes are vanishing race, and our guess is that 21s will disappear from marketplace this model year, the 17s next year, after inventories are depleted. Motorola consumer-products exec. vp Ed Taylor, for example, says his company is just about through with 17- & 21-in. production, will be out by year's end. In every case, these 2 sizes are now being produced & sold from inventory.

Tube shapes & sizes once again have simmered down to couple of "standards." How much influence have new sizes had on health of TV market? It's hard to say. One acute but hardly impartial observer of the passing TV scene—Corning Glass electrical products vp Jack Hanigan—had this comment:

"All other appliances are flat on their backs, yet TV sales are going to town. It's because TV has 'something new' that it's selling well while the rest of the consumer market is down."

What's next in picture tubes? Corning is pushing its reflection-free cap for bonded tubes—now being used by Sylvania on all its 19-in. sets and on some 23-in. models, and by Zenith on high-end 23-in. sets. The treated-glass tube, which costs manufacturers 50c extra, is still controversial—some like it, some don't. Syl-

vania quite frankly states that it's testing consumer reaction to the reflection-free feature and will use it more extensively on 23-in. sets if it's found to be good selling-feature.

If tube shapes & sizes were this year's "something new"—what's for next year? Too early to say, but our guess at this point is that one feature assuming far more prominence for the 1962 selling season will be remote control. For the dollars-&-cents story of Zenith's remote-control success, see story below.

TV-RADIO PRODUCTION: EIA statistics for week ended July 22 (29th week of 1960)):

	July 15-22	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	69,944	48,075	98,447	3,132,700	3,040,648
Total radio	241,005	196,175	240,644	9,135,606	7,744,498
auto radio	93,638	68,608	77,827	3,560,648	3,107,731

EMERSON-GRANCO DEAL: High-flying Granco Products Inc., the small radio maker which found itself on top of the FM heap as a result of its pioneering in low-cost FM sets, last week signed a deal with Emerson which could put it in the big league—and gives Emerson an option to buy control.

Under the terms of the agreement, Emerson takes over the marketing of Granco's sets, loans Granco $217,500 (repayable in 5 years) and receives an option to purchase 540,986 of 1 million Granco shares at an undisclosed price.

The arrangement will relieve Granco of all activities except engineering & manufacturing. Granco will keep its present distributors, which will be augmented in many areas by Emerson distributors. It will continue to manufacture products under its own trade name and possibly under the Emerson label. The Du Mont-Emerson Corp., Emerson's sales & merchandising subsidiary, will set up a new Granco div., to be headed by Granco sales mgr. Alvin Barshop and merchandising mgr. Ralph Cone, moving to Emerson with their entire sales staff.

Granco's low-cost FM sets are seen as an ideal addition to the Emerson line. At the same time, rapidly-growing Granco—having suffered a fire which destroyed its Astoria, N.Y. plant—is under-capitalized, and the Emerson loan together with the assumption of advertising & merchandising responsibilities should help increase its growth possibilities. Granco, which would continue to operate as an independent company, wants to "get more heavily involved in the manufacture of front-end FM tuners for other manufacturers," Pres. Henry Fogel told us.

For Fogel, the association with Emerson will be in the nature of a homecoming. Before & during World War II, he was employed by Emerson as a project engineer, working after the war for Telechrome and Radio Receptor in engineering capacities before heading Granco. "Under the arrangement with Emerson," says Fogel, "we'll be running our own business, strengthened by the relationship. This gives us the marketing strength we need to continue to expand in this market." Emerson Pres. Benjamin Abrams, noting that "FM is becoming increasingly interesting to us," said it was undecided whether the 2 firms exentually would be consolidated.

Granco's sales for the fiscal year ended last June 30 are estimated to have totaled about $3.3 million, up from $3,070,000 in fiscal 1959, although earnings were lower than 1959's $49,152 (15¢ a share) because of the plant fire. Fogel recently predicted fiscal 1961 sales of $4-5 million, earnings of 30-40¢ a share.

A special Aug. 10 Granco stockholders meeting will vote on the agreement and on increasing the authorized capital shares from 500,000 to 1 million.

$$$ IN REMOTES: Zenith is the unquestioned leader in wireless remote-control TV tuning. The extent of that leadership was revealed last week in Oklahoma City U.S. District Court at the hearing of Zenith's suit against Admiral charging infringement of its patents on "Space Command" remote & "Fringelock" circuit.

Zenith Sales Corp. Pres. Leonard C. Truesdell testified that the company received $50 million last year on the sale of 260,000 TV sets equipped with Space Command. He stated that Zenith's TV-set sales in 1959 totaled $167,500,000—which would indicate that 30% of Zenith's TV dollar sales last year was realized from remote-control sets. Our own survey earlier this year (Vol. 16:16 p15 & 16:17 p16) indicated that, industry-wide, about 10% of the TV-set unit sales were remote-control models. Figures on Zenith's TV dollar sales, remote-control sales and percentages:

1959—Total Zenith sales, $260 million (as shown by annual report); TV sales, $167.5 million, or 65% of the company's total sales; remote-control sales, 260,000 units at $50 million, or 30% of TV dollar sales.

1958—Total Zenith sales, $195 million; TV sales, $117 million, or 60% of total sales; remote-control sales, 123,500 units at $26.3 million, or 22.5% of TV dollar sales.

1957—Total Zenith sales, $160 million; TV sales $97 million, or 61% of total; remote-control sales, $17.7 million or 18.3% of total TV dollar sales.

In 1956, first year of Space Command sonic tuning, remotes represented 19.3% of TV dollar sales, while in 1955 Zenith's Flash-Matic electric-eye remote system sales accounted for only 4.5% of its TV sales.

Most of the week's testimony was devoted to testimony on claims by Zenith that the remote tuning device was a Zenith invention and by Admiral that the principles were previously known and Zenith patents were erroneous.

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GE enters home-intercom market with a portable transistorized system to be introduced area by area until national coverage is achieved later this year. Designed specifically for the home, the units ($79.95 a pair, additional stations $39.95 each) may be plugged in anywhere, use house wiring to carry voice signals. GE says that, drawing about as much power as an electric clock, they may be left on all the time. Test marketing starts this week in 4 markets. GE, which calls itself the first major manufacturer to enter the home-intercom business, conducted a pre-production survey of housewives' reaction to intercoms. It's understood that the results showed that 30% of housewives questioned said they'd be interested in an intercom—but after intercoms were installed in their homes, 65% didn't want to give them up. The units are now in pilot production at GE's radio-receiver dept. in Utica, N.Y.

MOTOROLA ASSESSES FUTURE: Motorola spent several profitable days in N.Y. last week introducing its latest consumer products to distributors and polishing its image before influential stock brokers. At the Essex House, exec. vp Edward Taylor participated in the first showing of Motorola's 1961 stereo line. On Wall St., Pres. Robert Galvin lunched with the N.Y. Society of Security Analysts and gave them insight into the company's targets (see p. 22).

Claiming stereo sales leadership, Motorola introduced 7 portables & 15 console models and such features in some models as "Vibrasonic" reverb, a new-type ceramic "Golden Duplitron" cartridge, 3 separate push-pull amplifiers & 3 separate speaker systems, and power output ranging up to 58 watts MPO (116 watts peak).

Not only are Motorola stereo sales 40% ahead of last year, Taylor said, but out in front of all other stereo makers. It claims 30% of more-than-$300 console business, 25% of $100-or-more portables. On Wall St., Galvin told the analysts that Motorola has 25-35% of the stereo hi-fi package market. Other Galvin-Taylor views:

Black-&-white TV—Sales are "doing nicely" his year although industry has a "larger set inventory than it should," Galvin noted. "For the year as a whole, TV set sales are up 12%." He forecast total 1960 sales of 6.5 million TVs. Taylor told us that figure is "in the bag" and predicted that Motorola would close the year with the best inventory position in the industry. He said TV sales took a "real upsurge" during June & July, told us Motorola has added another production line to keep pace with demand for its Harbinger series TVs.

Color TV—Galvin said he's "anxious for color to come" but pegged current annual sales at "approximately 100,000 units" and too small to justify the investment. "I don't see anything in sight that suggests a change," he added. "Sets will have to come down to $300 before it becomes a volume business." Taylor told us that another market-breaking factor could be a 23-in. 110-degree color tube.

Tape cartridge—Forthright Taylor told us Motorola's attitude is one of watchful waiting because too many companies are going off in different directions. He said that Motorola had been interested in the 3M approach but turned it down because "they wouldn't show us what's inside. We won't pay our money without knowing what we're buying," he stated.

Radio—Motorola radio sales have gained 25% this year. Galvin told the analysts that Motorola will have "a new [stereo] radio product" in about 18 months when FCC gives the green light to stereo multiplexing. Taylor echoed Motorola's intent to invade this field, declared that multiplexing "will bring the radio console back."

Future—"A sustained growth" of Motorola consumer products and a steady influx of new ones was forecast by Galvin. He said the company's research budget now approximates $15 million annually, pointed to major activity in such fields as thin-film, semiconductors, electronic ceramics, others. He described solid-state science as the "greatest single challenge in the past 40 years."

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New sets: Philco, having introduced its stereo and portable TV lines last spring, will show its 1961 console TV sets at its national distributors' convention Aug. 1 & 2 in Philadelphia. RCA will show new 1961 drop-in TV & stereo models in Chicago Aug. 24 & 25.

Trade Personals: Leonard F. Cramer, onetime Magnavox vp-gen. mgr. and Crosley vp & TV-radio gen. mgr., who has served as a marketing & management consultant for the last 1½ years, elected pres. of Casco Products Corp., now controlled by Standard Kollsman Industries (Vol. 16:23). . . . **Fred M. Farwell**, RCA mktg. vp, takes on additional duties as defense electronic products mktg. vp . . . **James F. Haley**, ex-Eastern regional mgr., named to new post of national field sales mgr., Motorola Consumer Products Inc. . . . **Henry K. Kindig** appointed gen. mfg. mgr., Sylvania picture tube operations, succeeding Gordon L. Fullerton, now gen. mgr. of the operations.

Henry C. Bonfig, CBS Inc. vp for marketing services, is due to return to his office this week after hospitalization in Evanston, Ill., for a knee injury . . . **John P. Kearney**, Kimble Glass Co. vp and former gen. mgr. of its electronic products div., named gen. mgr. of new industrial & electronics products div. of the subsidiary of Owens-Illinois Glass Co., in consolidation of 2 divs.; **G. Pryor Malloy** promoted Kimble vp and product mgr. for all products (including TV tube bulbs) except construction materials.

Donald E. Garrett appointed engineering advanced development mgr., GE's TV receiver dept. . . . **Ralph H. G. Mathews**, ex-Westinghouse TV-radio div., named mktg. dir., Blonder-Tongue Labs . . . **John A. Witherell**, ex-Motorola, named Pentron Sales Co. merchandising mgr. . . . **J. P. Molnar**, pres. of Sandia Corp. and a Western Electric vp, elected a Bell Labs vp, succeeded as Sandia pres. by **S. P. Schwartz**, who was also elected a Western Electric vp . . . **Henry Blackstone**, Servo Corp., appointed 1960-61 EIA small business committee chmn.; **R. G. Zender**, Lenz Electric Mfg. Co., named Midwest vice chmn.; **K. F. Julin**, Leach Corp., West Coast vice chmn.

George W. Dick named div. vp, commercial systems dept., in a realignment of RCA's electronic data processing div. into 3 integrated depts.—commercial systems, data communications and customs projects, and industrial computer systems. **George E. Dashiell** named div. vp, commercial systems mktg.; **Robert Bruce** named sales mgr. for the dept. **J. Wesley Leas** appointed data communications & custom projects dept. mgr.; **Charles M. (Buck) Lewis** continues as industrial computer system dept. mgr. **John E. Johnson** named commercial & industrial mktg. relations div. vp; **Pinckney B. Reed**, govt. mktg. relations vp.

Obituary

Jay Carver, 40, ad mgr., University Loudspeakers, was killed July 22 in an auto accident near Bear Mountain, N.Y.

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Entering electroluminescent light field, RCA has announced that pilot production is under way in its Lancaster, Pa. plant on glowing panels for a variety of purposes—dial lights, instrument panels, highway signs, safety devices, decorative uses, etc. Full-scale manufacture will begin in the fall. The first direct consumer-merchandising of the new lighting material—trademarked "Panelray"—will be in a night light designed to operate 24 hours a day at a cost of less than one cent a year. Panels initially offered to equipment makers will be available in a choice of 5 colors, 5 sizes and 3 different AC voltages. RCA credited its work on color-TV phosphors with aiding the development of the electroluminescent panels.

FM converter for auto radios has been announced by Kinematix Inc., Chicago. The unit can be used with AM car radios or, with a special audio amplifier & speaker, as a complete FM radio. The price hasn't been disclosed.

Electronics-Electrical Rankings Among 1959's 100 Largest Foreign Industrials

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Rank '59	Rank '58	Company	SALES [1] ($000)	ASSETS [2] ($000)	NET PROFITS [3] ($000)	EMPLOYES
6	6	Philips' Lamp Works (Holland)	1,100,526	1,235,690	92,286	189,000
7	7	Siemens (Germany)	866,190	692,214‡	23,059‡	188,000
23	25	Associated Electrical Industries (Britain)	583,628	611,841	13,093	98,993‡
24	46	Hitachi (Japan)	579,518	719,371	15,203**	80,712
35	32	AEG (Germany)	512,619	426,755	8,902**	109,000
37	36	English Electric (Britain)	487,200	401,889	10,784	80,000
38	87	Tokyo Shibaura Electric (Japan)	479,614	584,617	17,411**	71,700
44	42	Brown, Boveri (Switzerland)	444,034	424,570	4,035	66,529
63	68	British Insulated Callender's Cables (Britain)	358,400	274,800	9,088	36,000
64	79	Robert Bosch (Germany)	357,143*	122,165**	1,761**	60,000
77	71	General Electric (Britain)	302,585†	312,229†	5,552†	61,000†
95	84	ASEA (Sweden)	236,227‡	262,315‡	5,318‡§	30,884
96	92	Northern Electric (Canada)	236,074	183,688	9,156	15,290

[1] Sales are consolidated third-party sales for fiscal years ending no later than March 31, 1960. [2] Assets are consolidated balance-sheet totals. [3] Profits are consolidated net profits after taxes & all deductions. * *Fortune* estimate. ** Unconsolidated. ‡ Partly consolidated. † Preceding fiscal year. § Not comparable with preceding fiscal year.

Electronics' 'Big 20': Growth of the electronics industry is headed for a slowdown, says Charles E. Silberman in "The Coming Shakeout in Electronics" in Aug. *Fortune*. The detailed article explains that the industry can't possibly continue its rate of growth of the past decade—nearly 15% a year, or 3½ times as fast as all industrial production. Silberman points to the expanding industrial electronics market as the future growth area, and says that some companies (and investors) are going to get hurt in the scramble.

The consumer field will remain fairly static, he thinks —and it's a tough way to make a buck. Biggest breakthrough, in his opinion, would be an inexpensive & reliable color set, or acceptance of pay TV. Other possibilities for expansion of consumer-electronics market: "New & exotic products like electronic ovens, garage-door openers, radars & communication devices for pleasure boats, electronic organs, etc."

Particularly interesting is *Fortune*'s list of "the big 20" top companies in electronics. The compilation, based in some cases on official company figures and in others on *Fortune*'s own estimates, arranges the companies in order of their revenue from electronic products. These companies together corralled more than half of last year's $9.5-million electronics business:

(1) RCA, $1.045 billion. (2) GE, $1 billion. (3) Western Electric, $700 million. (4) Sperry Rand, $645 million. (5 & 6) Hughes Aircraft & IBM, $560 million each. (7) Raytheon, $495 million. (8) GT&E, $325 million. (9) ITT, $305 million. (10) Motorola, $290 million. (11) Philco, $285 million. (12) Bendix, $280 million. (13 & 14) Zenith & Westinghouse, $260 million each. (15) North American Aviation, $250 million. (16) Minneapolis-Honeywell, $190 million. (17) Burroughs, $175 million. (18) Thompson Ramo Wooldridge, $165 million. (19) GPE, $155 million. (20) Texas Instruments, $145 million.

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Dept. store TV-radio-phono departments showed biggest sales gains from 1958 to 1959, the National Retail Merchants Assn. reports in its 1960 edition of *Departmental Merchandising & Operating Results*, based on reports from 503 dept., specialty & branch stores. Of 197 different merchandise-selling departments, TV-radio-phono departments were the largest gainers, 29% ahead of 1958 in branch stores and 13% ahead in downtown stores.

Color-TV sales will range from less than 100,000 to 175,000 sets this year. That's the consensus of 6 industry executives queried by July *Mart*. The prognostications: Admiral electronics div. vp Ross D. Siragusa Jr., 140,000 color TVs; Emerson Radio & Phonograph Pres. Benjamin Abrams, 125,000 sets; Motorola consumer-products exec. vp Edward Taylor, less than 100,000; RCA Sales Corp. Pres. Jack S. Beldon made no industry forecast, but said: "Our color sales will be 40% to 50% ahead of 1959 volume", Westinghouse TV-radio-div. mktg. mgr. C. J. Urban, 175,000; Zenith Sales Pres. L. C. Truesdell, 125-150,000.

Packard Bell Electronics has been cited in an NLRB trial examiner's report for discrimination & retaliation against employes of 3 San Francisco Bay area plants who are members of Radio-TV Service Technicians Local 202, an IBEW affiliate. The report recommended that the company be ordered to give back-pay to 28 workers who were fired or laid off—allegedly because of union activity.

Televideo Corp. of America, Culver City, Cal. firm which trades as Picture Tube Mart, has failed to disclose to its customers that TV picture tubes it manufactures are rebuilt, FTC has charged. The firm's officers Thurman D. Brooms, Kenneth A. Redshaw & Milton Tobias were also cited in FTC's complaint, which said the alleged practice gave "uninformed or unscrupulous dealers the means to deceive the public."

New miniature tube construction—the "Ten Pin"—has been announced by Sylvania for entertainment & industrial applications. The configuration, designed to simplify circuitry & wiring by making possible additional tube functions within a single envelope, is similar to the regular 9-pin arrangement of the conventional T-6½ miniature tube with an additional pin centered in the pin circle.

New plants & expansions: Magnavox will open its new research labs at Torrance, Cal. Aug. 3. ● Sylvania's Argus Cameras div. will erect a 109,000-sq.-ft. plant at Columbus, S.C. to produce motion picture & slide projectors ● Westinghouse will lease 4 floors in N.Y.'s proposed Grand Central City skyscraper for its N.Y. district executive offices, which will be moved from 40 Wall St.

Latest Japanese radio trade name: "Americana." The new Americana line of transistor sets was announced by Sanshin Jitsugyo Co. Ltd., Tokyo, now soliciting agents.

WHERE TV EXPORTS GO: Which countries import U.S. TV sets? The picture is constantly changing—and large quantity imports often show up when a country's TV stations go on the air, or when additional TV stations are started. Generally speaking, our TV export sphere of influence is concentrated mainly in Latin America—not only a traditional U.S. market, but one which has the same TV standards as the U.S.

In March, the latest month for which Census Bureau export statistics are available, 9,926 complete TV sets (valued at $1,328,286) and 2,913 TV chassis ($193,481) were exported by the U.S. Venezuela was the biggest customer, taking 3,205 sets ($470,605), followed by Peru with 1,229 sets, Canada (859), Mexico (737), Panama (735), Iran (700). A total of 30 countries bought at least $1,000 in TV receivers each from the U.S. in March. Italy was the biggest customer for TV chassis, buying 1,283, with Canada 2nd (976).

Only 9,121 home-type radios at $326,595 were exported in March, Venezuela taking almost one-third of them (2,561 at $90,862). Canada was 2nd (2,486 at $77,150), followed by Mexico, UK, Gibraltar & Liberia.

Canada is Biggest Tube Customer

Some 1.26 million receiving tubes (at $1,083,600) were exported during the month—Canada being the biggest customer, taking more than one quarter of them. Mexico & Brazil were 2nd & 3rd. In semiconductors (889,054 at $1.5 million), France was No. 1 importer in March, buying 203,079 ($270,813), Canada & Italy being the only other countries importing more than 100,000. Interestingly, Japan imported 29,673 American semiconductors at $214,018.

Export sales of TV transmitting & studio equipment vary widely from month to month. In March, Egypt was America's best customer for TV transmitters & related parts, buying $106,881 worth out of a total $421,532 sold. Argentina, Syria, Brazil, Mexico & Canada were next, in that order. Canada was the No. 1 customer for TV studio equipment (including closed-circuit), contributing $477,256 to the total of $1,418,776 earned by all U.S. exports in that category in March. Others, in order: Egypt, Syria, Brazil, France, UK, Japan.

Canada was the U.S.'s leading customer for TV camera tubes, buying 25 of the 107 exported. Australia was 2nd (24), Japan 3rd (16)—although Japan is now manufacturing its own TV camera tubes.

* * *

Tabulation of U.S. imports of electronics equipment for Feb. shows Japan leading in radios, tubes & parts; but UK leading in record-players & changers, Germany in radio-phono combinations. Here's the Feb. import lineup.

Transistor radios: From Japan, 211,951 ($2,456,329); W. Germany, 3,020 ($62,575); total, 215,073 ($2,521,236).

Non-transistor portable radios: Japan, 13,392 ($108,734); W. Germany, 1,740 ($39,900); total, 15,132 ($148,634). All other types of radios (total 20,188 at $309,690) came from Japan, W. Germany, Netherlands & UK.

Radio-phono combinations: W. Germany, 7,792 ($663,182); Japan, 845 ($23,119); total, 8,788 ($698,278).

Record changers, players & parts: UK, $898,018; W. Germany, $129,267; Sweden, $32,670; Japan, $14,852; Switzerland, $11,589; total, $180,377.

Tubes: Japan, 608,641 ($188,477); Netherlands, 557,523 ($182,533); UK, 333,013 ($156,954); W. Germany, 198,187 ($81,088); total, 1,772,124 ($681,279).

Canada's Import Threat: Stepped-up imports from Japan, UK and Germany have Canada's young electronics industry reeling on the ropes. So warns the Electronic Industries Assn. of Canada, with support from the *Financial Post* (Toronto), in a recent analysis. Responding to reports that Japan is resuming shipments of transistor radios at a volume about equal to last year, EIA gen. mgr. Fred A. Radcliffe prophesied: "If this keeps up it will put the Canadian radio industry out of business."

EIA is pressing the Canadian govt. to impose quotas and other controls over imports in order to salvage the electronics industry, which has been forced to reduce its production force from 25,000 in 1955 to 19,000 currently (Vol. 16:26 p21). EIA notes that "radio-receiver manufacturers last year lost over 45% of their domestic market to foreign imports," warns that Canadian production of electron tubes will cease within 18 months without govt. control of Japanese imports.

Editorialized the *Financial Post*: "Net profits on the electrical industry's sales dollars fell to a miserable 2.8% last year from 4.1% at the beginning of the 1950s. This compared with a 5.1% return last year in Canadian manufacturing generally—and occured despite millions & millions of dollars spent on modernization programs. If these trends continue, the very clear prospect is that the Canadian electrical industry will consist largely of glorified distributors (or partial assemblers) of foreign-made products. The very obvious truth is this: Canadian electrical manufacturers simply can't meet foreign competition in many lines in this country, especially competition from the UK, Germany and Japan."

Here's the impact of Japanese competition in Canada, as noted by the newspaper:

Radio imports have climbed 769% since 1957; Japan's share of Canadian market last year: 32.5%.

Electron tube shipments by Japan increased from 212,962 units in 1958 to 2.2 million last year and to a rate of 5-6 million this year. Employment at Canadian tube plants has dropped 24% in one year.

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Replacement & repair of TV sets damaged during the recent Hawaiian tidal waves will be partly underwritten by GE and its Honolulu distributor, American Factors Ltd. GE announced that no charge for repair labor will be made to GE set owners for repairs and that TV owners can replace their sets at up to 40% off the usual price. The "relief" applies to both dealer-&-consumer-owned sets.

Updated & expanded manual on CR tube phosphors, *Optical Characteristics of Cathode Ray Tube Screens* (106 pp., $5), has been published by the Joint Electron Device Engineering Council of EIA & NEMA. Identified as JEDEC publication No. 16, it's available from EIA engineering dept., room 2260, 11 W. 42 St., N.Y. 36.

No vacation shutdown is planned in GE's new phono plant at Decatur, Ill., where employment is scheduled to reach 400-450 this week. As previously announced, GE's TV & radio facilities will be closed Aug. 1-14. (For shutdown dates of other manufacturers, see Vol. 16:28 p16).

Magnetic tape sales are expected to reach $150 million yearly by 1965, up from the current annual rate of about $35 million, reports *The Wall Street Journal*. Breakdown: 65% for audio tape recorders; 30% computers & instruments; 5% TV broadcasting.

Finance

MOTOROLA'S RECORD PACE: Despite a hampering decline in the military portion (15-20%) of its over-all electronics business, Motorola racked up the best 2nd quarter & first half in its 33-year history (see financial table). Addressing the N.Y. Society of Security Analysts last week, Pres. Robert W. Galvin painted a bright picture of profit, progress and growth.

In its record first-half performance, Motorola registered a 10% profit gain to $6.5 million on an 11% sales rise to $143.5 million. Second-quarter earnings rose to a high of $3.5 million from $3.3 million a year ago, as sales increased to a record $73 million from $65 million. The balance of the year, Galvin noted, should show the "traditional improvement" in sales & earnings over the first half, "particularly in TV, stereo and radio products." For the total year, he forecast sales of more than $310 million (vs. 1959's $289.5 million) and an improvement over last year's $14-million earnings.

Sales Growing at $100-Million Pace

Galvin noted that consumer products account for just under 50% of total sales; that TV is Motorola's biggest-volume product; and that first-half consumer-product sales were up 12%. Over-all, Motorola sales are growing at the rate of $100 million annually. "In 1950 we had 14 principal product businesses," Galvin emphasized. "Today we have 48, including 7 kinds of consumer-electronic products, 3 principal products for automotive manufacturers, 14 distinct product lines or systems for industrial communications, 13 major areas of military electronic activity and 12 major solid state & semiconductor product businesses." Among major growth items cited by Galvin:

Stereo hi-fi—Motorola claims 25-35% of market. "We continue to do the largest volume, and I'm sure we're earning the best profit of anyone in the industry."

Radios—sales up 25%.

Mobile radio—Motorola has "constantly enjoyed 60% of the land mobile-radio business," which grows at a steady rate of 10% annually.

Semiconductors—producing a "good-sized volume of business with nice profit" and with expectations of "many tens of millions of dollars from growth in this area."

For Motorola consumer-electronics highlights, turn to p. 19.

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Other companies in consumer electronics showed mixed results in midyear financial statements (see table). Sylvania's parent GT&E reported improved sales & earnings for both the quarter & half, but offered no breakdown or comment on consumer business. Packard Bell, reporting a loss for the quarter and a sharp decline for the fiscal 9-month period, said plywood inventory losses of its Bellwood div. (doors)—as a result of Japanese imports—were responsible. Pres. Robert S. Bell said sales by the home-products div. were up 20% and profits 49% higher than during the first 3 quarters of fiscal 1959. He predicted increasing color-TV profits this year & next. Hoffman's 2nd-quarter profits were down, despite a 34% sales increase, but Pres. H. Leslie Hoffman forecast record profits & sales for 1960. He said the company's 1961 home-entertainment instruments have "met with wider acceptance than for a number of years," reversing the unsatisfactory trend of the division's first-half profits.

Broker's Recommendations: Electronics, now America's 5th largest industry, "seems destined to become the No. 1 industry of the nation." So said John Ferguson Jr., of the N.Y. investment dealer Clark, Dodge & Co., in a talk delivered to various investment groups in the last few weeks.

He warned, however, that all of the 4,000-plus electronics companies won't share in the continuing boom, and that another "severe market correction" in the electronics industry could be in the making now. As to an electronics portfolio, here are Ferguson's recommendations:

"Basically our philosophy toward this [electronics] group would be to accumulate top-quality issues on a dollar-averaging long-term basis in amounts & numbers of issues depending upon account requirements. The nucleus of such a group would be Litton Industries (diversified), Texas Instruments (semiconductors), Varian Associates (microwave) and Hewlett-Packard (instrumentation).

"As 2nd-tier back-up issues, we would include Beckman Instruments, Transitron (semiconductors), Magnavox (quality TV & good military electronics) and Eitel-McCullough (microwave). Beyond this, we would prefer to use the package approach for the many medium-to-smaller companies which appear to offer excellent long-range growth potential in their respective fields, but which carry a higher degree of risk.

"A sample of such a package would be FXR (microwave), Giannini (instruments & controls), International Rectifier (semiconductors), Taylor Instruments (process control), Loral Electronics (various) and Itek (information storage & retrieval). Others which could be used in this manner include Microwave Associates, Baird Atomic (various, including optical scanner), Barnes Engineering (infrared), Electronic Specialty (miscellaneous components & systems) and Laboratory for Electronics (communication & navigation)."

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Reports & comments available: **Sprague Electric**, report, R. W. Pressprich & Co., 48 Wall St., N.Y. 5 • **Westinghouse**, discussion, Reynolds & Co., 120 Broadway, N.Y. 5 • **Faradyne Electronics**, study, Ross & Hirsch, 120 Broadway, N.Y. 5 • **RCA**, review, Fahnestock & Co., 65 Broadway, N.Y. 6 • **Precision Transformer**, analysis, John R. Boland & Co., 30 Broad St., N.Y. 4 • **Victoreen Instruments**, study, Cruttenden, Podesta & Co., 37 Wall St., N.Y. 5 • **Control Data Corp.**, prospectus, Dean Witter & Co., 14 Wall St., N.Y. 5 • **E S C Electronics Corp.**, offering circular, Laird, Bissell & Meeds, 120 Broadway, N.Y. 5 • **Reeves Bcstg. & Development Corp.**, prospectus, Laird & Co., 61 Broadway, N.Y. 6.

Skiatron Electronics & Television reports a net loss of $38,721 on sales of $47,902 in the 6 months ended June 30. Comparative figures for the year-ago period not available.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
American Bosch Arma .	Stk.	1%	Oct. 14	Sep. 15
Bell & Howell	Q	$0.10	Sep. 1	Aug. 19
GE Ltd.	Final	7%	Sep. 19	Aug. 11
P. R. Mallory	Q	.35	Sep. 10	Aug. 10
Oak Mfg.	Q	.25	Sep. 15	Sep. 1
Standard Radio	—	.20	Oct. 11	Sep. 21
Stanley Warner	Q	.30	Aug. 25	Aug. 10
Stewart-Warner	Q	.35	Sep. 10	Aug. 19
Tung-Sol	Q	.35	Sep. 2	Aug. 12
Westinghouse	Q	.30	Sep. 1	Aug. 8
Wurlitzer	Q	.20	Sep. 1	Aug. 12

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Amerlca Corp. Story p. 24	1960—6 mo. to Jun. 30	$ 15,640,499	—	$ 673,711	$0.16[1]	3,183,229
	1959—6 mo. to Jun. 30	13,742,185	—	(203,843)	—	3,183,229
Arvin Industries	1960—6 mo. to Jun. 30	32,476,234	—	593,333	.52	1,132,534[3]
	1959—6 mo. to Jun. 30	32,115,771	—	1,095,084	.97[2]	1,132,534[3]
	1960—qtr. to Jun. 30	15,181,445	—	47,441	.04	1,132,534[3]
	1959—qtr. to Jun. 30	16,177,346	—	582,851	.51[2]	1,132,534[3]
Capital Cities Bcstg.	1960—6 mo. to Jun. 30	3,725,486	—	455,870	.40	—
	1959—6 mo. to Jun. 30	2,102,254	—	221,049	.19	—
	1960—qtr. to Jun. 30	1,927,323	—	249,954	.22	—
	1959—qtr. to Jun. 30	1,287,906	—	144,109	.13[2]	—
Daystrom	1960—qtr. to Jun. 30	22,457,000	$ 717,528	344,528	.38	915,813
	1959—qtr. to Jun. 30	21,239,000	753,661	361,661	.40	913,223
Electro-Voice	1960—qtr. to Jun. 30	—	—	49,586	.10	—
	1959—qtr. to Jun. 30	—	—	41,681	.09	—
Fairchild Camera & Instrument	1960—6 mo. to Jun. 30	30,285,000[4]	—	1,682,000[4]	1.62[5]	1,039,140
	1959—6 mo. to Jun. 30	18,741,000	—	795,000	.77[5]	986,526[3]
	1960—qtr. to Jun. 30	16,447,000[4]	—	832,000[4]	.85[5]	1,039,140
	1959—qtr. to Jun. 30	9,006,000	—	410,000	.40[5]	986,526[3]
Gen. Telephone & Electronics	1960—12 mo. to Jun. 30	1,122,641,000	—	74,120,000	1.10[14]	66,496,000[14]
	1959—12 mo. to Jun. 30	986,100,000	—	67,149,000	1.11[14]	59,684,000[14]
	1960—6 mo. to Jun. 30	552,484,000	—	35,069,000	.51[14]	—
	1959—6 mo. to Jun. 30	511,161,000	—	33,307,000	.54[14]	—
Hoffman Electronics	1960—qtr. to Jun. 30	13,719,653	248,524	120,524	.08	1,524,221
	1959—qtr. to Jun. 30	10,912,712	1,232,383	585,432	.38	1,506,022
Indiana General Corp.	1960—6 mo. to Jun. 30	10,410,082	1,487,593	733,313	.65	1,124,522
	1959—6 mo. to Jun. 30[15]	9,772,311	1,512,673	795,243	.71	1,124,522
Ling-Temco Electronics	1960—6 mo. to Jun. 30	76,120,306	—	1,437,076	.59	—
	1959—[9]	—	—	—	—	—
	1960—qtr. to Jun. 30	42,480,837	—	1,124,372	.46	—
	1959—[9]	—	—	—	—	—
Motorola Story p. 22	1960—6 mo. to Jun. 30	143,501,269[10]	13,552,962	6,506,218[10]	3.23[11]	2,015,131
	1959—6 mo. to Jun. 30	128,867,246	12,104,204	5,886,371	3.04	1,935,131
	1960—qtr. to Jun. 30	73,204,227[10]	7,174,495	3,469,743[10]	1.72[11]	2,015,131
	1959—qtr. to Jun. 30	65,214,062	6,633,881	3,269,944	1.69	1,935,131
Minn. Mining & Mfg.	1960—6 mo. to Jun. 30	263,013,173[10]	64,366,002	32,366,002[10]	.63	50,989,037
	1959—6 mo. to Jun. 30	237,358,645	58,197,074	29,597,074	.58	50,931,579
	1960—qtr. to Jun. 30	134,343,955[10]	32,048,091	16,148,091[10]	.32	50,989,037
	1959—qtr. to Jun. 30	122,186,325	30,640,554	15,640,554	.31	50,931,579
Muter	1960—6 mo. to Jun. 30	5,887,254	143,526	70,238	.08	839,523
	1959—6 mo. to Jun. 30	6,230,075	325,995	157,824	.19	800,313
Packard Bell Story p. 22	1960—9 mo. to Jun. 30	34,740,353	989,752	494,752	.61	811,880
	1959—9 mo. to Jun. 30	34,808,470	2,105,780	1,035,780	1.31	792,100
	1960—qtr. to Jun. 30	11,028,264	(81,349)[12]	3,651	—	811,880
	1959—qtr. to Jun. 30	10,682,508	588,057	318,057	.40	792,100
Stewart-Warner	1960—6 mo. to Jun. 30	57,749,015	—	3,461,149	1.05	—
	1959—6 mo. to Jun. 30	57,230,619	—	3,769,864	1.15	—
	1960—qtr. to Jun. 30	27,423,884	—	1,521,130	.46	—
	1959—qtr. to Jun. 30	30,244,774	—	2,028,993	.62	—
Storer Bcstg. Story p. 24	1960—6 mo. to Jun. 30	—	—	2,820,939	1.14	2,474,750
	1959—6 mo. to Jun. 30	—	—	2,714,549[13]	1.10[13]	2,474,750
	1960—qtr. to Jun. 30	—	—	1,397,860[13]	.56	2,474,750
	1959—qtr. to Jun. 30	—	—	1,690,367[13]	.68[13]	2,474,750
Thompson Ramo Wooldridge	1960—6 mo. to Jun. 30	219,145,159	10,423,961	5,033,861	1.55[1]	3,145,687
	1959—6 mo. to Jun. 30	199,537,238	9,980,109	4,926,209	1.53[1]	3,116,103
	1960—qtr. to Jun. 30	107,509,667	5,438,282	2,671,582	.82[1]	3,145,687
	1959—qtr. to Jun. 30	107,317,591	5,623,118	2,641,818	.82[1]	3,116,103
Time Inc.	1960—6 mo. to Jun. 30	142,951,500	—	6,814,400	3.48	—
	1959—6 mo. to Jun. 30	131,802,400	—	6,043,800	3.09	—
Tung-Sol Electric	1960—26 wks. to Jul. 2	35,559,800	2,005,057	962,057	.92[1]	924,521
	1959—26 wks. to Jul. 2	35,048,196	3,014,610	1,406,610	1.40[1]	922,088

Notes: [1] After pfd. dividends. [2] Adjusted to shares now outstanding. [3] Outstanding Jun. 30, 1960. [4] Exclusive of recently acquired Du Mont Labs. [5] Based on 1,039,140 shares outstanding Jun. 30, 1960. [6] Adjusted to reflect stock split. [7] After $137,367 tax credit. [8] After $174,996 tax credit. [9] No comparisons available. [10] Record. [11] Does not reflect 2-for-1 split July 15, 1960. [12] Before tax credit of $85,000. [13] Includes capital gains of $582,417 (24c) on sale of radio WAGA Atlanta. [14] Based on average shares outstanding during period. [15] Includes pre-merger figures of General Ceramics.

Top Foreign Electronics Firms: Thirteen companies of the electrical-electronics field are represented in *Fortune's* tally of the 100 biggest foreign firms, only one (Compagnie General d'Electricité, of France, 88th) having dropped from the list since 1958.

In the aggregate, the top 100 foreign firms reported a sales increase of 8% & a profit increase of 19.3% over 1958—short of the 11.6% & 25.1% rises reported by the top 500 American industrial firms (Vol. 16:28 p18).

Most impressive increases were scored by 2 Japanese electronics firms—Hitachi and Tokyo Shibaura Electric (Toshiba), rising from 46th to 24th and from 87th to 38th, respectively. Both were newcomers to the top 100 list in 1958. *Fortune* notes that the 5 Japanese firms on its 1959 list (3 iron & steel, 2 electrical) aggregated a 52.1% sales increase—on paper—"but Japanese accounting & reporting methods differ from European," says *Fortune*, "and there is good reason to believe that the actual gain was far less, perhaps 30%." (For *Fortune* rankings, see table on p. 20.)

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Daystrom Inc., reporting an 88% increase in profit on 18% greater sales in the fiscal year ended March 31 (see financial table), predicts "another successful year" for fiscal 1961 in its annual report. Breaking down its sales by products 33% ($30,062,000) vs. 35%. Daystrom's consumer-sented 37% (or $33,648,000) in fiscal 1960 vs. 30% in fiscal 1959, industrial sales 30% ($26,586,000) vs. 35%, consumer products 33% ($30,062,000) vs. 35%. Daystrom's consumer product sales were divided as follows: leisure-time products (radio-hi-fi-marine-photographic) 18%, household products (steel, plastic & aluminum furniture) 10%, commercial test equipment 5%. Among Daystrom divisions & subsidiaries are Transicoil, the Heath Co. and Western Instruments.

Raytheon is closing in on its goal of net earnings equal to 3% of sales (vs. 1959's profit margin of about 2%), reports Pres. Richard E. Krafve. However, the full effect of the company's cost-reduction program won't be measurable until later this year, making it impossible to estimate first-half & 2nd-quarter profits. Krafve said shipments are up, backlog approximates first-quarter's $300 million.

Corning Glass should set sales & earnings records in 1960, according to Pres. William C. Decker, but the 2nd quarter's gains in profits are being held down by production difficulties in the manufacture of glass envelopes for bonded tubes, and other temporary problems. The picture-tube problem is being solved, he added, although 2nd-quarter earnings will show "only a slight increase" over the 1959 period when the figure was $6 million (89¢ a share).

Avionics Investment Corp., Washington firm licensed under the Small Business Investment Act to provide equity capital & long-term loans in the general field of aviation & missiles, has applied to SEC (File 2-16799) for registration of 400,000 capital stock shares for public sale at $10 per share. S. D. Fuller & Co. heads an underwriting group.

Storer Bcstg. racked up near-record earnings of $2.8 million on a 13% spurt in broadcast revenues during 1960's first half (see financial chart). The net income was equal to $1.14 a share, surpassed only by the $1.15 recorded in first-half 1956. Record profits of $1.7 million were posted in the 2nd quarter on a revenue gain of 11%.

Columbia Pictures has asked SEC (File 2-16817) to register 69,353 common-stock shares for use in the company's employes' stock-purchase plan.

Rollins Bcstg. Co., whose most recent acquisitions are WCHS-TV & WCHS Charleston, W. Va. (Vol. 16:29 p10), plans public sale of 110,000 common-stock shares—75,000 by the company, 35,000 by dir. John W. Rollins. Seeking SEC registration of the shares (File 2-16829), the company said proceeds from its sale of the 75,000 would be "used for corporate purposes, including the acquisition of additional businesses & properties which may become available." F. Eberstadt & Co. heads underwriters for the offering, whose price was to be supplied in an amended SEC statement. In its application, the company reported it is paying Pres. O. Wayne Rollins $265,000 for 4 tracts of land contiguous to 8,069 acres in Okeechobee County, Fla. which it bought from him in 1958 for $1.2 million, of which notes to Rollins for $777,778 are outstanding. As part of this deal, the notes will be reduced to $774,409 and the debt will be canceled by issuance to Rollins of 100,000 Class B common shares and payment by Rollins to the company of $25,591 cash.

America Corp. (formerly Chesapeake Industries) rebounded from 1959's first-half loss of $203,843 with a profit of $673,711 in the 6 months to June 30 (see financial chart). Pres. Gordon K. Greenfield said the diversified holding company has "disposed of the 2 operations which accounted for the bulk of last year's losses." (These were color-film processing Pathecolor and card-maker Stanley Greetings.) America now embraces Pathé Labs (motion picture & TV-film processing), Virginia Metal Products and Portsmouth (O.) Gas Co. Greenfield also reported that America has extended to Aug. 15 its tenders to buy up to 10,000 shares of its $4 pfd. stock ($45) and up to 5,000 of $6 pfd. ($55).

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, July 28, 1960

Electronics TV-Radio-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	29½	32½
Aerovox	10	11¼
Allied Radio	20¾	22½
Astron Corp.	2	2½
Baird Atomic	33	35⅝
British Industres	14	15¾
CGS Labs	11	13⅝
Control Data Corp.	38¾	41⅝
Cook Elec.	15¾	17
Craig Systems	14¾	16¼
Dictaphone	38¾	41⅝
Digitronics	22½	24⅝
Eastern Ind.	11⅞	13
Eitel-McCullough	24⅜	26¼
Elco Corp.	17¼	19⅛
Electro Instruments	42½	46½
Electro Voice	11¾	13⅛
Electronic Associates	24½	26¾
Erie Resistor	8¼	9⅛
Executone	26	29⅜
Farrington Mfg.	31¾	34⅝
Fischer & Porter	14¼	15⅝
FXR	44½	48¼
General Devices	17¾	19⅜
G-L Electronics	9½	10¾
Granco Products	6	6⅞
Gross Telecasting	19¼	21¼
Haydu	⅛	¼
Hewlett-Packard	77	81¾
High Voltage Eng.	125	137
Infrared Industries	19	22½
International Rect.	22¾	24⅝
Interstate Engineering	26	28
Itek	57½	62
Jerrold	9	9⅞
Lab for Electronics	46	49¼
Lel, Inc.	4⅞	5⅝
LFE Inc.	10	12⅝
Ling Altec Electr.	22	23⅞
Magna Theater	2⅝	3-1/16
Magnetic Amp.	9	—
Magnetics, Inc.	11¼	12⅞
Maxson (W.L.)	8¾	9¾
Meredith Pub.	40½	44⅝
Metropolitan Bcstg.	15½	16¾
Milgo Electronics	21½	24⅝
MPO Videotronics	6½	7⅜
Nardo Microwave	6½	7¾
Nardo Ultrasonic	4¾	5½
National Co.	22¼	24¾
Nuclear of Chicago	34	36¾
Official Films	1-7/10	1-11/16
Pacific Automation	8½	9⅜
Pacific Mercury	8⅝	9½
Perkin-Elmer	38	40⅞
Philips Lamp	159	164¾
Pyramid Electric	2⅜	2¾
Radiation Inc.	22	24¼
Howard W. Sams	40½	44⅝
Sanders Associates	45½	49¼
Silicon Transistor	7	8¼
Soroban Engineering	26½	29⅞
Soundscriber	12½	14¼
Speer Carbon	18	19⅞
Sprague Electric	54	58
Taft Bcstg.	13	14⅝
Taylor Instrument	74	79¾
Technology Inst.	9¾	11¼
Tele-Broadcasters	1⅛	1⅜
Telechrome	24	26¾
Telecomputing	8⅝	9¼
Telemeter	15	16¾
Time Inc.	57½	61
Tracerlab	12¾	14⅛
United Artists	7⅜	8⅛
United Control	27	29⅜
Universal Trans.	1⅝	2⅛
Vitro	12¾	13¾
Vocaline	3½	4
Wells-Gardner	15¼	16½
Wometco Ent.	12½	13⅝

WEEKLY **Television Digest**

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Report & Statement of Policy on Programming Inquiry

Public Notice 60-970 **July 29, 1960**

This "Report and Statement of Policy Re: Commission En Banc Programming Inquiry" was adopted July 27 by the Commission en banc—Ford (chairman), Bartley, Lee, Craven and Cross, with Comr. Hyde dissenting and Comr. King not participating.

WITH SEPARATE STATEMENT OF COMMISSIONER HYDE

ON OCT. 3, 1957 the Commission's network study staff submitted its report on network broadcasting. While the scope and breadth of the network study as set forth in order No. 1 issued Nov. 21, 1955 encompassed a comprehensive study of programming, it soon became apparent that due to factors not within the control of the staff or the committee, consideration of programming would be subject to substantial delay making it impracticable that the target dates for the over-all report could be met in the program area. The principal reasons were: (a) the refusal of certain program distributors and producers to provide the committee's staff with certain information which necessitated protracted negotiations and ultimately legal action (FCC vs. Ralph Cohn, et al, 154 F. Supp. 899); and (b) the fact that a coincidental and collateral investigation into certain practices was instituted by the Department of Justice. Accordingly the network study staff report recommended that the study of programming be continued and completed. The director of the network study in his memorandum of transmittal of the network study report stated:

> The staff regrets that is was unable to include in the report its finding and conclusions in its study of programming. It is estimated that more than one-fourth of the time of the staff was expended in this area. However, the extended negotiations and litigation with some non-network program producers relative to supplying financial data necessary to this aspect of the study made it impossible to obtain this information from a sufficient number of theses program producers to draw defiinitive conclusions on all the programming issues. Now that the Commission's right to obtain this information has been sustained, it is the hope of the staff that this aspect of the study will be completed and the results included in a supplement to the report. Unless the study of programming is completed, the benefit of much labor on this subject will have been substantially lost."

As a result, on Feb. 26, 1959, the Commission issued its "Order for Investigatory Proceeding," Docket No. 12782. That order stated that during the course of the network study and otherwise, the Commission had obtained information and data regarding the acquisition, production, ownership, distribution, sale, licensing and exhibition of programs for television broadcasting. Also that that information and data had been augmented from other sources including hearings before committees of Congress and from the Dept. of Justice, and that the Commission had determined that an over-all inquiry shold be made to determine the facts with respect to the television network program selection process. On Nov. 9, 1959, the proceeding instituted by the Commission's order of Feb. 26, 1959 was amended and enlarged to include a general inquiry with respect to programming to determine, among other things, whether the general standards heretofore laid down by the Commission for the guidance of broadcast licensees in the selection of programs and other material intended for broadcast are currently adequate; whether the Commission should, by the exercise of its rule-making power, set out more detailed and precise standards for such broadcasters; whether the Commission's present review and consideration in the field of programming and advertising are adequate, under present conditions in the broadcast industry; and whether the Commission's authority under the Communications Act of 1934, as amended, is adequate, or whether legislation should be recommended to Congress.

This inquiry was heard by the Commission *en banc* between Dec. 7, 1959 and Feb. 1, 1960, and consumed 19 days in actual hearings. Over 90 witnesses testified relative to the problems involved, made suggestions and otherwise contributed from their background and experience to the solution of these problems. Several additional statements were submitted. The record in the *en banc* portion of the inquiry consisted of 3,775 pages of transcript plus 1,000 pages of exhibits. The interim report of the staff of the Office of Network Study was submitted to the Commission for consideration on June 15, 1960.

The Commission will make every effort to expedite its consideration of the entire docket proceeding and will take such definitive action as the Commission determines to be warranted. However, the Commission feels that a general statement of policy responsive to the issues in the *en banc* inquiry is warranted at this time.

Prior to the *en banc* hearing, the Commission had made its position clear that, in fulfilling its obligation to operate in the public interest, a broadcast station is expected to exercise reasonable care and prudence with respect to its broadcast material in order to assure that no matter is broadcast which will deceive or mislead the public. In view of the extent of the problem existing with respect to a number of licensees involving such practices as deceptive quiz shows and payola which had become apparant, the Commission concluded that certain proposed amendments to our rules and as well as proposed legislation would provide a basis for substantial improvements. Accordingly, on Feb. 5, 1960, we adopted a Notice of Proposed Rule Making to deal with fixed quiz and other non-*bona fide* contest programs involving intellectual skill. These rules would prohibit the broadcasting of such programming unless accompanied by an annuoncement which would in all cases describe the nature of the program in a manner to sufficiently apprise the audience that the events in question are not in fact spontaneous or actual measures of knowledge or intellectual skill. Announcements would be made at the beginning and end of each program. Moreover, the proposed rules would require a station, if it obtained such a program from networks, to be assured similarly that the network program has an accompanying announcement of this nature. This, we believe, would go a

long way toward preventing any recurrence of problems such as those encountered in the recent quiz show programs.

We have also felt that this sort of conduct should be prohibited by statute. Accordingly, we suggested legislation designed to make it a crime for anyone to wilfully and knowingly participate or cause another to participate in or cause to be broadcast a program of intellectual skill or knowledge where the outcome thereof is prearranged or predetermined. Without the above-described amendment, the Commission's regulatory authority is limited to its licensing function. The Commission cannot reach networks directly or advertisers, producers, sponsors, and others who, in one capacity or another, are associated with the presentation of radio and television programs which may deceive the listening or viewing public. It is our view that this proposed legislation will help to assure that every contest of intellectual skill or knowledge that is broadcast will be in fact a *bona fide* contest. Under this proposal, all those persons responsible in any way for the broadcast of a deceptive program of this type would be penalized. Because of the far-reaching effects of radio and television, we believe such sanctions to be desirable.

The Commission proposed on Feb. 5, 1960 that a new section be added to the Commission's rules which would require the licensee of radio broadcast stations to adopt appropriate procedures to prevent the practice of payola amongst his employes. Here again the standard of due diligence would have to be met by the licensee. We have also approved on Feb. 11 the language of proposed legislation which would impose criminal penalties for failure to announce sponsored programs, such as payola and others, involving hidden payments or other considerations. This proposal looks toward amending the United States Code to provide fines up to $5,000 or imprisonment up to one year, or both, for violators.

It would prohibit the payment to any person or the receipt of payment by any person for the purpose of having as a part of the broadcast program any material on either a radio or television show unless an announcement is made as part of the program that such material has been paid for or furnished. The Commission now has no direct jurisdiction over the employes of a broadcast station with respect to this type of activity. The imposition of a criminal penalty appears to us to be an effective manner for dealing with this practice. In addition, the Commission has made related legislative proposals with respect to fines, temporary suspension of licenses, and temporary restraining orders.

In view of our mutual interest with the Federal Trade Commission and in order to avoid duplication of effort, we have arrived at an arrangement whereby any information obtained by the FCC which might be of interest to FTC will be called to that Commission's attention by our staff. Similarly, FTC will advise our Commission of any information or data which it acquires in the course of its investigations which might be pertinent to matters under jurisdiction of the FCC. This is an understanding supplemental to earlier liaison arrangements between FCC and FTC.

Certain legislative proposals recently made by the Commission as related to the instant inquiry have been mentioned. It is appropriate now to consider whether the statutory authority of the Commission with respect to programming and program practices is, in other respects, adequate.

In considering the extent of the Commission's authority in the area of programming it is essential first to examine the limitations imposed upon it by the First Amendment to the Constitution and Sec. 326 of the Communications Act.

The First Amendment to the United State Constitution reads as follows:

> Congress shall make no law respecting an establishment of religion or prohibit in the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the government for a redress of grievances.

Sec. 326 of the Communications Act of 1934, as amended, provides that:

> Nothing in this chapter shall be understood or construed to give the Commission the power of censorship over the radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication.

The communication of ideas by means of radio and television is a form of expression entitled to protection against abridgement by the First Amendment to the Constitution. In United States vs. Paramount Pictures, 334 U.S. 131, 166 (1948) the Supreme Court stated:

> We have no doubt that moving pictures, like newspapers and radio, are included in the press whose freedom is guaranteed by the First Amendment.

As recently as 1954 in Superior Films vs. Dept. of Education, 346 U.S. 587, Justice Douglas in a concurring opinion stated:

> Motion pictures are, of course, a different medium of expression than the radio, the stage, the novel or the magazine. But the First Amendment draws no distinction between the various methods of communicating ideas.

Moreover, the free speech protection of the First Amendment is not confined solely to the exposition of ideas nor is it required that the subject matter of the communication be possessed of some value to society. In Winters vs. New York, 333 U.S. 507, 510 (1948), the Supreme Court reversed a conviction based upon a violation of an ordinance of the City of New York which made it punishable to distribute printed matter devoted to the publication of accounts of criminal deeds and pictures of bloodshed, lust or crime. In this connection the court said:

> We do not accede to appellee's suggestion that the Constitutional protection for a free press applies only to the exposition of ideas. The line between the informing and the entertaining is too elusive for the protection of that basic right . . . Though we can see nothing of any possible value to society in these magazines, they are as much entitled to the protection of free speech as the best of literature.

Notwithstanding the foregoing authorities, the right to the use of the airwaves is conditioned upon the issuance of a license under a statutory scheme established by Congress in the Communications Act in the proper exercise of its power over commerce.[1] The question therefore arises as to whether, because of the characteristics peculiar to broadcasting which justifies the government in regulating its operation through a licensing system, there exists the basis for a distinction as regards other media of mass communication with respect to application of the free speech provisions of the First Amendment. In other words, does it follow that because one may not engage in broadcasting without first obtaining a license, the terms thereof may be so framed as to unreasonably abridge the free speech protection of the First Amendment?

We recognize that the broadcasting medium presents problems peculiar to itself which are not necessarily subject to the same rules governing other media or communication. As we stated in our petition in Grove Press Inc. and Readers Subscription Inc. vs. Robert K. Christenberry (Case No. 25,861) filed in the U.S. Court of Appeals for the Second Circuit, "radio and TV programs enter the home and are readily available not only to the average normal adult but also to children and to the emotionally immature. . . Thus, for example, while a nudist magazine may be within the protection of the First Amendment . . . the televising of nudes might well raise a serious question of programming contrary to 18 U.S.C. 1464. . . Similarily, regardless of whether the 'four-letter words' and sexual description, set forth in *Lady Chatterley's Lover* (when considered in the context of the whole book) make the book obscene for mailability purposes, the utterance of such words or the depiction of such sexual activity on radio or TV would raise similar public interest and Sec. 1464 questions." Nevertheless, it is essential to keep in mind that "the basic principles of freedom of speech and the press like the First Amendment's command do not vary."[2]

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[1]NBC vs. United States, 319 U.S. 190 (1943).
[2]Burstyn vs. Wilson, 343 U.S. 495, 503 (1952).

Although the Commission must determine whether the total program service of broadcasters is reasonably responsive to the interests and needs of the public they serve, it may not condition the grant, denial or revocation of a broadcast license upon its own subjective determination of what is or is not a good program. To do so would "lay a frbidden burden upon the exercise of liberty protected by the Constitution."[3] The chairman of the Commission during the course of his testimony recently given before the Independent Offices Subcommittee of the Senate Committee on Appropriations expressed the point as follows:

> Mr. Ford. When it comes to questions of taste, unless it is downright profanity or obscenity, I do not think that the Commission has any part in it.
>
> I don't see how we could possibly go out and say this program is good and that program is bad. That would be a direct violation of the law.[4]

In a similar vein, Mr. Whitney North Seymour, president-elect of the American Bar Association, stated during the course of this proceeding that while the Commission may inquire of licensees what they have done to determine the needs of the community they propose to serve, the Commission may not impose upon them its private notions of what the public ought to hear.[5]

Nevertheless, several witnesses in this proceeding have advanced persuasive arguments urging us to require licensees to present specific types of programs on the theory that such action would enhance freedom of expression rather than tend to abridge it. With respect to this proposition, we are constrained to point out that the First Amendment forbids governmental interference asserted in aid of free speech, as well as governmental action repressive of it. The protection against abridgement of freedom of speech and press flatly forbids governmental interference, benign or otherwise. The First Amendment, "while regarding freedom in religion, in speech and printing and in assembling and petitioning the government for redress of grievances as fundamental and precious to all, seeks only to forbid that Congress should meddle therein." (Powe vs. United States, 109 F 2nd 147).

As recently as 1959 in Farmers Educational & Cooperative Union of America vs WDAY Inc. 360 U.S. 525, the Supreme Court succinctly stated:

> . . . Expressly applying this country's tradition of free expression to the field of radio broadcasting, Congress has from the first emphatically forbidden the Commission to exercise any power of censorship over radio communication.

An examination of the foregoing authorities serves to explain why the day-to-day operation of a broadcast station is primarily the responsibility of the individual station licensee. Indeed, Congress provided in Sec. 3(h) of the Communications Act that a person engaged in radio broadcasting shall not be deemed a common carrier. Hence, the Commission in administering the Act and the courts in interpreting it have consistently maintained that responsibility for the selection and presentation of broadcast material ultimately devolves upon the individual station licensee, and that the fulfilment of the public interest requires the free exercise of his independent judgement. Accordingly, the Communications Act "does not essay to regulate the business of the licensee. The Commission is given no supervisory control over programs, of business management or of policy . . . The Congress intended to leave competition in the business of broadcasting where it . . ."[6] The regulatory responsibility of the Commission in the broadcast field essentially involves the maintenance of a balance between the preservation of a free competitive broadcast system, on the one hand, and the reasonable restriction of that freedom inherent in the public interest standard provided in the Communications Act on the other.

In addition, there appears a second problem quite unrelated to the question of censorship that would enter into the Commission's assumption of supervision over program content. The Commission's role as a practical matter, let alone a legal matter, cannot be one of program dictation or program supervision. In this connection we think the words of Justice Douglas are particularly appropriate:

> The music selected by one bureaucrat may be as offensive to some as it is soothing to others. The news commentator chosen to report on the events of the day may give overtones to the news that pleases the bueaucrat but which rile the . . . audience. The political philosophy which one radio sponsor exudes may be thought by the official who makes up the programs as the best for the welfare of the people. But the man who listens to it . . . may think it marks the destruction of the republic . . . Today it is a business enterprise working out a radio program under the auspices of government. Tomorrow it may be a dominant political or religious group. . . . Once a man is forced to submit to one type of program, he can be forced to submit to another.
>
> It may be but a short step from a cultural program to a political program. . . . The strength of our system is in the dignity, resourcefulness and the intelligence of our people. Our confidence is in their ability to make the wisest choice. That system cannot flourish if regimentation takes hold."[7]

Having discussed the limitations upon the Commission in the consideration of programming, there remains for discussion the exceptions to those limitations and the area of affirmative responsibility which the Commission may appropriately exercise under its statutory obligation to find that the public interest, convenience and necessity will be served by the granting of a license to broadcast.

In view of the fact that a broadcaster is required to program his station in the public interest, convenience and necessity, it follows despite the limitations of the First Amendment and Sec. 326 of the Act, that his freedom to program is not absolute. The Commission does not conceive that it is barred by the Constitution or by statute from exercising any responsibility with respect to programming. It does conceive that the manner or extent of the exercise of such responsibility can introduce Constitutional or statutory questions. It readily concedes that it is precluded from examining a program for taste or content, unless the recognized exceptions to censorship apply: For example, obscenity, profanity, indencency, programs inciting to riots, programs designed or inducing toward the commission of crime, lotteries, etc. These exceptions, in part, are written into the United States Code and, in part, are recognized in judicial decision. See Sections 1304, 1343 and 1464 of Title 18 of the United States Code (lotteries; fraud by radio; utterance of obscene, indecent or profane language by radio). It must be added that such traditional or legislative exceptions to a strict application of the freedom of speech requirements of the United States Constitution may very well also convey wider scope in judicial interpretation as applied to licensed radio than they have had or would have as applied to other communications media. The Commission's petition in the Grove Case, *supra*, urged the court not unnecessarily to refer to broadcasting, in its opinion, as had the District Court. Such reference subsequently was not made though it must be pointed out there is no evidence that the motion made by the FCC was a contributing factor. It must nonetheless be observed that this Commission conscientiously believes that it should make no policy or take any action which would violate the letter or the spirit of the censorship prohibitions of Sec. 326 of the Communications Act.

As stated by the Supreme Court of the United States in Joseph Burstyne Inc. vs. Wilson, *supra*:

> . . . Nor does it follow that motion pictures are necessarily subject to the precise rule governing any other particular method of expression. Each method tends to present its own peculiar problem. But the basic principles of freedom of speech and the press, like the First Amendment's command, do not vary. Those principles, as they have frequently been enunciated by this court, make freedom of expression the rule.

A review of the Communications Act as a whole clearly reveals that the foundation of the Commission's authority rests upon the public interest, convenience and necessity.[8]

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[3]Cantwell vs. Connecticut, 310 U.S. 926, 307.
[4]Hearings before Subcommittee of the Committee on Appropriations, U.S. Senate, 86th Congress, 2nd Session on H.R. 11776 at page 775.
[5]Memorandum of Mr. Whitney North Seymour, special counsel to the National Association of Broadcasters at page 7.
[6]FCC vs. Sanders Bros., 309 U.S. 470 (1940).
[7]Public Utilities Commission vs. Pollak, 343 U.S. 451, 468, Dissenting Opinion.
[8]Sec. 307(d), 308, 309, *inter alia*.

The Commission may not grant, modify or renew a broadcast station license without finding that the operation of such station is in the public interest. Thus, faithful discharge of its statutory responsibilities is absolutely necessary in connection with the implacable requirement that the Commission approve no such application for license unless it finds that "public interest, convenience and necessity would be served." While the public interest standard does not provide a blueprint of all of the situations to which it may apply, it does contain a sufficiently precise definition of authority so as to enable the Commission to properly deal with the many and varied occasions which may give rise to its application. A significant element of the public interest is the broadcaster's service to the community. In the case of NBC vs. United States., 319 U. S. 190, the Supreme Court describes this aspect of the public interest as follows:

"An important element of public interest and convenience affecting the issue of a license is the ability of the licensee to render the best practicable service to the community reached by broadcasts . . . The Commission's licensing function cannot be discharged, therefore, merely by findings that there are no technological objections to the granting of a license. If the criterion of 'public interest' were limited to such matters how could the Commission choose between two applicants for the same facilities, each of whom is financially and technically qualified to operate a station? Since the very inception of federal regulation of radio, comparative considerations as to the services to be rendered have governed the application of the standard of "public interest, convenience or necessity."

Moreover, apart from this broad standard which we will further discuss in a moment, there are certain other statutory indications.

It is generally recognized that programming is of the essence of radio service. Sec. 307(b) of the Communications Act requires the Commission to "make such distribution of licenses . . . among the several states and communities as to provide a fair, efficient, and equitable distribution of radio service to each of same." Under this section, the Commission has consistently licensed stations with the end objective of either providing new or additional programming service *to* a community, area or state, or of providing a new or additional "outlet" for broadcasts *from* a community, area or state. Implicit in the former alternative is increased radio reception; implicit in the latter alternative is increased radio transmission and, in this connection, appropriate attention to local live programming is required.

Formerly, by reason of administrative policy, and since September 14, 1959, by necessary implication from the amended language of Sec. 315 of the Communications Act, the Commission has had the responsibility for determining whether licensees "afford reasonable opportunity for the discussion of conflicting views on issues of public importance." This responsibility usually is of the generic kind and thus, in the absence of unusual circumstances, is not exercised with regard to particular situations but rather in terms of operating policies of stations as viewed over a reasonable period of time. This, in the past has meant a review, usually in terms of filed complaints, in connection with the applications made each 3-year period for renewal of station licenses. However, that has been a practice largely traceable to workload necessities, and, therefore, not so limited by law. Indeed, the Commission recently has expressed its views to the Congress that it would be desirable to exercise a greater discretion with respect to the length of licensing periods within the maximum 3-year license period provided by Section 307(d). It has also initiated rulemaking to this end.

The foundation of the American system of broadcasting was laid in the Radio Act of 1927 when Congress placed the basic responsibility for all matter broadcast to the public at the grass-roots level in the hands of the station licensee. That obligation was carried forward into the Communications Act of 1934 and remains unaltered and undivided. The licensee, is, in effect, a "trustee" in the sense that his license to operate his station imposes upon him a non-delegable duty to serve the public interest in the community he had chosen to represent as a broadcaster.

Great confidence and trust are placed in the citizens who have qualified as broadcasters. The primary duty and privilege to select the material to be broadcast to his audience and the operation of his component of this powerful medium of communication is left in his hands. As was stated by the Chairman in behalf of this Commission in recent testimony before a Congressional committee:[9]

"Thus far Congress has not imposed by law an affirmative programming requirement on broadcast licensees. Rather, it has heretofore given licensees a broad discretion in the selection of programs. In recognition of this principle, Congress provided in section 3(h) of the Communication Act that a person engaged in radio broadcasting shall not be deemed a common carrier. To this end the Commission in administering the Act and the courts in interpreting it have consistently maintained that responsibility for the selection and presentation of broadcast material ultimately devolves upon the individual station licensee, and that the fulfillment of such responsibility requires the free exercise of his independent judgment."

As indicated by former President Hoover, then Secretary of Commerce, in the Radio Conference of 1922-1925:

"The dominant element for consideration in the radio field is, and always will be, the great body of the listening public, millions in number, country-wide in distribution. There is no proper line of conflict between the broadcaster and listener nor would I attempt to array one against the other. Their interests are mutual, for without the one the other could not exist.

"There have been few developments in industrial history to equal the speed and efficiency with which genius and capital have joined to meet radio needs. The great majority of station owners today recognize the burden of service and gladly assume it. Whatever other motive may exist for broadcasting, the pleasing of the listener is always a primary purpose . . .

"The greatest public interest must be the deciding factor. I presume that few will dissent as to the correctness of this principle, for all will agree that public good must ever balance private desire; but its acceptance leads to important and far-reaching practical effects, as to which there may not be the same unanimity, but from which, nevertheless there is no logical escape."

The confines of the licensee's duty are set by the general standards "the public interest, convenience or necessity."[10] The initial and principle execution of that standard, in terms of the area he is licensed to serve, is the obligation of the licensee. The principle ingredient of such obligation consists of a diligent, positive and continuing effort by the licensee to discover and fulfill the tastes, needs and desires of his service area. If he has accomplished this, he has met his public responsibility. It is the duty of the Commission, in the first instance, to select persons as licensees who meet the qualifications laid down in the Act, and on a continuing basis to review the operations of such licensees from time to time to provide reasonable assurance to the public that the broadcast service it receives is such as its direct and justifiable interest requires.

Historically it is interesting to note that in its review of station performance the Federal Radio Commission sought to extract the general principles of broadcast service which should (1) guide the licensee in his determination of the public interest and (2) be employed by the Commission as an "index" or general frame of reference in evaluating the licensee's discharge of his public duty.

The Commission attempted no precise definition of the components of the public interest but left the discernment of its limit to the practical operation of broadcast regulation. It required existing stations to report the types of service which had been provided and called on the public to express its views and preferences as to programs and other broadcast services. It sought information from as many sources as were available in its quest of a fair and equitable basis for the selection of those who might wish to become licensees and the supervision of those who already engage in broadcasting.

The spirit in which the Radio Commission approached its unprecedented task was to seek to chart a course

[9]Testimony of Frederick W. Ford May 16, 1960, before Subcommittee on Communications of the Committee on Interstate & Foreign Commerce, U.S. Senate.

[10]Cf, Communications Act of 1934, as amended, *inter alia*, Sec. 307, 309.

between the need of arriving at a workable concept of the public interest in station operation, on the one hand, and the prohibition laid on it by the First Amendment to the Constitution of the United States and by Congress in Section 29 of the Federal Radio Act against censorship and interference with free speech, on the other. The standards or guidelines which evolved from that process, in their essentials, were adoptd by the Fedral Communications Commission and have remained as the basis for evaluation of broadcast service. They have in the main, been incorporated into various codes and manuals of network and station operation.

It is emphasized that these standards or guidelines should in no sense constitute a rigid mold for station performance, nor should they be considered as a Commission formula for broadcast service in the public interest. Rather, they should be considered as indicia of the types and areas of service which, on the basis of experience, have usually been accepted by the broadcasters as more or less included in the practical definition of community needs and interests.

Broadcasting licensees must assume responsibility for all material which is broadcast through their facilities. This includes all programs and advertising material which they present to the public. With respect to advertising material, the licensee has the additional responsibility to take all reasonable measures to eliminate any false, misleading or deceptive matter and to avoid abuses with respect to the total amount of time devoted to advertising continuity as well as the frequency with which regular programs are interrupted for advertising messages. This duty is personal to the licensee and may not be delegated. He is obligated to bring his positive responsibility affirmatively to bear upon all who have a hand in providing broadcast matter for transmission through his facilities so as to assure the discharge of his duty to provide acceptable program schedules consonant with operating in the public interest in his community. The broadcaster is obligated to make a positive, diligent and continuing effort, in good faith, to determine the tastes, needs and desires of the public in his community and to provide programming to meet those needs and interests. This again is a duty personal to the licensee and may not be avoided by delegation of the responsibility to others.

Although the individual station licensee continues to bear legal responsibility for all matter broadcast over his facilities, the structure of broadcasting, as developed in practical operation, is such—especially in television—that, in reality, the station licensee has little part in the creation, production, selection and control of network program offerings. Licensees place "practical reliance" on networks for the selection and supervision of network programs which, of course, are the principal broadcast fare of the vast majority of television stations throughout the country.[11]

In the fulfillment of his obligation the broadcaster should consider the tastes, needs and desires of the public he is licensed to serve in developing his programming and should exercise conscientious efforts not only to ascertain them but also to carry them out as well as he reasonably can. He should reasonably attempt to meet all such needs and interests on an equitable basis. Particular areas of interest and types of appropriate service may, of course, differ from community to community, and from time to time. However, the Commission does expect its broadcast licensees to take the necessary steps to inform themselves on the real needs and interests of the areas they serve and to provide programming which in fact constitutes a diligent effort, in good faith, to provide for those needs and interests.

The major elements usually necessary to meet the public interest, needs and desires of the community in which the station is located as developed by the industry, and recognized by the Commission have included: (1) Opportunity for Local Self-Expression, (2) The Development and Use of Local Talent, (3) Programs for Children, (4) Religious Programs, (5) Educational Programs, (6) Public Affairs Programs, (7) Editorialization by Licensees, (8) Political Broadcasts, (9) Agricultural Programs, (10) News Programs, (11) Weather and Market Reports, (12) Sports Programs, (13) Service to Minority Groups, (14) Entertainment Programming.

The elements set out above are neither all-embracing nor constant. We re-emphasize that they do not serve and have never been intended as a rigid mold or fixed formula for station operation. The ascertainment of the needed elements of the broadcast matter to be provided by a particular licensee for the audience he is obligated to serve remains primarily the function of the licensee. His honest and prudent judgments will be accorded great weight by the Commission. Indeed, any other course would tend to substitute the judgment of the Commission for that of the licensee.

The programs provided first by "chains" of stations and then by networks has always been recognized by this Commission as of great value to the station licensee in providing a well-rounded community service. The importance of network programs need not be re-emphasized as they have constituted an integral part of the well-rounded program service provided by the broadcast business in most communities.

Our own observations and the testimony in this inquiry have persuaded us that there is no public interest basis for distinguishing between sustaining and commercially sponsored programs in evaluating station performance. However, this does not relieve the station from responsibility for retaining the flexibility to accommodate public needs.

Sponsorship of public affairs, and other similar programs, may very well encourage broadcasters to greater efforts in these vital areas. This is borne out by statements made in this proceeding in which it was pointed out that under modern conditions sponsorship fosters rather than diminishes the availability of important public affairs and "cultural" broadcast programming. There is some convincing evidence, for instance, that at the network level there is a direct relation between commercial sponsorship and "clearance" of public affairs and other "cultural" programs. Agency executives have testified that there is unused advertising support for public affairs type programming. The networks and some stations have scheduled these types of programs during "prime time."

The Communications Act[12] provides that the Commission may grant construction permits and station licenses, or modifications or renewals thereof, "only upon written application" setting forth the information required by the Act and the Commission's Rules and Regulations. If, upon examination of any such application, the Commission shall find the public interest, convenience and necessity would be served by the granting thereof, it shall grant said application. If it does not so find, it shall so advise the applicant and other known parties in interest of all objections to the application, and the applicant shall then be given an opportunity to supply additional information. If the Commission cannot then make the necessary finding, the application is designated for hearing and the applicant bears the burden of providing proof of the public interest.

During our hearings there seemed to be some misunderstanding as to the nature and use of the "statistical" data regarding programming and advertising required by our application forms. We wish to stress that no one may be summarily judged as to the service he has performed on the basis of the information contained in his application. As we said long ago:

"It should be emphasized that the statistical data before the Commission constitute an index only of the manner of operation of the stations and are not considered by the Commission as conclusive of the over-all operations of the stations in question.

"Licensees will have an opportunity to show the nature of their program service and to introduce other relevant evidence which would demonstrate that in actual operation the program service of the station is, in fact, a well-rounded program service and is in conformity with the promises and representations previously made in prior applications to the Commission."[13]

[11]The Commission, in recognition of this problem as it affects the licensees, has recently recommended to the Congress enactment of legislation providing for direct regulation of networks in certain respects.

[12]Sec. 308(a).

[13]Public Notice (98501), Sept. 20, 1946, "Status of Standard Broadcast Applications."

As we have said above, the principal ingredient of the licensee's obligation to operate his station in the public interest is the diligent, positive and continuing effort by the licensee to discover and fulfill the tastes, needs and desires of his community or service area, for broadcast service.

To enable the Commission in its licensing function to make the necessary public interest finding, we intend to revise Part IV of our application forms to require a statement by the applicant, whether for new facilities, renewal or modification, as to: (1) the meaures he has taken and the efforts he has made to determine the tastes, needs and desires of his community or service area, and (2) the manner in which he proposes to meet those needs and desires.

Thus we do not intend to guide the licensee along the path of programming; on the contrary the licensee must find his own path with the guidance of those whom his signal is to serve. We will thus steer clear of the bans of censorship without disregarding the public's vital interest. What we propose will not be served by pre-planned program format submissions accompanied by complimentary references from local citizens. What we propose is documented program submissions prepared as the result of assiduous planning and consultation covering two main areas: first, a canvass of the listening public who will receive the signal and who constitute a definite public interest figure; second, consultation with leaders in community life—public officials, educators, religious, the entertainment media, agriculture, business, labor—professional and eleemosynary organizations, and others who bespeak the interests which make up the community.

By the care spent in obtaining and reflecting the views thus obtained, which clearly cannot be accepted without attention to the busipness judgment of the licensee if his station is to be an operating success, will the standard of programming in the public interest be best fulfilled. This would not ordinarily be the case if program formats have been decided upon by the licensee before he undertakes his planning and consultation, for the result would show little stimulation on the part of the two local groups above referenced. And it is the composite of their contributive planning, led and sifted by the expert judgment of the licensee, which will assure to the station the appropriate attention to the public interest which will permit the Commission to find that a license may issue. By his narrative development, in his application, of the planning, consulting, shaping, revising, creating, discarding and evaluation of programming thus conceived or discussed, the licensee discharges the public interest facet of his business calling without government dictation or supervision and permits the Commission to discharge its responsibility to the public without invasion of spheres of freedom properly denied to it. By the practicality and specificity of his narrative, the licensee facilitates the application of expert judgment by the Commission. Thus, if a particular kind of educational program could not be feasibly assisted (by funds or service) by educators for more than a few time periods, it would be idle for program composition to place it in weekly focus. Private ingenuity and educational interest should look further, toward implemental suggestions of practical yet constructive value. The broadcaster's license is not intended to convert his business into "an instrumentality of the federal government;"[14] neither, on the other hand, may he ignore the public interest which his application for a license should thus define and his operations thereafter reasonably observe.

[14]"The defendant is not an instrumentality of the federal government but a privately owned corporation." McIntire vs. Wm. Penn Broadcasting Co., 151 F. 2d 597, 600.

Numbers of suggestions were made during the *en banc* hearings concerning possible uses by the Commission of codes of broadcast practices adopted by segments of the industry as part of a process of self-regulation. While the Commission has not endorsed any specific code of broadcast practices, we consider the efforts of the industry to maintain high standards of conduct to be highly commendable and urge that the industry persevere in these efforts.

The Commission recognizes that submissions, by applicants, concerning their past and future programming policies and performance provide one important basis for deciding whether—insofar as broadcast services are concerned—we may properly make the public interest finding requisite to the grant of an application for a standard, FM or television broadcast station. The particular manner in which applicants are required to depict their proposed or past broadcast policies and services (including the broadcasting of commercial announcements) may, therefore, have significant bearing upon the Commission's ability to discharge its statutory duties in the matter. Conscious of the importance of reporting requirements, the Commission on Nov. 24, 1958 initiated proceedings (Docket No. 12673) to consider revisions to the rules prescribing the form in content of reports on broadcast programming.

Aided by numerous helpful suggestions offered by witnesses in the recent *en banc* hearings on broadcast programming, the Commission is at present engaged in a thorough study of this subject. Upon completion of that study we will announce, for comment by all interested parties, such further revisions to the present reporting reqirements as we think will best conduce to an awareness by broadcasters of their responsibilities to the public and to effective, efficient processing by the Commission, of applications for broadcast licenses and renewals.

To this end, we will initiate further rule making on the subject at the earliest practicable date.

Adopted: July 27, 1960

SEPARATE STATEMENT OF COMR. HYDE

I believe that the Commission's "Interim Report and Statement of Policy" in Docket No. 12782 misses the central point of the hearing conducted by the Commission en banc, Dec. 7, 1959, to Feb. 1, 1960.

It reiterates the legal position which was taken by the Federal Radio Commission in 1927, and which has been adhered to by the Federal Communications Commission since it was organized in 1934. This viewpoint was accepted by the executives of the leading networks and by most other units of the broadcasting industry as well as the National Association of Broadcasters. The main concern requiring a fresh approach is what to do in the light of the law in the matters presented by many witnesses in the hearings. This, I understand, is to be the subject of a rule-making proceeding still to be initiated. I urged the preparation of an appropriate rule-making notice prior to the preparation of the instant statement.

I also disagree with the decision of the Commission to release the document captioned "Interim Report by the Office of Network Study, Responsibility for Broadcast Matter, Docket No. 12782." Since it deals in part with a hearing in which the Commission itself sat *en banc*, I feel that it does not have the character of a separate staff-study type of document, and that its release with the Commission policy statement will create confusion. Moreover, a substantial portion of the document is concerned with matter still under investigation process in Docket No. 12782. I think issuance of comment on these matters under the circumstances is premature and inappropriate.

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1960 REVENUE OUTLOOK—up 9-10%, according to top researchers. Revision of 1959 breakdown expected, spot expenditures showing greatest rise (p. 1).

Programming

PRE-ELECTION TV DEBATES causing network soul-searching on whether they should be sponsored. NBC and ABC are still lining up election-night advertisers (p. 2).

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FCC VS. NAB in Congressional windup will pit Ford against Wasilewski for Senate hearings on TV-radio control bill. Equal-time suspension probable (p. 2).

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EARLIEST PILOT PUSH: Minimum of 74 pilots planned for fall production; action-adventure & comedy dominate (pp. 3 & 4).

Auxiliary Services

CATV AUDIENCE POTENTIALS for one-station pickups, shown in new Television Factbook, range to 56 systems & 92,087 subscribers in area of WDAU-TV Scranton (p. 3).

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FIRST-HALF GROSS TIME BILLINGS gained 8.9% to $336 million from $309 million in first-half 1959; June billings jumped 10% to $52.9 million from June 1959's $48 million (p. 9).

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PHILCO STREAMLINING distribution & "image" with shortest TV line in history, "convertible" remote control, new policies toward distributors (pp. 12 & 14).

MIDYEAR SALES FIGURES show TV 17% ahead of last year, radio 23% ahead at the retail counter. Full resume of 1960's first half (p. 13).

AS OTHERS SEE US: British retailer takes a long look at U.S. TV-radio dealer and comes up with pros & cons (p. 14).

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BARGAINS BEING OFFERED by the networks to clear unsold time in new fall shows. Some deals involve little or no first-run program profit for the networks—and diplomatic headaches (p. 6).

ADA CREST ENDORSEMENT is likely to spell increased TV network & spot billings via Benton & Bowles that may jump gross billings for P&G toothpaste brand to $15 million in next year (p. 6).

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JACKSONVILLE CASE REOPENED by FCC, which orders new proceedings to see if Ch. 12 grant to WFGA-TV in 1956 should be voided for "misconduct or improprieties" (p. 8).

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1960 REVENUE OUTLOOK—UP 9-10%: This year shapes up about 9-10% better than last, in terms of total advertiser expenditures for telecasting, according to top industry researchers. We've checked with several, find fair agreement on total but divergence on breakdown of network, spot & local.

David Blank, CBS dir. of economic analysis, sees total running $1.665 billion, up 9% from 1959's $1.525 billion, as estimated by McCann-Erickson's Robert Coen (see p. 20, TV Factbook No. 30). Blank's breakdown: Network, $810 million, up 8%; spot, $535 million, up 10%; local, $320 million, up 10%.

Leon Arons, TvB research vp, made his estimate last spring, plans to update it shortly. His forecast then was $1.6855 billion, up 10% from 1959. And his breakdown: Network, $850 million; spot, $513.5 million; local, $322 million.

Hugh M. Beville Jr., NBC planning & research vp, offered this estimate: $1.63 billion, with breakdown of network, $815 million; spot, $515 million; local, $300 million.

Everyone seems to take McCann-Erickson's figures as the most authoritative. We'd like to give its estimates, but it is committed to supply them first to Printers' Ink magazine—Aug. 12 issue.

NAB confines itself to estimates of "typical station" revenues, expects figure to run 6.8% over 1959.

There's disagreement over 1959 breakdown. McCann-Erickson's estimate was: Network, $787 million; spot, $458.5 million; local, $280 million. Blank thinks that mix was off. His figures: Network, $750 million, up 6% from 1958; spot, $485 million, up 22%; local, $290 million, up 17%.

On basis of industry reports and our own checking over the months, we're inclined to Blank's figures for 1959—except for local, which we think didn't rise 17%. More like 10-12%, we'd say.

We should know precisely in a few weeks, when FCC's final 1959 figures are out. These will also show industry profits, and all indications are that they'll be hefty increase over 1958's $171.9 million. We judge that networks showed a fair profit rise in 1959, but that lion's share of increase went to stations—possibly as much as 50% higher than 1958.

POLITICS IN THE PROGRAM DEPT.: Planned Nixon-Kennedy debates have triggered new soul-searching among the 3 networks. In the wake of acceptances from both major candidates to appear in debate showcases offered by top network officials (Vol. 16:31 p6), another problem has arisen: Should programs of this sort be offered for sponsorship or televised purely as public service?

There's no unanimity of decision among networks. Late last week, the lineup went like this: (1) ABC-TV was quietly scouting agency reaction to the idea of such debates being sponsored by low-pressure, image-seeking clients. (2) CBS-TV "will not accept commercial sponsorship for these special programs," stated CBS Inc. Pres. Frank Stanton. (3) NBC-TV was undecided.

Other voices were heard on debate and Sec. 315 question, including those of American Civil Liberties Union (against suspension) and National ETV & Radio Center (for it). Editorialized Wall St. Journal Aug. 1: "They must be debates . . . and not just a reading of another political speech with all the tired old promises of a new world for all of us."

On another pre-election front, AB-PT Pres. Leonard H. Goldenson wired Vice President Richard M. Nixon and Senators Lyndon B. Johnson & Everett M. Dirksen offering to report "the sessions of the U.S. Senate on [ABC] radio & TV networks." Goldenson assured the Senatorial leaders that the session, scheduled to start Aug. 8, would be handled with "dignity" and that a "comprehensive review" of each day's session would be presented in prime time "when total family audience is available." There has been occasional TV-radio coverage of Senate committee & subcommittee sessions, but Congressional rules currently bar the direct broadcast of Senate & House sessions.

There's a scramble for election-night sponsors. CBS-TV is the sole network with a full-program sponsor (Westinghouse, which also sponsored the conventions and will put on 9 pre-election shows). NBC-TV is dividing sponsorships into sixths and twelfths, has sold out 7/12 to Brown & Williamson, B. F. Goodrich, Lipton Tea, Field Enterprises (publications), and Sandran, and is quoting a price of $300,000 for 1/6 (7 commercial minutes) between 9 p.m. & 4 a.m. ABC-TV didn't package the election with its convention, preferring to hold it as a sort of super-one-shot special for fall, and is looking for backers at a full-sponsorship price tag of $600,000 and partial sponsorships (6 commercial minutes) for $100,000.

FCC VS. NAB IN CONGRESSIONAL WINDUP: House-passed broadcasting-control bill (revised S-1898), to set up unprecedented suspension-&-fine penalties for wayward stations, reaches next-to-last point of Senate decision this week, with FCC pitted against NAB.

Main witnesses in climactic hearings starting Aug. 10 before Commerce Communications Subcommittee will be FCC Chmn. Ford, who interrupts his vacation to testify for the punitive provisions, and NAB govt. affairs vp Vincent T. Wasilewski, who will marshall broadcasters' opposition to them.

Commission wants added enforcement weapons of 10-day license suspensions & $1,000-daily forfeitures for licensees who defy it. Commission's position on controversial legislation was pointed up again in "Report & Statement of Policy on Programming Inquiry" (Vol. 16:31 p1 & Special Supplement). NAB wants no part of proposed penalties, arguing they open up "whole new concept of govt. regulation" (Vol. 16:29 p10).

Outcome of legislative fight was anybody's guess last week. But you could get bet at NAB hq that Subcommittee under Sen. Pastore (D-R.I.) will wipe out license-suspension clause, reduce forfeiture provision. One thing seemed sure: Relatively non-controversial anti-payola-&-quiz-rigging prohibitions and other provisions of omnibus House measure will get once-over-lightly treatment on Senate side.

Ford is scheduled to be lead-off witness Aug. 10—and hearings may last no more than one day, although Pastore kept calendar open. In addition to Wasilewski, only other witnesses lined up definitely at last week's end were NAB's Joseph (Dody) Sinclair of WJAR-TV Providence, from Pastore's home state, and Cecil Woodland of radio WEJL Scranton, from home state of Subcommittee member Scott (R-Pa.). Ex-FCC gen. coun-

sel Warren Baker, representing Federal Communications Bar Assn., also may testify, and statements for the record were expected from many state broadcasters' groups.

Quick Senate floor acceptance of whatever Pastore's Subcommittee recommends can be expected in short weeks of tail-end post-convention Congressional session. And House can be counted on to go along if measure is sent back there for last-minute concurrence on Senate changes. Principal architect of bill was House Commerce Committee Chmn. Harris (D-Ark.), and he wants S-1898 on law books no matter if it is stripped down by Senate.

Suspension of equal-time requirements for Presidential tickets (see p. 2)—only other piece of major broadcasting legislation still pending in this Congress—also is expected to get action after House returns for business next week. Harris scheduled an executive session of his Committee for Aug. 16 to take up Senate-approved measure (S. J. Res. 207) which would permit networks to put candidates for President & Vice President on air (Vol. 16:31 p6). Harris's aim is to get resolution on House floor for concurring vote within week.

Sticky questions could be raised on House side as to whether networks should be given such equal-time freedom from Communications Act's Sec. 315. For one, Rep. Bennett (R-Mich.)—ranking minority member of Harris Committee and persistent network critic—may oppose blanket suspension of rule. He is still smarting under licking he took on S-1898 on House floor, where he failed in fight to get network-regulation by FCC inserted in omnibus measure (Vol. 16:27 p1). But with Presidential campaign already under way, it's likely that bi-partisan pressures for fast House agreement on suspension will prevail.

EARLIEST PILOT PUSH: Hollywood telefilm producers are preparing unprecedented total of 74 pilots for production this fall, according to our check of leading companies. Motivated by belief that 1961 will see an early selling season, producers are taking no chances of coming in late with their merchandise. Some projects are pilots which had been planned for last spring but were delayed by the 22-week writers' strike.

Another 100-150 pilots will be produced in normal pilot season after Jan., but some producers are moving in early for the further reason that they anticipate a number of soft spots in the programming schedules of the season that begins next month.

Westerns, for a change, are almost non-existent on the early list. (For more information about the early pilots, turn to p. 4.)

CATV AUDIENCE POTENTIALS: Total extra viewership represented by subscribers to CATV systems is becoming substantial for individual stations. Audience potentials for CATV relays from single stations are shown in the expanded CATV section of our new Television Factbook No. 31, due off presses next month. Besides listing all systems in U.S. & Canada under the stations they relay, the index for the first time indicates number of subscribers each claims.

Single CATV systems picking up signals from single stations aren't uncommon, with increase in viewers estimated only in hundreds. But potential added audiences run into many thousands where one station's programs are carried by a multiplicity of CATV setups.

Most striking illustration of CATV's enlargement of station's coverage area is WDAU-TV (Ch. 22) Scranton. No fewer than 56 CATV systems, including Horseheads, N.Y. (500 subscribers) & Picture Rocks, Pa. (195) are crowded under WDAU-TV's radius umbrella. Total subscribers to 56 systems: 92,087. This CATV potential helps make it possible for station to claim 1.5 million viewers in 20 Pa. and 8 N.Y. counties. One reason for WDAU-TV-CATV success is employment of full-time "CATV liaison" staff member, attractive young Dorothy Mugford.

Auxiliary Services

Eidophor Inc., Swiss-owned closed-circuit TV projector firm, opened new demonstration facilities in Woodside, N.Y. last week. They will be used to demonstrate color and b&w TV projectors and will contain a studio, control room and viewing theater.

Trek to Northwest vhf booster country, to explain new translator rules to operators (Vol. 16:31 p2), is planned for the near future for FCC staff members. Two will probably go—names not yet selected.

Use of translator stations for origination of programs by ETV stations has been proposed by Ling-Altec Electronics Inc. subsidiary Electron Corp. In a proposal to amend the rules, Electron said translators would be much cheaper than closed-circuit systems and would allow wider latitude in programming. It suggested: Minimum power of 10 watts, several translators in each area, elimination of vestigial sideband filter, elimination of frequency & modulation monitors, use of omni-directional & directional, horizontally or vertically polarized antennas, elimination of requirement for a licensed first-class operator.

Film & Tape

More about

EARLIEST PILOT PUSH: Trying to crystal-ball TV a year in advance isn't easy, but Hollywood producers are doing it anyway—relying mainly on action-adventure & comedy formats in their pilots for next year. While the scales may change when the preponderance of pilot production gets underway after Jan. 1, it's significant that in our checkup of the 74 pilots going into production this fall, Westerns were hardly mentioned. The airwaves are sated with cow sagas and there are still pilots of that genre, produced last spring, which haven't even been submitted (see p. 3).

Chances are the early trends will hold up. Action-adventure formats are safe & commercial. Comedies, in resurgence this fall, are always in demand—if well done. There are no private-eyes among the fall pilots, but there is a scattering of melodrama, drama, mystery-suspense.

Several companies haven't yet made their decisions. Desilu Productions is mulling a list of 14, will film 7 or more, but hasn't decided which ones. The same is true at Screen Gems where 6 half-hour series and three 60-min. shows are planned for Oct. production.

Here's our exclusive list of the 74 for fall, as of now:

CBS Films: *Too Many Cooks*, comedy. Tentative production date, Sept. 1. Three other pilots planned.

Jack Chertok Productions: *The Brown Horse*, comedy starring Jan Clayton; an untitled 60-min. adventure; an untitled melodrama.

Desilu Productions: Exec. vp. Martin Leeds says 7-8, perhaps more, will go into production in Nov.

Don Fedderson Productions: *Oh, Johnny*, comedy starring Johnny Carson.

Four Star Television: An untitled comedy, starring Gertrude Berg and Cedric Hardwicke, August production.

Arthur Gardner-Jules Levy-Arnold Laven: *Miss Penny*, comedy-drama; *Attorney General*, action; an untitled drama; *Simon Battle*, Western, not definite.

Jaguar Productions: *Hong Kong Express*, adventure.

Peter Kortner: *Hotel Splendide*, comedy, in production in Nov. or Dec.

Jerry Lewis Productions: *Permanent Waves*, comedy.

Quinn Martin Productions: Half-hour series now being selected and 60-min. crime show.

MGM-TV: *Diamond Jim Brady*, adventure; *The Adventures of Hercule Poirot*, 60-min. detective produced by & starring Jose Ferrer; *Andy Hardy*, comedy; *Les Girls*, musical comedy; action-adventure series, tentative.

Irving Pincus: Half-hour comedy & 60-min. melodrama, both untitled.

Hubbell Robinson Productions: *The Family*, 60-min. dramatic anthology.

Revue Studios: A number of properties now being considered. Revue policy is for year-round piloting. It doesn't believe there's any such thing as a "pilot season."

RonCom Productions: *Jingles*, comedy; *Crusoe's Island*, comedy; *Main Street, U.S.A.*, drama; *The Hot Corner*, comedy; *Now Is Tomorrow*, drama.

Screen Gems: Vp William Dozier plans 9 series for Oct.-Nov.-Dec. production. Probable starters include 60-min. mystery series, *The Baron*, and *Tangier*, adventure.

Wilbur Stark Productions: *Further Adventures of the Connecticut Yankee*, comedy-drama; *King's Kingdom*, action-adventure; *Man in the White Hat*, 60-min. action-adventure, all going into production in Sept.-Oct.

Twentieth Century-Fox TV: *Silent Investigators*, action; *Monte Carlo*, adventure; *The Ginger Rogers Show*, comedy; *Rocky Point*, drama.

Vortex Productions: *M.R.*, 60-min. adventure; *Christopher Blake*, melodrama; an untitled comedy.

Warner Bros.: *Room for One More*, comedy starring Andrew Duggan & Peggy McCay; *Las Vegas File; Solitaire*, 60-min. mystery-suspense.

Ziv-United Artists: An untitled action series.

Todon Productions (with Screen Gems): *Macao*, adventure, starring David Janssen, into production late Aug.

Arlington Productions Inc.: *The Protectors*, action, starring George Raft, goes into production in Aug.

Gomalco Enterprises: Untitled situation comedy, starring George Gobel, begins production in Dec.

Cal. National Productions: Untitled outdoor action series produced by Allan Miner; untitled action-adventure series, co-production with Al Simon; untitled comedy series; untitled suspense-adventure series with foreign locale. All are 30-min. pilots.

Goodson-Todman Productions: *Las Vegas Beat*, suspense adventure; a 60-min. pilot of *The Web*, suspense anthology which may be done either on film in Hollywood or on tape in N.Y. depending on the wishes of NBC-TV; possibly 3 more pilots. (Pilots of *The Yank* and *One Happy Family* have been completed, but won't be shown until the mid-season replacement period.)

New Phoenix TV Studio: Phoenix Film Studios has launched a $2-million construction program for a TV-film & movie studio on a 40-acre lot 8 miles north of Phoenix. Pres. Kenneth Altose said most of the construction, including a sound stage for movies, will be completed by December, and a 2nd stage, for TV film, will be built in January. The company plans its own production and will also rent to independent TV & movie companies. Jules Schwartz is exec. dir. & gen. mgr. in charge of the Hollywood office, and Altose is exec. producer as well as pres. The company's stockholders are 450 Phoenix residents.

Deal for Disney backlog of some 33 feature-length titles ("20,000 Leagues Under the Sea," "Lady & the Tramp," "Treasure Island," etc.) as network specials is reportedly being discussed by Walt Disney and NBC-TV. Disney's extensive library of shorts & cartoon subjects is included. Disney was in N.Y. last week, according to his distribution firm, Buena Vista. NBC admitted that "discussions are being held" with Disney, but would not divulge their nature. There's been a decided coolness lately between Disney and ABC-TV, which at one point seemed certain to flare up into a full-fledged court battle (Vol. 16:2 p11).

NBC-TV's $450,000 pilot of *The Barbarians* (Vol. 16:31 p12) has finally found a TV home. The network will use it this fall as a 60-min. special to launch its Tue. 10-11 p.m. series of specials. The Mahin-Rackin-produced telefilm is currently being offered to agencies at a premium price that, NBC told us, "is less than the cost of the film because we hope to recoup the difference in overseas theatrical showings." The fall kickoff date for *The Barbarians* has not been chosen but it's expected to be in late September or early October.

Obituary

Benjamin D. Bender, 52, controller for Four Star Television, died July 31 in Los Angeles of brain cancer. He is survived by his wife and 2 sons

SEG, Producers Reach Peace: Hollywood's latest labor dispute was resolved Aug. 5 when the Screen Extras Guild and the Alliance of Television Film Producers and the Assn. of Motion Picture Producers reached agreement on a new contract. SEG's previous contract had expired April 1959 and the Guild had gone to the NLRB with charges that the Alliance had refused to negotiate.

Highlights of the new 4-year deal which ends June 30, 1964: SEG, which never had one, gets a health & welfare fund, with the TV-film & movie industries to make a $50,000 contribution which will be pro-rated among all producers. Subsequent employer contributions will be on the same basis as the terms with the Screen Actors Guild, still being formulated.

Producers rejected SEG's demands for a pension fund.

Minimums will be raised 10% the first 2 years and 5% the 2nd two years. General extras now receive $22.05, will get $24.25 under terms of the new contract; dress extras and riders now get $29.04 daily, will be upped to $31.94.

SEG had demanded retroactivity dating from the April-1959 contract expiration to the present, had to settle for 6-month retroactivity from April 1959 to Oct. 1959.

New contract is subject to ratification of the SEG membership and producer organizations.

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WGA's internal feuding, this time over the method of implementation of its agreement with TV producers, was marked with confusion last week, and it was uncertain who would represent Writers Guild of America on the industry-fact-finding committee which will set up a royalty plan. Despite a membership vote recommending a full-time, paid Guild member on this committee, WGA's TV-radio board threw the ball to the council, which appointed the full negotiating committee to serve on the committee for 45 days, and to make recommendation after that. The negotiating committee then told the council it had already recommended one of its members, Sam Newman, to serve as a full-time, paid member. Alliance of Television Film Producers Pres. Richard Jencks, meanwhile, was named to serve as the producer representative. In a move resulting from WGA's political infighting, Guild exec. secy. Michael Franklin submitted his resignation. The council urged him to reconsider, and took no action on it.

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IATSE has notified major movie producers it is demanding twice the residuals that are paid to talent on post-1960 movies which will be sold to TV, Pres. Richard F. Walsh said last week at the union's Chicago convention. "Proper notice has been served on the major producers," he said. IATSE's contract with the Assn. of Motion Picture Producers expires Jan. 31, and negotiations for a new contract will begin next fall. Double residuals would be a hefty bite, because Screen Actors Guild will get 6% of post-1960 sales, after 40% for distribution (10% if it's an outright sale); and Writers Guild of America and Directors Guild of America each will get 2% of the gross on such sales, after 40% off for distribution.

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Musicians at Hollywood's major movie studios will vote next month (Sept. 7-8) in an NLRB election to determine whether the American Federation of Musicians or Musicians Guild of America will be their collective-bargaining agent. MGA now holds jurisdiction at the majors.

UPA Pictures has initiated a profit-sharing plan for its 250 employes.

NEW YORK ROUNDUP

CBS Films has sold a 15-program package to 4 Australian stations (TCN Sidney, HSV Melbourne, BTQ Brisbane and ADS Adelaide). The shows include *Angel, Hotel de Paree, Rawhide, Wanted—Dead or Alive, Perry Mason, Have Gun, Will Travel,* and *Gunsmoke.* Also reruns of *Whirlybirds, The Honeymooners, Our Miss Brooks, Annie Oakley, I Love Lucy, Buffalo Bill Jr.,* and *San Francisco Beat.* CBS Films' library of *Terrytoons* cartoons was also renewed by the 4 stations.

Official Films will distribute a new package of 150 color and b&w cartoons titled *Spunky & Tadpole.* Also in Official's stable of new product is a one-min. sports series called *Sportfolio*—260 feature films of great sports events.

People: Henry J. Zittau promoted to UAA senior vp; **Frederick Hyman,** UAA vp & secy. resigned to form his own company, American Corp. . . . **Lawrence B. Hilford** appointed Screen Gems assistant vp for international operations . . . **Sid Weiner** has been named Screen Gems asst. syndication sales mgr. . . . **Martin J. Robinson** named vp & exec. dir., TV Industries Inc.

HOLLYWOOD ROUNDUP

Universal Pictures may reactivate its dormant TV-program-production operation. Universal Pres. Milton Rackmil has signed ex-Elliot, Unger & Elliot production executive Norman Gluck to join Universal's N.Y. executive staff. Gluck admitted to us that he expects "to be involved in TV," but added that any talk of production of TV pilots would be "premature." He was with Universal a few years ago, and is thus re-joining an old employer; has no specific title in his new connection. Universal is the only Hollywood movie major not in TV.

People: Stan Schwimmer is named asst. production supervisor for Screen Gems, also production coordinator on its *Dan Raven* series . . . **Warner Bros.** has picked up the option of Edward (*77 Sunset Strip*) Byrnes . . . **Four Star Television** has signed Gary Clarke to a regular role in its *Michael Shayne* series . . . Bea Benaderet has signed as a regular in the Peter Lind Hayes-Mary Healy series, *Peter Loves Mary,* at Four Star . . . **Paramount Television Productions** has signed Carl Jampel as producer-writer for KTLA . . . **Four Star Television** has signed Marilyn Erskine, Mabel Albertson, Cindy Robbins, Sherry Alberoni and Eileen Chesis as regulars for *Tom Ewell Show,* produced by Hy Averback . . . **Ralph Nelson** will direct a 60-min. special and a 30-min. show—both film—for the 1960 March of Dimes . . . **Frank Moss** has been named associate producer of the *Wyatt Earp* series . . . **Bernie Widin** is asst. controller of Desilu Productions . . . **Earl Jonas** has been made production mgr. of UPA Pictures. He will supervise *Mister Magoo* . . . **Warner Bros.** has signed 8-year-old Ronnie Dapo to a term contract. He's in its pilot of *Room for One More* . . . **Irving Friedman,** who heads the Primrose Co., which has been servicing Screen Gems with music, sound effects and sound supervision, has been signed by SG to a non-exclusive term contract . . . **MGM-TV** has signed Gene Wang, ex-*Philip Marlowe* producer, to develop new projects as creator, producer, director, writer.

Advertising

NETWORK CLOSE-OUT BARGAINS: Nearly 90% of the nighttime network fall TV budgets of major advertisers is now firmly committed, network sales executives estimated last week. Latecomers & advertiser holdouts found the pickings slim in terms of time periods, but there were some choice program bargains to be had. A few:

On ABC-TV: Unsold participations in the new 60-min. Warner-produced *The Roaring Twenties*, which debuts Oct. 15, are being offered, according to N.Y. agency sources, at a price only a few dollars higher than the straight ABC rate-card time.

On CBS-TV: A few unsold participations in 60-min. *Aquanauts* have been marked down from an original price of about $35,000 to approximately $20,000, CBS told us. This is virtually identical to straight network time cost.

On NBC-TV: Unsold availabilities in *Riverboat* and *Outlaws*, also 60-min. film vehicles, have been cut-priced from an original $37,500 to $22,000 for 1/6th sponsorships (1-min. participations).

Such price cuts don't mean that producers (Warner Bros., Revue Productions, et al.) will be paid less for their shows. Most cuts are coming out of the network profit margins which were made up by marking-up the properties in piecemeal sales. And the bargains represent no long-term loss to networks inasmuch as they participate in the eventual residuals and/or overseas distribution of nearly every new 60-min. show this fall, and will thus recoup any minor first-run losses.

On film shows, budget-trimming is virtually impossible, since most are deep in fall production. Budgets have usually been established between supplying producers & network purchasers in firm contracts. But for shows just starting fall production, the situation is different. Example: Shirley Temple's series of juvenile-angled 60-min shows due to start this fall on NBC-TV. The Temple series began production only 2 weeks ago, although it has been offered to sponsors by NBC for nearly 6 months. During this time, the per-program production budgets (although not the network time charges) have fallen nearly 50% from the original level of over $100,000. Other as-yet-unsold & -unproduced shows, particularly specials, face similar budget cutbacks, we're told by N.Y. production sources.

Networks will thus escape any major financial difficulties from unsold entertainment shows. But most will face some delicate problems in the area of agency-client diplomacy. (As one N.Y. network sales executive told us wryly last week, "I'm looking for a good way to convince a client who was nice enough to be first to buy into a new film show that the last guy who just came in is entitled to pay one-third to one-half less in program charges.") One answer being considered by the networks: Careful study of minute-by-minute Nielsen rating profiles of new shows early in the fall season, so that earlier, full-price advertisers may be shifted into "preferred positions" of peak audience in shows, bargain buyers taking the low-end positions.

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Ad People: Maximilian B. Bryer named to new post of West Coast commercial production supervisor, Benton & Bowles Hollywood office . . . **Paul E. Funk**, appointed vp, McCann-Erickson . . . **Richard B. Neff**, ex-J. Walter Thompson, named a Compton vp.

REALLY, MA, NO CAVITIES! In a season during which TV commercials have drawn considerable FTC fire (Vol. 16:2 pp. 7 & 15 et. seq.), Procter & Gamble won an important moral victory last week. For the first time in its history, the American Dental Assn. officially endorsed a toothpaste and permitted the manufacturer to use the endorsement in future ads. The product: P&G's Crest, named "an effective anti-cavities dentifrice" by ADA, which also commended Crest's "willingness" so far to keep ad claims within the bounds of proven research.

Although P&G and Benton & Bowles promptly refused to tip their client-agency hand with "any information of any kind" on future Crest ad plans, network officials and spot TV reps quickly made some informed guesses. The most obvious was that a reshuffle of P&G TV budgets to favor Crest with heavy network & spot backing was due. So far, Crest has been playing 2nd media fiddle to P&G's other toothpaste, Gleem.

In 1959, Crest accounted for $3.3 million in gross P&G network TV billings & only $139,680 in spot, plus $400,000 in gross space billings. Gleem, on the other hand, got 1959 gross network TV spending of $5.4 million, nearly $2 million in spot TV & another $2 million in print space—a Gleem total twice Crest's. Spending for Crest may jump to a new gross peak of $12-$15 million, N.Y. sources speculated, with much of it in TV.

Conservative Copy Slant Predicted

Nobody, however, predicted a tremendous blare of new copy for Crest, which has done well so far with commercials & print ads themed to its slogan of "Look, Ma, no cavities!" The ADA, with professional caution, has circumscribed the use P&G may make of the endorsement (commercials may refer to ADA's clinical studies but may not lord it over non-endorsed dentifrices, etc.). P&G, with a running head start over the rest of the toothpaste field, is likely to play it very much ADA's way, since the endorsement itself has obvious commercial value.

It was too soon last week to attempt a measure of the effect on Crest sales of the ADA move, although 2 large midtown drugstores we checked in N.Y. reported "a sizable increase" in sales of Crest. Wall St., however, provided an interesting barometer. On July 29 (Fri.), P&G common was selling at 118. On Aug. 1 (Mon.), when the ADA news broke, the demand was so heavy the stock couldn't open. On Aug. 2, it moved up to 136, dropping back to close at 122¾ at week's end.

Happiest group of all was the executive TV echelon at Benton & Bowles. At the moment, the agency is billing upward of $100 million in TV network & spot, and the outlook—thanks to Crest—is even better. Said a Benton & Bowles timebuyer we talked to last week, "We all feel like we just hit the jackpot."

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Colgate-Palmolive Co. has been ordered in an initial decision by FTC hearing examiner Leon R. Gross to stop claiming, in TV & other advertising, that its dental cream "with Gardol" provides complete protection against tooth decay. Following an FTC hearing in Feb. (Vol. 16:6 p14), Gross ruled that Colgate's "invisible shield" commercials for the dentifrice were "false, misleading & deceptive." Colgate argued at the hearing that it had voluntarily eliminated the shield theme from its advertising at a cost of more than $100,000, that the FTC case should be dropped. But Gross rejected this argument, contending: "The evi-

dence in this record does not support a finding that respondent will not, in the future, unless restrained by this Commission, misrepresent the true properties, and caries-inhibiting value, if any, of Colgate dental cream with Gardol." In announcing the examiner's order, FTC stressed that it was not a final decision by FTC itself.

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Arthur Murray Inc. and its officials Arthur & Kathryn Murray and David A. Teichman have signed an FTC consent order prohibiting the dance studio licensing firm from using TV-radio-newspaper "bait" advertising. The agreement settled a complaint in which FTC charged the company with deceptive promotional schemes—such as too-simple telephone quizzes, zodiac puzzles, "dizzy dance" & "Lucky Buck" contests—to lure customers (Vol. 16:14 p8). The cease-&-desist order was approved by FTC despite rejection of its terms by hearing examiner Loren Laughlin, who said "the charges against respondents are serious in character, and indicate a planned course of fraudulent acts & practices." FTC held, however, that "everything is accomplished [by the order] that would be achieved by entry of a cease-&-desist order after trial."

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Freedom-of-TV-radio-speech plea, made by arthritis-cure promoters who were accused of making false claims in broadcasts, has been rejected by FTC. That agency, issuing a cease-&-desist order against Witkower Press Inc., Hartford publisher of *Arthritis & Common Sense*, and its Pres. Dan Dale Alexander, and secy.-treas. Bernard Witkower, said the book's dietary cures weren't "worthy of consideration or belief." Also cited in FTC's complaint was promotion of the book by Alexander in guest appearances on discussion-type TV & radio shows sponsored by others. Witkower Press argued that the Constitution gave him right to say what he said on the air. Ruled FTC: "Full enjoyment of First Amendment rights does not contemplate a license to engage in false & deceptive advertising."

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Long-range threat to tobacco advertising is seen by some industry observers in the outcome of the latest "cancer trial" which concluded Aug. 2 in Miami, Fla. The estate of a local contractor, Edwin P. Green, had brought a $1.5 million suit against the American Tobacco Co., charging that (1) Green's death in 1958 was caused by lung cancer, (2) the cause was American Tobacco's Lucky Strike, which Green had smoked at the rate of 3 packs a day, and (3) American Tobacco should be held responsible. The federal court jury ruled that the first 2 charges were true, but that the cigaret manufacturer was not responsible. Chief reason: The medical links between cigarets & lung cancer hadn't been established sufficiently in 1956, when Green's condition was discovered. Stated American Tobaccco Co. vp Alfred F. Dowden: "It is gratifying that the first jury to decide a lung cancer case has returned a verdict in favor of our company." Not discussed by Dowden: The precedent set *now* in legalistically linking cigarets with cancer for use in future suits regarding company "responsibility."

Spot TV handbook, titled *Selective Pressure on Target —The Basis of Spot TV*, has been published by Edward Petry & Co., station rep. The primer, pointing up the essential differences between network & spot TV, is illustrated by charts showing the variations in product usage & brand acceptancy by regions & markets for coffee, cigarets & cake mixes.

New Look at Nielsen: Revised formats are evident in the July 1 Nielsen TV index (national audience measurement) pocket-piece, reflecting TV's current sponsorship & programming tactics. Principal changes:

1. Program audience data is now given in 2 separate weeks of rating figures, rather than 2-week averages. With full-sponsorship dwindling in TV in favor of co-sponsorship or multiple sponsorship, agencies & clients had complained that the averages were too general, and that more data was needed on one-time pre-emption shows.

2. Programs are now rated by individual 15-min. segments, as well as overall ratings. Now, admen can judge the factor of audience "build-up" or "drop-off" in 60-min. shows on what Nielsen calls "a more precise basis."

3. Program ratings are now expressed on "a total U.S. TV homes basis rather than in percent of TV homes falling within the coverage area of each program." Thus percentage figures are directly comparable from show to show to give admen a measure of how well specific shows do in reaching the total U.S. audience.

4. As an optional feature, a 51-market series of ratings is available, covering all principal U.S. markets that have 3-network competition. The service will give clients, Nielsen says, a better measure of competitive program popularity. Nielsen will continue to provide the fast (6 days after report week, vs. 3 weeks for fully-national pocket-piece) 24-market report.

Foreign

Bargain Hunters Irk Japanese: TV-film production companies in Japan are presently lukewarm toward deals with American companies after unhappy & unsuccessful experiences in the making of more than a dozen pilots in Nippon. So we're told by producer Warren Lewis, just back from Tokyo, where he discussed co-production deals on movies with Shochiki Ltd. and the Toho Co.

Lewis, partnered with Don Sharpe and Blake Edwards in *Peter Gunn* and *Mr. Lucky*, reported that Japanese ex-executives told him that most American companies came to Japan because of costs rather than for the added entertainment quality which could be obtained from filming there. Being bargain hunters, interested in low budgets rather than quality, they made imitations of successful private-eye & police shows, none of which found buyers. That has left the Japanese skeptical.

Nevertheless, Lewis is close to a movie co-production deal with Shochiki, although details remain to be settled. One point is to be agreement on subject matter of global interest. Lewis said the Japanese are "very aware" of U.S. TV and they like American telefilms. But, "because of government restrictions, they are getting too big a bargain on U.S. product. They pay a maximum of $450 for a half-hour show if it's seen on 5 stations or less, and $500 if it's on more than 5 stations or their network. There is no definite price on 60-min. shows, except that each hour show is considered worth less than two 30-min. shows."

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$62-million jump in British TV-ad spending this year "is not too much to expect," in the opinion of Geoffrey Irwin, managing dir. of Britain's Television Press Agency. He forecasts that program contractors' 1960 gross revenue will climb to $224 million from the $162 million of 1959. Irwin's semi-annual review of TV advertising shows that Jan.-June spending ran 35% ahead of first-half 1959's volume—$105 million vs. $78 million.

The FCC

JACKSONVILLE CASE REOPENED: The record of another TV-grant "influence" case exposed by House investigators has been reopened by FCC to see whether the license should be voided. This one involves the award of Jacksonville Ch. 12 to Florida-Georgia TV Co. Inc. (WFGA-TV) in 1956.

The Commission directed—in action voted July 29 but not announced until 4 days later—that a rehearing before a trial examiner be set up "on a date to be determined later" to explore circumstances of the Jacksonville case.

Ch. 12 winner Florida-Georgia and 2 losers—City of Jacksonville (WJAX) and Jacksonville Bcstg. Corp. (WPDQ)—were notified they "may participate if they so request." (Florida-Georgia is 45.5% owned by Mitchell Wolfson's Wometco Enterprises Inc., which operates WTVJ Miami and holds 90% of WLOS-TV Asheville, N.C.)

In ordering the rehearing, the Commission cited its own staff inquiry into the circumstances of the Jacksonville grant as well as testimony by the late investigator Stephen J. Angland at a House Commerce Legislative Oversight Subcommittee hearing in June 1958. Angland listed the Ch. 12 grant among 9 awards which he said showed "a pattern" of backstage influence on FCC.

FCC said the new Jacksonville proceedings would center on answers to questions to determine whether: (1) "Any of the members of the Commission who participated should have disqualified himself." (2) "Any person or persons influenced or attempted to influence any member of the Commission." (3) "[Any party] directly or indirectly secured, aided, confirmed, ratified, or knew of any misconduct or improprieties." (4) WFGA-TV's "grant is voidable & action should be taken to set it aside."

At the 1958 House hearing, Angland produced records to show that the Commission first voted tentatively in June 1956 to give Ch. 2 to Jacksonville Bcstg. Corp.'s WPDQ, then reversed itself in August and decided 4-2 to make Florida-Georgia the winner—ex-Comr. Richard A. Mack voting with the majority. Angland testified that "extra-record representations" had not only been made to Mack to swing the grant to Florida-Georgia but that "Mr. Mack himself had gone outside the record" to help.

Among other things Angland cited: (1) A bread-&-butter letter from Mack to Wometco Enterprises' Wolfson thanking him "for the basket of beautiful flowers as well as the delicacies & liquid refreshments" served up on an Asheville trip. (2) A pre-grant statement by Mack that "he was going to be for Wolfson since they had been boyhood friends for years and that anything Wolfson was for he was for." (3) Personal inquiries by Mack "to get information" about the other Ch. 12 applicants.

The name of Tampa lawyer Miles H. Draper, who figured in the Miami Ch. 7 "influence" case (Vol. 16:31 p4), was also injected into the Jacksonville case by Angland. The House investigator produced papers showing that Reynolds, Smith & Hill, engineering firm retained by the city of Jacksonville, had paid Draper $10,000 for help in pursuing WJAX's Ch. 12 application. Draper was quoted: "I practically raised Richie Mack."

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Son of Sen. A. Willis Robertson (D-Va.) heads up a non-profit group which has applied for Ch. 27 in Portsmouth, Va. Marion G. Robertson, a minister, heads Christian Bcstg. Network, seeking facilities of off-air WTOV-TV.

Turndown of both applicants in a 2-way contest for a Caro, Mich. AM CP has been recommended in a rare initial decision by FCC hearing-examiner Thomas H. Donahue. In a 44-page ruling, he denounced as unfit to win the grant both Caro Bcstg. Co. (Lloyd L. Savage, Omer K. Wright, Jae D. Kitchen & C. Wayne Wright) and Tuscola Bcstg. Co. (Robert F. Benkelman & James A. McCoy). Donahue scored Caro Bcstg. in particular for attempting to use "outside influence or pressure" in the case. Lawyer J. Addington Wagner was hired for this purpose by Triad TV, in which Caro's Wright & Kitchen are largest stockholders, Donahue said. Biggest black mark against Tuscola, according to Donahue, was that its application was "but a thinly veiled bid" by Water Wonderland Bcstg. Co. (owner of radio WWBC in adjacent Bay City) to get the Caro station. Donahue also noted that both Caro & Tuscola sought help from members of Congress in pursuing their applications.

Additional appointments to FCC unit of the National Defense Executive Reserve were announced last week. Added to the roster of 18 already named last year (Vol. 15:34 p4) were: Kenneth A. Cox, Seattle lawyer who is frequently special counsel to the Senate Commerce Committee; Robert F. Dirkes, gen. mgr. of Western Union govt. contracts & sales div.; Earle D. Glatzel, Detroit Edison Co. communications engineer; Harland R. Morris, consultant & retired FCC defense coordinator; and Beverly H. Pryor, asst. vp in charge of engineering for General Telephone Co. of Cal.

Shift of WNHC-TV New Haven 13.9 miles northeast of its present site was denied by FCC on protest of uhf WWLP Springfield (Vol. 16:31 p15), primarily because it would jeopardize existence of the uhf station. Text of the Commission decision, released last week, also stated that the move would result in a loss of service to about 900,000 people, and that it "would be inconsistent with our principles of TV channel assignments and would upset the delicate balance in allocations . . . in this geographic area."

Networks

NBC-TV's Forward Look: NBC-TV's program executives meet in N.Y. this week & in Hollywood at the end of the month to wrap up the fall schedule and to consider action to be taken regarding any of the new starters that fail to click. NBC-TV program vp David Levy and Felix Jackson, vp in charge of programs on the West Coast, will be among those taking part. Some schedule switches may be made. We were told that emphasis will be placed on color.

Among pilots under consideration in event any of the newcomers don't make it: John Payne's *O'Connor's Ocean* (60 min.), and *3 Wishes*, a Sharpe-Lewis production.

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King-sized shakeup at CBS News is in the offing, according to persistent reports in N.Y., stemming from the critical applause & solid ratings awarded rival NBC during the conventions. CBS-TV officials we've queried deny the rumor. However, a high-ranking associate of CBS Inc. Pres. Dr. Frank Stanton, who met with him in Los Angeles when the first round of ratings showed a major NBC victory developing, told us last week that Stanton was "definitely upset & angry" and that "a lot of changes are going to be made." Our source also indicated that relations between Edward R. Murrow and Stanton were not improved by the CBS convention showing, and that the 2 men "have barely spoken to each other in several weeks."

Network Television Billings

June 1960 and January-June 1960

For May report, see TELEVISION DIGEST, Vol. 16:27 p7

First Half Up 8.9%: Network TV's first-half gross time billings closed out 8.9% ahead of the year-ago volume, aided by a 10% spurt in June over June-1959 business. TvB reports that Jan.-June billings rose to $336 million from first-half 1959's $309 million. June, traditionally a downhill month, produced billings of $52.9 million—compared with $55.5 in May 1960 and $48 million in June 1959.

CBS continued to run ahead of the other networks in dollar volume, both in June ($22,004,107) and year-to-date ($138,292,384). ABC continued to register the largest percentage gains: 33.8% for June over June 1959, 25.3% for first-half 1960 over first-half 1959. NBC outscored CBS in June percentage gains with a 5.4% rise to $18.9 million vs. CBS's 3.9% rise to $22 million.

First-half nighttime billings of the 3 networks increased 14.5% to $236 million from $206 million in Jan.-June 1959. Daytime billings sagged 2.3% to $100 million from $103 million. In June vs. June 1959, nighttime billings gained 14.6% to $37 million from $32.3 million; daytime inched 0.7% ahead to $15.8 million from $15.7 million.

NETWORK TELEVISION

	June 1960	June 1959	% change	Jan.-June 1960	Jan.-June 1959	% change
ABC	$11,948,700	$ 8,930,114	+33.8	$ 76,950,570	$ 61,422,516	+25.3
CBS	22,004,107	21,171,128	+ 3.9	138,292,384	131,747,547	+ 5.0
NBC	18,959,323	17,984,845	+ 5.4	120,992,398	115,481,151	+ 4.8
Total	$52,912,130	$48,086,087	+10.0	$336,235,352	$308,651,214	+ 8.9

1960 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	$13,260,010	$23,477,358	$20,980,897	$57,718,265
February	12,677,110	22,977,171	19,923,712	55,577,993
March	13,487,460	24,043,799	21,072,164	58,603,423
April	12,701,240	22,580,032	20,642,038	55,923,310
May	12,876,050	23,209,917	19,414,264	55,500,231
June	11,948,700	22,004,107	18,959,323	52,912,130

Note: Figures revised as of July 1, 1960. These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on basis of one-time network rates or before frequency or cash discounts.

Latest in the RCA-NBC proposed TV-radio swaps with RKO General: Westinghouse Bcstg Co. has filed a petition with FCC to designate the sales applications for hearing and make WBC a party in interest. WBC's arguments were similar to those advanced in its plea to enter the court case in Philadelphia in June (Vol. 16:24 p7).

South American survey tour is planned by AB-PT Pres. Leonard H. Goldenson, who's leaving N.Y. this week (Aug. 9) to visit TV cities in "practically every country south of the border." A key purpose: To scout investment opportunities for AB-PT and ABC-TV in stations, production facilities, program-production concerns, etc.

FCC Programming Report

To meet the exceptional demand, we've ordered another print run of our Aug. 1 Special Supplement No. 7—the full text of FCC's report on its policy governing station programming. FCC is not furnishing copies to station licensees. We have sent a copy to each subscriber. Extra copies are available at 50¢ each; 10 for $3; 25 for $5.

NETWORK SALES ACTIVITY

NBC-TV received $8 million in new & renewed daytime business during July, bringing the past 6 months total to $41,000,000. July daytime sales amounted to nearly 700 quarter-hrs. representing almost all daytime programs. H. J. Heinz alone renewed 208 quarter hrs.

ABC-TV

The Roaring 20s, Sat. 7:30-8:30-p.m., participations eff. Oct.
Brillo Manufacturing Co. (JWT)
Derby Foods (McCann-Erickson)
E. I. DuPont de Nemours (BBDO)
Harold F. Ritchie (Kenyon & Eckhardt)
Warner-Lambert Pharm. (Ted Bates)

Walter Winchell Show, Sun. 10:30-11 p.m., full sponsorship eff. fall 1960.
Hazel Bishop (Raymond Spector)

1960 N.C.A.A. football games, Sept.-Dec. participations.
Gillette Safety Razor (Maxon)
Humble Oil & Refining Co. (M-E)
Liggett & Myers (Dancer-Fitz.-Sample)

Harrigan & Son, Fri. 8-8:30 p.m., full sponsorship eff. Sept.
Reynolds Metals (Lennen & Newell)

Stagecoach West, Tue. 9-10 p.m., participations eff. Oct.
Brown & Williamson Tobacco (Ted Bates)
General Foods (Ogilvy, Benson & Mather)
United Motors service division of General Motors (Campbell-Ewald)
Miles Labs (Wade)
Ralston Purina (Gardner)

CBS-TV

Aquanauts, Wed. 7:30-8:30 p.m., particips. eff. fall 1960.
Carter Products (Ted Bates)
P. Lorillard (Lennen & Newell)
Kellogg Co. (Leo Burnett)
Vick Chemical (Ogilvy, Benson & Mather)
General Foods (Benton & Bowles)

Rawhide, Fri. 7:30-8:30 p.m., participations eff. fall 1960.
General Foods (Benton & Bowles)

Captain Kangaroo, Sat. 8-9:15 a.m., particips. eff. fall 1960.
Borden (Young & Rubicam)
Durkee Foods (Meldrum & Fewsmith)

NBC-TV

Chet Huntley Reporting, Sun. 5:30-6 p.m., sponsorship renewal eff. fall 1960.
Kemper Insurance (Clinton Frank)

Celebrity Golf, Sun. 5-5:30 p.m., alt. wk. sponsorship eff. fall 1960.
Kemper Insurance (Clinton Frank)

Daytime programming, particips. eff. summer & fall 1960.
Proctor-Silex (Weiss & Geller)
General Mills (BBDO)
Hartz Mountain pet foods (George H. Hartman)
Block Drug (Grey)
Alberto-Culver (Compton)
Miles Labs (Wade)
Dumas Milner Corp. (Gordon Best)
Procter & Gamble (Compton)
Toni (North)
Glenbrook Labs (Dancer-Fitzgerald-Sample)
Tussy (Young & Rubicam)
H. J. Heinz (Maxon)

Network switches: KVIP-TV (Ch. 7) Redding, Cal. and affiliated KVIQ-TV (Ch. 6) Eureka, Cal. become primary ABC-TV affiliates next Jan. 1. They will also continue with NBC-TV, with which they have been primary affiliates.

Stations

NEW & UPCOMING CANADIAN STATIONS: Of the 20 Canadian TV stations that the Board of Broadcast Governors has recommended for construction, only 9 have reported targets for next fall & winter. Our Fall-Winter TELEVISION FACTBOOK will contain listings for all new outlets due on the air this autumn and will also show that the number of TV sets in use in Canada on Aug. 1 was 3,840,000—a rise of 240,000 sets since last Feb. 1.

In addition to the stations reporting below, the following have set targets: CKAM-TV (Ch. 12) Campbellton, N.B. (formerly Upsalquitch Lake), plans a summer start as satellite of CKCW-TV (Ch. 2) Moncton, N.B.; CHSA-TV (Ch. 2) Lloydminster, Alta. has changed to fall target from this summer (Vol. 16:12); CFTO-TV (Ch. 9) Toronto has Jan. 1 target (Vol. 16:25); CFCF-TV (Ch. 12) Montreal has Jan. 30 air date (Vol: 16:20).

* * *

In our continuing survey of upcoming stations, these are latest reports from principals:

CJAY-TV (Ch. 7) Winnipeg, Man., with 25-kw RCA transmitter due Aug. 15, has set Nov. 1 target, according to gen. mgr. Jack M. Davidson. Basement has been completed for studio building, and construction of transmitter house is also under way. Construction has also started on 1,000-ft. Dominion Bridge tower. Base hour will be $500. Reps will be Weed and Stovin-Byles Ltd.

CHAN-TV (Ch. 8) Vancouver, B.C. has ordered RCA transmitter and plans to begin programming in Nov., says Art Jones, pres. & gen. mgr. of licensee Vantel Bcstg. Co. Ltd. It will use Western Bridge tower on Burnaby Mt., will have studios on Lougheed Hwy., Burnaby, B.C. Officers: E. G. Eakins will be vp & asst. gen. mgr.; J. R. Peters, station mgr.; Ken Bray, operations mgr.; Mervin Stone, program mgr.; Blair Patterson, promotion mgr.; Ernie Rose, chief engineer. Base hour will be $550. Reps will be Weed and All-Canada.

CBUAT (Ch. 9) Nelson, B.C., one of several low-power satellites planned by CBC (Vol. 15:50), has Nov. target. It will be an automatic unattended repeater of CBUT (Ch. 2) Vancouver, B.C. It isn't building tower, will use existing 67-ft. telephone company structure.

Calgary, Alta. Ch. 4 grantee CFCN Television Ltd. has requested CFCN-TV call letters and hopes to get on the air by end of this year, reports Pres. James A. Love. Transmitter hasn't been ordered yet and plans for buildings are now being prepared. It will use 344-ft. tower with 8-slot directional antenna. CFCN-TV will use same executives that staff radio CFCN. Base hour, rep, not set.

Ottawa, Ont. Ch. 13 grantee Bushnell Bcstg. Associates Ltd. plans to begin programming about March 31, says Pres. E. L. Bushnell. Equipment hasn't been ordered, but tower will be about 600-ft. tall.

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Figures given Parliament show that Canadian TV stations now cover areas containing 94% of Canada's homes, and that 80% of all Canadian homes are equipped with TV. Radio coverage is nearly 100%. The exceptions are far northern British Columbia and scattered pockets in the Atlantic provinces.

George P. Hollingbery Co. opens a new branch rep office—its eighth—at 211 N. Ervay, Dallas.

Negro Radio Assn. has been organized by 29 charter members representing radio stations & groups whose programming caters to Negro listeners. Francis M. Fitzgerald of WGIV Charlotte was elected chairman of the new organization at its first meeting in Washington, where Julian P. Freret of the Roberts & McInnis law firm aided in drafting a constitution & bylaws. Stated aims: To promote studies of Negro programming, improve it, develop Negro talent on the air. Freret said 36 additional charter members were expected to join the group and that membership ultimately should reach 100. In addition to Fitzgerald, NRA founder-directors are Harry Novik (WLIB N.Y.), Robert Rounsaville (R. W. Rounsaville Stations), Stanley Ray (Paglin-Ray Stations), Norwood J. Patterson (KSAN San Francisco), Egmont Sonderling (Sonderling Stations), Joe Speidel (Speidel Stations).

Broadcasters' salaries averaged $7,418 in 1959, topped —among all industry groups—only by earnings of 100,000 security & commodity brokers ($8,775). Commerce Dept. released the tabulations in the July *Survey of Current Business*. In keeping the TV-radio industry's traditional 2nd place in salary rank, 81,000 employes of networks & stations upped their pay from the adjusted $7,128 average which 80,000 of them earned in 1958. In that year, 98,000 brokers averaged $7,885 (Vol. 15:32 p13). In contrast, 177,000 employes of the motion picture industry averaged only $4,488 in earnings in 1959.

TV Code's N.Y. office, planned by NAB as a consultative center for advertisers & agencies in industry self-policing, is open for business in temporary quarters in Transcontinent TV Corp.'s offices at 380 Madison Ave. In charge: Stockton Helffrich, appointed to NAB's staff in June after 27 years with NBC in continuity acceptance work (Vol. 16:23 p7). Opening of the new branch Aug. 1 was hailed by NAB Policy Committee Chmn. Clair R. McCollough & TV Code Review Board Chmn. E. K. Hartenbower as "a giant step forward in the TV industry's program of self-regulation."

World's tallest man-made structure—the 1,677-ft. tower of KFVS-TV Cape Girardeau, Mo. (Vol. 15:44 p8)—has been completed by Dresser-Ideco. The nickel-alloy steel tower stands on an 810-ft. hill north of the city, is 204 ft. taller than the Empire State Bldg., 2 ft. taller than the 1625-ft. "world's tallest" TV tower now under construction in Moscow. It was erected in 2½ months by the Seago Construction Co., Dallas.

TV-minded individual stores in nationwide retail chains are featured in a new TvB presentation to retailers that points up the extent TV is being used as a local store advertising medium. "One of the best ways to know that the water's fine is to see a lot of people swimming," TvB analogized. The bureau also suggested stations tell retailers how many of their fellow merchants are already using TV.

Package of KFEQ-TV (Ch. 2) & KFEQ St. Joseph, Mo. and radio KLIK Jefferson City has been purchased for $1,850,000 by Connie B. Gay from Jesse D. Fine & associates. Country-music promoter Gay also owns radio WQMR Silver Spring, Md., WTCR Ashland, Ky., WFTC Kinston, N.C., and recently sold KITE San Antonio and WYFE New Orleans, La.

NAB's N.Y. fall conference will be held in the Biltmore Hotel Nov. 28-29 instead of Nov. 17-18 because of conflicting dates for industry meetings there. The fall-conference schedule, opening Oct. 13-14 in the Biltmore Hotel, Atlanta (Vol. 16:16 p14), otherwise is unchanged.

Programming

Gunfight at Diogenes Corral: The big 1960 crop of network Westerns & private-eye shows has finally inspired its own debunking trend. Due next spring on NBC-TV is a 60-min. show titled "The Real West," to be produced by NBC-TV's *Project 20* group. In it, Gary Cooper will play his first TV role—as narrator-storyteller. The show will concentrate on exposing some of the myths surrounding Billy the Kid, Wyatt Earp, Bat Masterson, *et al.* NBC officials have hinted, somewhat tongue-in-cheek, that a 30-min. series may be developed from the *Project 20* special.

ETV is also in the iconoclastic act. In Ann Arbor, the U. of Mich. TV center has taped a 15-program TV series, *The Western Way*, currently being distributed to about 20 ETV & commercial stations. The series attempts to portray "the real facts" behind the settling of the West and the frontier battles with Indians. First target for the series: Gen. George A. Custer. His famed last stand at the Little Big Horn is described as "an insignificant & inglorious frontier event" by the show's faculty narrator, whose singularly appropriate name is Prof. Niel Snortum. (Similar rough treatment is being administered to the top gunslingers of the Old West by the current [August] *American Heritage*, incidentally.)

Although the best-known private eyes are largely fictional creations with no real-life historical counterparts, they'll not escape a going-over. Next February, U.S. Steel will sponsor on CBS-TV a 60-min. Max Liebman satire titled "Private Eye, Private Eye." And meanwhile, they'll be getting their lumps in various cartoon shows which spoof sleuthing, such as *Q.T. Hush*, *Fearless Fosdick*, *Hound for Hire*, and *Huckleberry Hound*.

No more Sylvania awards will be given to TV shows & performers, Sylvania Pres. Robert E. Lewis announced last week. Explained Lewis: "In recent years the number of TV awards has grown, and the major award donors have tended to honor the same programs, actors & creators . . . There appears to be little additional incentive to the industry in the duplication of awards." The Sylvania awards were presented annually from 1951 to 1959.

Broadcast hurricane warnings should be played straight by TV & radio, acting Weather Bureau chief F. W. Reichelderfer said in a letter to NAB. Pointing to "the vital role" stations play in relaying bulletins on the seasonal progress of storms on Atlantic & Gulf Coasts and Caribbean islands, he warned: "It is necessary that the advice be communicated accurately, without undue emphasis which can create unnecessary alarm—and also without de-emphasis which can cause the listener to disregard the advice or delay taking safety measures until it is too late to protect his family or property."

While the TV careers of Cal. lawyers are being decided by the Cal. State Bar Assn. (Vol. 16:31 p11), Baltimore attorneys & magistrates are appearing on WMAR-TV's "Courtroom," an occasional special (last telecast Aug. 4), simulating cases from the Baltimore Magistrate's Court. The real-life lawyers represent actor-clients and magistrate Howard L. Aaron presides.

Canadian Parliament has banned that country's candidates from using U.S. TV or radio stations to conduct their election campaigns. The legislation also forbids broadcast campaigning over Canadian stations on voting day or in the 2 days preceding it.

Television Digest

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Personals: George H. Fuchs, NBC labor relations dir., named labor relations vp . . . Fred Horton, ex-NBC radio sales dir. and medical radio system sales mgr., named general NBC sales executive, representing TV, radio & spot sales . . . Harry S. Ackerman, Screen Gems, elected pres., National Academy of TV Arts & Sciences, succeeding Walter Cronkite, CBS-TV . . . Robert E. Harris, ex-WNTA-TV & WNTA ad & sales promotion dir., appointed ad & sales promotion mgr., radio KCBS San Francisco . . . Loomis C. Irish promoted from station additions salesman to nighttime sales service mgr., ABC-TV . . . Gerard F. Hurley, ex-Student Marketing Institute, N.Y., joins Washington office of media broker Blackburn & Co. as head of market research & promotion.

Paul Raymon named local sales mgr., WAGA-TV Atlanta. Robert H. Dolph named national & regional sales mgr., Cascade TV group (KIMA-TV Yakima, KEPR-TV Pasco, KBAS-TV Ephrata, all Wash., KLEW-TV Lewiston, Id.); Ben Shropshire appointed mgr., KEPR-TV Pasco . . . John Henry named sports dir., Thompson R. Watt, news dir., of KOA-TV & KOA Denver . . . David L. Smith appointed program-production mgr., WISH-TV Indianapolis . . . Paul Owen, ex-KTCA-TV Minneapolis-St. Paul, named station-relations associate, National Educational TV & Radio Center.

Meetings this week: Ga. Assn. of Bcstrs. annual meeting (Aug. 7-9), Jekyll Island, Ga. • Southern Cal. Bcstrs. Assn. luncheon (11), Hollywood Knickerbocker • Ark. Bcstrs. Assn. fall meeting (12-13), Marion, Little Rock.

Broadcasters' Promotion Assn. 5th annual convention (Nov. 14-16, Sheraton Charles Hotel, New Orleans) will feature informal discussions (rather than panels) of color TV, budgets, merchandising, FCC & the Harris committee, graphic arts in promotion, audience surveys, image building, video tape in promotion & news promotion. Opening day keynoter will be NBC Chmn. Robert W. Sarnoff.

Women were urged to enter TV-radio as public-affairs & news reporters last week at the international TV-radio workshop sponsored by the National Council of Churches. "Women have not even started to make their presence felt as broadcasters," Lisa Sergio, author & commentator, told a seminar group in N.Y.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

PHILCO STREAMLINING DISTRIBUTION & 'IMAGE': New Philco strategy to strengthen its market position and brighten its public image became more apparent last week at its distributor convention in Philadelphia. Company is breaking with past in many ways and returning to past in others.

Plagued by the white-goods slump—like everybody else in appliance industry—Philco will soon report poor 2nd-quarter earnings (see p. 15). But Pres. James M. Skinner Jr. expects recent policy & personnel shifts to result in far stronger distribution & product programs. Among changes:

Known in past for its long product lines and flamboyant stylistic innovations, Philco for 1961 has probably shortest & most conservative TV line in its history. It was introduced in 2 installments—considered by company officials to be "more effective from the merchandising viewpoint." Portables & "compacts" were introduced last spring. Console line, shown last week, consists of 7 basic 23-in. models, one TV-phono combination. Also shortened were company's white-goods lines.

Philco feels this move should go long way toward solving inventory problems of its distributors & dealers. Also basically aimed at inventory-cutting, it introduced new concept of "optional remote control." Six of the new consoles are convertible by dealer or service technician to remote-control in 10 minutes with addition of remote chassis and sonic hand unit at $70 extra. This means end to special inventories of remote-control sets, by simple expedient of stocking remote-control conversion kits. (Details of new Philco line on p. 14).

There was some questioning of psychology of this approach within the industry. For one thing, most manufacturers carefully avoid "equivalent" remote & non-remote model sets so customers can't figure "extra cost" of remote tuning. Philco, in effect, tells them: It's 70 bucks. Will remotes go as a $70 "accessory"? Philco is willing to test. Dealer-conversion approach is hark-back to Philco's highly successful approach to uhf: Let dealer convert set to avoid dual inventory.

In exchange for cutting down their inventory requirements, Philco expects more allegiance & strength from its distributors. Pres. Skinner made no bones about that in last week's get-down-to-business distributor convention. It's also been made clear by now that Philco—although it prefers independent distributorships—will have no hesitancy in setting up factory branches where it thinks present distributor can't cut the mustard.

Philco finally feels it has really strong distribution outlets in N.Y. & N.J., having disposed of factory branches there to John M. Otter Co., its Philadelphia distributor (Vol. 16:17 p17). Otter, of course, is onetime Philco exec. vp.

In recent realignment of high Philco executives, name of Frederick D. Ogilby returns to sales prominence in new post of consumer-products sales dir. The longtime vp & gen. mgr. for Philco TV, he had recently been director of market planniing, concentrating on special accounts. With his return to power, some other aspects of old Philco "image" are being restored. For example, old company slogan has been dusted off and is doing duty once more: "Famous for quality the world over."

Sidelight in Philco's image-building campaign is letter sent to all Philco employes as they left on annual vacations last month. Signed by Skinner, it urged them to remember that wherever they went they were personal emissaries of Philco, to act in the "Philco spirit." Meeting last week sought to rekindle same Philco spirit in distributors, who, in turn are expected to pass it on to dealers in open-house product meetings during next few weeks.

"New Philco spirit" is tied firmly to past, and there will be strong attempt to remind the public "we've been in the business for a long time," as one official put it. Example will be promotion campaign around Hallowe'en season celebrating production of Philco's 35-millionth radio.

Company is already convinced that its bet on stereo reverberation will hit pay dirt. It has shipped more than 3,000 "Reverbaphonic" stereo units in less than 5 weeks, a spokesman told us, and the sets are now on allocation until production can be stepped up. Philco's Reverbaphonic sets list at $339-$750.

MIDYEAR SALES & PRODUCTION FIGURES: Official EIA figures on TV-radio retail sales at 1960's midway point show just how good this year has been so far: TV unit sales are up 17%; radio sales are up 23% over 1959. Every month in 1960 has been better at the sales counter than the same 1959 month.

Although TV's 6.5-million-sets-a-year pace didn't quite hold up in June, that month's retail sales topped June 1959, which, as you'll remember, marked the first month of TV's pickup from the slump which started in 1958 (Vol. 15:32 p16).

Good sign for future is dealers' response to first new TV lines, as indicated by June sales of sets to dealers—438,828. This doesn't reflect all new lines, of course—since many weren't even seen by dealers until late June or July. Figure was below June 1959's record of 479,284, but was 2nd highest for any June. Presidential election campaigns—to be promoted heavily by almost all TV manufacturers—are expected to hypo fall sales.

Virtually unnoticed in TV picture is pickup in uhf-equipped sets—production this year being exactly 50% more than the same period last year, and reversing long downtrend. Most manufacturers attribute much of this rise to growth of uhf translator systems. Uhf is still drop in the bucket—but it's going stronger than either 1959 or 1958 in terms of set production.

Radio sales are still hovering close to 10-million-a-year pace. And production of FM & FM-AM table models (last paragraph below) is exactly double last year's mark. Here are EIA's statistical indicators of TV-radio's health at midyear (phono figures due in week or 2):

TELEVISION

Month	Total Production 1960	Total Production 1959	Uhf Production 1960	Uhf Production 1959	Retail Sales 1960	Retail Sales 1959
January	526,494	437,026	50,119	35,841	590,867	501,704
February	503,453	459,492	43,537	34,678	507,673	448,173
March	549,500	494,032	45,411	32,112	501,829	425,751
April	422,551	389,251	39,240	20,501	351,214	263,998
May	442,176	431,911	32,295	28,247	334,283	279,536
June	518,870	571,003	34,245	29,064	371,661	344,795
TOTAL	2,963,044	2,782,715	244,847	180,443	2,657,527	2,263,957

RADIO

Month	Total Production 1960	Total Production 1959	Auto Radio Production 1960	Auto Radio Production 1959	Retail Sales (excl. auto) 1960	Retail Sales (excl. auto) 1959
January	1,355,788	1,124,737	632,461	420,052	803,388	700,490
February	1,442,368	1,125,385	596,872	432,551	611,479	474,888
March	1,667,550	1,347,554	633,761	511,219	664,441	515,563
April	1,230,323	1,040,183	399,963	422,346	547,839	388,863
May	1,277,040	1,039,562	463,165	476,222	548,322	400,882
June	1,551,451	1,430,165	596,870	637,806	702,889	678,195
TOTAL	8,524,520	7,107,586	3,323,092	2,900,196	3,878,358	3,158,881

FM radio production (1959 figures in parentheses): Jan. 33,816 (30,235), Feb. 50,963 (29,145), March 83,127 (32,994), April 61,953 (31,425), May 65,438 (48,841), June 105,317 (50,783). Total: 442,535 (223,423).

TV-RADIO PRODUCTION: EIA statistics for week ended July 29 (30th week of 1960):

	July 22-29	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	97,966	69,944	91,507	3,230,666	3,133,075
Total radio	271,809	241,005	191,895	9,407,415	7,936,621
auto radio	89,683	93,638	47,436	3,650,331	3,154,921

Extensive ad campaign for replacement picture tubes was launched last week by RCA. Harold S. Stamm, electron-tube div. ad & sales-promotion mgr., told RCA tube distributors the new year-around Silverama campaign "represents the largest & most extensive sales-building plan ever offered for TV picture-tubes." Coverage will include billboard posters, TV & radio, newspapers, direct mail and magazines.

Radio Television Training of America Inc. (formerly Radio Television Training Assn. Inc.), 52 E. 19th St., N.Y., has settled a 1956 FTC false-claims complaint against it by signing a consent order forbidding misrepresentations that: (1) Correspondence students will receive a free TV tube as part of their course. (2) Students will have all expenses paid for training periods in N.Y. FTC dismissed 11 other charges against RTTA.

More about

PHILCO 'CONVERTIBLES': The introduction of Philco's new short TV line was completed at last week's distributor convention in Philadelphia with the showing of 7 basic TV consoles, one TV-stereo combination and a remote-control 19-in. "compact" (see p. 12).

The combination and 5 of the consoles are convertible to remote tuning with the addition of a $70 kit containing all additional components. As demonstrated at the convention, the kit can be installed in less than 10 minutes, requires no soldering. Conversion can be made in advance of the sale, in the store for the customer, or after the sale at any time the customer decides he wants to add Philco's "Directa" remote control.

Philco's console line—all 23-in.—is topped by 5 "Mastercraft" fine-furniture sets. Four of these are designated "Miss America" and are priced at $399.95 in different cabinets (horizontal, vertical, colonial maple, Danish modern, traditional mahogany combinations). The 5th is a TV-stereo combination with reverb. AM-FM drop-in tuners are offered for the combo at $70 & $100. All 5 Mastercraft sets have remote-control option at $70 extra.

The other new consoles are Danish modern horizontal at $289.95, colonial at $299.95 and modern vertical console in walnut or mahogany at $299.95, the latter being convertible to remote control.

Dropped into the 19-in. line is a "compact" with built-in remote control at $259.95. Promotional drop-ins are due this fall keyed to the political campaigns.

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Trade Personals: Dr. Allen B. Du Mont, founder and former chairman of Allen B. Du Mont Labs, now merged with Fairchild Camera & Instrument Corp., continues to head up all Du Mont operations as group gen. mgr. of the Allen B. Du Mont Labs divisions (tube div., industrial electronics div., international div.) of Fairchild . . . Joseph P. Gordon resigns as mgr. of Du Mont tube div., his duties taken over personally by Dr. Allen B. Du Mont pending selection of a successor; Gordon's plans not yet announced.

William R. Campbell, former West Coast district sales representative, promoted to mgr., marketing services, Zenith Sales Corp. . . . R. Bruce Ruttenberg, ex-Holleb & Co. (wholesale grocery), named ad mgr., Trav-Ler Radio, succeeding Jerry Friedman, resigned . . . John R. Bonner named vp-gen. mgr., Ensign Acceptance Corp., Canadian Admiral's credit subsidiary . . . Richard J. Hanschen appointed mgr. of mktg., Texas Instruments semiconductor-components div., succeeding James F. Carland, now mgr. of the division's new international operations dept.

Kenneth B. Shaffer named distributor sales mgr., RCA electron-tube div., succeeding D. M. Branigan, now electronic components mktg. mgr. of RCA international div. . . . James R. Kerr promoted to exec. vp. for new Avco defense & industrial products group . . . Charles H. Miller named mgr. of Sylvania's Ottawa, O. TV picture-tube plant . . . Earl J. Shelton, ex-Raytheon, named mgr., new Eitel-McCullough high-power tube div.

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Sonic Industries Inc., phono & electronics manufacturer, operating under Chapter XI of the Bankruptcy Act, will pay creditors 25% in five 5% notes, maturing in 4 to 15 months, according to referee Sherman D. Warner.

New Setchell-Carlson line starts at $199 for a 19-in. TV, with 23-in. sets starting at $329. Line is topped by a 23-in. TV-AM-FM-stereo combination at $639.

As Others See Us: The latest peek & peck by an overseas retailer at the U.S. TV-radio dealer's way of doing business comes from T. F. W. Bryan, gen.-mgr. of England's Tansley & Cooke Ltd. Reporting in *Wireless and Electrical Trader* on his 3-week U.S. tour, Bryan includes these observations:

"The standard of display in many of the retail outlets in N.Y. is below the standard of similar shops in [our] country, but their method of selling does not, in many cases, warrant attractive displays & glamorous showrooms. Price is the key to their whole selling plan. Operating as they do, on a low margin of profit, they must sell in great quantity, keep their overheads low as possible . . .

"The general impression I had of the salesmen in retail shops was that they were of a very much lower standard than in this country, and that, in the main, the drive & enthusiasm in selling was at the top, but inclined to fall off rather rapidly towards the bottom. It may be their lack of recognition of salesmen that is partly due to this, as in most cases they are termed clerks and are very poorly paid. It would seem that although America is probably more sales conscious than any other country, it has not developed the technique of retail selling to the standard we have here. No doubt the price-cutting war and the lack of service facilities were responsible for creating this position . . .

"I was very much impressed by the close liaison between manufacturers & dealers in America, and felt that the consideration of each other and their help & cooperation was far greater than in this country . . .

"My general impression was that American advertising is used to a far greater advantage than our own, as it is essentially produced to sell the product rather than for prestige purposes. The Americans have realized that it is far too costly to fill advertising space with anything less than good salesmanship . . .

"Although I have said that in many retail shops the over-all standard of salesmanship was poor, the progressive retailers have salesmen of quite a high standard. I gathered that most manufacturers & retailers would prefer to have price control rather than the present setup which makes trading very difficult for all concerned."

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Prospects are dim for late-summer boom in jobs, concludes a Labor Dept. survey of the employment outlook in 149 major labor areas. The consensus of state employment-security offices contacted: A "moderate," seasonal gain in job availability through mid-Sept., but little hope for an extra-brisk payroll recovery in the durable goods industries to offset the greater-than-seasonal summer layoffs. Among the industries in which "some gains appeared in prospect:" TV-radio, electronics, communication equipment. Job categories which are expected to show the best improvement: Retailing, construction and services in the non-factory area; food processing, clothing and textiles in the non-durable manufacturing field.

Device for transforming sunlight directly to electricity is now available to industry & the home hobbyist from Hoffman Electronics. The "Solar Modules" are small, self-contained power-generating units mounting 5 shingled, plastic-encased silicon solar cells. They can be used to power such devices as radios, relays, models and exhibits, and are suitable for some battery-charging applications.

Admiral color-TV sales contest for dealers has 6-day trip to Mexico City next March as a reward for sets purchased during 2nd half of 1960.

Finance

Philco's 2nd-quarter profit was below the year-ago figure, resulting in a decline in first-half earnings. So said Pres. James M. Skinner Jr. at last week's distributor convention in Philadelphia (see p. 12). He didn't give specific figures, but said he expects a 2nd-half pickup which will put full-year profits "in last year's ball park." He said Philco was "in the black for the 2nd quarter, but not as black as a year ago." He added that the 2nd-quarter slump was due to the appliance sales decline and development costs in the computer field. Computer activities will begin to show a profit next year, he predicted. In last year's 2nd quarter, Philco's earnings were $797,000 (17¢ a share). For first-half 1959, the net was $2,386,000 (54¢); for all of 1959 it was $7,176,000 ($1.67). This year's first quarter saw a net of $1,615,000 (37¢), slightly ahead of last year's $1,589,000 (37¢).

Siegler scored strong sales & profit gains in its 1960 fiscal year ended June 30 (see financial table). The improved performance was aided by a record 4th quarter which produced earnings of about $734,000 (39¢ a share) on $19-million sales, compared with fiscal 1959's 4th-quarter profit of $471,000 (29¢) on $16.8-million sales. For the 1961 fiscal year, Pres. John G. Brooks forecasts increasing sales & income. He said Siegler's Olympic Radio & Television div. is expected to produce greater volume & profits with its enlarged TV line, which includes Olympic's first color sets. Brooks said TV, hi fi and other commercial electronic products accounted for about 50% of total Siegler sales, military products 25%, air-conditioning equipment 22%, miscellaneous products 3%.

Davega "conservatively estimates" a profit approximating $370,000 (about $1 a share) for its 1961 fiscal year ending Feb. 28. This compares with fiscal 1960's loss from operations of $562,097 (Vol. 16:27 p19). Pres. Joseph Axler reported to the annual meeting that sales in the first third of fiscal 1961 gained 24.5% to about $6.9 million from $5,354,000 in Mar.-Jun. 1959. He forecast fiscal-1961 sales of $25 million, vs. $18,112,266 in fiscal 1960. Axler also noted that Davega plans to add ladies' & children's apparel, starting in 2 stores.

Skiatron Electronics & TV stock transactions by N.Y. broker-dealer Re, Re & Sagarese will be explored by SEC in a Washington hearing Sept. 7 on charges that the firm violated anti-fraud-&-manipulation provisions of the Securities Exchange Act (Vol. 16:20 p22). At issue in the proceedings will be questions of whether the firm's registration with SEC should be revoked and whether the company should be suspended or expelled from American Stock Exchange membership.

Motorola is growing fast, but obviously not at the $100-million-a-year pace we reported last week in our coverage of Pres. Robert W. Galvin's address to the N.Y. Society of Security Analysts (Vol. 16:31 p22). Galvin actually stated that Motorola's rate of sales growth since 1940 has been about $100 million a decade, and he predicted sales by 1970 would be at least $500 million.

Dynamics Corp. of America netted a 64% profit gain on a 58% sales rise during 1960's first half (see financial table). Pres. Raymond F. Kelley attributed the improved performance principally to increased shipments of tropospheric scatter communications equipment by its Radio Engineering Labs subsidiary and of components by its Reeves Instrument subsidiary.

Wells-Gardner Electronics rolled up a 40% profit gain on a first-half 1960 sales increase of less than 3% (see financial table). However, Pres. Robert Alexander noted that the order backlog on June 30 had declined to $8,595,000 from the year-ago record $11,115,000. "Although production for the 3rd quarter is scheduled at a lower rate than in 1959, because of the smaller order backlog," he amplified, "it is hoped & anticipated that our customers will need to replenish their inventories in the 4th quarter. This would result in greater production in the 4th quarter than was the case in 1959. Operating results for the 3rd quarter are expected to be below 1959; however the 4th quarter is expected to be better than in 1959. Barring unforeseen reversals in the economy, profits for the entire year should be about the same as last year."

Terminal-Hudson Electronics Inc. will be formed by a merger of Terminal Electronics Inc. and Hudson Radio & TV Corp., N.Y. distributors of electronic parts & components, according to an SEC registration statement (File 2-16743). Under the merger agreement, 499,970 outstanding Hudson common stock shares will be exchanged for an equal number of Terminal-Hudson shares. As part of its financing plan, Terminal-Hudson applied to SEC for registration of 166,668 capital shares for public sale at $6 per share on an "all-or-nothing" basis by J. A. Winston & Co. Inc. and Netherlands Securities Co. Inc.

Globe-Union registered slight sales & profit gains during the first half as increases in the volume & earnings of its Centralab Electronics and Wico Ignition divs. offset a recession in the Globe Battery div. (see financial table). However, noted Pres. C. O. Wanvig, "in view of the current general economic outlook, it is questionable that last year's 2nd-half earnings level can be attained."

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Aug. 4, 1960

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	29	31½
Aerovox	9¾	11
Allied Radio	21¼	22¾
Astron Corp.	2	2½
Baird Atomic	32¼	34⅞
British Industries	12½	14⅛
CGS Labs	11½	14¼
Control Data Corp.	30½	41⅜
Cook Elec.	15⅜	16⅝
Craig Systems	17¼	18⅞
Dictaphone	39	42
Digitronics	22½	24⅝
Eastern Ind.	12⅝	13⅝
Eitel-McCullough	23⅝	25⅜
Elco Corp.	17	18⅝
Electro Instruments	43½	47½
Electro Voice	11¾	13⅛
Electronic Associates	26	28¼
Erie Resistor	8¼	9⅛
Executone	26	29⅜
Farrington Mfg.	31¼	33¾
Fischer & Porter	15⅜	16⅝
FXR	50	55½
General Devices	15½	18
G-L Electronics	9½	10¾
Granco Products	5	5¾
Gross Telecasting	18¾	20⅝
Haydu	.05	.21
Hewlett-Packard	76	80¾
High Voltage Eng.	130	141
Infrared Industries	21	24⅛
International Rectifier	22½	24⅜
Interstate Engineering	24½	26¼
Itek	62	66
Jerrold	8⅞	9⅞
Lab for Electronics	45½	48¾
Lel Inc.	6⅛	7
LFE Inc.	10	12⅝
Ling Altec Electr.	23¼	25⅛
Magna Theater	2⅝	3-1/16
Magnetic Amp.	9	—
Magnetics Inc.	11	12⅝
Maxson (W.L.)	8¾	9¾
Meredith Pub.	40	44
Metropolitan Bcstg.	17	18⅜
Milgo Electronics	22	25⅛
MPO Videotronics	7	7¾
Narda Microwave	6½	7⅜
Narda Ultrasonic	4¾	5½
National Co.	23¾	25⅝
Nuclear of Chicago	34¾	37½
Official Films	1-7/16	1-11/16
Pacific Automation	8⅛	9⅛
Pacific Mercury	8¼	9
Perkin-Elmer	40½	43½
Philips Lamp	161½	167
Pyramid Electric	2¼	2¾
Radiation Inc.	22¾	24⅞
Howard W. Sams	45½	49
Sanders Associates	45½	49¼
Silicon Transistor	6¾	7⅞
Soroban Engineering	24½	26¾
Soundscriber	13½	15¼
Speer Carbon	20¼	22¼
Sprague Electric	54½	58½
Taft Bcstg.	14⅛	15¼
Taylor Instrument	71	76¾
Technology Inst.	10	11½
Tele-Broadcasters	¾	1-5/16
Telechrome	11½	12⅞
Telecomputing	8¼	9
Telemeter	13¾	15½
Time Inc.	65	68½
Tracerlab	12½	13⅞
United Artists	7⅛	7⅞
United Control	26¾	29⅛
Universal Trans.	1¾	2¼
Vitro	13	14
Vocaline	3⅞	4⅜
Wells-Gardner	16	17⅝
Wometco Ent.	12¾	14½

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Amphenol-Borg Electronics	1960—6 mo. to Jun. 30	$ 31,403,805	$ 3,335,257	$ 1,598,257	$1.36	1,176,074
	1959—6 mo. to Jun. 30	28,053,012	2,931,288	1,364,288	1.17	1,168,694
	1960—qtr. to Jun. 30	15,841,676	1,688,075	809,075	.69	1,176,074
	1959—qtr. to Jun. 30	15,020,481	1,619,790	755,790	.65	1,168,694
Walt Disney Productions	1960—39 wks. to Jul. 2	30,648,126	848,151	323,151	.20	1,626,023
	1959—40 wks. to Jul. 4	39,363,156	5,047,497	2,366,497	1.50	1,581,011
Dynamics Corp. of America Story on p. 15.	1960—6 mo. to Jun. 30	20,675,146	1,536,783	870,926	.23[3]	2,786,527
	1959—6 mo. to Jun. 30	13,079,471	807,815	614,931	.14[3]	2,749,653
Erie Resistor	1960—24 wks. to Jun. 12	—	—	192,250	.19	—
	1959—24 wks. to Jun. 12	—	—	190,413	.19	—
Globe-Union Story on p. 15.	1960—6 mo. to Jun. 30	28,041,516	1,770,525	836,525	.99	843,729
	1959—6 mo. to Jun. 30	27,937,734	1,790,259	836,259	1.01	830,048
Hoffman Electronics	1960—6 mo. to Jun. 30[4]	23,935,550	253,054	123,054	.08	1,524,221
	1959—6 mo. to Jun. 30[4]	22,345,189	2,339,705	1,111,705	.74	1,506,022
Raytheon	1960—6 mo. to Jun. 30	277,564,000	—	4,187,000	1.08[3]	3,723,008
	1959—6 mo. to Jun. 30	235,164,000	—	5,112,000	1.45[3]	3,507,999
	1960—qtr. to Jun. 30	142,812,000	—	2,027,000	.52[3]	3,723,008
	1959—qtr. to Jun. 30	121,862,000	—	2,600,000	.73[3]	3,507,999
Siegler Corp. Story on p. 15.	1960—year to Jun. 30[5]	84,000,000	—	3,200,000	1.71	1,871,595
	1959—year to Jun. 30	77,000,000	—	2,200,000	1.36	1,624,815
Textron Inc.	1960—6 mo. to Jul. 2	164,340,000[6]	8,173,000	6,285,000	1.27[3]	4,765,236[7]
	1959—6 mo. to Jul. 2	145,954,000	8,849,000	8,533,000[8]	1.89[3]	4,340,780[7]
	1960—qtr. to Jul. 2	81,827,000	3,693,000	2,924,000	.59[3]	4,765,236[7]
	1959—qtr. to Jul. 2	81,005,000	5,216,000	4,900,000[9]	1.10[3]	4,340,780[7]
Wells-Gardner Electronics Story on p. 15.	1960—6 mo. to Jun. 30	9,295,088	437,384	215,384	.51	—
	1959—6 mo. to Jun. 30	9,059,728	309,022	154,022	.37	—
	1960—qtr. to Jun. 30	5,493,750	406,841	194,841	.46	—
	1959—qtr. to Jun. 30	4,225,464	173,925	83,925	.20	—

Notes: [1]Outstanding June 30, 1960. [2]No provision for federal income tax because of tax-loss carry-forward. [3]After preferred dividends. [4]For 2nd-quarter report, see Vol. 16:31 p23. [5]Estimated. [6]Record. [7]Average [8]Excludes non-recurring income of $2,456,000. [9]Excludes non-recurring income of $1,500,000.

Metropolitan Bcstg. Co. anticipates strong rises in 1960 sales & earnings, reports Pres. John W. Kluge. Sales are expected to go to $40 million—more than double the $16.5 million in 1959. Earnings are forecast at about $2.1 million ($1.25 a share), compared with 1959 earnings of $1.4 million (91¢). Kluge said that much of the anticipated sales & profit gain will develop from the acquisition in March of ad agency Foster & Kleiser Co. Kluge noted that Metropolitan, which now operates 4 TV & 3 radio stations, intends to expand station ownership, is also considering broadening into other advertising areas. He said Metropolitan has completed the purchases (subject to FCC approval) of WTVP Decatur, Ill., and short-wave radio WRUL Scituate, Mass.

Foreign expansions: Fairchild Semiconductor Corp. (Fairchild Camera & Instrument's wholly owned subsidiary) is acquiring ⅓ of Milan, Italy semiconductor manufacturer Societa Generale Semiconduttor for the overseas production & marketing of Fairchild silicon semiconductor devices. The other ⅔ of 2½-year-old SGS are owned equally by business-machine-producer Olivetti and microwave-equipment-manufacturer Telettra. • **Polarad Electronics** has formed a French subsidiary to produce industrial microwave instrumentation for the European market. Polarad will retain about 80% of the new company's stock.

International Diode Corp., Jersey City, plans public offering of 42,000 shares of 6% non-cumulative convertible preferred stock at $8. Ernst Wells Inc. is underwriter.

Reports & comments available: Texas Instruments, review in *Investor's Reader*, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5 • **Metropolitan Bcstg.**, report, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 • **Arvin Industries**, review, Carreau & Co., 115 Broadway, N.Y. 6 • **Decca Records**, analysis, Walston & Co., 74 Wall St., N.Y. 5 • **ITT**, study, Shearson, Hammill & Co., 14 Wall St., N.Y. 5 • **Corning Glass**, report, Reynolds & Co., 120 Broadway, N.Y. 5.

A. C. Nielsen stockholders have approved a 3-for-1 split in both the common & class B stock, effective Aug. 5. The additional shares will be distributed Aug. 24 to stockholders of record Aug. 5. The approval increases Nielsen authorized shares to 3,690,000 (2,250,000 common & 1,440,000 class B) from 1,230,000 (750,000 common, 480,000 B). The company currently has outstanding 570,000 common & 480,000 B shares.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Avnet Electronics	Stk.	4%	Sep. 21	Aug. 31
GT&E	Q	$0.19	Sep. 30	Aug. 22
General Tire & Rubber	Q	.25	Aug. 31	Aug. 15
Litton Industries	Stk.	2½%	Oct. 21	Oct. 7
Speer Carbon	—	.17½	Sep. 15	Aug. 31
TV-Electronics Fund .	—	.04	Aug. 31	Aug. 4
United Artists	Q	.40	Sep. 30	Sep. 16

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WEEKLY Television Digest

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Congress

PASTORE BALKS HARRIS ON SUSPENSIONS of licenses as punishment for stations in TV-radio reform bill passed by House. Senate version to omit penalty (p. 1).

1961 PREVIEW BY HARRIS outlines 7-point TV-radio legislative agenda for House hearings in next Congress, including equal time, network regulation, pay TV (p. 3). Sec. 315 next week (p. 3).

FCC

THE FORD ROCKET—ready to ignite 2nd stage after Aug. vacation. Summary of 5 months of chairmanship (p. 2).

FCC'S UHF PROJECT SETUP gets alphabetical tags—GIAC, TIAC, RIAC, OMIAC, AIAC—as industry caucus okays committee system under FCC staffers (p. 4).

ANOTHER FCC POLITICAL QUIZ seeks data from all broadcasters on how they handle candidates & issues in campaign—and how much money they make (p. 5).

MIAMI CH. 10 FIGHT RENEWED in court by WPST-TV, which is under FCC "influence" sentence to surrender grant. Debarred applicant North Dade asks rehearing (p. 5).

Film & Tape

RECORD FILM PRODUCTION of $150 million for next season seen for Hollywood; trend to 60-min series continues (p. 5).

Auxiliary Services

JERROLD CATV SALE closed for $5 million, H & B American Corp. of Los Angeles taking over 9 community systems & 2 microwave companies in record deal (p. 8).

Consumer Electronics

TV-ELECTRONICS sales up, profits down in 2nd quarter, tally of representative firms shows. Good first quarter offset by 2nd to leave first-half profits same as 1959 (p. 11).

RCA SHIFTS TV HQ to Indianapolis, Ind. from Cherry Hill, N.J.; Sales Corp. & home-instrument div. will complete migration by mid-1961 (p. 12).

STUDY RULES, DEALERS WARNED by FTC's Earl W. Kintner at NARDA-American U. management institute. He urges re-reading of 1955 TV-radio industry guidebook (p. 13).

WHICH PAPER D'YA READ? Is TV industry headed for near-record year or faced with consumer buying strike? It all depends on who's analyzing the market (p. 14).

Networks

NIELSEN-NETWORK DISAGREEMENT is reaching a truce stage after nearly a year of contract sparring. ABC has renewed for full services, NBC & CBS are negotiating (p. 9).

Finance

ZENITH AT ZENITH: Pushes first-half sales to record $118.3 million as profit increases to $5.3 million from $4.9 million in Jan.-June 1959 (p. 15).

Other Departments

PROGRAMMING (p. 6). **ADVERTISING** (p. 7). **EDUCATIONAL TV** (p. 8). **STATIONS** (p. 10). **PERSONALS** (p. 10).

PASTORE BALKS HARRIS ON SUSPENSIONS: Catch-all TV-radio-FCC reform bill (S-1898), patched together by Rep. Harris (D-Ark.) & passed by House, was put through Senate wringer last week—and came out with its most punitive section in shreds.

License-suspension penalty was virtually ripped from measure in swift one-day hearing by Senate Commerce Communications Subcommittee headed by Sen. Pastore (D-R.I.). This industry-opposed provision for FCC disciplining of stations which defy its rules & regulations (Vol. 16:32 p2) scarcely survived opening testimony by FCC Chmn. Ford. He started out by insisting Commission needed suspension power as a less-than-revocation club against recalcitrant licensees. But Ford was in retreat on the issue before he left stand.

Ford backed away under sharp questioning by Pastore, who argued that putting stations off air for 10-day periods—as proposed in Harris bill—would penalize the public more than licensees. "The Commission would much rather have a bill without suspension provisions than not have a bill at all," Ford finally said. Pastore suggested tartly "diplomatic blackmail" by FCC wasn't needed to get rest of bill through.

"A suspension is going to hurt the kiddies who watch 'Howdy Doody' even more than the licensee," Pastore observed at one point in hearing—even before NAB govt. affairs vp Vincent T. Wasilewski & other industry spokesmen got in their licks against penalty. "He might just take a vacation in Bermuda."

Alternative cash-forfeiture penalties in Harris bill for stations survived hearing. So did payola-&-quiz-rigging prohibitions & other non-controversial provisions of the omnibus measure which were challenged by

nobody. But Pastore promised that provision for imposition by FCC of $1,000-per-day fines would be modified by his Subcommittee before measure is sent by full Committee to Senate floor for vote—probably this week. As approved by House, S-1898 permitted FCC to assess forfeitures against stations for each day of the 3-year license period. Probable Senate modification: Setting a 90-day limit to the period in which FCC could charge violations & assess fines.

Procedural safeguards for licensees against any malicious or capricious FCC forfeiture proceedings also will be written into Senate amendments, Pastore said. At end of hearing he called on FCC, NAB and American Bar Assn. to help his communications counsel Nicholas Zapple draft language assuring stations due-process protection in hearings, etc., when they are called on Commission's carpet.

Quick Senate floor approval of Pastore amendments to S-1898—which came to the Subcommittee as House substitute for minor FCC procedural bill passed by Senate last year—was predicted by Commerce Committee sources. Stripped-down measure then would go back to House for probable concurrence.

Lone defender of license suspensions at Pastore hearing following Ford's retreat was Washington dir. Lawrence Speiser of the American Civil Liberties Union. He said suspensions would help Commission fix penalties "to fit the crime," but devoted most of his testimony to arguing for more legal protection for licensees confronted with forfeiture proceedings. Similar due-process pleas were made by American Bar Assn.'s Bryce Rea Jr. & Donald C. Beelar.

Backing up NAB's Wasilewski in anti-suspension testimony were J. S. (Dody) Sinclair (WJAR-TV Providence), Cecil Woodland (radio WEJL Scranton), ex-FCC gen. counsel Warren Baker (Federal Communications Bar Assn.). CBS, NBC and ABC supported NAB in statements. Another witness was AFM secy. Stanley Ballard, who got brush-off from Pastore when he urged that S-1898 be amended to require broadcasters to identify foreign-taped music. House Commerce Committee's communications counsel Kurt Borchardt, who helped Harris draft suspension feature, was spectator, but wasn't called on by Pastore for advice.

THE FORD ROCKET—READY TO IGNITE 2ND STAGE: FCC Chmn. Frederick W. Ford had best running start & sendoff that any Commission chairman ever debuted with when he took over 5 months ago—and he's made the most of it.

Congress & public were yearning for a "cleanup man" after months of quiz-payola-influence furore, and Ford stepped up with more blessings than he could count. He was ready—having served as a top FCC attorney for 6 years, a substantial Justice Dept. official for 4 years and a Commissioner 2½ years. Let's look at Commission performance under his leadership, including major new policy departures:

(1) Rapport with Congress. Lawmakers are pleased with Ford. They demanded action on quiz-rigging, payola, influence-peddling etc.—and Commission came through quickly with recommendations on legislation & proposed rules of its own. Ford's demeanor in witness chair is respectful, careful, straightforward. Unlike his predecessor John C. Doerfer, he seldom is in difficulty on stand, rarely backtracks as he did at last week's Senate hearing on suspension penalties in payola bill (see p. 1).

(2) Network regulation. Commission reversed traditional position, told Congress it wants greater control over networks.

(3) CATV regulation. Changing policy, Commission decided that CATVs shouldn't be permitted to duplicate programs of local stations.

(4) Vhf booster rules. Significance of this was not policy, but speed. Rules were finalized only a month after Congress passed necessary legislation.

(5) Miami Ch. 10 decision. Tough, far-reaching, short—and prompt.

(6) Complaints & Compliance Div. Ford led fight for it, doing single-handed lobbying job with Congress, got most of what he wanted.

(7) Program policy statement. Significance still to be determined—but it came through fast.

Note recurring theme of speed. It's a fetish with Ford. For example, he convenes Commissioners immediately after oral arguments on contested cases, calls for vote while issues are fresh in members' minds. On July 28, precedent was made. Oral argument was held on request of radio KVFC Cortez, Colo., which

sought facilities improvement. FCC Broadcast Bureau attorney argued against grant. Commission held brief intermission, told KVFC lawyer to save his breath—that he would get his grant, didn't need to utter a word.

In intramural personal relationships, Ford is doing well. Fellow Commissioners consider him most fair-minded. Staff is working hard. He has pushed bureau chiefs to make more use of cash-incentive-award system for employes. There has been no sudden firing or downgrading of top aides.

Relationships with industry are unusual. Though Ford respects & likes industry leaders, he doesn't socialize with them, doesn't even lunch with them. He has few outside visitors.

Inventiveness is probably Ford's outstanding characteristic. Other chairmen have been good administrators—knowledgeable, fair, effective leaders & cooperators—but few have shown such willingness to try new approaches.

Ford's major frustration to date is lack of action on TV allocations. He considers subject top problem before Commission, but Commission can't move until OCDM finally gives its views on possibilities of shifting vhf spectrum from military to civilian use.

Ford's administration has had strong takeoff—but if Kennedy wins in Nov. it won't orbit. Kennedy would install his own chairman, presumably tapping Comr. Bartley, who is nephew of House Speaker Rayburn. And who has more influence on Lyndon Johnson than Rayburn? If Nixon wins, Ford is in solid.

Congress

1961 PREVIEW BY HARRIS: A taste of TV-radio things to come in the next Congress—none startling—was offered last week by Chmn. Harris (D-Ark.) of the House Commerce Committee & its Legislative Oversight Subcommittee.

In a speech prepared for an Aug. 13 session of the annual Ark. Bcstrs. Assn. convention in Little Rock, Harris threatened no new scandal-hunting forays by his Oversighters into the industry. Instead, he ticked off these standby TV-radio subjects as likely items on his hearing-&-legislation agenda for 87th Congress opening next Jan.:

(1) Equal-time Sec. 315 of the Communications Act. (Political broadcast questions need "further careful study.")

(2) Network licensing & regulation. (Unfinished Committee business "which is still pending.")

(3) Anti-pay-TV legislation. ("We may have to hold further hearings during the next Congress.")

(4) Spectrum-control legislation. ("We may see action during the next Congress if the incoming President helps us to knock some departmental heads together.")

(5) Community-antenna regulation. (It just missed getting through the Senate this year and was sent back to the Senate Commerce Committee by a one-vote margin.)

(6) Federal-aid-to-educational-TV legislation. (It "got stuck in the Rules Committee" in the current session.)

(7) Extension of daytime radio station hours. ("Problems involved in this legislation are highly technical, complex and controversial [but] I shall certainly make a sincere effort to bring [them] to a resolution.")

Said Harris to his home-state audience of broadcasters: "It is my firm belief that the investigations . . . will help [TV] to grow stronger & more responsible."

———■———

"Regulatory lag" in operations of such govt. agencies as FCC, FTC, ICC, CAB and FPC will be investigated by the Senate Commerce Committee—probably next spring—in hearings on an ICC pilot study undertaken by the general accounting office. "We are very concerned that the growing backlog of unsettled cases & regulatory lag might undermine public confidence," said Committee Chmn. Magnuson (D-Wash.) in reporting plans for the inquiry.

NEXT WEEK FOR 315: In Washington, all signs pointed to House concurrence next week with the Senate in lifting equal-time requirements for broadcast appearances by Presidential & Vice Presidential candidates this year (Vol. 16:32 p2).

House Commerce Committee Chmn. Harris (D-Ark.), who will give the Senate-approved measure (S. J. Res. 207) a once-over at an executive meeting of his unit Aug. 16, said House Speaker Rayburn (D-Tex.) had assured him it "will be called up for consideration shortly" on the floor.

Due date for a House vote on suspension of the Communications Act's Sec. 315 was set, but Committee sources told us it was likely that rules would be suspended to permit action early next week, when the House will go into full legislative gear for its closing business this session.

Harris said some House members "have expressed their misgivings" to him about S. J. Res. 207. In a speech to the Ark. Bcstrs. Assn. (see p. xx), he said the experimental lifting of Sec. 315 for top candidates may lead to "permanent abandonment of the safeguards." And in that event, Harris warned, the candidates may be "called upon to serve the interests of the radio & TV networks instead of radio & TV serving the candidates and the best interests of the United States."

But Harris indicated he was ready to go along with the Senate now and "see how things work out," pending another look at Sec. 315 later on.

On the Senate side, meanwhile, Chmn. Magnuson (D-Wash.) of the Senate Commerce Committee introduced a housekeeping resolution (S. Res. 356) raising the appropriations for its Sec. 315 "Watchdog" Subcommittee (Vol. 16:25 p5) from $35,000 to $36,500.

* * *

Apart from a Congressional green light, there are other problems that must be solved before Nixon-Kennedy TV debates can become a reality. To tackle the question of the availability of the candidates for debates on specific dates, and to discuss a set of ground rules for the debates themselves, the chief TV strategists of the 2 parties—Herbert Klein for the Republicans, J. Leonard Reinsch for the Democrats—met with network executives in N.Y. Aug. 9 in a closed meeting. The session was primarily exploratory, with the networks attempting to

arrange debate telecasts that would be exclusives on particular nights and the political leaders suggesting simultaneous, 3-network debates. By all indications, the latter course will be the one that's followed. Meanwhile, at NBC-TV, corporate affairs vp Lester Bernstein was designated to coordinate plans for the appearance of the Presidential candidates on *The Great Debate* series.

* * *

Equal-time protest to FCC against refusal of CBS & NBC to put Socialist Labor Party candidates on the air to answer convention acceptance speeches by Democratic nominees has been turned aside by Comr. Lee. In a letter to SLP secy. Arnold Peterson, Lee said the networks were "responsive" to the minority party's request for equal time when they pointed to news-show exemptions from the Communications Act.'s Sec. 315. In his protest to FCC, Peterson also had cited Sec. 315's requirement that broadcasters handle controversial public issues fairly. But Lee said that issue hadn't been raised with the networks by SLP.

* * *

Nixon-Kennedy debate sponsorship problem was still undecided at NBC-TV & ABC-TV last week (Vol. 16:32 p2), with CBS-TV sticking to its original decision of presenting face-to-face debates between the Presidential candidates as pure public service. NBC & ABC, however, put the decision to the 2 major political parties, taking the position that if it is OK with the Democratic & Republican leaders to have commercial sponsors for the debates, it is OK with the networks. Scheduling of such debates, of course, is contingent on House action to suspend Sec. 315.

* * *

GOP TV strategy firmed last week as the first round of time-purchase orders went out from the Republican's election-period house agency, Campaign Associates. Unlike the paid-political-time TV strategy of the Democrats, which will call for a shotgun approach with short, capsuled TV telecasts via Guild, Bascom & Bonfigli (Vol. 16:31 p6), the Republicans are purchasing longer segments of prime time. All of the Campaign Associates orders call for 30-min. pre-emptions of nighttime shows on all 3 networks at the rate of about one show per week per network between late Sept. & election. Ignored by the GOP move: Possibilities of viewer resentment triggered by full-scale pre-emption of various popular nighttime shows (*Groucho Marx Show, Bat Masterson, Ann Sothern Show*, etc.) for pro-GOP politicking.

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FCC's "immoral payola policy" of giving favorable attention to license applicants whose stockholders include members of Congress has been assailed again by Sen. Proxmire (D-Wis.). Uncowed by Commission Chmn. Ford's argument that such Congressional criticism may in itself be an off-the-record attempt to influence a decision (Vol. 16:27 p6), Proxmire renewed his attack in submitting an amendment to a pending 1959 bill (S-1734) to tighten FCC's ex-parte rules. The amendment would "prohibit the FCC from considering as a favorable criterion in awarding radio or TV franchises, membership in Congress by any of the stockholders of an applicant." He said "this favored, privileged advantage" shouldn't be tolerated by Congress. Proxmire's original complaint was against FCC's award of Albany Ch. 10 to WTEN, which numbers 5 Congressmen among its stockholders. FCC's reasoning on Congressional stockholdings in that case was spelled out in July in the text of its final decision (Vol. 16:30 p8).

The FCC

FCC'S UHF PROJECT SETUP: An all-industry caucus in FCC chief engineer Edward Allen's office Aug. 9 brought tentative selection of 5 Commission staffers to head up as many working committees for the $2-million N.Y. uhf project (Vol. 16:31 p3).

At the same time, representatives of industry groups at the conference—NAB, EIA, IRE, AMST, JTAC, JCET, TASO, AFCCE, CCT—submitted 100-odd nominations for members of the committees. No names were selected definitely. Allen said the final makeup of the committees will depend on acceptances to invitations his office started sending out immediately.

The skeleton setup for the special uhf program, as approved at last week's meeting, will be topped by a 50-member General Industry Advisory Committee (GIAC), headed by Arnold Skrivseth. It will meet 3-4 times per year, operate as housekeeper & overseer for the whole project.

These 4 co-equal technical groups, each with 15-20 members and its own alphabetical tag, will meet weekly until the project is under way: Transmitter Industry Advisory Committee (TIAC), headed by Sidney Lines. Receiver Industry Advisory Committee (RIAC), headed by Jules Deitz. Observations & Measurements Advisory Committee (OMIAC), headed by Dan Hutton. Analysis Industry Advisory Committee (AIAC), headed by George Waldo.

No further industry-FCC uhf conferences were scheduled, but Allen said it was hoped that the new committees would shape up so that meetings could be called within a week or two.

Meanwhile the American Civil Liberties Union, which is frequently critical of FCC & broadcasting practices, sent a letter to FCC Chmn. Ford commending the Commission for initiating the uhf study. ACLU also called for "a gradual changeover [in 5-10 years] to an all-uhf, 70-channel TV system."

Also heard from was converter manufacturer Blonder-Tongue Labs, which said in comments submitted to FCC that uhf would get a big boost if the public were invited to participate actively in the N.Y. project. Such participation, coupled with a well-organized publicity campaign pushing top shows, would prove that uhf can be good, the company said. Blonder-Tongue estimated the cost of its converters at $20 for those with a 12-14 db noise level, $30 for 10-11 db devices.

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Man masquerading as "Lowell Thomas Jr.," and described by the FBI after his arrest in N.Y. as a high-flying bad-check imposter who turned out to be Terrence Joseph Donley, 30, used FCC papers as part of his credentials. Giving his address as Hunting Towers, Alexandria, Va., Donley obtained a restricted radio operator's license from FCC July 25 in the name of the CBS commentator's son. The permit authorized him to manipulate push-button broadcasting controls, but not to monkey with station equipment. The FBI said Donley represented himself as a CBS newsman, traveled more than 100,000 miles in one 30-day spree by cashing checks signed "Lowell Thomas Jr."

Space communications needs as foreseen through 1970 by the U.S. govt. are being drafted by OCDM for FCC's 890-mc-&-above spectrum allocation proceeding (Vol. 16:29 p4). Setting an Oct. 15 deadline for detailed replies—some of which may be classified as secret—deputy asst. OCDM telecommunications dir. F. C. Alexander has circularized all federal agencies for estimates of space requirements.

Another FCC Political Quiz: Following up its pre-campaign questionnaires on broadcasters' political policies (Vol. 16:21 p7 et seq.), FCC has sent out a new set of questions to all TV & radio stations to find out how they will handle election-year issues in the Sept. 1-Nov. 8 campaign period.

Setting a Dec. 5 deadline for replies, the Commission asked for this information to help it—and Congress—determine whether equal-time & other Sec. 315 provisions of the Communications Act are observed:

(1) Did the station editorialize in behalf of or against any candidate?

(2) What requests for time from candidates or their supporters were received—and what was done about them?

(3) How much money was received from paid political time?

(4) What program time and how many announcements were devoted to appearances by Republican, Democratic—and other candidates for President, Vice President, Congress and governor?

(5) What was the breakdown of candidates' appearances under news-show exemptions from equal-time requirements? What appearances weren't exempted?

Similar questionnaires were sent at the same time by FCC's acting secy. Ben F. Waple to TV & radio networks. In addition, the networks will send affiliates listings of network appearances by candidates for President & Vice President. The stations will be expected by FCC to tell the networks which appearances were carried locally. The networks then will tell FCC, which will figure "the extent of exposure of these candidates on a program-by-program basis."

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Miami Ch. 10 Fight Renewed: In a totally expected move, National Airlines' Public Service TV Inc. (WPST-TV) went to court last week to try to hang on to Miami Ch. 10, despite an FCC decision to take the 1957 grant away on "influence" charges (Vol. 16:29 p1).

Vehemently protesting the Commission's action in giving Ch. 10 to L. B. Wilson Inc.—only one of 4 original applicants deemed fit by FCC to operate—WPST-TV asked the U.S. Court of Appeals in Washington to instruct the Commission to withdraw the order. WPST-TV also petitioned FCC to hold everything in status quo until issues of the appeal are decided.

At the same time original applicant North Dade Video Inc., debarred by FCC from further consideration in the bitterly-fought-&-re-fought case, asked Commission for a rehearing & reconsideration of tough July 14 decision.

WKAT Inc., the 3rd applicant put out in the cold, made no formal move last week to get back in, but it was expected to seek a rehearing, too.

L. B. Wilson, beneficiary of FCC's order, said nothing.

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Petition for stay of FCC's order making Fresno all uhf (Vol. 16:28 p6) was filed by the city, county and Unified School District of Fresno last week—and was promptly turned down. Stay-at-home Comr. Lee, acting as a board for vacationing FCC members, left a simultaneous petition for reconsideration pending in the file, however. The Commission's reply, stating that issues raised in the stay plea had been argued extensively in the Fresno proceeding, said: "The failure to show injury to themselves or to the public and the failure to establish likelihood of success on the merits of their petition for reconsideration leaves the Commission without adequate justification for issuance of a stay."

Film & Tape

RECORD FILM PRODUCTION: Our conservative checkup totals to $150 million to be spent in Hollywood for TV film next season. This figure is for series only, does not include pilots. Last year: $125 million (Vol. 15:21).

Reason for the mushrooming production figure: The search for better quality, rising labor & talent costs, competition, and—perhaps the largest factor—the increasing trend to 60-min. shows. Firmed for network showings next fall are 24 one-hour series, compared with 18 last season.

The success of series such as *77 Sunset Strip, The Untouchables, Wagon Train* and *Perry Mason* is undoubtedly a major reason for the rash of longer series. Among these 60-min. newcomers are *The Roaring Twenties* and *Surfside Six* (Warner Bros.); *Route 66, The Naked City* and *Dan Raven* (Screen Gems); *Stagecoach West* and *Michael Shayne* (Four Star); *Hong Kong* (20th Century-Fox TV); *The Islanders* (MGM-TV); *Checkmate* and *Thriller* (Revue); *Aquanaut* (Ziv-UA).

Most of the product for the coming season will come from Revue Studios, which has 17 series; Four Star Television, 13; Screen Gems, 9; and Warner Bros., 7. Last year Warner Bros. was runner-up to Revue.

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Why He Prefers Tape: A telefilm-industry shift to tape is inevitable, predicts Peter Kortner, producer of *The DuPont Show with June Allyson.* Acknowledging that he is presently in the minority in this belief, Kortner nevertheless has his reasons. He believes that TV-film's quality suffers from lack of rehearsal whereas tape allows more rehearsal time because a tape show can be made for $10,000 less than film.

To those film-industry executives who object to tape on the ground of limited markets, Kortner, ex-*Playhouse 90* producer as well as producer of 7 taped *GE Theaters* last season, replies that a show can be taped and then transferred to film. This procedure is already being followed by CBS Sales for commercials, he points out. For the producer, he adds, tape allows examination of a scene immediately after it is shot, and the opportunity to re-do it then & there.

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Parting of NTA and NT&T in a spinoff is a likelihood for the near future, according to Hollywood sources. For some time now, there have been reports that NTA Chmn. Ely Landau and parent-firm NT&T Chmn. B. Gerald Cantor were not agreed on policy and that Landau wanted to buy WNTA-TV N.Y. and sever his link with NT&T. NTA is also in the process of moving its hq & sales staff back to N.Y. (Vol. 16:29 p9), after an expensive & elaborate "airlift" to the Coast. The corporate marriage of National Theaters and NTA has never been financially fruitful; NTA has reportedly lost over $3 million and much of its ability to make telefilm deals quickly, since the link-up. First step may be NT&T's announcement last week that it will relinquish majority ownership of NTA, but will continue to be its largest stockholder. The parent company plans to distribute 844,875 shares of NTA as a dividend to its stockholders on the basis of 3 NTA shares for each 10 NT&T shares held. NT&T will retain 620,511 of the total 1,627,572 NTA shares outstanding. The distribution is subject to FCC approval. Cantor said this and other financial changes of the 2 companies "will bring to NTA an improved financial base upon which to build, and provide NT&T with flexibility in its own development program."

NEW YORK ROUNDUP

Cuba is getting the go-by as a TV market from both American advertisers & leading syndicators, thanks to Castro's anti-U.S. policies & property seizures. This month, Goodyear International skipped Cuba on the market list when it placed a large order with ITP (which distributes Ziv-UA telefilm shows overseas) for *The Man & the Challenge* in virtually all other Latin-American TV markets. Syndicators operating overseas, such as CBS Films, Fremantle International, ITP, ITC, ABC Films, etc. are now avoiding Cuba in their current sales calls with new film product. (Major movie distributors are also threatening to hold back new U.S. movies from the island's over-500 movie houses.) Possible next move by Castro: Importation of telefilm shows, documentaries etc. produced by Iron Curtain countries to replace U.S.-made telefilms.

Musicians Guild of America, currently seeking NLRB recognition as a bargaining force (Vol. 16:26, 32), has charged the older, industry-recognized American Federation of Musicians with a "sellout" of demands for a slice of the post-1948 TV pie. AFM promptly denied the charge, and referred to a previous policy statement assuring musicians that AFM would not permit post-1948 Hollywood films to be sold to TV without residuals for musicians. AFM, however, made no statement concerning what it would do about post-1948 deals already in the works, such as the Warner Bros.-CT&A arrangement now in effect.

HOLLYWOOD ROUNDUP

FCC's network hearing will be resumed in Los Angeles Oct. 10 instead of Oct. 5, as first scheduled (Vol. 16:30 p3). With chief examiner James D. Cunningham presiding, the Hollywood phase of the marathon inquiry will be conducted in the U.S. Court of Appeals courtroom.

Two-thirds of NTA's employes who were transferred to the West Coast last year have left the company rather than return to N.Y. now that NTA has decided to move back (Vol. 16:29 p9). NTA had moved to Los Angeles to center its operations in the West, but, after some months, decided it was best to base its sales activities in N.Y. Departing employes give 2 reasons: (1) They like Cal. (2) They don't like to uproot their families twice. Among those leaving NTA: Sylvia Seymour, TV-film liaison; Al Stern, in charge of exploitation for Cinemiracle; Jerry Franken, head of advertising-publicity-promotion for NT&T and NTA. The organization will return to its former offices in the Coliseum Bldg., 10 Columbus Circle.

More money for TV cartoonists is being sought to meet TV's growing animation market in both commercials & programming. International Alliance of Theatrical Stage Employes, Local 39 in Hollywood wants a $1-million fund to train new film animators and to build an employment benefit plan. Both demands are reminiscent of the N.Y. animators' union action several weeks ago (Vol. 16:29 p8) in seeking a slice of merchandise profits. Producers are requested to contribute 1% of total gross revenues toward the animators' fund.

Programming

NBC-TV confirmed last week our report that the super-expensive ($450,000) 60-min. pilot for the proposed costume-drama series *The Barbarians* will be used to launch the network's Tuesday-night specials (Vol. 16:32 p4). Under the one-shot title of "Rivak, the Barbarian," it will be colorcast Sept. 20 from 10-11 p.m. NBC still hasn't abandoned plans for a series, and refers to the pilot telecast as "a prologue to the NBC-TV full-hour color series." The plot of the film has more than a passing resemblance to "Ben-Hur," with celtic Prince Rivak (Jack Palance) sentenced to be a galley-slave, meanwhile vowing vengeance on a Carthaginian nobleman for the mistreatment of Rivak's sister.

International TV festival at Monte Carlo will debut as an annual event Nov. 14-26 for world-wide recognition of the medium's highest artistic achievements. Monaco's Prince Rainier said 57 nations have been invited to participate in the inaugural festival which concludes Nov. 26 with the announcement of awards. An international jury will select winners in 9 categories: best single dramatic & entertainment programs, best TV direction, best single performance by an actor & actress, outstanding achievement in news coverage, scientific contribution, best original TV drama, contribution to international understanding.

NBC-TV's afternoon lineup will feature 3 half-hour program additions this fall, one in color: *The Jan Murray Show*, a game show colorcast Mon.-Fri. at 2; *Make Room for Daddy*, telefilm repeats of *The Danny Thomas Show*, at 4; and *Here's Hollywood*, a sort of celluloid-angled *Person-to-Person*, premiering Sept. 5 at 4:30. Returning in the fall will be 3 other afternoon series, reruns of *The Loretta Young Show*, and the live daytime serials, *Young Dr. Malone* and *From These Roots*.

Viewers with 3-network selection can find at least one program that is not a mystery, Western or adventure, during 95% of prime evening time, TIO dir. Louis Hausman said last week. He was speaking at the Western Michigan U. ETV workshop Aug. 10. Alternatives for 85% of these viewers during that time include general drama, special music, sports and public-affairs programming. In addition to Hausman's address, the workshop featured a panel discussion by a local newspaper TV critic and station execs from WKZO-TV Kalamazoo, WOOD-TV Grand Rapids and WSJV Elkhart.

1960 Presidential conventions drew up to 135% larger TV audiences than the 1956 sessions, compared with a 17% increase in TV-set ownership during the 4-year period, reports researcher Sindlinger & Co. The Democrats racked up a 135% gain in daily TV audience (91 million viewers vs. 33 million in 1956). The Republicans gained 114% (77 million vs. 31 million). Pres. Albert E. Sindlinger said 79.2% of all adults with TVs viewed the Democratic convention, 67.2% watched the Republicans. Interestingly, his survey found that fewer adults (69.1% or 89,575,000) had watched evening TV in the July 4-8 period, the week preceding the Democratic convention.

American families with TV sets are now tuned in 26.7% of the entire 7-day week. This is based on Nielsen's latest figure for 1960 of 44.93 average hours per week during which the TV family has a set tuned in. Considered another way, and assuming an 8-hour sleeping period per day (which leaves a balance of 112 waking hours in the week), the television family is tuned in 40% of the time.

Advertising

Loyal Network Blue-Chippers: Most of the nation's top advertisers have been consistently loyal to at least one of the 3 networks over the past 10 years, a checkup we made recently shows. NBC-TV can boast twenty 10-year backers, 12 of which have advertised steadily only on that network. CBS-TV has 13 advertisers which have been with the network for at least 10 uninterrupted years, 3 consistently loyal only to CBS. The youngest of the 3, ABC-TV, can boast sixteen 5-year-or-more advertisers, 9 of which have been exclusive to ABC. Here's the rundown:

ABC-TV (5 years or longer): American Chicle, American Home Products, Armour, Bristol-Myers, Brown & Williamson, Carter Products, Dodge, General Electric, General Mills, Mattel Inc., Miles Labs., P&G, Quaker Oats, Ralston-Purina, Warner-Lambert, American Home Products.

CBS-TV (10 years or longer): General Electric, General Foods, R. J. Reynolds, Westinghouse Electric Corp., Bristol-Myers, Lever Bros., Liggett & Myers, American Tobacco, Philip Morris, American Home Products, Procter & Gamble, P. Lorillard, General Mills.

NBC-TV (10 years or longer): Armour, Colgate, Chesebrough-Pond's, Chevrolet, Ford, General Foods, Goodyear, Kraft, Lever Bros., Liggett & Myers, P. Lorillard, P&G, RCA, R. J. Reynolds, Speidel, Standard Brands, Hazel Bishop, Borden, American Tobacco, Gillette.

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TV-radio-airline tieups, in which publicity was traded for free trips, have been cited by the Civil Aeronautics Board in complaints against 3 foreign air carriers. CAB, charging Lufthansa, Sabena and Air France with violations of the 1958 Federal Aviation Act forbidding free or cut-rate transportation in exchange for services or merchandise, identified these firms, individuals & stations as recipients of trips in exchange for plugs on the air: Richard S. Robbins Co. Ltd., N.Y., NBC-TV's *The Price Is Right* • Albert Black, Lido Beach, N.Y. (TV publicity) • producer Eugene Geissler, radio KSTL St. Louis • Marshfield Bcstg. Corp. (radio WDLB), Marshfield, Wis. • radio WKFM Chicago • radio CFCF Montreal • radio WNEW N.Y. • All told, 23 persons & organizations connected with broadcasting, newspapers and magazines were listed by CAB.

American public spent $2.9 billion last year for new TV sets, set maintenance and electricity to operate their sets. This was nearly double the amount spent by advertisers in TV and 93% more than was spent for newspapers by the public last year, TvB estimated Aug. 15. Of the $2.9 billion, $1 billion was for new receivers, the rest for repairs & electricity. Weekday & Sunday newspapers spending totaled $1.5 billion, says ANPA ad bureau.

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Ad People: James R. Heekin appointed senior vp, Ogilvy, Benson & Mather . . . John Laurie elected a BBDO vp . . . Lawrence D. Reedy named an American Assn. of Ad Agencies vp . . . William McQuillan named Kenyon & Eckhardt copy supervisor of TV-radio group for Comet, Mercury & Lincoln automobiles . . . Gerald Hoeck, Seattle adman (Miller, McKay, Hoeck & Hartung) who campaigned for 1958 re-election of Sen. Jackson (D-Wash.), new Democratic National Committee chmn., joins Democratic campaign staff as special TV-radio consultant . . . Julian M. Snyder named Cunningham & Walsh vp.

McCann's 1960 Predictions: Network & spot TV during 1960—including talent as well as time costs—will run about $1.36 billion, a gain of 9% over the 1959 level. So predicted McCann-Erickson media researcher Robert J. Coen in the Aug. 12 issue of *Printers' Ink*. TV, he added, may be ousted from its spot as the No. 1 growth medium for the first time in a decade, with magazines (likely to be up 14% from last year, for a new volume of $985 million) taking the top growth honors.

The TV figures from M-E's Coen are more conservative, by some $300 million, than those of other research officials we printed last week (Vol. 16:32 p1). Coen also predicted an over-all ad volume in 1960 of just under $12 billion, representing a 7% increase over the 1959 spending rate. This includes an 8% hike in national ad spending and a 6% gain in local ad expenditures.

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TV "photographic license" must be taken by advertisers of many products if they are to use the medium effectively, FTC has been told by Rise shaving-cream maker Carter Products Inc. The company & its agency, Sullivan, Stauffer, Colwell & Bayles, denying FTC charges that commercials for Rise were deceptive and unfairly disparaged competing lathers (Vol. 16:26 p14), argued that demonstrations of the product on the air deceived nobody. FTC had complained that Carter used a special formulation—not shaving cream—to show how other lathers dried out while Rise stayed "moist & creamy." But the company & agency, pleading "photographic license," said "most of the pictorial representations now on the air would be impossible to present" if advertisers had to stick to strict realism. Carter's formal answer to FTC's complaint added that TV viewers aren't misled by commercials for hair-wave preparations, cake & dessert mixes, cosmetics, soaps & detergents—"and a host of other products"—which use substitute materials in demonstrations. Viewers understand that there must be a speed-up on TV to show—for instance—how "low moisture shave cream" dries up, Carter said. Joining in the answer was the agency's account executive for Rise, S. Heagan Bayles.

"Magazine-concept" news buy is being offered by CBS-TV involving four 60-sec. participations spread through 3 CBS daytime news shows for a gross price of $9,000 weekly. The trio: *Richard Hottelet* (8-8:15 a.m., Mon.-Fri.); *Ron Cochran* (1-1:05 p.m., Mon.-Fri.); *Robert Trout* (12:30-1 p.m., Sat.). (For West Coast advertisers, *Grant Holcomb & the News* is offered in place of *Hottelet.*) The 5 non-competitive advertisers who may buy the package, said CBS last week, will receive "a total of 6.7 million commercial-minute home impressions per week at a cpm efficiency of $1.34."

Nighttime toothpaste battle is shaping between Colgate and Procter & Gamble in wake of American Dental Assn. endorsement of P&G's Crest (Vol. 16:32 p6). Colgate is quietly shifting budget money from daytime TV to a fall barrage in nighttime spot TV in major TV markets, primarily to battle a planned network-&-spot drive for Crest. P&G, meanwhile, is keeping its intentions under wraps, and won't even tell the 3 networks—they say—what the plans are for its ADA-endorsed dentifrice.

U.S. Tele-Service Corp has purchased National TV Monitoring Co. Both are monitoring firms, and the combined organization will offer kinescoping in 100 key markets & air checks in 200 cities.

Auxiliary Services

JERROLD CATV SALE CLOSED: Jerrold Electronics Corp.'s reported big-business deal to dispose of its 9 community antenna systems (Vol. 16:30 p2) was confirmed last week in a flurry of announcements on East & West Coasts. The buyer: H&B American Corp., Los Angeles. The price: $5 million.

In Los Angeles, Chmn. David E. Bright of H&B American said the purchase of the Jerrold setups—biggest single CATV transaction yet—was the initial step into electronics by the diversified operating & managing company. Additional CATV properties will be sought by a new subsidiary, Transcontinent Communications Systems Inc., and the company also wants to spread into TV- & radio-station operation and space communications, Bright said.

The $5-million purchase from Jerrold took in CATV systems in Ukiah, Cal.; Ventnor, N.J.; Flagstaff, Ariz.; Pocatello, Ida.; Dubuque, Ia.; Florence, Ala.; Richland, Walla Walla and Wenatchee, Wash. Also included: Jerrold microwave companies in Ventnor & Walla Walla.

In Philadelphia, Jerrold Pres. Milton J. Shapp said the sale didn't mean his company was abandoning the CATV operating business. On the contrary, he said, Jerrold will use some of the sale money sooner or later to buy other CATV systems—subject to court approval. The company also plans acquisitions of other electronics firms specializing in communications, test & instrumentation equipment and advanced research, he said. "Serious discussion" with several companies—unnamed—already is under way, according to Shapp.

Shapp added that the CATV sale "is not in any way related to a recent anti-trust decision which denied the govt.'s request that Jerrold be divested of its community antenna systems." The U.S. District Court ruling in Philadelphia last month enjoined Jerrold from further CATV acquisitions until April 2, 1962 (Vol. 16:31 p8).

To run its new CATV operations, H&B American brought in ex-CBS-TV exec Charles L. Glett and named him pres. of both H&B and Transcontinent Communications, Chmn. Bright continuing as H&B chmn. and chief exec. officer of the parent company.

Glett is a former (1951-55) CBS-TV vp in charge of the network's West Coast live & film originations. More recently he headed up National Theatres & TV subsidiary National TV Investments Inc. as pres. He also has been exec. vp of RKO Teleradio Pictures, TV vp of the Don Lee System, gen. mgr. of David O. Selznick's production & studio operations.

H&B's other holdings include General Trading Co., St. Paul; Quickway Truck Shovel Co., Denver (a joint venture with Fairbanks-Whitney); Big Boy Mfg. Co., L.A.

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Council on Medical TV will conduct a tuition course Oct. 27-28 for medical educators in conjunction with a meeting of the Assn. of American Medical Colleges opening Oct. 31 at Hollywood, Fla. First-day sessions of the TV teaching institute will be held at the U. of Fla. College of Medicine at Gainesville. Demonstrations in Jacksonville of uses of open-circuit scrambled-image TV as an aid to medical students will feature the 2nd day of the institute. The Council on Medical TV, an affiliate of the Institute for Advancement of Medical Communication, lists these firms as new sustaining contributors: Ampex, Dage, Eidophor, Encyclopaedia Britannica Films, Ethicon and Smith, Kline & French Labs.

Schedule for whirlwind trip through Northwest vhf booster country by FCC staffers Dee W. Pincock and McIvor L. Parker to explain new translator rules to operators (Vol. 16:32 p3), has been set by FCC. The meetings, arranged by Tri-State Repeater Assn.'s James Beamer, start Aug. 23 in Prescott, Ariz. Thence: 24, Pueblo, Colo.; 25, Casper, Wyo.; 27, Miles City, Mont.; 29, Great Falls, Mont.; 30, Wenatchee, Wash.; Sept. 1, Redmond, Ore.; 2, Pocatello, Ida.; 3, Salt Lake City. Each meeting will also be attended by an engineer from the FCC's field engineering office.

Closed-circuit TV is being used by Camden, N.J. police to help safeguard pedestrians against attacks in an underpass at the approach to the Benjamin Franklin bridge to Philadelphia. Bridge police are watching TV monitors and listening to loudspeakers for unlawful acts or the presence of suspicious persons.

Purchase by CKVR-TV (Ch. 3) Barrie, Ont. of CATV system there for an undisclosed price was announced recently by broker Daniels & Associates. Seller of the system, which carries CBLT Toronto and WKBW-TV & WBEN-TV Buffalo, was Line Vision Ltd. of Barrie.

Educational Television

Statewide ETV network is being planned by the U. of Maine and other educational institutions in the state, according to a petition filed by the university with FCC recently. It requested that commercial Ch. 10, 7 & 10 in Augusta, Calais & Presque Isle, respectively, be reassigned for educational use in those communities. The university also said it is exploring the possibility of hooking up to the New England regional ETV network, composed of WGBH-TV Boston and WENH Durham, N.H. The only change necessary, according to the university, would be the move of long-time Augusta Ch. 10 permittee WPTT to Ch. 29.

Westinghouse has contributed $100,000 to the Midwest Council for Airborne TV Instruction "to support this program which represents such a powerful new dimension in the educational techniques we have available," reports vp & exec. committee Chmn. E. V. Huggins (Vol. 16:18 p14). The project will use Westinghouse-developed Stratovision TV. The company recently received a $2.2-million, 2-year contract to install, operate and maintain the Stratovision gear in MCATI's DC-6 A/B aircraft (Vol. 16:29 p20).

Survey of spectrum needs for educational broadcasting will be undertaken by NAEB for presentation to FCC. "Pressures for space allocation being exerted on the FCC pose a real threat to the future of educational broadcasting," warns NAEB administrative vp Harold E. Hill. "We must provide the Commission with the necessary statistics in the very near future if we are not to lose forever the opportunity to specifically provide electronic frequencies for educational purposes."

U.S. Office of Education has awarded a $24,000, 2-year contract to the Society of Motion Picture & TV Engineers for a study of "audio-visual devices for use in education." SMPTE plans a "task force of outstandingly qualified experts in the fields of both education & equipment engineering." Among the media & equipment areas to be studied: TV, movies, slides, recordings, other teaching devices.

NAEB has published *A Public Relations Guide for the Educational Broadcasting Station* to assist members to improve their external & internal images. The concise brochure was prepared by Elmer G. Sulzer, comprises 40 recommended best-foot-forward procedures.

Networks

NIELSEN & THE NETWORKS: Something close to a truce has been declared in the quiet struggle between A. C. Nielsen Co. and the networks that has been going on for nearly a year. The 3 networks had closed ranks, taking the position that Nielsen's planned 4%-&-up cost increases are too rich for their research budgets.

Nielsen, meanwhile, has refused to trim the price for its audience-measurement services and has been playing a waiting game. All 3 network contracts expire around September. The networks have indicated that they plan to develop a new national measurement system this fall, in cooperation with American Research Bureau, that would provide ratings quicker & cheaper. This plan is still in effect, but last week the waiting game began to pay off for Nielsen.

ABC-TV became the first network to break ranks. It has signed a 1-year renewal contract with Nielsen (cost not disclosed) for "the same services we've been getting all along," plus Nielsen's new 51-market, 2-week-delivery competitive-area report that is an optional feature of the national report.

CBS-TV is operating under a Nielsen contract extension (until Aug. 31) but is in negotiation with Nielsen, a CBS research official told us, and "will probably sign."

NBC-TV also hasn't renewed as yet, is also operating on an extension, is still holding meetings with ARB but is in negotiation with Nielsen for a year-long renewal.

Total value of this network business isn't known, but it's been guesstimated at about $1 million annually. What may have turned the tide for Nielsen may be a number of changes in the services it offers. For one thing, the national pocketpiece reports have been revised to give more data to co-sponsors & participation sponsors (Vol. 16:32 p7). For another, reporting has been speeded up. Nielsen is now aiming for delivery of the pocketpiece ratings 2 weeks after the close of the reporting period, and delivery of the 24-market reports just 7 days after the reported-on week.

ARB still has its eye on the network expenditures for national TV audience research, but last week it looked as though ARB would have an uphill fight against its older rival.

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AB-PT's Venezuelan Buy: A "minority interest" (size unspecified) has been purchased in a planned 3-station Venezuelan TV network by ABC's international div. So announced AB-PT Pres. Leonard H. Goldenson, now on a 14-city Latin-American tour to scout investment possibilities (Vol. 16:32 p9). The company involved is Corporacion Venezolana de Television S.A., which plans a trio of vhf outlets to cover a potential audience of 3 million in the Caracas, Valencia-La Guaira and Barquisimeto areas, starting around Oct. 1.

The deal for the AB-PT buy-in—ABC's 2nd in the area, since it owns an interest in the Costa Rica TV outlet further north and represents the Central American TV network in U.S. sales—was arranged between Goldenson and Pres. Diego Cisneros of CVT. Renny Ottolina, Venezuelan TV comedian who has had an export show running on ABC o&o flagship WABC-TV N.Y. for the past 4 months, will serve as CVT gen. mgr. In addition to the financial investment, ABC will make available to CVT "our technical & programming know-how," said Goldenson.

NETWORK SALES ACTIVITY

ABC-TV

Bourbon Street Beat, Mon., 8:30-9:30 p.m., part. eff. Aug.
American Chicle (Ted Bates) &
Warner-Lambert (Lambert & Feasley)

Sugarfoot-Bronco, Tue., 7:30-8:30 p.m., part. eff. Sept.
E. I. Du Pont (BBDO)

Hong Kong, Wed., 7:30-8:30 p.m., part. eff. Sept.
Scripto (Donahue & Coe)

Daytime programming, Mon.-Fri., part. eff. Sept.
Peter Paul and *Borden Foods* (Dancer-Fitzgerald-Sample) and
Alberto-Culver (Wade Advertising)

Action cartoon series, Mon.-Fri., 5:30-6 p.m., part. eff. Aug.
American Home Foods (Young & Rubicam)

American Bandstand, Mon.-Fri., 4-5:30 p.m., part. eff. Oct.
Warner-Lambert (Lambert & Feasley)

CBS-TV

Love of Life, Mon.-Fri., 12-12:30 p.m.; **As the World Turns**, Mon.-Fri., 1:30-2 p.m.; **Secret Storm**, Mon.-Fri., 4:15-4:30 p.m.; **Edge of Night**, Mon.-Fri., 4:30-5 p.m., alt. wk. 15-min. segs.
R. T. French Co. (J. Walter Thompson)

December Bride, Mon.-Fri., 10-10:30 p.m.; **Video Village**, Mon.-Fri., 10:30-11 p.m.; **Clear Horizon**, Mon.-Fri., 11:30-12 p.m., alt. wk. 15-min. segs.
Eastman Kodak Co. (J. Walter Thompson)

NBC-TV

Deputy, Sat., 9-9:30 p.m., pre-Christmas alt. wk.
Polaroid Corp. (Doyle Dane Bernbach)

Election night coverage, Nov. 8, one-sixth.
Sandura (Hicks & Greist)

In reverse of the trend to turn N.Y. theaters into TV studios, Broadway producer David J. Cogan last week purchased the Biltmore on Manhattan's W. 47th St. Since 1954, the theater has been under lease to CBS-TV as an origination point for live daytime quiz & game shows. Cogan said he would increase the theater's seating capacity and return to a live-theater policy. Reported price paid to realtor Irving Maidman: $850,000. CBS holds a lease on the Biltmore that's good until 1962, but has recently been cutting back on its N.Y. live originations (laying off 22 International Brotherhood of Electrical Workers technicians Aug. 1) and is therefore not expected to protest Cogan's planned lease-breaking.

That NBC-Walt Disney deal (Vol. 16:32 p4) may involve a good deal more than just the use of some of Disney's top feature-length films as NBC-TV colorcast specials next season. Reportedly under discussion between Disney and NBC-TV program executives is a long-range package that includes: (1) Disney-created nighttime TV-film series; (2) Disney juvenile-appeal afternoon programming; (3) an NBC-Disney tieup for an amusement center at the 1964 N.Y. World's Fair that is an echo of the now-severed AB-PT Disney tieup for Disneyland; (4) production of new Disney shows for NBC in color, and possible color reruns of shows seen on ABC-TV in b&w. NBC is maintaining silence on the deal, pending completion of contracts.

KHOL-TV Kearney, Neb. and KHPL-TV Hayes Center, Neb. become ABC-TV primary affiliates Feb. 2, 1961.

Stations

FTC's anti-payola drive has succeeded so well that most of the TV-radio-music industry has "fallen into line," Chmn. Earl W. Kintner said last week. Reporting that payola "has been pretty well stamped out" since the campaign was started last Dec. (Vol. 15:51 p6 et seq.), Kintner said FTC will move in hard & fast if the practice flares up again, but that meanwhile his agency will mark time while it watches the industry's behavior. The week's FTC payola-case crop was limited to one denial of charges and 6 consent orders forbidding record makers & distributors to pay off TV & radio disc jockeys. Schwartz Bros. Inc., Washington said it had done nothing illegal in any dealings with jockeys. Cases against these firms were settled by signed agreements: AM-Par Record Corp. & Pamco Music Inc., N.Y. • Garmisa Distributing Co. Inc., Chicago, and Garmisa Inc. of Wis., Milwaukee • Hull Records Inc., N.Y. • Nashbore Record Co. Inc., North Nashville, Tenn. • Portem Distributing Inc., N.Y. • Specialty Records Inc., Hollywood.

Abandonment of dual rates in favor of "a like charge for like services" was officially recommended by the Station Reps Assn. last week to TV-radio broadcasters. While recognizing that "the management of each radio or TV station must decide its own rate policy," SRA nevertheless stated that "we know of no advertitsing medium which has been able to adopt a dual-rate policy without being discriminatory." Recommended by SRA for the stations with a dual ("retail" & "general") rate structure that is difficult to change: A "transitional rate card, as an intermediate step towards the single-rate policy."

TV or radio station strikes could make unions "guilty of a federal crime" under terms of a bill (S-3500) pending in the Senate, according to the American Civil Liberties Union. Urging Majority & Minority Leaders—Sens. Johnson (D-Tex.) & Dirksen (R-Ill.)—to block the legislation, ACLU said the anti-sabotage communications measure approved by the Senate Judiciary Committee (Vol. 16:22 p14) would interfere with "constitutional rights of labor unions & individual workers." The bill sets up $1,000 fines and/or 3-year jail sentences for malicious damage to any communications system "used or intended to be used" by govt.

NAB committee meetings in offing: TV Music Advisory, Sept. 8, Washington • Editorializing, Sept. 14, Washington • Convention, Sept. 19, Washington • Video Tape, Sept. 26, Washington • Freedom of Information, Sept, 26, N.Y. • Members of NAB's Policy Committee—Clair R. McCollough, G. Richard Shafto, Merrill Lindsay—will participate in the Washington meetings.

New TV Code promotion device—a postage meter slug bearing the industry's self-regulation seal—has been adopted by NAB Policy Committee Chmn. Clair R. McCollough. He said the insignia on all letters going out from his Steinman Stations "is another means of letting the public & the industry know we believe in self-regulation."

Gross receipts received by stations & networks from TV & radio broadcasting are now exempt from the Los Angeles city tax, after a 3-year fight to take the tax off the books. Dean Johnson of the law firm of O'Melveny & Myers told a Southern Cal. Bcstrs. luncheon that the city council acted in favor of the broadcasters' contention that the tax levy was unfair because the same tax was removed from the Los Angeles newspapers in 1949.

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Personals: William M. McCormick promoted from vp & sales dir., radio WOR N.Y. to pres. of RKO General's Yankee Network div. and gen. mgr., WNAC-TV, WNAC & WRKO (FM) Boston. He succeeds Norman Knight, who has resigned to devote full time to "public affairs projects" and his 4 radio stations in N.H. and Mass. . . . William D. Greene, onetime ABC attorney, named asst. gen. attorney, CBS radio . . . Bruce E. Haight promoted to CBS-TV financial planning & analysis dir.

David J. Shurtleff, station mgr., radio WJAR Providence, R.I., named station mgr. of WJAR-TV, reporting to Joseph S. (Dody) Sinclair, who continues as vp & bcstg. gen. mgr. of parent The Outlet Co.; James E. Gleason, former program dir., succeeds Shurtleff as WJAR mgr. . . . Robert E. Leach, ex-WJBK Detroit & WGR-TV Buffalo, named chief engineer, WSPA-TV Spartanburg, S.C. . . . Milton E. Bliss named dir. of agriculture, WFIL-TV & WFIL Philadelphia . . . James V. Coffey named systems mgr., Community Engineering Corp., State College, Pa., responsible for the firm's 4 CATV systems.

John B. Soell, ex-WISN-TV Milwaukee, named gen. mgr., KTVE El Dorado, Ark. . . . Leonard A. Swanson, ex-KBTV Denver, named to new post of gen. sales mgr., WWTV Cadillac, Mich.; Edwin Bohm promoted from sales promotion mgr. to local sales mgr., WWTV . . . Ted O'Connell named Eastern sales mgr., CBS-TV Spot Sales, succeeded as Midwestern sales mgr. by Richard R. Loftus.

Obituary

Alexander Keese, 61, managing dir., WFAA-TV & WFAA Dallas, died Aug. 3 of cancer. He had been with the station since 1930 (except for a 1944-48 hiatus). He also served as a regional NAB dir., member of NBC Radio Affiliates' Radio Programming Advisors Committee and chmn., ABC-TV Affiliates Select Committee.

William H. Miller, 48, Jerrold asst. sales mgr., died of a heart attack Aug. 11 in his Philadelphia home. An 8-year veteran of the Jerrold organization, he formerly headed the firm's operations div. and was active in Jerrold's acquisition of CATV systems. Before joining Jerrold, he was an attorney, practicing in N.Y. In the mid-1950s, he was one of the few survivors of a commercial aircraft crash and was credited with saving the lives of fellow passengers.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TV-ELECTRONICS—SALES UP, PROFITS DOWN: Electronics industry's nearly phenomenal rise in profits ground to a halt in 2nd-quarter 1960, despite continued sales increases—as indicated by financial reports carried in these pages. But just as electronics led nearly every other industry in previous profit increases, the industry's over-all profit decline is slight compared with most other industries.

Our quarterly check-up of "weathervane" firms in TV-electronics shows that 2nd-quarter profit declines from 1959 were sharp enough to bring first-half net profits to just about equal to the 1959 figure—although first-quarter profits were nearly 11% better than first-quarter 1959 (Vol. 16:19 p20).

Cumulative sales of 23 bellwether electronics companies for first-half 1960 were 4.6% higher than first-half 1959, but aggregate net profits were off very slightly for the half— about 1/100 of one percent.

Firms primarily known as consumer-electronics producers (although they are also in other fields) led the 2nd-quarter decline, with their profits off an aggregate of 16% compared with 2nd-quarter 1959. For the first half, their profits were down only 3%, thanks to good first-quarter net. On other hand, parts & component producers aggregated a 5.9% profit increase for the first half, while diversified electronics firms stayed about the same in profit position compared with the first-half 1959. Almost all of the damage was done in the 2nd quarter. Slump in appliances is reflected in the figures, since many of the companies on our list are heavily in white goods business. Here's rundown on our 6-month sales & profit tallies:

Consumer electronics group (7 companies)—sales up 8.1% over first-half 1959; net profits down 3.1%. All 7 firms had more sales in first-half 1960 than first-half 1959, while 4 of the companies had profit increases—but not substantial enough to offset declines by the other 3. None lost money in 2nd half. Companies in the 6-month consumer-electronics tally: Admiral, Arvin, Hoffman, Magnavox, Motorola, Wells-Gardner, Zenith.

Components group (10 companies)—sales up 8.7%, net up 5.6%. Nine of the 10 reported sales increases and 6 profit increases over first-half 1959. None reported a first-half loss. Companies included: Amphenol-Borg, Globe-Union, Indiana General, IRC, Mallory, Muter, Oak, Speer Carbon, Standard Kollsman, Tung-Sol.

Large diversified group (6 companies)—sales up 3.9%, net unchanged. Five of the 6 reported sales increases, 3 profit increases, no losses. Included: GE, GT&E, RCA, Raytheon, Thompson Ramo Wooldridge, Westinghouse.

We tallied results of only 15 firms in 2nd quarter, omitting component category because very few firms actually published 2nd-quarter earnings, preferring to combine them in a full 6-month report. In this 15-firm tally, aggregate sales were up 2.9% over 2nd-quarter 1959, net profits down 7.3%. The breakdown:

Consumer electronics group (9 companies)—sales up 6.7%, profits down 16%. Seven of the 9 reported sales increases, only 4 profit increases. One company reported a loss for the quarter. Companies included were same as those in 6-month tally with addition of Magnavox & Packard Bell, neither of which issues a calendar 6-month report.

Diversified group (6 companies)—sales up 2.5%, net down 6.6%. Five of the 6 increased sales for the quarter, only 2 showing higher profit, but none reported a loss for the quarter. Companies in this group are same as those in 6-month tally, except that Daystrom is substituted for GT&E.

This isn't a scientific survey, but it shows clearly which way the electronics financial winds are blowing. Although profits have hit a plateau generally, remember that this plateau is relatively high one—that 2nd-quarter 1959 profits were 28% higher than 2nd-quarter 1958 (317% higher among consumer-electronics firms).

At-a-glance summary of performance of the "weathervane" companies in terms of percentage increase or decrease, compared with 1959:

Group	First-half 1960 No. of Firms	Sales	Net	2nd-quarter 1960 No. of Firms	Sales	Net
Consumer electronics	7	+8.1%	—3.1%	9	+6.7%	—16.0%
Components & parts	10	+8.7%	+5.6%	information unavailable		
Diversified	6	+3.9%	0%	6	+2.5%	— 6.6%
AGGREGATE	23	+4.6%	—0.01%	15	+2.9%	— 7.3%

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 5 (31st week of 1960):

	July 29-Aug. 5	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	116,682	97,966	121,581	3,347,348	3,253,706
Total radio	261,430	271,809	184,692	9,668,845	8,121,588
auto radio	88,166	89,683	39,219	3,738,497	3,194,129

RCA SHIFTS TV HQ: Long-rumored & possibly overdue relocation of RCA's TV-radio-phono hq from its pleasant Cherry Hill, N.J. offices to the vicinity of its Midwest manufacturing activities suddenly became fact last week. The RCA Sales Corp. and home instrument div. are Indiana bound, will migrate gradually, by mid-1961, to new quarters at the Indianapolis plant.

RCA said the major move is the conclusion of a 2-year study, "will close a 700-mile gap between administrative hq & production activities." The move also will provide much-needed space for RCA's mushrooming electronic data-processing div., which will consolidate in the modern Cherry Hill facilities from 7 scattered locations in the Camden, N.J. area. In the past 18 months, this division has expanded its sales force from 75 to more than 750, despite general cutbacks in RCA employment (Vol. 16:27 p3).

The RCA Sales Corp. & home instrument div. will relocate in a 2-year-old warehouse building at the Indianapolis plant, to put them into more economical & effective range of RCA's 4 home-instrument manufacturing plants: Indianapolis (TV components, portable TVs, radios), Bloomington (color TVs, b&w table & console TVs), Monticello, Ind. (cabinets), Cambridge, Ohio (hi fi, radios).

The projected migration affects 800 employes, an undetermined number of whom will make the trek to Indianapolis. For those who don't, the company "will make every effort to place [them] in various RCA operations in the central N.J. area." Although no timetable is available, we understand that various activities have been alerted for early movement and that some top executives already are house-hunting in Indiana.

Until about 5 years ago, adminstration & production were combined at Camden. When production moved to the Midwest and the hq transferred to the new Cherry Hill center, lines of communication became costly & unwieldy, both in time & money. The separation of operations also led to duplication of services and other overhead-inflating activities. Indianapolis merger promises RCA double economy of centralizing home instrument activity in the Midwest & consolidating data-processing hq at Cherry Hill.

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Zenith's first strike, by some 6,000 production workers at 4 plants was still in progress at the week's end, with the company & the Independent Radionic Workers of America in session with the Federal Mediation & Conciliation Service. Retroactivity is the key issue in the fracas which boiled up Aug. 10. Zenith would make pay increases retroactive to July 18 (vs. its initial stand of Aug. 1), but the union wants a July 1 date. The union also seeks a pay boost of 10¢ hourly.

ITT's Global Parts Line: Continuing the "integration of ITT's worldwide marketing & manufacturing activities," the big international firm last week announced formation of a distributor-products div. to supply U.S. electronic-parts distributors with "a wide range of electronic products, including selected consumer items"—the latter presumably referring to hi-fi components.

Frank M. Viles Jr., formerly ITT components div. mktg. vp, was named pres. of the new division. He stressed that the plan to sell some consumer items through parts distributors should not be confused with ITT's current long-range study of the possibility of large-scale consumer-product imports (Vol. 16:25 p14).

Initial ITT distributor products will include hi-fi speakers, wire & cable, tubes, capacitors, semiconductors, from U.S., England, Belgium, Japan & West Germany. Additional products, possibly from other companies, will be introduced later.

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Small electronics manufacturers are eligible to obtain abstracts of reports on govt.-sponsored technical research & development work in a new service announced by the Small Business Administration. Pointing out that smaller firms don't have staffs "necessary to comb & select from the hundreds of research & development reports those which would be particularly useful to them," SBA administrator Philip McCallum said the agency's field offices are now ready to supply needed information.

Lionel Corp. has elected Maj. Gen. John B. Medaris (ret.), former chief of the Army's missile program, as its president, Chmn. Roy M. Cohn announced recently. The electric train & sporting-goods manufacturer, rapidly expanding into electronics (among its products is a TV remote-control unit), plans to acquire Anton-Imco Electronics Corp., subject to a vote by shareholders of both companies next month. Following the acquisition, according to Cohn, Lionel's business will be about 50% electronics, 40% toy trains and 10% sporting goods.

Litton Industries and Koby Kogyo Corp., Japan, have signed an agreement to establish "a working relationship in the microwave and other electron tube fields on a long-term basis," subject to approval of Japanese & U.S. govts.

General Precision Inc. has opened new offices in Washington for its GPL and Link division representatives at 724 14th St., N.W., Suite 321. Other divisions will remain at 777 14th St., N.W.

"**Smallest 6-transistor radio** made in U.S." is now being produced by GE for fall sale. Exactly the size of a king-size cigaret pack, it weighs 10½ oz., will list at $39.95.

STUDY RULES, DEALERS WARNED: It would be a good idea for TV-radio-appliance dealers to dig out copies of a 1955 FTC publication titled *Trade Practice Rules for the Radio & TV Industry* and do some homework reading it, FTC Chmn. Earl W. Kintner said last week.

"What You Don't Know Can Hurt You" was the subject of a speech by Kintner to the 6th annual Institute of Management for Appliance-TV Dealers, conducted at American U., Washington, in conjunction with NARDA.

"I certainly hope that those of you who are in any way connected with the sale of radios & TV sets are already familiar with the provisions of our [guidebook]," Kintner said. He praised dealers generally for "an impressive measure of compliance" on a voluntary basis, but suggested that they still have things to learn about FTC's fair-practices regulations.

Among other things, the 1955 *Trade Practice Rules* (Vol. 11:27 p12 et seq.) require TV-radio set advertising to disclose any use of rebuilt TV tubes and to describe cabinet finishes accurately.

Calling attention to FTC's more recent campaigns to bring manufacturers & advertisers into line with FTC's truth-&-honesty precepts, Kintner said:

"In examining the current state of your industry, it occurred to me that appliance & TV dealers might justifiably feel they are subject to an uncommon number of laws enforced and rulings issued by the Commission. Many of the Commission's recent decisions which do not deal directly with some aspect of appliance merchandising still have clear application to merchandising methods employed in your industry."

And FTC is giving increasing attention to "bargain" advertising "in which list prices with absolutely no basis in fact were employed as part of a sales campaign," Kintner warned the dealer-managers.

The FTC chief said his agency is "determined to prevent misuse of bargain advertising through every means at our disposal—education, the encouragement of individual voluntary corrections, or the issuance of orders to cease & desist."

In other talks at the week-long seminar:

(1) RCA Pres. John L. Burns boasted that color TV has become a $100-million-per-year business, that if just one company were handling everything, "it would rank in size among the top 1% of the nation's industrial corporations." He explained that the $100-million figure included retail color-set sales, tubes, color equipment, servicing and "local independent broadcasting." He said conflicting claims about color TV's future obscured such current facts as that dealer orders in June for RCA's new color line ran 300% higher than a year earlier.

(2) D. A. Packard, vp-mktg. dir. of Detroit advertising agency Geyer, Morey, Madden & Ballard, said appliance dealers in particular are inviting the wrath of consumers by poor service, confused advertising and inept salesmen.

(3) Dale Shields, Washington executive of Giant Stores Inc., said TV manufacturers have devised some new selling techniques, but that appliance makers generally haven't had a new idea in years. Too many manufacturers must be prodded by dealers to come up with fresh approaches to the buying public, he said.

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Financially ailing Rank Records Ltd., movieman J. Arthur Rank's phono-record firm, has been taken over by Electric & Musical Industries (EMI), the big British electronics combine which owns Capital Records in the U.S.

Emerson-Granco Details: Emerson will buy at least $3-million worth of Granco consumer products a year, handling all Granco consumer marketing, in exchange for an option to buy control of Granco Products Inc., for about $380,000. Basically, this is the deal approved by Granco stockholders Aug. 10 (Vol. 16:31 p18). Other details revealed at the special Granco stockholders meeting:

Emerson's option to buy 540,986 of Granco's one million authorized shares carries a price of 50¢ a share for 435,000 shares and $1.52155 for each of the remaining 105,986 shares. Granco stock was quoted over the counter Aug. 11 at 5¾ bid, 6½ asked.

The total cost to Emerson of the initial 435,000 shares is $217,500—exactly the same as the amount of cash Emerson will loan Granco on a 5-year basis. Granco's sales for the fiscal year ended June 30, 1960 totaled about $3.3 million, up from slightly over $3 million in fiscal 1959.

Granco Pres. Henry Fogel told stockholders "next year's financial picture is exceedingly bright," partially due to the company's growing production of commercial products (including FM tuners for other manufacturers) and private-label operations, neither of which is affected by the Emerson deal.

Emerson Pres. Benjamin Abrams hailed the addition of the Granco line, calling low-priced FM the only radio field which could be expected to grow substantially in the near future. Granco's consumer products are home FM radios & tuners, FM car radio converters, air purifiers and hi fi.

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Factory sales of TV picture tubes in June were below June 1959's level in units, but higher in dollar volume—undoubtedly due to greater volume of more costly 19- & 23-in. tubes this year. The divergence from June 1959's sales isn't great—756,827 units at $15,505,481 this June vs. 766,566 at $15,136,612 in the 1959 month. For the first half of 1960, picture-tube sales were well ahead of 1959—4,454,796 units at $88,599,267 vs. 4,370,535 at $84,256,279. Receiving-tube sales in June continued to run sharply below the 1959 level—33,916,000 units at $29,065,000 vs. 37,421,000 at $33,099,000. For the first half of 1960, 7.5-million fewer receiving tubes were sold in 1960 than in the same 1959 period, resulting in a cut of nearly $9 million in factory revenue. EIA's picture- & receiving-tube figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	795,250	$15,831,430	31,367,000	$26,872,000
February	741,233	14,495,480	32,734,000	27,881,000
March	794,375	15,654,281	36,382,000	31,751,000
April	707,252	13,782,769	29,737,000	25,759,000
May	659,859	13,329,826	30,354,000	25,580,000
June	756,827	15,505,481	33,916,000	29,065,000
Jan.-June 1960	4,545,796	$88,599,267	194,490,000	$166,908,000
Jan.-June 1959	4,370,535	84,256,279	201,979,000	175,774,000

Canadian TV's first half year saw distributor sales to dealers slump to 136,400 units from 164,381 in Jan.-June 1959. The June volume also dropped sharply, to 19,367 TVs vs. 24,637 in June 1959. The first-half breakdown (corresponding first-half 1959 figures in parentheses): portables, 28,316 (33,016); table models, 28,008 (46,337); consoles, 74,317 (79,729); combinations, 5,759 (5,299). For June 1960 (vs. June 1959): portables, 4,375 (4,369); table models, 4,671 (6,521); consoles, 9,742 (13,294); combinations, 579 (453).

Japanese exports of radios containing fewer than 3 transistors were halted by Japan's govt. last week pending the determination of quotas. Radios with more than 3 transistors are already under export quota.

WHICH PAPER D'YA READ? Confused about the future of TV sales? You're not the only one. A spate of newspaper & magazine stories about the TV market—most of them at least mildly contradictory—appeared last week. Take your choice.

Big front-page story in *Wall Street Journal* hailed "vigorous video," quoting industry leaders & big retailers on the very hot TV market—attributed mainly to introduction of 23- & 19-in. sets—and predicting highest manufacturer sales since 1956, exceeded only by 1955's record 7.8-million-set shipments.

But Aug. 15 *Newsweek*, reporting on its continuing "Survey of Consumer Buying Plans," says consumers are far more pessimistic than a year ago. In the 2nd quarter, consumers' plans to buy new TV sets were down 10% from first quarter, down 14% from 2nd-quarter 1959. Plans to buy all consumer items—except new cars—were also down sharply.

Nevertheless, Dun & Bradstreet's "Trade Review," reporting a "moderate rise in retail trade," states that consumer demand for TV sets continues to run ahead of last year.

On the other hand, *Retailing Daily* quotes Emerson Pres. Benjamin Abrams in an interview as predicting industry TV sales this year of 6 million units—"an improvement over last year, but not a healthy one." As quoted, Abrams fears dumping of 19- & 23-in. sets because buyers may be more attracted to lower-priced 17- & 21-in. sets.

In *The New York Times*, business writer Alfred R. Zipser quotes RCA consumer-products exec. vp W. Walter Watts as saying that his company's TV sales this year could well surpass RCA's record year of 1957, and that TV set movement from the factory indicates that the company's unit volume next fall will be greater than ever.

But Zipser says TV industry is in midst of "profitless prosperity" because of stiff price competition. He concludes:

"There may be a battle shaping up on screen sizes. Manufacturers are trying to make the 23-in. set standard for non-portables instead of the 21-in. variety. They are also trying to supplant the 17-in. portable with a 19-in. model." He adds that "many retailers . . . are ordering the larger sets in quantity and are confident that they will sell them."

Worth thinking about.

———— ■ ————

EIA FM stereo field tests have been completed—2 weeks ahead of schedule—NAB engineering mgr. A. Prose Walker announced last week as head of NSRC Panel 5. Data, obtained from tests of 5 systems, using radio KDKA facilities and an installation at Uniontown, Pa. (Vol. 16:28 p14), will be correlated by a Panel 5 subcommittee led by Motorola's Norman Parker. Results will be filed with EIA for submission to FCC, which has set an Oct. 29 deadline for the report. Walker said that tests scheduled at WMMN and Fairmont State College, Fairmont, W.Va., were canceled because "these were found to be unnecessary."

Mergers & acquisitions: Hercon Electronics, Newark manufacturer of hermetic seals and connectors, has acquired for an undisclosed cash sum Harvey-Wells Electronics, Natick, Mass. producer of components for computers • Electro-Voice, Buchanan, Mich., has acquired the Featheride phono pickup & cartridge div. of Webster Electric. It will manufacture the Featheride components at its new Eureka, Ill. plant.

Trade Personals: Barton K. Wickstrum, former Sylvania senior vp-marketing, elected exec. vp., General Time Corp.; George C. Connor, former Eastern regional sales vp., elected Sylvania senior vp, succeeding Wickstrum; **John E. Lau**, former Sylvania district mgr. for Indianapolis, appointed mgr. of special accounts, Sylvania Home Electronics Corp., succeeding Richard G. Evans, resigned.

William H. Painter promoted from administration mgr., RCA electron-tube div., to operations-planning div. vp, RCA semiconductor & materials div. . . . **Grant G. Orman** named industrial sales mgr., Stromberg-Carlson telecommunication div., succeeding **Edgar R. Sears Sr.**, recently named San Francisco branch mgr.; **Donald F. Kehn** named commercial products div. ad mgr.

August A. Danielson named vp in charge of General Bronze's GB Electronics . . . **Meier Sadowsky** promoted from exec. vp to pres., Continental Electronics Corp., Los Angeles (picture tubes) . . . **Herman Sondov** named chmn., Specialty Electronics Development Corp., continuing as exec. vp. . . . **Dr. Joseph R. Feldmeier**, ex-Westinghouse, named Philco associate research dir. . . . **George E. Deaderick** promoted from product marketing mgr., Texas Instruments diode & rectifier dept., to mgr., capacitor dept., succeeding Steve Karnavas, resigned; Deaderick is succeeded by **Ken Davis**.

———— ■ ————

Communications satellite designed to reflect broadcast signals between distant stations on earth was put into orbit Aug. 12 via a Thor-Delta rocket shot from Cape Canaveral, Fla. Jubilant National Aeronautics & Space Administration officials said successful launching of the 100-ft. aluminum-coated balloon—after several false starts—was confirmed at NASA's Goldstone, Cal. tracking station within minutes after the firing. The 10-story-high sphere, dubbed Echo I, is the largest man-made object ever tossed into space. First radio signal bounced off the 1,000-mile high satellite was a recording of a message by President Eisenhower, transmitted from California and received by Bell Labs at Holmdel, N.J.—opening science's door to instantaneous worldwide TV transmission.

Hearing-aid transistor the size of a grain of rice, capable of amplifying sound volume 10,000 times, has been developed by Raytheon. The company said the new transistor, which will cost slightly more than conventional transistors (which are 27 times bigger) will make possible smaller hearing aids with longer battery life & less supporting circuitry.

Ultra-miniature TV camera & transmitter is being developed by Dage TV div., Thompson Ramo Wooldridge for use in a Navy rocket to be fired into the stratosphere and then to descend by parachute, sending TV pictures of weather, ocean conditions and ship distribution to ground points. The complete camera & transmitter will fit into the nose cone of a rocket of 4½-in. diameter.

Olson Radio Corp., Akron, has denied FTC charges that it falsely advertised rebuilt TV picture tubes as new (Vol. 16:29 p15). It asked dismissal of the complaint, which supplemented earlier FTC charges—also challenged by Olson—that the company made false pricing & savings claims (Vol. 16:9 p18).

Admiral will make record changers for other phono manufacturers, exec. vp Vincent Barreca announced last week. Admiral has already produced more than 3 million changers, he said, adding that increasing imports posed a threat to American manufacturers.

Finance

Zenith At Zenith: Record sales of $118.3 million were posted by Zenith during the first half, concurrent with a profit push to $5.3 million from $4.9 million in Jan.-June 1959 (see financial table). Second-quarter sales also set a record, but profit slipped to $1.5 million from $1.6 million in 1959's June quarter.

Chmn. Hugh Robertson noted that the first-half sales consisted "almost exclusively of civilian products," that factory shipments of Zenith TVs ran 13½% ahead of record first-half 1959 (71% ahead of Jan.-June 1958).

"As a result of the very substantial increase in factory TV-receiver sales in the 6-month period," he emphasized, "Zenith obtained a record share of the total TV-industry volume and further strengthened its hold on first position in the TV-receiver industry." Commenting on dealer reception of the company's 1961 TVs, Robertson declared: "During the first 3 weeks of July, Zenith distributors' deliveries to dealers of 19-in. & 21-in. portable & table model TVs and 23-in. consoles represented more than one third of the industry deliveries of these categories."

Factory shipments of radios increased 24% during the period. Robertson described "a continuing increase" in sales of Zenith's transistorized portable radios as "particularly significant in view of the increasing competition of imported Japanese transistor sets and cheap sets produced domestically of imported Japanese parts."

Other highlights of Robertson's half-year statement:

Sales of hearing aids jumped 26% in the 2nd quarter.

Production has begun in the virtually completed 110,000-sq.-ft. addition to the Kostner Avenue (Chicago) plant.

Zenith is negotiating for a "large tract of land in the Chicago area which will permit a much needed expansion."

One fly on the sales pie was detected by Robertson: "A continuation of unrealistic pricing & liquidations on the part of several principal competitors continued to affect the pricing of certain Zenith merchandise in the lower price brackets. There are no present indications as to how much longer these adverse competitive conditions may continue."

■

Admiral's first-half profit declined to $578,030 from $1.4 million a year earlier, despite a 5% sales gain to more than $95 million (see financial table). "The movement of appliances decreased 15% and was responsible for the squeeze on profits," explained Pres. Ross D. Siragusa. "No relief is foreseen until the 4th quarter when new lines will be introduced," he added. Siragusa pointed out that the weakness of appliance sales was general throughout the industry, and noted that Admiral's sales of electronic products to dealers were 19% ahead of last year, compared with an industry increase of 7%. For 1960's 2nd quarter, Admiral had a net loss of $185,345.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
AB-PT	Q	$0.25	Sep. 15	Aug. 19
Baltimore Radio WFBR	Q	.10	Sep. 1	Aug. 15
Canadian GE	Q	2.00	Oct. 3	Sep. 15
CBS Inc.	Q	.35	Sep. 9	Aug. 26
GPE	Q	.25	Sep. 15	Aug. 29
Indiana General	New	.15	Sep. 9	Aug. 25
Lear Inc.	Q	.10	Sep. 1	Aug. 17
Minn. Mining & Mfg.	New	.15	Sep. 12	Aug. 19
Trav-Ler Radio	Stk.	5%	Nov. 22	Nov. 7
20th Century-Fox	Q	.40	Aug. 30	Aug. 16
Zenith	Q	.40	Sep. 30	Sep. 9

CBS Inc. expects 1960's profit to top the 1959 level despite a first-half decline to $12.7 million from $13.3 million in Jan.-June 1959 (see financial table). Treas. Samuel R. Dean anticipates that the net in the 3rd quarter will gain modestly over the year-ago period and "in the 4th quarter will be so much better that for 1960 as a whole, profit will exceed" the $25,267,187 ($3.01 a share) earned on revenues of $444,311,357 in 1959. Dean said that the forecast was based largely on the fact that the CBS TV network's fall program schedule is nearly sold out. TV operations declined slightly in the first half, he noted, due principally to the development of new public-service programs which "ultimately will be sponsored, but for now are costing us money." Dean also foresees an improvement in network radio advertising in the fall season.

Paramount Pictures' 2nd-half profits are expected to top those of July-Dec. 1959, but it's still questionable whether the gain will be sufficient to offset the film concern's slow first half, reports *Wall St. Journal* after an interview with vp Raul Raibourn. Paramount's 2nd-quarter earnings dropped to 50¢ a share from 69¢ a year earlier, indicating a first-half decline to about $1.05 from $1.45 in Jan.-June 1959. Notes the *Journal*: "First-half profit was curtailed by an industry strike of movie actors which halted production at the studios for 33 days. In addition, Paramount was hurt by a lack of important films for most of the first half . . . It's doubtful Paramount will increase its output of films beyond the 15 to 20 it has been turning out yearly, but in the future the films probably will be more expensive, costing upwards of $1 million each."

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Aug. 11, 1960

Electronics TV-Radio-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	27½	30⅜
Aerovox	9	10
Allied Radio	21⅝	23⅛
Astron Corp.	2½	3-1/16
Baird Atomic	34½	37
British Industries	11½	13⅛
CGS Labs	9	11½
Control Data Corp.	37½	40⅜
Cook Elec.	16	17¼
Craig Systems	16¾	18⅜
Dictaphone	39	42
Digitronics	22¼	24⅜
Eastern Ind.	12⅝	13⅝
Eitel-McCullough	24¾	26¾
Elco Corp.	19½	21¼
Electro Instruments	37	40¾
Electro Voice	11⅜	12⅜
Electronic Associates	27	29⅜
Erie Resistor	8¼	9⅛
Executone	28½	31½
Farrington Mfg.	32¾	35⅛
Fischer & Porter	15⅝	16⅞
FXR	55	59½
General Devices	16½	18
G-L Electronics	9¾	10¾
Granco Products	5⅝	6½
Gross Telecasting	18¼	20⅛
Haydu	1/16	¼
Hewlett-Packard	77½	81¼
High Voltage Eng.	138	149
Infrared Industries	22	24⅝
International Rectifier	23¾	25⅝
Interstate Engineering	24½	26¼
Itek	70	74¾
Jerrold	9½	10½
Lab for Electronics	47½	50⅞
Leeds & Northrup	37	39⅞
Lel Inc.	5⅞	6⅝
LFE Inc.	10	12⅝
Ling Altec Electr.	22¾	24⅝
Magna Theater	2⅝	3-1/16
Magnetics Inc.	11½	13⅛
Maxson (W.L.)	8⅝	9⅝
Meredith Pub.	40	44
Metropolitan Bcstg.	18	19¾
Milgo Electronics	21	24⅛
MPO Videotronics	7	7¾
Narda Microwave	6½	7⅜
Narda Ultrasonic	4¾	5½
National Co.	25¾	27¾
Nuclear of Chicago	33¾	36⅜
Official Films	1-7/16	1-11/16
Pacific Automation	8⅜	9⅜
Pacific Mercury	8⅛	8⅞
Perkin-Elmer	44	47¼
Phillips Lamp	167¼	173
Pyramid Electric	2¼	2⅝
Radiation Inc.	24	26¼
Howard W. Sams	45½	49
Sanders Associates	45½	49⅞
Silicon Transistor	6½	7⅜
Soroban Engineering	25	27¼
Soundscriber	15	16¾
Speer Carbon	20¼	22
Sprague Electric	56	60
Taft Bcstg.	14	15⅜
Taylor Instrument	69	74¾
Technology Inst.	10	11½
Tele-Broadcasters	3¼	1⅜
Telechrome	11¼	12⅝
Telecomputing	8¼	9
Telemeter	14¼	16
Time Inc.	64¾	68¼
Tracerlab	12½	13⅞
United Artists	6⅞	7¾
United Control	23½	25⅝
Universal Trans.	1⅝	2⅛
Vitro	14¾	15⅞
Vocaline	3⅞	4⅜
Wells-Gardner	16⅜	17¾
Wometco Ent.	12⅝	13¾

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Admiral Story on p. 15.	1960—6 mo. to June 30	$ 95,204,000	—	578,030	$0.24	2,407,136
	1959—6 mo. to June 30	90,894,700	—	1,361,418[10]	.57	2,389,246
	1960—qtr. to June 30	46,790,337	—	(185,345)	—	2,407,136
	1959—qtr. to June 30	46,155,312	—	649,774	—	2,389,246
CBS Inc. Story on p. 15.	1960—6 mo. to June 30	231,821,970[1]	—	12,669,169	1.51	—
	1959—6 mo. to June 30	215,089,500	—	13,318,871	1.59	—
	1960—qtr. to June 30	110,744,242[1]	—	5,839,802	.70	—
	1959—qtr. to June 30	104,037,210	—	6,286,185	.75	—
Decca Records	1960—6 mo. to June 30	—	—	2,946,224[1]	2.29	1,285,701
	1959—6 mo. to June 30	—	—	196,202	.13	1,527,401
	1960—qtr. to June 30	—	—	956,449	.75	1,285,701
	1959—qtr. to June 30	—	—	(1,358)	—	1,527,401
Electronics Corp. of America	1960—6 mo. to June 30	3,167,714	202,274	105,174	.12[2]	744,863
	1959—6 mo. to June 30	2,955,808	56,100	24,500	.02[2]	708,678
GPE	1960—6 mo. to June 30	120,772,804	—	2,467,136	1.57[2]	1,126,625
	1959—6 mo. to June 30	102,301,439	—	2,063,121	1.34[2]	1,125,810
	1960—qtr. to June 30	65,065,883	—	1,145,051	.71[2]	1,126,625
	1959—qtr. to June 30	55,319,803	—	1,143,114	.77[2]	1,125,810
Gross Telecasting	1960—6 mo. to June 30	1,199,842	611,515	295,515	—	—
	1959—6 mo. to June 30	1,261,601	628,503	304,431	—	—
Hazeltine	1960—6 mo. to June 30	34,197,000	$2,620,000	1,259,000	.82	1,538,826
	1959—6 mo. to June 30	25,507,000	2,499,000	1,266,000	1.69	749,955
ITT	1960—6 mo. to June 30	387,479,807	—	14,254,473	.92	—
	1959—6 mo. to June 30	362,148,072	—	13,325,675	.88	—
	1960—qtr. to June 30	203,523,423	—	8,383,321	.54	—
	1959—qtr. to June 30	189,850,532	—	7,861,635	.52	—
Lear Inc.	1960—6 mo. to June 30	45,613,074	—	2,011,098[3]	.75[3]	2,689,365
	1959—6 mo. to June 30	38,576,193	—	1,124,043	.44	2,534,394
Loral Electronics	1960—qtr. to June 30	9,084,000[1]	—	310,537[1]	.54	580,000
	1959—qtr. to June 30	3,587,000	—	100,800	.24	425,000
Metropolitan Bcstg.	1960—26 wks. to July 3	19,177,895	—	747,924	.44	1,699,012
	1959—26 wks. to July 5	8,074,896	—	1,004,252	.65	1,546,512
	1960—13 wks. to July 3	12,240,959	—	597,235	.35	1,699,012
	1959[4]	—	—	—	—	—
MCA	1960—6 mo. to June 30	—	6,515,547	3,129,447[1]	.77[2]	3,995,735
	1959—6 mo. to June 30	—	4,981,974	2,457,308	.60[2]	3,995,735
NAFI Corp.	1960—6 mo. to June 30	27,860,228	2,916,868	1,595,868	1.30	1,229,155
	1959—6 mo. to June 30	11,614,864	823,558	398,026	.40	987,655
	1960—qtr. to June 30	21,649,842	2,634,455	1,333,455	1.08	1,229,155
	1959—qtr. to June 30	5,152,455	448,577	202,575	.20	987,655
Newark Electronics	1960—6 mo. to June 30	5,960,000	—	130,000	.43	—
	1959—6 mo. to June 30	4,600,000	—	75,000	.26	—
Oak Mfg.	1960—6 mo. to June 30	9,646,813	—	401,568	.61	—
	1959—6 mo. to June 30	9,149,916	—	499,604	.76	—
	1960—qtr. to June 30	—	—	249,891	.38	—
	1959—qtr. to June 30	—	—	281,464	.43	—
Perkin-Elmer	1960—11 mo. to June 24	18,946,000	1,963,000	928,000[5]	.81[5]	1,146,436
	1959—11 mo. to June 26	15,369,000	1,372,000	679,000	.62	1,090,330
Siegler Corp.	1960—year to June 30	84,095,002[1]	6,218,742	3,201,023[1]	1.71	1,871,595
	1959—year to June 30	77,074,442	3,929,222	2,203,022	1.36	1,624,815
	1960—qtr. to June 30	19,361,614	1,377,567	734,023	.39	1,871,595
	1959—qtr. to June 30	16,805,375	742,200	470,841	.29	1,624,815
Speer Carbon	1960—6 mo. to June 30	13,620,894	2,652,940	1,222,940	1.37	881,400[6]
	1959—6 mo. to June 30	11,876,433	2,347,749	1,082,749	2.42	440,400
Sperry Rand	1960—3 mo. to June 30	291,761,602	8,910,579	5,410,579[7]	.19	28,288,011[8]
	1959—3 mo. to June 30	274,694,309	16,114,872	9,014,872	.31	28,279,311[8]
Varian Associates	1960—9 mo. to July 2	34,038,525	—	2,116,455	.67	3,151,289
	1959—9 mo. to July 2	27,756,201	—	1,788,798	.57	3,121,286
Zenith Story on p. 15.	1960—6 mo. to June 30	118,263,821[1]	11,721,735	5,309,465	1.79	2,954,784
	1959—6 mo. to June 30	106,862,800	10,984,755	4,901,721	1.66	2,954,784
	1960—qtr. to June 30	50,118,845[1]	3,464,612	1,454,336	.49	2,954,784
	1959—qtr. to June 30	47,642,024	3,915,702	1,577,830	.54	2,954,784

Notes: [1]Record. [2]After preferred dividends. [3]Includes net capital gain of $775,791 from sale of assets. [4]Not available. [5]Excludes special tax credit of $107,000 (9c a share). [6]Reflects 2-for-1 split. [7]Includes estimated $1.1-million gain from sale of assets. [8]Average. [9]Company formed June 1959. [10]Includes non-recurring credit of $300,000 (12¢). [11] Includes special credits & dividends totaling $441,346.

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Congress

FINAL TV-RADIO PUSH in Congress brings payola & equal-time measures to verge of passage. Payola bill softened in Senate. House sets Sec. 315 vote (pp. 1 & 4).

FCC

MILITARY CAN'T SPARE SPECTRUM, says OCDM in long-delayed reply to FCC's alternative proposals to get more vhf channels. Costs, national security cited (p. 2).

BOSTON & MIAMI REVOLTS GROW in Ch. 5 & Ch. 10 filings & counter-filings on FCC's decisions vs. WHDH-TV & WPST-TV (p. 9).

Technology

ECHO I BRINGS WORLD-TV CLOSER: radio & telephone tests of passive satellite are demonstrating feasibility of long-distance TV transmission via space vehicles (pp. 2 & 6).

Programming

NETWORKS EYE POST-1948s: NBC-TV holding discussions with 3 major distributors; local deals also percolating; and color enters the picture (p. 3). Dept. (p. 12).

Stations

PAYOLA "PROOF" SUBMITTED by FTC at unusual hearing for record firm accused of disc-jockey payoffs. Exhibits include whisky, cash, batch of free records (p. 7).

Film & Tape

UNTAPPED FILM MARKET is being overlooked (p. 10).

Consumer Electronics

UPGRADING TV PRODUCT: first-half figures indicate highest average TV price, highest proportion of consoles & combos since 1953. Breakdown of 19- & 23-in. output (p. 14).

PHONOS SPIN STRONG midyear gains: EIA figures show 21.5% increase in retail sales, 33% in factory dollar volume (p. 15).

ADMIRAL VS. JAPAN: Siragusa sends background memo to Congress warning of impact of Japanese electronics invasion (p. 16).

RCA STILL SHIFTING: Jack Beldon resigns as Sales Corp. president; W. W. Watts becomes chmn. & pres. of marketing org. (p. 16).

HEROLD RADIO FILES Chapter XI petition to effect settlement with creditors; plans to continue operations (p. 16).

NATIONAL VIDEO BOOMING: Chicago picture-tube maker unable to keep pace with demand, foresees "banner year" (p. 17).

MAGNAVOX INTRODUCES 3 new 27-in. TVs to back its conviction that public wants the big picture (p. 17).

Finance

PHILCO PROFITS FALL 19% in first half, 61% in June quarter, despite sales gains. Pres. James M. Skinner Jr. attributes slide to softness in appliance business (p. 18).

TEXAS INSTRUMENTS HITS record sales & profits in both the first half & 2nd quarter, forecasts volume & profit highs (p. 18).

Other Departments

NETWORKS (p. 5). **ADVERTISING** (p. 8). **PERSONALS** (p. 13). **FOREIGN** (p. 13). **EDUCATIONAL TV** (p. 13).

FINAL TV-RADIO PUSH IN CONGRESS: This session's 2 major pieces of broadcasting legislation—the omnibus bill reforming TV-radio-FCC practices and the resolution suspending equal-time rules for Presidential campaign—were poised for final action on Capitol Hill at last week's end.

Set for almost-sure approval in Senate was the catch-all anti-payola measure (amended S-1898) setting up new forfeiture penalties for stations which violate FCC rules & regulations. Softened following Senate Commerce Communications Subcommittee hearing (Vol. 16:33 p1), revised version of bill passed earlier by House was due to be accepted when it goes back there for concurrence—probably this week. House wasn't expected to bother with sending it into usual Senate-House conference.

Meanwhile, House vote on Senate-passed equal-time measure (S. J. Res. 207) was on top of Aug. 22 legislative priority list drawn by Speaker Rayburn (D-Tex.) (see p. 4).

Promises made to broadcasters at payola-bill hearing were carried out by Communications Subcommittee Chmn. Pastore (D-R.I.) in Senate version of omnibus law, which Pastore carried to Senate floor Aug. 19 in 19-page report. Rewritten bill retains NAB-accepted House prohibitions against payola & quiz rigging, also keeps House restrictions on unsponsored plugs. But House provisions permitting FCC to suspend licenses for 10-day periods are dropped entirely. And House sections authorizing Commission to impose $1,000-daily fines against stations are watered down.

House agreement on Senate changes was virtually assured—even in advance of Pastore's report to

Senate. His communications counsel Nicholas Zapple took draft of rewrite to House Commerce Committee Chmn. Harris (D-Ark.), principal author of tougher House bill, and got Harris to okay Senate language.

Principal revisions in Senate bill—all giving breaks to broadcasters—are these:

(1) One-year statute of limitation is set for FCC to file complaints against licensees & assess $1,000-per-day forfeitures—and they can't total more than $10,000 in any event. (House gave FCC unlimited authority to impose fines during 3-year license period, so total could be more than $1 million.)

(2) Stations must "willfully or repeatedly" violate FCC regulations or defy cease-&-desist orders before they can be subjected to forfeiture penalties. (Looser language in House bill permitted FCC to penalize licensees who "negligently or intentionally" ignore FCC.)

(3) Stations must be given written notices—detailing their alleged crimes against FCC-defined public interest—when Commission proposes to fine them. (House bill didn't require such FCC bills of particulars.)

(4) Stations must get chances to show in writing—"within such reasonable period as the Commission shall by regulation prescribe"—why they shouldn't be subjected to any penalties. (House bill didn't spell out procedural protection.)

(5) Stations have right to go to court to establish their innocence & sue for recovery of any fines imposed. (House bill wasn't explicit on legal redress.)

(6) FCC mustn't blacklist stations accused of violations. Unless fine is paid without protest—or unless protest is rejected by court—forfeiture notice can't "be used in any other proceeding before the Commission to the prejudice of the person to whom such notice was issued." (House bill said nothing about this.)

Note: Broadcasters didn't win perfect bill from Pastore. To many in industry, only good bill would be bill with nothing punitive in it at all. But the cut-down Senate measure at least was much gentler than what NAB had reason to fear during Congressional furore over TV quiz & payola disclosures.

MILITARY CAN'T SPARE SPECTRUM, SAYS OCDM: To nobody's great astonishment, OCDM came up last week with flat "no" to FCC proposals to get more vhf broadcast channels from govt.

Long-delayed reply to Commission's alternative plans for 30-channel or 50-channel solution to allocations problem (Vol. 16:28 p6) came from OCDM dir. Leo A. Hoegh, who said:

"Neither of the Commission's plans could be implemented without weakening to an unacceptable degree our ability to maintain our national defense & security."

Either FCC plan would cost govt. $5 billion "for U. S. military operations alone," said Hoegh in letter to FCC Chmn. Ford. Other reasons for turndown as cited by OCDM (in consultation with Defense Dept.): (1) "Dislocation of U. S. military operations between 225 & 400 mcs." (2) "Major research & development effort [which would] require the curtailment of current defense & space programs." (3) NATO & SEATO govts. would have to switch their own national allocations to bring them in line.

"Risks entailed in the implementation of either of the Commission's plans are too great to be accepted in today's international climate," Hoegh told Ford. OCDM's chief concluded by thanking FCC for its trouble, however.

ECHO I BRINGS WORLD-TV CLOSER Performance in orbit of satellite Echo I in week following its Aug. 12 launching (Vol. 16:33 p14) proved little about worldwide TV transmission which communications visionaries hadn't already deemed feasible.

But achievement of around-earth TV was brought several theoretical steps closer, at least, by successful across-U.S. radio-&-telephone tests by govt. & Bell Telephone Labs of passive balloon 1,000 miles up.

"Chances of worldwide TV certainly are improved," Harry Fine of FCC's technical research div. told us. "Echo I apparently means that technically you should be able to transmit TV signals for long distances."

Over-ocean-&-around-continents TV won't come tomorrow or next day, however—as all hands agreed in FCC's 890-mc-&-up allocations proceeding last month (Vol. 16:29 p4). For one thing, it probably would take a sphere at twice Echo's altitude—an electronically-equipped active one at that—to provide intercontinental TV relay. For another, TV signals require equivalent of 500-900 voice channels. And something like 50 satellites instead of one would be needed to bring world together via space communications.

When will worldwide TV come? There are no confident answers to that. Bell Telephone Labs' Dr. John Robinson Pierce, who probably had as much to do with Echo I's development as anybody, said he had no space-TV timetable. But he figured that maybe it would take 2 more years, barring "a sort of stunt in a shorter time."

There's also this space-TV question: What practicality has worldwide TV after it is attained? We raised that question 8 months ago, speculating on what U.S. networks—for instance—might do if they could bring foreign events live into American living-rooms (Vol. 16:7 p 3). With world time differentials, would it make good prime-time night TV programming here to show—for example—9 a.m. street traffic in Tokyo or earlier-yet changes in factory shifts in Moscow? Except for the extra-special, once-in-a-lifetime event, the need for simultaneous world-wide viewing has little program-scheduling reality in a world, one half of which is asleep while the other half is awake. Even in our own relatively modest 4-time-zoned sector, the tape has emerged mightier than the remote.

Note: Never at loss for real or fancied accomplishments to match anything U.S. does, Russians have come up with terrestrial TV idea which transcends potentials of Echo I. They propose to mount solar-powered transmitter on jeep, shoot it to moon, operate it from earth via radio controls. Nothing too difficult about this for Soviet scientists to work out, said Maj. Gen. Georgi Pokrovsky, writing in "Russian Journal of Astronomy." Translation was made here by Commerce Dept. (For more on Echo I, see p. 16.)

PRIME-TIME'S SUMMER SHIFT: There's an important difference between what are considered the best marginal segments of prime time in summer & winter. But it's not reflected in network rate structures which rate all time between 6-11 p.m. as "Class A." Summertime late-night TV, lacking daylight distraction, barbecue suppers, etc., tends to remain more stable in viewership than early-evening TV. But in winter, early-evening TV (7-8 p.m.) attracts more viewers than late periods (10-11 p.m.). In summer it's just the opposite.

We asked A. C. Nielsen for figures to illustrate this "prime-time shift." Nielsen-charted pattern: In Nov., the 7-8 p.m. period draws 59.0% of homes on all-evening basis; the 10-11 p.m. segment pulls 51.9%. Early-evening TV holds approximately same lead as the winter season progresses. In Feb., for instance "early" score is 62.5; "late" score is 55.8.

But then the shift begins. Rival periods become equal in late spring. In April, early period is down to 56.0 (and dropping fast) as against 53.2 for the late period. In May, the early period stands at 40.9 as against 50.7 for the late. In July, early-evening segment is down to 32.1, late period hasn't fallen below 43.9.

Shift re-occurs again in early fall. In Oct. the early period is back up to 52.0 while the late period is down to 49.6. The figures verify the fairly common assumption that an advertiser whose network show is aired between 7-8 p.m. in the winter stands a generally better chance of drawing a large audience than he does in the same slot in summertime. In late-night TV, the reverse is true.

POST-1948 DEALS GROW HOT: Networks may rival stations as customers for some of best post-1948 movies now headed for TV distribution (Vol. 16:29 p7 et seq.). Network thinking, primarily at NBC-TV, is to pay premium price for small group of real blockbusters, package them as series of specials, and avoid any "library buys" in which clinkers are packaged with a few top movies.

NBC is talking deals with at least 3 major firms right now—20th Century-Fox, Walt Disney's Buena Vista Distributing Co., and Columbia Pictures-owned Screen Gems. Network is chiefly interested in recent big-name color properties ("Bell, Book & Candle," "20,000 Leagues Under the Sea," etc.). Conversations are at a high level between NBC-TV vp for programs & talent David Levy and top movie executives.

Local-level post-1948 deals are also percolating. NTA is releasing (eff. Aug. 22) an 81-title package of 20th Century-Fox pictures in syndication, making 552 20th-Fox movies now handled by NTA. New package contains 27 post-1948 films ("All About Eve," "Pinky," etc.) and 54 pre-1948. Price, from NTA to 20th-Fox: "Over $4 million." Reportedly, NTA is close to a deal with the CBS-TV o&o's for a station-group package buy, and is said to be holding discussions with RKO General. UAA will soon have another post-1948 package from UA in syndication, Flamingo Films is selling a 52-title group of foreign-made post-1948s, and Screen Gems expects to have at least one post-1948 package from Columbia Pictures on the syndication market before fall.

Color TV assumes important role in both network & station plans for new movies. NBC's explorations of what's available in way of few choice post-1948s center almost entirely on big-budget color films, we hear.

CBS, also interested in post-1948s as occasional specials, is also talking of color deals on a long-range basis. And in N. Y., WOR-TV vp & gen. mgr. Robert J. Leder announced late last week that the station's "Million Dollar Movie" showcase would go on a colorcast schedule for the first time in early Oct. The RKO General station is currently installing RCA color-transmission equipment, and expects to have "a minimum of 144 hours of color broadcasts for first 13-wk. cycle of 'Million Dollar Movie' this fall." WOR-TV is currently scouting available post-1948 packages for choice in-color properties, station sources told us. Color, incidentally, is one of last strongholds of the theatrical movie industry.

Interesting sidelight to post-1948 selling has occurred in Britain, where Film Industry Defense Organisation (FIDO) has been woofing up a loud protest by unions & theater operators against showing of movies on TV. FIDO notwithstanding, Associated-Rediffusion (London-area program contractor) next month will begin showing a package of post-1948 British films at the rate of one a fortnight (many, incidentally, have long since been available in the U.S.). And BBC-TV, which has a number of old movies in its vaults, is now expected to program them in nighttime slots more regularly this fall.

Congress

More about

SEC. 315 VOTE IS SET: Speaker Rayburn (D-Tex.) promised last week that a Senate-approved measure (S. J. Res. 207) lifting equal-time broadcast requirements for Presidential tickets this year (Vol. 16:33 p3) would be called up Aug. 22 for a House vote in a fast 1-2-3 procedure.

Rayburn put the suspension of the Communications Act's Sec. 315 at the top of his legislative agenda for the tail-end of the Congressional session. Under a push-it-through plan bypassing usual House legislative processes, he said, the Senate resolution will go directly to the floor with: (1) No amendments permitted. (2) Debate strictly limited. (3) A ⅔ vote required for passage.

The schedule for S. J. Res. 207 was announced by Rayburn at his first press conference following return of the House Aug. 15 from its political-convention recess. It went through motions of meeting last week, but put off transaction of any real business for a week, making Aug. 22 its earliest legislative day.

There was some muttering meanwhile against the equal-time resolution by members of the House Commerce Committee, but floor debate was expected to be perfunctory, and House concurrence seemed as sure as anything did on campaign-charged Capitol Hill.

Rep. Bennett (R-Mich.), ranking minority member, came out of an informal closed caucus of the Committee to report he had "some doubts about the advisability of taking unprecedented action of this kind—leaving it to the discretion of broadcasters whom they give free time to."

"I want to be sure we give a fair break to small new parties," said Rep. Mack (D-Ill.), 2nd ranking majority Committee member. He said the Senate resolution—permitting networks to put Republican & Democratic candidates on the air while ignoring others—should set no precedent which would discourage development of minority political groups.

Network-critic Bennett said he was undecided on whether he would take the floor Aug. 22 in opposition to the measure. Mack said he would support it despite his misgivings. The resolution was to be floor-managed by Commerce Chmn. Harris (D-Ark.), who said he had called the Committee caucus only for the purpose of "kicking around & talking about" S. J. Res. 207.

Definite plans & schedules for TV debate-&-interview appearances by the major candidates were held up pending a go-ahead from the House. But negotiators from the staffs of Vice President Nixon & Sen. Kennedy (D-Mass.) were busy in Washington last week trying to draw up agreements on ground rules & dates.

Also busy last week was the Senate Commerce Freedom of Communications Subcommittee headed by Sen. Yarborough (D-Tex.). The equal-time "watchdog" unit, set up to see how the broadcasters behave themselves during the election campaign, put its staff machinery in working order at 2 closed planning sessions.

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Underlining the need for suspension of Sec. 315, (without reference to it, however) the latest (Aug. 22) *Newsweek* presents research on some of America's stranger Presidential candidates in the current campaign—aside from the traditional splinter-party standard-bearers: (1) Gabriel Green, who says he was advised to run for President by an envoy from Alpha Centauri, a star which is 4.4 light years from earth. He wants "all 'dirty money' to be taken out of circulation and everybody given a credit card." (2) Pig farmer Henry B. Krajewski of Secaucus, N.J., whose platform is "no piggy deals in Washington." (3) Rev. Homer A. Tomlinson who "has already declared himself king of more than 80 countries." (4) Beatnik William Lloyd Smith who "would abolish the govt." (5) Mrs. Agnes Waters who declares "I can save America in 5 minutes" and accuses Lewis Strauss of "financing the Bolshevik Revolution."

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TV-network coverage of the political conventions was "outstanding," but what viewers saw may have "led millions of Americans to question the entire nominating & electing procedure as it now operates," according to Sen. Mansfield (D-Mont.). He proposed that the "seriously inadequate" national convention system be replaced by national Presidential primaries. On the other hand, Sen. Clark (D-Pa.) suggested that if viewers didn't like the conventions, it may have been the fault of TV commentators who shut off proceedings "in order to make invidious & cynical comments about the performances at both conventions by various public servants." As a terrible example of "cynical comments," Clark cited a post-convention radio broadcast by CBS newsman George Herman, who had said proceedings in Los Angeles & Chicago provided an "Alice in Wonderland" looking-glass for subsequent "jabberwocky" on the Senate floor. New Democratic National Chmn. Sen. Jackson (D-Wash.) reported meanwhile that he intended to set up a joint network-party committee after the Nov. 8 election to start planning for the 1964 Democratic convention. TV-covered convention proceedings need some streamlining, Jackson said.

Kintner-Bicks Holdup: Bottled-up nominations by President Eisenhower of FTC Chmn. Earl W. Kintner for another term (Vol. 16:27 p2) and of trust-busting Robert Bicks as Asst. Attorney General (Vol. 16:29 p3) should be uncorked promptly, Sen. Proxmire (D-Wis.) told the Senate. Deploring "the tragic probability" that the name of neither Republican would reach a confirmation vote, Proxmire called on fellow Democrats to push the nominations to the floor. "Both of these men have been vigorous champions of free & honest competition," Proxmire said. "Both have done dramatically successful jobs. Both are vehemently opposed by monopolistic big business." Both nominations have been stalled—Kintner's in the Senate Commerce Committee, Bicks' in the Senate Judiciary Committee—by Democrats who want to hold the posts open for Democrats in the event their party wins the White House.

Proxmire's confirmation plea was seconded by Sens. Javits (R-N.Y.), Keating (R-N.Y.) and Bush (R-Conn.). Javits pointed out that it was "damaging to the capability" of Kintner & Bicks to leave their appointments dangling.

The criticism didn't move the Commerce Committee to action on Kintner. But a Judiciary Subcommittee gave Bicks another hearing—at which the anti-trust chief was accused of doublecrossing defendants in a hand-tool-&-shovel pricing case. Columbus attorney Robert H. Hoffman testified that it was understood the defendants wouldn't get prison terms if they pleaded no-defense, but that they were jailed anyway.

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TV is tricky, members of Congress are being warned by news & public affairs dir. Dick Richmond of ABC affiliate WMAL-TV Washington. Conducting a series of briefing sessions for candidates who want to look good on TV, he offers these tips: (1) "Pounding the fist & shouting to balconies was fine for Sen. Claghorn, but it's for laughs on TV." (2) Watch the eyes. They look shifty if there's too much glancing around. (3) Clean the nails. Closeups can be revealing. (4) Fumble words now & then to indicate thoughtful groping for right ones. (5) Wear conservative suits. (6) Try sitting on the edge of a chair. That gives an air of alertness. . . . In N.Y. last week, a WABC-TV team conducted a similar class for 50 politicians.

Stricter TV-radio controls by Congress & FCC have been urged by Americans for Democratic Action in a letter to Senate Commerce Communications Subcommittee Chmn. Pastore (D-R.I.). ADA submitted its opinions for inclusion in the record of Pastore's hearing on broadcasting-reform legislation (Vol. 16:33 p1). They called for: (1) Prohibition of "joint ownership of TV, newspaper & radio facilities." (2) Network licensing. (3) An end to station license "trafficking." (4) A "phased shift of all TV" to uhf.

TV coverage of segregation in the South by some network shows has been one-sided, according to House Commerce Committee Chmn. Harris (D-Ark.). Declining to specify shows, he told the Ark. Bcstrs. Assn. in Little Rock Aug. 13: "I think under the spirit & letter of the law they should give both sides [of the integration story] fairly & objectively." The issue was raised in a Q-&-A session following a speech by Harris on the outlook for broadcasters in Congress (Vol. 16:33 p3).

House Un-American Activities Committee will start hearings Aug. 23 on a bill (HR-12852) by Chmn. Walter (D-Pa.) prohibiting FCC to grant radio operator's licenses to persons who refuse to answer questions about Communist activities (Vol. 16:27 p6).

AFM-proposed probes of uses of canned foreign music in U.S. TV film tracks may be activated in Congress next year. That's the No. 1 legislative objective of AFM Pres. Herman Kenin, at least. He said that "first & foremost" on the musician union's agenda is enactment of a law—such as proposed in bills (HR-11658 & 11043) by Reps. Holt (R-Cal.) & Pelly (R-Wash.) this session (Vol. 16:16 p8)—to control "robot music." Kenin looked for Senate support from Chmn. Pastore (D-R.I.) of the Commerce Communications Subcommittee. Pastore brushed off an AFM plea that anti-payola legislation (S-1898) be amended to require broadcasters to identify foreign-taped music (Vol. 16:33 p1). But Pastore indicated he was ready to back "an independent hearing" for a long-pending proposal (S. Res. 126) by Sen. Morse (D-Ore.) for an investigation of the effects of canned music on employment of American musicians (Vol. 16:8 p6).

Full-dress probe of OCDM has been threatened by Rep. Rodino (D-N.J.). He said he's been "absolutely confounded" by operations of the agency under dir. Leo A. Hoegh. For one thing, Rodino complained, he can get no "satisfactory" answers to questions as to whether a proposed East-West freeway would provide highway protection against nuclear blast & fallout.

TV-radio station exemptions for overtime provisions of the Fair Labor Standards Act, as proposed by NAB (Vol. 16:27 p6), survived protracted Senate debate on other sections of new minimum-wage legislation. Smaller stations in general are freed of overtime-pay requirements in the $1.25-pay-floor bill finally approved Aug. 18 by the Senate and sent to the House for a probable conference.

Networks

Second AB-PT foreign buy this month is that company's minority-interest participation in the formation of a new TV network in Lebanon—Television du Liban et du Proche-Orient. The move, announced by ABC international div. vp Donald W. Coyle, follows by only a week AB-PT's purchase of an interest in a 3-station Venezuelan network (Vol. 16:33 p9). The new Lebanese network has been granted licenses for 4 TV channels which will enable it "to cover the entire country and its 2 million people," said AB-PT. TLPO expects to begin initial telecasting operations at its key-station hq in Beirut in 6-to-9 months. AB-PT's deal calls for ABC-TV to provide programming, engineering and other assistance, and to act as the new network's sales rep in areas outside Lebanon.

Salute to network broadcasting, from its start in 1926, to the present, will be presented in "a panoramic history of network radio & TV"—a 2-hour entertainment special on NBC-TV for the 1961-62 season. Radio recordings, stills, newsreel footage, film & tape, will be integrated into a show, originating from a theater with a live audience, supervised by Richard Linkroum, NBC special program vp.

NETWORK SALES ACTIVITY

ABC-TV

American Football League telecasts, Western regional participation.
Renault Dealers Assn., Northern & Southern Cal. (Kudner)
Competition Motors Inc. (Doyle Dane Bern.)

NO 'ECHO' FROM THE NETWORKS: Don't tune your TV set to "Echo I"—you'll be wasting your time. There's lots of public interest in the 100-ft. space balloon (in N.Y. last week, you could get Echo I's next sighting, as well as the current correct time, just by dialing ME 7-1212), but there won't be any network TV shows bounced off it—or so the networks told us.

Plans have been considered, however. ABC-TV Pres. Oliver Treyz, who knows a good publicity idea when he sees one, backstopped a contact between ABC and the National Aeronautics & Space Administration as far back as last Jan. ABC had in mind a one-cushion TV shot—Mt. Wilson, Cal. to Empire State Bldg., N.Y. via space balloon.

What punctured this balloon idea was a simple matter of cost. ABC was told that special "steerable antennas" would have to be set up to transmit & receive, meanwhile tracking the balloon accurately in orbit, for a one-shot telecast of any length. Sure, said ABC; what'll they cost? Reply: Oh, about $500,000. And that was the end of that.

Saluting the balloon (via AT&T cables) is something else again. Just about everyone's been doing that. First off the mark Aug. 15 was NBC-TV with a 30-min., 9:30 p.m. special (including Bell System as sponsor) titled "Project Echo." It was the result of considerable advance planning between NBC and Bell officials. The show included films of Project Echo preparation and even a filmed interview with Bell Labs' research dir. Dr. John R. Pierce.

CBS-TV and ABC-TV covered in network newscasts. Non-network stations were in the act, too. WPIX N.Y. telecast a 15-min. filmed documentary (not the same as NBC's footage) about Echo I (Aug. 18) obtained from Bell (which didn't, however, sponsor it).

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Collins Radio bounced the first live 2-way message off satellite Echo I, beating Bell Labs to the balloon by several hours. On Echo's 10th journey across the continent, at 1:07 a.m. Aug. 13, Collins engineer Donald Molander, at the Cedar Rapids hq, bounced a "1-2-3-4" voice test to the company's Alpha Corp. subsidiary in Dallas. Simultaneously, Alpha engineers Ollie Metzgar & William Atterbury duplicated the test from Dallas. Reported Molander: "It was a readable message, not quite as good as a telephone." Bell Labs' 2-way message bounce from coast to coast came on Echo's 12th passage. . . . Collins Radio came back into the picture Aug. 19 by bouncing an AP Wirephoto of President Eisenhower off the 1,000-mile-high balloon. At Dallas, Alpha Corp. received the signal, fed it into a Wirephoto receiving unit. The picture transmission required less than 5 min.

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On Thursday, Discoverer XIV was successfully placed into polar orbit equipped with gear that included special instruments to radio back pictures of terrain over which the satellite is passing.

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A TV & radio system is accompanying, observing and reporting back on the 2 dogs sent into orbit in a new Soviet spaceship reported launched by them Aug. 19. Preliminary data indicated the systems were working normally.

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Traffic system for satellites to avoid jams in "near space" was urged last week by Westinghouse radar engineer Peter R. Dax in an address to the International Astronautical Congress. Asserting that space traffic will increase markedly in the next 10-to-50 years, Dax added: "It would be dangerous to suppose otherwise, and it can only be assumed that the traffic pattern will follow that of aircraft, the automobile or any other invention that has introduced 'a new era.'" He suggested a world-wide satellite tracking & cataloging system, embracing 7 computer-feeding radar installations around the earth, to keep inventory of equipment in orbit and to detect new satellites.

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New type of communications satellite—a globe-girdling belt comprising billions of tiny metal antennas—is slated for test by the Air Force, reports Aug. 15 *N.Y. Times*, adding: "The antennas are to be half as thick as human hair. Their length—a matter of inches—will depend on the radio frequency to be used. An effort will be made to bounce messages over the horizon—in straight-line segments from ground to metallic belt to ground—in much the same fashion as messages transmitted by way of the 100-ft. Project Echo balloon."

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High-resolution scanning antenna for experimental studies of the ionosphere has been developed by the National Bureau of Standards at its Boulder, Colo. research station. It scans a 42-degree azimuthal arc, can determine immediately the direction of signals received from forward scatter transmission. The antenna has no electrical or mechanical moving parts.

Technology

The first report, supposedly, of a proven frequency-specific effect of radio waves on human chemistry was presented at the 4th Annual Tri-Service Microwave Conference at NYU Medical Center last week. Lt. Col. Sven A. Bach of the Army Medical Research Lab in Ft. Knox, Ky. reported on producing "a profound molecular change" in human gamma globulin with specific wave lengths of radio waves in the high frequency to the vhf range.

Radio-detonated capsules, designed to distribute medication at precise points in patients' digestive tracts, have been developed by Smith, Kline & French Labs, Philadelphia. As described at the 107th convention of the American Pharmaceutical Assn. in Washington, the X-ray-observed drug-filled capsules containing tiny coiled mechanisms are exploded harmlessly in the body by radio waves. Aspirin experiments with dogs have been successful.

Low-temperature lamp for TV & film studios which reportedly emits 33% less heat with only a 5% sacrifice in brightness, compared with conventional lamps, has been announced by Japan's Toshiba Electric Co. The new Toshiba lamp, named "Cool Beam," uses a mirror designed to absorb heat-generating infra-red rays.

Underwater TV camera capable of transmitting pictures from 360-ft. depths has been developed by the Naval Ordnance Lab in Washington. It's been used in mine-recovery work off Fort Lauderdale, Fla. The Atomic Energy Commission has used a similar TV device to inspect radioactive waste deposits in waters off Boston.

Underwater TV cameras capable of use in inspecting dams & spillways are wanted by the Tenn. Valley Authority. It will take bids at Knoxville until Aug. 30 for equipment to be used by skindiving cameramen.

Stations

PAYOLA 'PROOF' SUBMITTED: A peek at FTC payola evidence was provided last week. Such evidence has been rarely disclosed publicly by the police agency in its 100-odd-case campaign to halt illegal TV-radio record promotion practices.

At one of a few hearings sought by record manufacturers & distributors to challenge payola charges, Schwartz Bros. Inc. of Washington (Vol. 16:33 p10) demanded to know precisely what FTC had against the firm.

In answer, FTC attorney Harold A. Kennedy submitted 57 document exhibits to hearing examiner J. Earl Cox, taken, he said, from the files of the wholesale record company. Schwartz Bros. vp James Schwartz conceded in a stipulation that the documents were authentic, but denied they indicated any improper dealings with disc jockeys. Among the FTC exhibits:

Item—A bill for a $62.17 case of whiskey alleged to have been given to Dick Covington, ex-radio WITH Baltimore jockey. (Covington said later: "I do remember receiving 6 bottles at one time [but] I don't see how anybody could construe this as payola.").

Item—A notation indicating a $50 cash payment to Bill Johnson of radio WUST Bethesda, Md. (Johnson said later: "The only time [Schwartz] has ever given anything it has been out of gratitude & friendship at Christmas."

Item—A ledger entry showing that $11.50 worth of records went to Stan Karas, ex-radio WARL Arlington, Va. jockey. (Karas said later: "I never once considered the records my own personal property, and to the best of my knowledge they are still at WARL.").

Item—An account indicating an $11.50 payment to "the union," not otherwise identified at the hearing.

After 2½ hours of the hearing—at which examiner Cox said he wasn't yet ready to accept all 57 varieties of exhibits as evidence—it was recessed until Sept. 27.

Meanwhile FTC issued a final order confirming an initial payola decision by Cox against Dolores Enterprises Inc., N.Y. record manufacturer (Vol. 16:28 p7). FTC, instructing the firm to stop payola payments to jockeys, pointed out that it had neither filed an answer to FTC's March 18 complaint nor appeared for a scheduled June 2 hearing.

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Chicago Tribune Co.'s WGN-TV (Ch. 9) has bought KDAL-TV (Ch. 3) & KDAL Duluth, Minn.-Superior, Wis. for $3.3 million from the Red River Bcstg. Co., owned & operated by the estate of Dalton LeMasurier. The purchase, subject to FCC approval, "represents the first of several such acquisitions we have in mind," commented J. Howard Wood, *Chicago Tribune* publisher and pres. of the Tribune Co. and WGN Inc. The new owners also announced that both stations will continue as CBS affiliates. Brokers for the purchase: Blackburn & Co.

Control of KTVE (Ch. 10) El Dorado, Ark.-Monroe, La. by Veterans Bcstg. Co. (WVET-TV Rochester, N.Y.) is sought in an FCC application. WVET-TV owns 48% of the station, purchased from new owner William H. Simons in July for $65,000. The proposed transaction would result in formation of a new corporation, with WVET-TV owning 80.6% and Simons 19.4%. Total price paid by WVET-TV for the 80.6% interest would be $282,000, including the $65,000. The death of Simon's wife—ex-FCC Comr. Frieda B. Hennock—in June (Vol. 16:26 p16) prompted the sale.

NAB engineering committee members for 1960-61, appointed by the policy committee headed by Clair R. McCollough, are: Broadcast Engineering Conference—Chmn. Virgil D. Duncan (WRAL-TV Raleigh), J.D. Bloom (WWL-TV New Orleans), Warren L. Braun (WSVA-TV & WSVA Harrisonburg, Va.), Raymond F. Guy (NBC), Leslie S. Learned (MBS), Merrill Lindsay (WSOY Decatur, Ill.), Frank Marx (ABC), James D. Parker (CBS), J. S. Petrik (KETV Omaha), B. E. Windle (WCLT Newark, O.) • Engineering Advisory—Chmn. Braun, Learned, Marx, Parker, and Andrew L. Hammerschmidt (NBC), George P. Hixenbaugh (WMT-TV & WMT Cedar Rapids-Waterloo, Ia.), Thomas E. Howard (WBTV & WBT Charlotte, N.C.), Russell Pope (KHSL-TV Chico, Cal.), Wilson Raney (WREC-TV & WREC Memphis), Robert M. Silliman (Assn. of Federal Communications Consulting Engineers), Rudy N. Starnes (KDUB-TV & KDUB Lubbock, Tex.).

KNDO (Ch. 23) Yakima, Wash. is being sold by owner Ralph Tronsrud to Columbia Empire Bcstg. Corp. in an assets-for-stock agreement. Buyers, headed by Tronsrud's son-in-law & station mgr. Hugh Davis, obtain stock and will lease land & facilities from Tronsrud for $1,820 per month for 2 years and $1,072 per month for an additional year. They also have an option to buy the equipment within 3 years for approximately $15,000. Meanwhile, the buyers filed an application for Ch. 25 in Richland, Wash. which they intend to operate as a semi-satellite of the Yakima station.

Four FM concert network stations, owned by T. Mitchell Hastings, are reportedly being sought for purchase by the N.Y. *Daily News* (WPIX N.Y.). Hastings-owned stations in the hookup are WNCN N.Y., WBCN Boston, WHCN Hartford and WXCN Providence. Other concert network outlets include WDAS Philadelphia, WBVA Woodbridge, Va. and WNTW Mt. Washington, N.H.

TV & radio awards handbook, listing 102 prizes & citations given in the broadcasting field, has been compiled by NAB research mgr. R. M. Allerton for distribution to members. All phases of broadcasting—announcing, acting, advertising, education, editing, engineering, programming, producing, public service, scriptwriting, sportscasting—are covered in the 42-page booklet.

WTVW Evansville, Ind., reports sales-promotion dir. John A. MacGregor, is giving away 5,000 orchids, 20,000 Chinese fortune cookies, free stagecoach & steam-train rides, and has set up various window displays around town to supplement its 4-week saturation on-air campaign promoting the debut of its fall program season and its 4th anniversary of telecasting.

Copies of TASO reports, including the original document and supplemental analysis-&-theory and TV directional antenna test reports, may be ordered now by broadcasters at $10 each from Dr. George Town, 104 Marston Hall, Iowa State, U., Ames, Ia. Checks should be made payable to the Television Allocations Study Organization.

"Saturday Review" will inaugurate a monthly communications supplement with its Oct. 8 issue. The new section will appear the 2nd week of each month thereafter, and will cover TV-radio, the press, advertising and public relations. The supplement will be edited by former *N.Y. Herald Tribune* staffer Richard L. Tobin.

WFIL-TV & WFIL Philadelphia are seeking purchase of 3½ acres on the east bank of the Schuylkill River for a new $2-million hq.

Advertising

Code in the Chest: N.Y. Code Office dir. Stockton Helffrich last week, in a follow up to a recent report of NAB's Review Board subcommittee (Vol. 16:30 p2), resumed his NBC practice of directing witty, albeit prolix, "external memos" to the TV trade. In this first, he aired (among others) these thoughts on bra-&-girdle TV commercials:

"Hardly anywhere is the dichotomy in specific areas of subjective opinion more apparent, instant, and lively than in the neighborhood of what some have dubbed the American bosom fetish. Undergarments for the enhancement, containment, simple coverage and/or comfort of the female secondary sex characteristics are displayed in department store windows coast to coast, in all print media and, for some time now, on television. Yet only to my knowledge in the latter, a medium with audience locale and sex & age considerations peculiar to it, has controversy on TV treatment—let alone suitable, *i.e.*, acceptable treatment—ever sporadically flared up."

Helffrich also reported that in NYCO's (N.Y. Code Office) few months of existence, his office had: (1) Created "tighter liaison" with network ad copy clearance editors on such matters as depilatory commercials. (2) Been in contact with groups like 4-As, TIO, TvB, etc. (3) Worked with individual broadcasters desiring opinions on program proposals.

NAB's N.Y. TV Code office, now operating temporarily at 380 Madison Ave. (Vol. 16:32 p10), will have permanent quarters in suite 2110 of the Time & Life Bldg., 1271 Ave. of Americas (6th Ave.). The move into the new location—2 blocks from Madison Ave.'s ad agency center & within easy reach of the 3 TV networks' hq—will be completed by the end of Sept. Warren H. Braren, from Ted Bates, has been appointed asst. to Helffrich. Before he went into agency work, Braren had network experience in production & supervision of such shows as *Captain Kangaroo, Laramie, Perry Mason, Rawhide.*

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Ratings down, homes up—that's been the trend for some time among top-rated national winners. Example, from A. C. Nielsen Co.: In Jan. 1955, the No. 1 show was *I Love Lucy*, with a 49.2 AA rating. In Jan. 1960, the top show was *Wagon Train*, with a 41.8 rating. However, the *Lucy* rating represented 15,547,000 homes (316,000 per rating point) as against 18,894,000 homes (452,000 per rating point) for *Wagon Train.* That's a gain of 43%, says Nielsen, in terms of what a national AA rating point delivers these days vs. what you got for it 5 years ago.

ANA's latest report on newspaper circulation & rate trends for the years 1946-60 (all over-50,000 dailies & Sundays) reports: Circulations are up 11.1% for dailies, 13.2% for Sundays. Rates (5,000 lines) have increased 84% for dailies, 62.9% for Sundays. And rates per million circulation have increased 66% for dailies, 44.3% for Sundays.

New TV "image" for cranberries will be fostered this fall by the National Cranberry Assn. to combat any lingering consumer memories of last fall's weed-killer cancer scare. The NCA plans a 60-min., one-shot network special sometime between late October & Christmas on behalf of its Ocean Spray cranberry products, backstopped by print media. Agency: BBDO.

Two stories regarding cooperative-advertising developments may be found on p. 10 column 1 & p. 15, col. 1 of this issue.

1960—$12-Billion Year: Elaborating on its just-under-$12-billion prediction for all U.S. advertising expenditures in 1960 (Vol. 16:33 p7), *Printers' Ink* last week released the full media breakdown for 1960 as compared with the final estimate of 1959 expenditures.

Final figures for last year, said the trade magazine, turned up better than the first estimates. This year's expected $11.9-billion total—$800 million better than 1959—represents a 7% increase (8% national, 6% local). The breakdown follows:

ESTIMATE OF 1960 ADVERTISING VOLUME
(BASED ON FIRST-QUARTER ACTIVITY)

Medium	Expected 1960 Total Ad Volume ($ millions)	1959 Final Estimate ($ millions)	1960 vs. 1959 % Change
Newspapers (national)	$ 900.0	$ 826.2	+ 9%
Magazines	985.0	866.2	+14
Television (network and spot)	1,360.0	1,245.0	+ 9
Radio (network and spot)	250.0	248.0	+ 1
Business Papers	610.0	569.3	+ 7
Outdoor (national)	135.0	130.4	+ 4
Other Investments by National Advertisers	2,990.0	2,828.4	+ 6
Estimated Total Investments by National Advertisers	7,230.0	6,713.5	+ 8
Estimated Total Investments by Local Advertisers	4,680.0	4,403.8	+ 6
Grand Total	$11,910.0	$11,117.3	7

They're 'Announcement Carriers': Objecting to the term "spot carriers" to describe magazine-concept network shows which are sold in participation slices, vp & dir. of research & promotion Daniel Denenholz of rep Katz Agency last week sounded off for a better terminology.

"Spot broadcasting," he said, "by accepted definition, is the use of non-network radio or TV. It is the spotting, or placing, of advertising in selected markets, on selected stations in those markets. In short, 'spot' is the name of a distinct advertising medium. It does not define the type or time duration of an advertising message. Accordingly, I submit that the correct phrase should be 'network participation programs' or 'network announcement carriers.'"

Meanwhile magazine-concept buying is quietly becoming a solidly-entrenched reality among the 3 networks—at least, so far as sponsorship of individual fall programs is concerned. A typical lineup last week was announced by NBC-TV for *Laramie*, a 60-min. sage-&-sixgun series produced by Revue in co-production with the network. Altogether, Laramie's corral contains 9 advertisers, almost any one of which a few seasons ago was big enough to support a major TV series all by itself.

The list: Dow Chemical Company (Saran wrap)—MacManus, John and Adams. Pittsburgh Plate Glass Co.—BBDO. Simoniz Company—Dancer-Fitzgerald-Sample. National Carbon Co. (Prestone)—J. M. Mathes. The Nestle Company Inc.—William Esty. Colgate-Palmolive Co. (Colgate)—Ted Bates. *Reader's Digest*—J. Walter Thompson. Pan American Coffee Co.—BBDO. Ford div. of Ford Motor Co.—J. Walter Thompson.

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Too little time in TV commercials to spell out just what is meant by a "guarantee" for a product gives advertisers no excuse to deceive the public, warns FTC Chmn. Earl W. Kintner. In a special statement in response to protests by sponsors that they can't work everything into a 10-sec. spot, Kintner said—in effect—that that's tough. Commercials which claim simply that products are "Guaranteed!"—when they aren't—just give FTC invitation to bring "adversary action" against the sponsors, Kintner said.

The FCC

BOSTON & MIAMI REVOLTS GROW: Protests by the wounded & bruised parties involved in FCC's sock-it-to-them decisions in the Boston Ch. 5 & Miami Ch. 10 "influence" cases (Vol. 16:29 p1 et seq.) reached a shrill pitch last week. No end of filings, counter-filings and litigation was in sight.

Following up petitions to the Commission & U.S. Court of Appeals by National Airlines' WPST-TV Miami to halt the loss of its Ch. 10 grant (Vol. 16:33 p5), the *Boston Herald-Traveler*'s WHDH-TV moved in to protect its threatened Ch. 5 grant.

Lawyers for WHDH-TV challenged FCC's July 14 order which vacated the 1957 award. They said the order should be withdrawn, that FCC should reconsider it on the basis of earlier recommendations by special examiner Horace Stern. He had chided WHDH-TV principals for using back-door approaches to the Commission, but said the grant shouldn't be disturbed.

WHDH-TV also protested FCC's plan for a new competitive hearing for Boston Ch. 5 at which the *Herald-Traveler* could start all over again—along with its old competitors, Mass. Bay Telecasters, Greater Boston TV and Allen B. DuMont Labs.

This new-hearing proposal violated instructions by the Court of Appeals in its remand of the case to the Commission, WHDH-TV said, arguing that FCC is court-bound "to maintain the status quo until further order [by the] court."

Lawyers for Mass. Bay Telecasters indicated they are getting back into the Boston Ch. 5 fray, too. They planned an FCC filing to oppose the WHDH-TV maneuvering. There was no immediate word from Greater Boston or DuMont Labs. A 5th interested party—the *Boston Globe*—was reported undecided about doing anything.

There were these developments on the Miami Ch. 10 front meanwhile:

(1) L. B Wilson Inc., the happy winner (by default) of Ch. 10 under FCC's decision that National Airlines' Public Service TV & 3 other original contestants were unfit, filed specifications with FCC for immediate operation under special temporary authorization (STA).

(2) Public Service TV promptly sent a letter to FCC admonishing it to pay no heed to the L. B. Wilson STA application. Wilson's request must be held up pending disposal of WPST-TV's Commission-&-Court protests, Public Service said.

(3) Elzey Roberts, former operator of radio KXOX St. Louis, who tried to get the Miami grant in 1958, was heard from again. Demanding that FCC reconsider its Ch. 10 ukase favoring L. B. Wilson, Roberts said he wanted to go after the grant once more. His petition asked that Ch. 10 be declared vacant & available to all comers, but that WPST-TV be permitted to carry on meanwhile.

(4) The Assn. of Maximum Service Telecasters filed opposition to L. B. Wilson's STA application, contending the proposed Ch. 10 antenna fails to meet minimum mileage separation requirements.

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FCC political-quiz help is offered all stations by NAB in a worksheet designed for use with Commission's new questionnaire on broadcasters' election campaign behavior this year (Vol. 16:33 p5). Copies of the worksheet and an accompanying memorandum have been sent to TV & radio outlets—NAB members & non-members alike—by NAB,

City of Fresno's petition for FCC reconsideration of the Fresno deintermixture case (Vol. 16:33 p5) has been opposed by Triangle's KFRE-TV. It said the petition presents no new arguments and is at best "a mere restatement [which is] couched in descriptive terms designed to substantiate petitioners' contention" and should be thrown out. KFRE-TV also called attention to the fact that it has committed itself to pay out $375,000 to switch from Ch. 12 to Ch. 30—for which the FCC approved specifications Aug. 12—and has already expended a substantial amount in order to meet the requirements of FCC's order. Also filing opposition was the Assn. of Maximum Service Telecasters, which protested the request for shorter mileage separations in the Fresno area. KJEO (Ch. 47) Fresno urged FCC to take "speedy and unequivocal action" on the petition and have done with the whole affair.

Never-say-die WVET-TV Rochester (Veterans Bcstg. Co.) has filed a 25-page petition (with a 44-page appendix) with FCC asking reconsideration of its grant of Albany Ch. 10 to WTEN (Capital Cities). Seeking reopening of the much-contested case, which has been marked by charges that the award involved FCC favoritism to WTEN's Congressional stockholders (Vol. 16:30 p8), Veterans contended that Commission: (1) Denied many valid exceptions noted in the proceedings by WVET-TV. (2) Failed to give careful evaluation to proposals. (3) Avoided its responsibility to make a decision on comparative merits. (4) Obscured its decision for WTEN in technicalities.

Augmented Conelrad plan for insuring continuity of emergency broadcast service in the event of an enemy attack on the U.S. has been adopted by FCC. As worked out by Commission's National Industry Advisory Committee, the plan sets up a priority system for network & local transmission of war bulletins: (1) Presidential messages. (2) Local programming. (3) State & regional programming. (4) National programming & news originating from Cabinet officers, OCDM, an emergency all-media news pool, etc. Authentication procedures for the broadcasts will be provided by NIAC. Copies of the plan are being mailed by FCC to all stations & networks.

Tall-tower application of WHAS-TV Louisville should be turned down, FCC examiner Charles J. Frederick said in an initial decision agreeing with the Broadcast Bureau (Vol. 16:19 p7). He concluded that the proposed 1,856-ft. structure with its increased coverage would damage Lexington's 2 uhf outlets. Frederick also found that erection of the tower "would create a serious menace to air navigation," bringing a "very real possibility of the loss of human life." The WHAS-TV application was similarly disapproved in 1958 by the Washington Air Space Panel (Vol. 14:7 p8).

Ex-FCC Comr. Richard A. Mack, whose Miami Ch. 10 conspiracy retrial was postponed last winter while he underwent psychiatric observation (Vol. 16:18 p14), has been sued for a $556.30 hospital bill. The mental institute at Miami's Jackson Memorial Hospital claimed he owed the money for treatment from Jan. 28 to Feb. 23. The 2nd trial of Mack & Thurman A. Whiteside on charges that they plotted to rig the Miami grant for WPST-TV is set now for Oct. 4 in U.S. District Court, Washington.

Revised schedule of FCC staff field meetings with booster operators (Vol. 16:33 p8) contains the following changes: Aug. 24, Denver in lieu of Pueblo. Sept. 1, Salt Lake City at 9 a.m. and Redmond, Ore., 1 p.m. Sept. 2, Pocatello, Ida., 11 a.m., and Grand Junction, Colo., 1 p.m. No meeting will be held Sept. 3.

Film & Tape

UNTAPPED FILM MARKET: TV syndicators & stations are overlooking a multi-million-dollar source of film revenue because most know little about the mechanics of manufacturer-dealer cooperative advertising. So asserted Lester Krugman in N.Y. last week. The ex-NTA vp for advertising has just opened an agency specializing in co-op advertising. "Something like 15% of all TV advertising today comes from co-op ad deals, which is far from being what it might be," he added.

A completely legitimate but relatively untried deal, Krugman explained, might shape up on these lines: A syndicator could take a new show around to a national advertiser, such as an auto or major appliance manufacturer. The manufacturer could sign for the show, then offer it to dealers or dealer groups with his customary (usually 50-50) split on local-level costs. Even the manufacturer's ad agency, and probably station reps, could be brought in for a slice, since commissionable media are involved.

Many co-op ad deals are just sitting around, waiting to be picked up by local stations and/or alert syndication salesmen, according to Krugman. One example he related: An alert TV salesman for a station in a major Southern seaport discovered that an outboard-motor dealer he knew had a co-op budget available, but never used it because "it's too small to do anything with." The TV salesman hustled around, talked to a dozen other nearby dealers in the same outboard line, and got them to agree to pool their funds in exchange for rotating TV dealer mentions. Then, he approached the manufacturer, got a green light for his project—and wound up with a dealer-group film-program sale.

Krugman, whose cooperative-advertising specialist firm is making its hq at 554 Fifth Ave., believes his "chief problem is providing adequate proof-of-performance information to clients" and that "print media are far ahead of TV in developing co-op deals." He hopes to correct much of this situation in TV, and to provide more exchange of successful-campaign information among advertisers.

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Bob Hope's far-sighted demand, in the mid-1940s, that the rights to a quartet of Paramount-produced comedies should revert to him in 1960, is about to pay the comedian a nice TV dividend. Cal. National Productions last week announced it had acquired from Hope the TV distribution rights to 2 of the films—"Road to Rio" and "My Favorite Brunette," starring Hope, Dorothy Lamour and Bing Crosby. Still in the Hope chest are "The Great Lover" and "Lemon Drop Kid." CNP's 2-picture package was promptly snapped up by the 5 CBS-TV o&o's. WCBS-TV N.Y. had, some time ago, bought similar Hope comedies ("My Favorite Blonde," "Road to Morocco," etc.) in the MCA-distributed pre-1948 Paramount library—and wasn't about to let rival WNBC-TV N.Y. get its hands on them, despite its NBC family link to CNP. The package, CNP's first feature group, is now being syndicated to other markets. Paramount gets nothing in the deal. Wailed a Paramount N.Y. executive we queried on this point last week: "So, who was thinking about TV in 1945?"

Paramount & Columbia will consolidate their Canadian sales & distribution operations Oct. 1, to form a joint Toronto-based company for "greater efficiency & better service" to Canadian theater exhibitors.

NEW YORK ROUNDUP

TV-film anti-trust ruling against the govt. in the Columbia Pictures-Universal Pictures case, handed down in July in N.Y.'s U.S. District Court (Vol. 16:28 p12), may be appealed to the Supreme Court by the Justice Dept. "An appeal is under consideration, but no decision has been made on it," a Justice Dept. source told us. In the District Court decision, Judge William B. Herlands dismissed the govt.'s complaints that an exclusive agreement by Columbia's Screen Gems for TV distribution of 600-odd pre-1948 Universal movies violated the Sherman and Clayton Acts. If an appeal is carried to the Supreme Court, the Justice Dept. will try again to prove that: (1) The Columbia-Universal deal constituted a conspiracy in restraint of trade. (2) Acquisition by Screen Gems of the Universal movies was an unlawful acquisition of another company's assets which tended to lessen competition in the industry.

Creative Telefilms & Artists Inc., newly-formed distributor of Warner Bros. post-1948 features for TV, is being sued in N.Y. Federal District Court by the American Federation of Musicians, which contends that AFM members are entitled to share in the proceeds of TV licensing (Vol. 16:33 p6). Warners has leased over 100 films to CT&A, now name-changing to 7 Arts Corp., for $11 million & an equal share of the profits. AFM stated in its complaint that, under the terms of its contract with producers, the films may not be shown on TV without the consent of the union. AFM Pres. Herman Kenin said "there has been a callous disregard on the part of WB" to work out an agreement with the union. He threatened similar court action if other film corporations pursue the same policy.

CBS Films' *The Brothers Brannigan* has been bought by WCBS-TV N.Y. This puts the series in 90 markets . . . ITC reported last week that public utilities are leading the list of syndication advertisers on *Best of the Post.* Most recent sale was to Pacific Gas for 7 Cal. markets.

Ziv-UA's syndicated sales are reported 18% ahead of the company's sales totals at this time last year. Excluding sales of reruns through Ziv's Economee div, Ziv has scored 1,080 single market sales since Jan. The latest is to McKenzie's Pastry Shoppes, New Orleans (WWL-TV), the 24th food advertiser to buy the series.

Two major Canadian film producers have joined forces to develop a large combined film-tape operation in Toronto. Toronto International Film Studios Ltd. (N.A. Taylor) has acquired a substantial interest in Meridian Films Ltd., and the 2 firms plan a $2-million video-tape center and expansion of Toronto International's Studio City from its present 2 sound stages to 6. Meridian currently operates Canada's only independent video-tape studio.

Program Sales Inc., newly formed production company headed by Ray Junkin (Vol. 16:31 p15), has announced production-distribution contract for 130 episodes of *Portraits & Profiles,* a 5-min. show featuring sportscaster Bill Stern. PSI is currently launching sales on another 5-min. syndication entry, *Newsbreak.*

People: Russ Raycroft has been named special consultant for Official Films . . . **W. P. Laffey** has joined Telescreen Advertising div. of Screen Gems in charge of service and control . . . **Michael Nebbie** has joined Elliot, Unger & Elliot as dir. of photography.

HOLLYWOOD ROUNDUP

"Clandestine recordings" of work of TV & radio performers would be forbidden by a new international copyright agreement drafted at a 16-country UNESCO conference at the Hague. "The most important principle of the draft convention is the idea that performers have a right to protection, especially those who work in TV & the phonograph recording industry," according to the U.S. National Commission for UNESCO. "The draft convention would prevent the use, without his consent or without payment of fees or royalties, of reproductions of a performer's work." The U.S. was represented at the Hague conference by Register of Copyrights Arthur Fischer & Deputy Asst. Labor Secy. Henry Wiens. The Hague convention will be sent to a 1961 conference of govts. for approval.

Cal. National Productions is launching a new Western series "planned as a novel departure from standard Western fare," called *The Lawless West—the Legend & the Men.* CNP is concentrating on authentic dramatic treatment in which the West's most famous characters, such as Wyatt Earp, Wild Bill Hickok, Doc Holliday and Billy the Kid, are examined through their history-making deeds. "We aren't trying to debunk fictionalized Westerns . . . We hope our accent on authenticity will serve rather to add new dimensions to these themes that are entrenched entertainment classics," said CNP. (For more on the new Western trend, see Vol. 16:32 p11.)

SAG-AFTRA "positive cooperative plan," alternative to proposed merger of the unions (rejected in a mail referendum by more than 82% of SAG members), got underway last week, via a series of joint committee meetings in N.Y., Chicago and Los Angeles. The meetings are going into AFTRA network negotiations and SAG TV-film-commercial contracts, as well as live & tape commercials and tape programs. The unions plan to meet again next month "in a mutually agreeable place."

NTA has realigned its sales operation into 2 main divisions, with hq in N.Y. & Beverly Hills. Heading up the Eastern div. will be vp E. Jonny Graff, and vp Berne Tabakin will take charge of the Western. Concurrent sales meetings in both cities were scheduled for last weekend.

20th Century-Fox shareholders will vote Oct. 17 on the proposed sale to Webb & Knapp, Inc. of the film concern's 267-acre tract in Los Angeles. TCF directors have approved the proposal.

Revue Studios began construction recently on 2 additional stages . . . Allied Artists has renamed its TV operation Informational Films Division, in place of Informational & Commercial Films Division, to eliminate the idea that it's involved in the production of commercials. The div. produces educational & industrial films and TV specials . . . Walt Disney Studios has begun production on a 2-part show, *Pop Warner Football,* for the *Walt Disney Presents* series next season . . . MGM-TV is expanding the pilot of its 60-min. *Asphalt Jungle* for showing in theaters abroad.

CBS Films Inc. program vp Robert Lewine is in Hollywood, seeking new TV properties . . . Max Factor has bought *The Tab Hunter Show,* which begins on NBC-TV in Sept., for viewing in Japan . . . Elbrook Productions has been formed by writer Peter R. Brooke and agent Hillard Elkins. It plans *The Big Wheel* as its first series.

ACTORS DOMINATE FILM PRODUCTION: Actors, given little chance to do more than act in movies, have assumed a role of transcending importance in TV film production. Some own their series, others own telefilm production companies, and in general they compose an important segment of Hollywood's production field.

The pioneers in this trend are that most successful triumvirate of Dick Powell, David Niven and Charles Boyer (who in 1951 formed Four Star Productions, now Four Star Television); Lucille Ball & Desi Arnaz (who started Desilu Productions the same year); and Jack Webb (whose Mark VII firm, which while now is virtually dormant, was once one of the leading companies).

Other current actor-producers: Danny Thomas owns Marterto Productions; James Arness, Arness & Co.; Ozzie Nelson, Stage 5 Productions; Robert Young & Eugene Rodney own the company which produced their successful *Father Knows Best.* Betty Hutton, too, owned her production company last season.

An ex-actor, William T. Orr, is vp & exec. producer of Warner Bros. TV. An ex-actress, Gail Patrick Jackson, is exec. producer of Paisano Productions, which produces *Perry Mason.* Loretta Young owns Toreto Productions. Edmund O'Brien is partnered with producer Jack Chertok in *Johnny Midnight.*

Unlike the movies, which trained executives for years before making them producers, TV film has drawn on a variety of fields for its executives, with actors dominant. Revue Studios, for example, is guided by an ex-agent, Alan Miller. MCA, which owns Revue, is headed by ex-press agent Lew Wasserman. Desilu's exec. vp Martin Leeds was a practicing attorney. Four Star's production vp Tom McDermott is an ex-adman. And Pres. Peter Levathes of 20th-Fox Television is also from Madison Ave.

Don Fedderson, who heads his own production company, was once a TV station manager. Screen Gems' Coast operation is headed by an ex-CBS Coast vp, William Dozier, and another SG executive—vp Harry Ackerman—is also an ex-CBS-TV Coast vp.

Writers who head their production companies include Rod Serling, Cayuga Productions; Blake Edwards, Spartan Productions; Ivan Tors, Ziv TV-United Artists TV producer who has his own unit; Joe Connelly & Bill Mosher.

Among today's producers are ex-actor Sheldon Leonard (Danny Thomas); ex-press agent Howie Horwitz (*77 Sunset Strip*); and a parade of writers—Nat Perrin (*Death Valley Days*), Sam Peckinpah (*The Westerner*), Aaron Spelling (*Dick Powell's Zane Grey Theater*), Everett Freeman (*Bachelor Father*), Sam Rolfe (*Hotel de Paree*), Charles Warren (*Rawhide*), Seeleg Lester (*Perry Mason*), Stanley Niss (*Hawaiian Eye*).

BBC-TV will join with ABC-TV in the production of the Sun.-night (10:30-11 p.m.) series planned around Sir Winston Churchill's memoirs. The series is budgeted at $1.5 million, and is due to start on NBC Nov. 27. In return for a production investment & research cooperation, BBC will have TV exhibition rights in Britain & a share of the show's revenues. Actual producer of the series in the U.S. is Screen Gems.

UAA has announced a new package of post-1948 features for TV distribution, called Boxoffice 26. Titles include "The Barefoot Contessa," "King & Four Queens," "Bandido," "St. Joan," and "The Monte Carlo Story."

Programming

CBS radio is clearing out its block of veteran soap operas (*Ma Perkins, Young Dr. Malone*, etc.) to make room for music-&-feature formats this fall. Daytime personality shows (*Arthur Godfrey, Art Linkletter, et al.*) will be retained. The plan has been green-lighted by CBS radio affiliates. ABC radio, meanwhile, has invited N.Y. admen to an Aug. 22nd preview of *Flair*, which the network describes as "a plan rather than a program." *Flair*, once the title of a short-lived Cowles magazines, will center on various name personalities (Theodore Bikel, Toots Shor, Dick Van Dyke, among others) as well as subjects that will range "from baby care, gourmet cookery, beauty & fashions to physical fitness, Hollywood and table manners. NBC eliminated most radio entertainment features (apart from *Monitor*) in favor of music, news & comment more than a year ago.

ABC-TV is dropping Dick Clark's 7:30-8 p.m. Sat.-night show, effective Sept. 10, although Clark's *American Bandstand* show in late afternoons is remaining. Reason: A new 60-min. Warner Bros-produced property, *The Roaring 20's*, will occupy the 7:30-8:30 p.m. segment, starting Oct. 15. ABC tried to clear the 7-7:30 p.m. period for Clark, but couldn't produce a full lineup in station-option time and couldn't find another Clark berth at night. Beech-nut-Life Savers Inc. billings for the Sat.-night Clark show, via Young & Rubicam, amounting to some $2 million annually, are however being transferred to the daytime Clark show, so there are no losses for ABC in the deal.

Analysis of one week's programming for Los Angeles's 7 TV stations, as listed in *TV Guide*, has been completed by the Rev. James A. Brown, S.J. for a USC seminar. Despite the common impression, Rev. Brown found that only 8½% of the 3,307 station quarter-hour periods during the week (April 30-May 6) were Westerns. Comedy & variety-comedy actually surpassed Westerns with a 13.8% figure. Crime-action took 20.7%. The categories of news reports, special events, public issues, public institutional, general information & information-instruction totaled to 14.8%. Religion got 1%. Music & variety-music ran 6.1%. Children's programs totaled 5.9%.

Network show for doctors is planned by Medical News Inc., N.Y. as a 15-min. Sun.-afternoon series starting Oct. 30 on NBC-TV under sponsorship of Ciba Pharmaceutical Products Inc. At the moment, the network is trying to clear a time period for the series, which will be produced by the editorial staff & medical consultants of *Medical News*, a biweekly newspaper for physicians published under Ciba auspices. The show has been TV-tested in 4 cities (Dallas, Kansas City, Miami and Binghamton).

Index of U.S. Home TV Usage

TV viewing per home increased slightly from June 1959 to June 1960—8 mins. per home, per day. This audience data chart was prepared for us by A. C. Nielsen Co.

	Day (10 a.m.-5 p.m.)	Night (7-11 p.m.)	Daily Avg. Hrs. Per Home, Per Day
June 1960	17.3 (7,820,000)	47.4 (21,425,000)	4 hrs., 19 mins.
June 1959	16.5 (7,343,000)	47.0 (20,915,000)	4 hrs., 11 mins.
May 1960	17.8 (8,046,000)	51.3 (23,188,000)	4 hrs., 36 mins.

Final NBC-TV Nielsen score for the Democratic convention brought just about the same victory margin as reported earlier by Arbitron (Vol. 16:30 p5). The Nielsen score: NBC—14.4 average audience, 6.5 million homes reached, 41.4% share of audience. CBS—10.7 rating, 4.8 million homes, 30.6% share. ABC—4.2 rating, 1.9 million homes, 12.2% share. Arbitron's relative ratings ran 1.37 to 1 in NBC's favor; Nielsen's, 1.35 to 1. Nielsen also reported that the Democratic convention was seen by "the biggest reported audience in TV history" during the week of July 11. A total of 38.7 million U.S. homes (86% of all TV homes) look in on the proceedings for 6 minutes or more. And the average time spent per viewing home was 9 hrs., 38 mins. During any average minute of the 3-network coverage, 13.2 million homes (29.3% of TV homes) were watching. Daily audiences ranged from a Wed. July 13, 1960 peak of 32.7 million homes to a low of 25.6 million on the closing day (July 15). Previously, Sindlinger & Co. had reported "up to 135% larger TV audiences" for the conventions, compared with 1956 (Vol. 16:33 p6).

Campaign service: KOLO-TV & KOLO Reno are devoting 3½ hours of prime time throughout this week to a program series, *Of Primary Interest*, introducing Washoe County, Nev. candidates for local & statewide office before the primary elections . . . WTIC-TV & WTIC Hartford are offering free time between Labor Day & Election Day for six 30-min. debates between major party candidates for the House of Representatives . . . WNHC-TV New Haven has asked both major Presidential candidates to supply the station with 5,000 copies of each party's platform. They will be sent to requesting viewers as part of the station's 8-month, "Study-Think-and-Vote" coverage of this election.

Live drama on ABC? Yes, indeed. In a surprise move last week, ABC-TV program vp Tom Moore announced that ABC's heavily-film programming next fall would be augmented by a quartet of 90-min. original drama specials, all in a serious vein & featuring feminine stars, to be produced by Fred Coe & directed by Arthur Penn. Two will be taped in London, and one will star Vivien Leigh. William Morris Agency represented Coe (who used to produce *Philco-Goodyear Playhouse* on NBC-TV) and Penn.

"Celebrities for Nixon" will recruit TV-movies-sports figures for campaign work—including personal appearances & broadcast performances—in behalf of the Republican Presidential ticket. Work of the "Celebrities" committee, headed by Hollywood producer Mervyn Le Roy & actress Helen Hayes, was officially launched at a press conference in the Vice President's Senate Office Building staff offices. Le Roy & actor George Murphy, active in GOP politics in Cal., said they expected to enlist some of the biggest names in show business for the Republican pool.

Deal to sell General Artists Corp., 3rd-largest talent agency (representing Perry Como in TV, among others), is reportedly in the works between GAC Pres. Lawrence Kanaga and Philadelphia industrialist Herbert Siegel. Siegel is chmn of the Seeburg jukebox concern. Principal owner of GAC is Mrs. Thomas G. Rockwell, widow of the talent agency's founder. Price is said to be "around $1,750,-000." GAC sources late last week admitted to us that "a deal was being discussed," but refused to say if it had been completed.

Radio WABC N.Y. is dropping 7 hours of paid religious broadcasts and will substitute 90 mins. of free time for the 4 largest organized religious groups in the N.Y. area. The station will continue to carry the ABC radio network's full religious schedule.

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Personals: Robert J. McAndrews, KBIG Los Angeles vp, appointed 1960-61 NAB radio public relations committee chmn. . . . Carlo Anneke named local sales mgr., KTLA Los Angeles, succeeding Bob Jones, resigned . . . Adm. Maurice E. Curts named Pentagon telecommunications policy dir. . . . Donley F. Fedderson, ex-WTTW Chicago, named NET TV programming dir. . . . David J. Blackstead named operations mgr. of KXJB-TV Valley City & KXGO-TV Fargo, N.D.; James R. McGuire appointed commercial mgr.; William D. Brouse, promotion & merchandising mgr.

Obituary

Bond P. Geddes, 78, 1927-50 exec. vp & secy. of the Radio Mfrs. Assn. (now EIA), died Aug. 16 in Georgetown Hospital, Washington. Following his retirement in 1950, he worked as an industry consultant, but had been inactive in recent years. In his 23 years with RMA, he watched the industry grow from crystal-set days into the electronics age. Prior to joining RMA he was a Washington newsman in a career stretching back to 1911 & President Taft. At one time he was UP bureau mgr., later joining the AP, for which he was Capitol staff chief.

Dr. Charles Edward Kenneth Mees, 78, retired Eastman Kodak vp, died Aug. 15 at his home in Honolulu. Mees, considered an outstanding pioneer in modern photography, developed the infrared photographic plate. At his retirement in 1954 after 42 years with Eastman Kodak, he received the Franklin Institute's highest award, the Franklin Medal, for his contributions to the science of photography.

Col. A. G. Simpson, 67, World War II chief of the Army Signal Corps communications & liaison office, died Aug. 12 at his home in Clearwater, Fla. While U.S. forest service chief radio engineer before the war, he developed a portable radio transmitter-receiver, a forerunner of the Army's walkie-talkie.

Walter E. Carlson, 59, former member of the Tasty Yeast Jesters, radio trio popular in the 1920s, died Aug. 17 at his home in Bloomfield, Conn. At his death, Carlson was a salesman & artist for radio WHAY, New Britain, and was formerly with radio WJZ, N.Y.

Edward (Ted) Pope, 37, CBC TV producer, died in a sports-car wreck during a race at Harewood Acres, Toronto, August 13. He is survived by his wife, son and daughter.

Foreign

BBC-TV has distributed a hard-bound book promoting its new $45-million London TV center to networks, the press, station groups, agencies etc. The center covers 13½ acres and is designed for the production of 1,500 hours of programming each year. Contents of the book include articles about BBC by dir.-gen. Hugh Carleton Greene and TV dir. Gerald Beadle, photo views of the building, and technical aspects of the plant & studios. BBC, which has plans to bid for the live programs export market in the U.S., is using the new publication, in part, as a promotion piece to potential program buyers.

Iraq's govt.-owned TV station (Ch. 8, 1-kw ERP), which has been accepting commercials since Feb., forwards us its rate card, indicating rates ranging from $16.80 for a 10-sec. ID to $224 for a 3-min. live commercial. Among the ground rules for advertising on the Baghdad station: "(1) Advertisements are telecast respectively as received with no priority. (2) A non-advertisement film with a one-min. sponsor advertisement costs only the rate for a one-min. advertisement. (3) No advertisements concerning drugs or alcoholic beverages are accepted." As of Aug. 1, there were an estimated 70,000 TV sets in the republic.

Russia projects TV production of 3,325,000 units by 1965 according to the *Wall St. Journal* in an analysis of USSR's increasing consumer goods output. The 1965 projection compares with 1959's production of 1,300,000 TVs, 84,100 in 1953, 11,900 in 1950. Notes the *Journal*: "During 1959, Soviet consumer goods output rose 10.3% but retail sales were up only 7.2%. The result, familiar to any capitalist, was a rise in inventory, estimated by the Soviets at 11%."

Revenue of Britain's program contractors jumped 29% to $17,948,966 in April, compared with April 1959. Pacing the 12 contractors was A-R London, with time billings of $3,785,096—up 16% from April-1959's $3,255,960 volume, reports TV Press Agency. Percentage gains were scored by the 10 contractors who were operating last April. The gains ranged from Southern's 3% to Tyne Tees's 51%.

Future of British TV-radio broadcasting will be charted by a special committee of inquiry established recently by the Postmaster General. The study panel will explore a broad range of new broadcast services—including pay TV, closed-circuit, a 3rd channel—and recommend which services should be provided by tax-supported BBC and ad-supported ITA. The committee is headed by industrialist Sir Harry Pilkington.

Educational Television

KQED (Ch. 9) San Francisco and KVIE (Ch. 6) Sacramento are forming the Cal. Community TV Network, and plan to include other non-commercial, community-owned stations as they come into being in that state. (A Fresno station is currently being planned.) A 2-way microwave relay unit on Mt. Diablo will link the stations. The project, due to be completed by mid-October, is financed by the Ford Foundation for Adult Education.

"Key Audiovisual Personnel," a 1959-60 compilation by the U.S. Office of Education of sources of educational TV-radio-film-phono materials, is available for 25¢ per copy from the Govt. Printing Office, Washington. The directory lists 787 public & private agencies, 1,062 individuals.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

UPGRADING TV PRODUCT—THE PAYOFF: Emphasis on TV quality, furniture styling, new screen sizes is now showing up in sales figures. On basis of statistics available to date, we can now predict that 1960 will see:

(1) Highest average TV set price since 1953, probably around $150 at the factory—up smartly from last year's $144.

(2) Highest proportion of console TV sales since 1953.

(3) Highest proportion of TV-phono combination sales since 1953.

(4) Portables & table models comprising less than 50% of TV sales for first time since 1953.

There's also good chance that dollar volume of factory TV sales will be best since 1955, even though unit sales are extremely unlikely to match 1956's 7.4 million.

• • • •

Average factory price of a TV set for first 5 months of this year was $138.01, nearly $5 better than the $133.05 registered for same 1959 period. Since average unit price of TV goes up in last half of year, figure of around $150 is not unreasonable (last year's average unit price was $141 for full year). For comparison, here's recap of average TV set unit factory price for each full year from 1947 through 1959:

1947	$280	1950	$180	1953	$170	1956	$127
1948	$235	1951	$177	1954	$140	1957	$130
1949	$193	1952	$172	1955	$138	1958	$136
						1959	$141

Consoles & combinations already are having their best year since 1953—spang in the middle of the portable season. For first 6 months of 1960, consoles & combos accounted for 46% of retail TV sales, compared with less than 36% just a year ago. Here's how cabinet types stack up at retail counters for first half of this year vs. same year-ago period in terms of percentage of total:

	Table & Portable	Console	TV-Phono Comb.
1960	54.0%	33.4%	2.4%
1959	64.2%	42.9%	3.1%

Here are numerical figures for first-half 1960 retail sales (year-ago comparisons in parentheses): Total, 2,657,527 (2,263,957); table & portable, 1,433,885 (1,453,231); console, 1,141,082 (756,622); combo, 82,560 (54,104).

Percentage breakdown of consumer TV purchases by cabinet type for full years 1953-1959:

	Table & Portable	Console	TV-Phono Comb.
1953	46%	51%	3%
1954	55%	43%	2%
1955	57%	41%	2%
1956	64%	35%	1%
1957	60%	38%	2%
1958	56%	41%	3%
1959	57%	40%	3%

Traditionally heavier console sales in fall should push 1960 percentage close to 1953's mark—giving hefty boost to TV dollar sales. But this year, 2 added factors will be acting to spur 2nd-half sales prices still higher: (1) Intensified selling campaign for combos, sparked by heavy increase in offered sets. (2) Accelerating emphasis on 19- & 23-in. sets, more expensive than their 17- & 21-in. counterparts.

At least 60% of factory TV set sales in June were in the 2 new sizes. Exact percentage is hard to pin down. EIA is collecting some figures on the new sizes for first time (formerly 19s & 21s were lumped together in "19-21-in." group). Its definitions still aren't explicit in some categories, but here's percentage breakdown of total factory sales in June, by tube size & cabinet style:

Table models & portables—23-in. & larger, 6.2%; 21-in., 9%; 19-in., 21%; 17-in. & smaller, 21%.

Consoles—23-in. & larger, 32%; smaller than 23-in., 8%.

Combinations—all sizes, 3%.

Proportion of 19- & 23-in. sets will increase as manufacturers use up inventories of old-size tubes & associated components. Tube & glass makers report production of 17- & 21-in. sizes for new-set use dwindling to vanishing point.

PHONOS SPIN STRONG MIDYEAR GAINS: It was a good first half for phonos, official EIA retail & factory figures for Jan.-June show. Sparked by increasing interest in stereo, consumers purchased more than 330,000 more phonos than they did in Jan.-June 1959. Result: a 21.5% sales gain for retailers. Over-the-counter sales of stereo phonos soared 86.5% during first half, swallowing up a 43.7% decline in sales of monaural units.

Factory sales of phonos also increased 21% over first-half 1959. Noteworthy, too, is 33% gain in dollar sales, reflecting increased proportion of higher-priced stereo. Other noteworthy cullings from EIA:

Average factory price of phonos increased to $96.60 from $90.57 in first-half 1959.

Total dollar sales at factory increased to $174,172,000 from $131,397,000.

June figures show an upturn from traditional spring decline, with stereo retail sales up some 26,000 units, monaural 5,100.

Here are EIA's factory & retail figures, month by month, for first-half 1960, with 1959 comparisons:

PHONO FACTORY SALES

	1960			1959		
Month	Mono	Stereo	Total	Mono	Stereo	Total
January	118,400	341,329	459,729	184,147	177,336	361,483
February	90,854	324,666	415,520	164,873	188,750	353,623
March	63,264	242,523	305,787	119,075	168,117	287,192
April	30,606	142,409	173,015	47,153	125,111	172,264
May	36,793	144,474	181,267	33,356	89,827	123,183
June	69,293	198,407	267,700	44,976	152,900	197,876
TOTAL	409,210	1,393,808	1,803,018	593,580	902,041	1,495,621

PHONO RETAIL SALES

	1960			1959		
Month	Mono	Stereo	Total	Mono	Stereo	Total
January	150,688	368,964	519,652	231,429	159,214	390,643
February	100,268	347,860	448,128	171,127	156,477	327,604
March	61,249	249,497	310,746	139,577	140,075	279,652
April	41,147	152,141	193,288	94,226	118,197	212,423
May	39,734	139,378	179,112	70,228	82,765	152,993
June	44,925	165,339	210,264	66,979	100,982	167,961
TOTAL	438,011	1,423,179	1,861,190	773,566	757,710	1,531,276

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 12 (32nd week of 1960):

	Aug. 5-12	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	89,430	116,682	149,314	3,436,778	3,401,910
Total radio	243,351	261,430	261,210	9,912,196	8,383,035
auto radio	82,720	88,166	69,288	3,821,217	3,263,398

FTC has broad powers to halt "knowing inducement" by dealers to obtain discriminatory advertising allowances from suppliers, the 5-man policing commission decided in a 4-1 policy vote. Acting in an unfair-practice case involving supermarket operator Grand Union Co., the FTC majority said the Robinson-Patman Act doesn't specifically outlaw such dealer inducements, but that the practice "clearly violates the spirit of the statute." Dissenting, Comr. Edward T. Tait said FTC should stick strictly to Robinson-Patman language, that he's "in vigorous disagreement with an approach to the law which has too much sail & too little anchor, or too much supplement & too little bolster." (For more on co-op promotion, see p. 10.)

RCA's associated company in Argentina, RCA Victor Argentina S.A.I.C., has been licensed by American Bosch Arma to produce & sell its automotive windshield-wiper motors & assemblies in that country, effective Jan. 1961.

Westinghouse credit-card system for service technicians is being established to facilitate their purchases of TV-radio-phono parts. K. H. Brown, hq service mgr. of Westinghouse TV-radio div., said the credit cards will eliminate a major complaint of technicians: "Having their money tied up to fulfill the manufacturers' warranty obligations." The cards also will enable new customers to obtain parts from Westinghouse distributors without credit-clearance delays.

Zenith's first strike ended Aug. 13 after a 4-day walkout by 6,000 production workers at 4 Chicago plants (Vol. 16:33 p12). The new agreement with the Independent Radionic Workers of America provides wage increases of 6-to-9¢ an hour (depending on job classification), retroactive to July 18. Zenith's current contract with the union, which runs through June 30, 1962, was reopened 6 weeks ago for consideration of wages.

Admiral Vs. Japan: Admiral's Pres. Ross D. Siragusa stepped up his "Buy American" campaign last week by charging some merchandisers of Japanese radios with attempts to hide behind the U.S. flag and "delude the American public with highly questionable marketing practices." In a background memo on the Japanese electronics invasion, sent to members of Congress and other "interested Americans," Siragusa noted that one Tokyo firm is producing an "Americana" brand transistor radio, that an ad on Japanese radios in a U.S. trade publication is built around "a larger than half-page photographic illustration of the Mount Rushmore National Monument."

"The tidal wave of Japanese electronic products continues to flood U.S. markets," the Admiral white paper warned. "First-quarter statistics from the U.S. Dept. of Commerce indicate that electronic exports from Japan to this country were nearly double the level of last year. In some categories, first-quarter shipments were nearly as great as those during the entire year 1959.

"What are American manufacturers doing to combat the heavy Japanese electronic imports? Most of them have taken the line of least resistance and are buying components or complete Japanese radios for marketing under their own brand names (Motorola, Emerson, Bulova, GE)."

Warning that the stepped-up Japanese imports "cannot continue for long without inflecting serious & permanent damage on American suppliers," the Admiral memo concludes with the hope that "the administration in Washington will make an immediate re-appraisal of trade policies with Japan, especially in the area of electronics."

Commenting on a U.S. "invasion in the next few months" by Japanese TVs, Siragusa said he doubted they would encounter anywhere near the success enjoyed by Nippon radios. "Americans realize TV is a complex electronic instrument," he said. "When the consumer buys a TV set he wants to be certain he can get it repaired & obtain replacement parts should they be required."

* * *

Japanese electronic output shot up 53% to $282.1 million in the first quarter this year, compared with the similar 1959 period, the Commerce Dept.'s Business & Defense Services Administration reported. Data supplied by the American embassy in Tokyo showed that Japan's production during Jan.-March 1960 was running at a seasonally-adjusted annual rate of $1.4 billion vs. $936 million during 1959. First-quarter electronic output was topped by semiconductors, up 67%, followed by electron tubes, up 63%. A 37% decline in TV-broadcast gear was noted, however.

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Five Japanese broadcasters have purchased 12 of GE's low-light-level image-orthicon camera tubes for use in colorcasting which is slated to get underway next month. The purchasers: Radio Tokyo (3 tubes), Station NTV (3), Japan Bcstg. Co. (4), Tokai TV (1), Chubu Nippon (1). GE said the orders were received shortly after Japan's Radiowave Control Board gave the green light to full-scale colorcasting, starting in September.

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Hitachi New York Ltd. became the first Japanese firm to obtain a contract to supply electricity-generating equipment for a Federal power project. It was selected by the Interior Dept. last week to supply 2 turbines for $664,860 on the basis of a bid which, in competition with U.S. suppliers, had more than the 6% differential required by the "Buy American" Act.

RCA Still Shifting: RCA's consumer-products operation underwent more changes last week—one geographic, others in personnel.

Sales Corp. Pres. Jack S. Beldon resigned that post and now awaits re-assignment within the RCA organization. His action comes less than 6 weeks after exec. vp P. J. Casella had been relieved of his consumer-products responsibilities for re-assignment within RCA (Vol. 16:28).

Group exec. vp W. Walter (Wally) Watts, who absorbed Casella's consumer-products duties, now takes on added responsibilities by succeeding Casella and Beldon as Sales Corp. chmn. & pres. respectively.

Delbert L. Mills, ex-ITT Federal div. pres. who joined RCA in January as home-instruments operations vp (Vol. 15:49 p19), will absorb Beldon's marketing duties in his new post as Sales Corp. operating vp. Mills also retains his home-instrument responsibilities, as div. vp-gen. mgr.

On the geographic front, RCA announced last week that it would shift the hq & production activities of its Cambridge, Ohio radio-phono plant to its Indianapolis, Ind. facility. The announcement followed on the heels of word that RCA's TV-radio-phono hq was slated for transfer to Indianapolis from Cherry Hill, N.J. (Vol. 16:33 p12). The Cambridge plant will continue its parts-production activities, will add new products later.

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Herold In Chapter XI Action: Herold Radio & Electronics, organized 10 years ago as Herold Radio & TV Corp., last week filed in U.S. District Court in N.Y. a petition under Chapter XI of the Federal Bankruptcy Act. The petition, to effect a settlement with creditors, estimates the Yonkers, N.Y. firm's liabilities at $6,853,000, assets at $6,312,000. Vp-controller Shepherd Freedland said the assets include no cash, comprise accounts receivable, inventory, equipment. Herold will continue operations, he said.

Freedland asserted that Herold has been piling up losses from operations despite increased sales of its radios, phonos, tape recorders. For its 1960 fiscal year ended Feb. 29, there was a "substantial loss" on sales of $8.2 million. The losses have continued in the current fiscal year, on $2.7 million sales in the 4 months to June 30. Freedland attributed Herold's financial straits to last winter's sales-slowing steel strike, a jurisdictional labor dispute which affected employe efficiency, and unexpected expenses in consolidating its activities last year in a new Bronx, N.Y. plant (Vol. 15:38 p23).

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Special EIA committee meets in N.Y. this week (Aug. 26) to establish a position on the Labor Department's proposed minimum wages for the electron-tube and related products industry. The proposed rates, announced by Labor Secy. James P. Mitchell last week: $1.42 per hour for electron tubes (excluding TV picture tubes), $1.35 for solid-state semiconductor devices. EIA's Walsh-Healey committee on tubes & semiconductors, chaired by Tung-Sol vp E. J. Danneberg, will consider both the acceptability of the proposed rates and Secy. Mitchell's "determination of prevailing minimum wages on a nation-wide basis" instead of regionally. Commented Danneberg: The national determination "is further evidence that the Secretary is continuing to pursue nation-wide wage policies which create serious economic hardship among manufacturers in economically depressed areas."

Stanford Research Institute's N.Y. office (Patrick M. Dowling, mgr.) has moved to 270 Park Ave., N.Y. 17.

National Video Booming: Chicago-based TV picture-tube producer National Video Corp. anticipates a "banner year" for its 1961 fiscal ending May 31, Pres. Asher J. Cole informed the N.Y. Society of Security Analysts last week. Profits for the first 2 months of fiscal 1961 (June & July) are nearly 600% ahead of the year-ago pace—to about $200,000 from approximately $30,000. In fiscal 1960, Cole said, earnings climbed to "between $1.83-&-1.85 a share" on sales of more than $17 million, compared with $1.65 a share on sales of $14.8 million in the preceding year.

National Video, which makes & sells TV picture tubes to such major set manufacturers as Admiral, Motorola and Trav-Ler, is unable to keep pace with demand, Cole asserted. June's production of 93,000 kinescopes was "many more than ever before," he said, and the July output of 85,000 tubes compares with the normal output of 35-to-40,000. August orders already are 30,000 tubes ahead of the company's monthly production capacity of 110,000 units. Cole said that National Video last year produced nearly one million kinescopes, or about 16% of the industry's total 6½-million output. The company is planning a $350,000 expansion program which will increase production capacity 10-to-15% by year's end, add warehouse space. Other Cole observations:

More than 80% of the cathode-ray guns used in National Video tubes are produced at its Puerto Rico plant, which employs about 130.

The company enjoys tax-free rights in Puerto Rico which will expire Feb. 1963. "However," Cole noted, "we are looking over other spots where tax exemptions are possible, and we probably will move out of Puerto Rico before the exemption there runs out."

Color TV will "require a new invention" to reduce the cost of the picture tube, he said, before there can be an "important market for color sets."

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Factory sales of transistors during the first half gained 67% over the Jan.-June 1959 volume, buoyed by a 1.3-million gain in unit sales in June 1960 over the preceding month. Here are EIA's official figures on transistor unit & dollar sales month-by-month in the first half, with 1959 comparisons:

	1960		1959	
	Units	Dollars	Units	Dollars
January	9,606,630	$24,714,580	5,195,317	$13,243,224
February	9,527,662	24,831,570	5,393,377	14,550,056
March	12,021,506	28,700,129	6,310,286	18,117,560
April	9,891,236	23,198,576	5,906,736	16,864,049
May	9,046,237	24,714,580	6,358,097	19,007,293
June	10,392,412	27,341,733	6,934,213	18,031,593
TOTAL	60,485,683	$152,932,961	36,098,026	$99,813,775

Corning Electronic Components, moving into the low-cost resistor market, is preparing for volume production of ½-watt & one-watt film types at its Bradford, Pa. plant. Corning expects to hit peak production in less than 2 months, will market the devices at prices "in direct competition with composition resistors." The company estimates that 2 billion resistors with a dollar volume of $50 million (about 25% of all resistor sales) are sold annually in the low-cost market, for uses ranging from TV & radio sets to missile-tracking systems.

Wescon highlights will be telecast in 5 cities known as centers of the electronics industry. Sponsored by International Resistance Corp., the 15-min. pickups from the Western Electronics Show & Conference in Los Angeles Aug. 23-26 will be aired by KTLA L.A., WPIX N.Y., WRCV-TV Philadelphia, WHDH-TV Boston and KPLR-TV St. Louis.

Magnavox's Big Picture: Magnavox held a N.Y. showing last week of its 1961 TV-radio-phono line. It had been broadened with drop-ins since its appearance in July at the Music Industry Show in Chicago (Vol. 16:29 p15). Among the new TVs: 2 basic 27-in. models and a 27-in. stereo theater—further evidence of Pres. Frank Freimann's big-picture plans.

Backing his conviction that the public wants larger screen sizes, Freimann declared: "We had steadfastly put our promotional efforts into the bigger pictures. Magnavox has been the leader in big picture TV for the past few years. Last year we sold more than one-third of all 24-in. sets sold by the whole industry. Now we have introduced a new 27-in. model with 400 sq. in. of picture—about 130 in. more than the widely publicized 23-in. tube." The Magnavox TVs also include 19-, 21-, 23-, and 24-in. models.

The 3 new 27-in. TVs: Model 410 console ($359.50; remote version, $399.50), which replaces the $375 model shown in Chicago. Model 406 lowboy console with FM ($399.50; remote version, $449.50). Model 415 stereo theater ($795).

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Trade Personals: Seymour Mintz, formerly CBS-Columbia pres. and CBS Inc. vp, and Admiral Corp. mktg. vp, named to new post of vp-gen. sales mgr., Capehart . . . A. R. Gale named vp for Ampex's foreign mktg. & mfg. subsidiaries . . . Edwin W. Lasher, ex-Packard Bell & Electronica Mexicana, S.A., named consumer-products mktg. & mfg. dir., Motorola Overseas Corp.

Dean C. Bradford promoted from dir., ITT electron-tube lab, to mgr., ITT components div. Roanoke, Va. plant . . . Kenneth E. Glover, ex-Sanders Associates & GE, named to new post of new-business development mgr., Raytheon commercial apparatus & systems div.

Ralph T. Dosher Jr. appointed mgr., automation-products dept., Texas Instruments' geosciences & instrumentation div.'s instrumentation group . . . Caesar Frank Fiore, ITT asst. to the vp & mktg. & comercial development dir., appointed asst. dir. for mobilization planning, communications-industries div., Business & Defense Services Admin., U.S. Dept. of Commerce, on a temporary assignment.

Fred H. Nolke, ex-General Telephone & Electronics, joins Northrop's Page Communications Engineers as asst. telecommunication dir. Robert I. Barry Jr., from Defense Dept., named asst. construction & installation documentation dir. . . . Richard Kneipper, ex-Herold Radio Steelman-Roland div., appointed to new post of field sales mgr., Pentron Electronics Corp. . . . Eugene A. Horvath, ex-Bendix, named controller, Electronic Communications Inc.

John Spitzer, ex-Sperry Rand Corp., named ad & sales promotion supervisor, Sylvania semiconductor div. . . . Edward E. Booher, McGraw-Hill Book Co. pres., and Roland T. Carr, Washington banker, named dirs. of Washington's Capitol Radio Engineering Institute . . . Robert F. Hurleigh, MBS pres., awarded VFW's Gold Medal of Merit for outstanding contribution to communications.

J. M. Clifford, NBC's administration exec. vp, joins parent RCA Sept. 1 as staff vp, West Coast personnel, reporting to RCA personnel vp E. M. Tuft . . . David Z. Birnham named pres. of Telechrome affiliate Universal Transistor Products Corp. Other officers: vp George A. Bernstein, secy.-treas. Morris H. Sherman. Named dirs.: Birnham, Sherman, J. Raymond Popkin-Clurman, among others . . . Emmett B. Dunn, RCA Victor custom records mgr., named RCA budgets & planning dir.

Finance

Philco Profits Fall: Despite a 7.2% sales gain during the first half, Philco reports a 19% profit decline to $1.9 million from the $2.4 million of Jan.-June 1959 (see financial table). The decline quickened in the June quarter. Sales climbed to $92.5 million from $85.8 million in April-June 1959, but earnings skidded 61% to $316,000 from $787,000.

"Sales & earnings for the 2nd quarter & the first half reflected the mixed trends which have characterized the general business picture thus far in 1960," noted Pres. James M. Skinner Jr. "The softness which developed in the appliance field early in the year has persisted, while sizable increases have continued in our government & industrial group. The serious & unexpected industry-wide decline in appliance volume, particularly refrigerators & laundry equipment, had its effect on the sales & earnings of the consumer-products div."

Assessing the 2nd half optimistically, Skinner said Philco's 1961 TVs, radios, phonos and laundry equipment have "met with the most excellent reception by distributors & dealers. It is confidently expected that 2nd-half results in this division will show substantial improvement."

Transistor sales more than doubled during the first half, Philco reported, and volume increased 50% at its Western Development Labs in Palo Alto, Cal.

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Jerrold Electronics anticipates that sales & revenues in its 1961 fiscal year will "about equal" the $8,416,750 reported for fiscal 1960, ended Feb. 29. Addressing the Philadelphia Securities Assn., Pres. Milton J. Shapp declined to forecast fiscal-1961 profits, but noted that the recent sale of Jerrold's 9 CATV systems (Vol. 16:33 p8) would swell net income by at least $2 million. He said proceeds from the sale will be used to acquire new CATV systems & small electronics firms. Commenting on the sale of the CATV systems—which last year brought in 62% of Jerrold's profit—Shapp noted: "We had an opportunity to make a large profit on the deal." He said the systems had been "pretty well [tax-] depreciated" when sold.

Avnet Electronics, Westbury, N.Y. producer of components, special tubes and other electronic products, has placed on the market, via Hemphill, Noyes & Co. and associates, $2 million of 5½% convertible subordinated debentures due 1975. The debentures are priced at 100%, will yield 5.50% accrued interest. The proceeds will be used by Avnet to retire approximately $600,000 in short-term loans and for expansion & general corporate purposes. The underwriters also are offering 150,000 shares of Avnet common stock (at $17 a share) on behalf of selling stockholders. The company will not receive any of the proceeds.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
AT&T	Q	$0.82½	Oct. 10	Sep. 9
Cons. Electronic Ind.	Q	.25	Oct. 3	Sep. 15
Walt Disney	Q	.10	Oct. 1	Sep. 16
Famous Players Canada	Q	.37½	Sep. 9	Aug. 24
Federal Pacific Elec.	Q	.20	Sep. 15	Sep. 1
Globe-Union	Q	.25	Sep. 10	Sep. 2
Hazeltine	Q	.20	Sep. 15	Sep. 1
Meredith Publishing	Q	.45	Sep. 9	Aug. 26
Paramount Pictures	Q	.50	Sep. 23	Sep. 6
Time Inc.	Q	.75	Sep. 12	Aug. 26
Wometco "A"	Q	.17½	Sep. 15	Sep. 1
Wometco "B"	Q	.06½	Sep. 15	Sep. 1

TI Hits High: Texas Instruments rang the bell with record sales & earnings in both the first half & 2nd quarter (see financial table). Despite some market softening & pared-down estimates, it still expects volume & profit highs for the full year.

"A somewhat weaker condition of the general economy has increased competitive pressures in several of the company's marketing areas," Chmn. J. E. Jonsson & Pres. P. E. Haggerty notified stockholders. "These pressures, coinciding with the loss of production during our own & our customers' vacation periods in the 3rd quarter, probably will hold 3rd-quarter sales billed and net earnings to levels moderately lower than the record first & 2nd quarters. A strong 4th quarter is anticipated, however, and the year as a whole, while not up to previous forecasts, should be excellent, with sales billed between $235-240 million and net earnings between $16.5-17.3 million."

In 1959, TI had record earnings of $14.1 million on a sales high of $193.2 million. Earlier this year, the company had estimated 1960 earnings of $17.8-18.8 million on sales of $240-250 million.

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Electronics Capital Corp., San Diego, the nation's first publicly-held (and largest) small-business investment company, reports for its first full year of operation (the fiscal year ended June 30) total income of $892,580 and net earnings of $145,334. Its total assets of $16,950,670 at fiscal year's end included $3,410,000 in subordinated convertible debentures, $13,064,454 in govt. securities and $116,786 in cash. The firm's investment portfolio now contains 10 companies, with commitments totaling $6.3 million. Companies in which Electronics Capital now holds convertible debentures: Potter Instrument Co., General Electrodynamics, Vega Electronics, Cain & Co., Electronic Energy Conversion Corp., Duncan Electronics, Electro Radiation, Ultronix Inc., Remanco Inc., Craig Corp.

Reports & comments available: Zenith, comments, Bache & Co., 36 Wall St., N.Y. 5 • Paramount Pictures, memo, Auchincloss, Parker & Redpath, 2 Broadway, N.Y. 4 • Belock Instruments, comments, Cooley & Co., 100 Pearl St., Hartford 4, Conn. • AT&T, comments, Bruns, Nordeman & Co., 52 Wall St., N.Y. 5 • General Dynamics, review, John H. Lewis & Co., 63 Wall St., N.Y. 5 • *Solid-State Electronic Computers*, pamphlet report on 12 firms in field, Harris, Upham & Co., 120 Broadway, N.Y. 5.

Meredith Publishing Co. (WHEN-TV & WHEN Syracuse, WOW-TV & WOW Omaha, KPHO-TV & KPHO Phoenix, KCMO-TV & KCMO Kansas City, Mo., radio KRMG Tulsa, *Better Homes & Gardens*, *Successful Farming*) registered strong revenue & profit gains in its 1960 fiscal year ended June 30 (see financial table). Meredith's broadcasting interests produced $11,563,275 of the total $59,407,814 revenue, compared with $10,771,057 of fiscal-1959's total $51,817,401.

More reports & comments: Magnavox and General Instrument, comments, Goodbody & Co., 115 Broadway, N.Y. 6 • ITT, study, Oliphant & Co., 61 Broadway, N.Y. 6 • Metropolitan Bcstg., study, Carl M. Loeb, Rhoades & Co., 42 Wall St., N.Y. 5 • Speer Carbon, analysis, Reynolds & Co., 120 Broadway, N.Y. 5 • AB-PT and Burroughs, discussions, Laidlow & Co., 25 Broad St., N.Y. 4 • MCA, analysis, Herzig, Farber & McKenna, 39 Broadway, N.Y. 6 • Amphenol-Borg, profile in Aug. 17 *Financial World*, review in *Investor's Reader*, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
American Basch Arma	1960—6 mo. to June 30	$65,686,052	—	$1,008,822	$0.51[1]	1,885,254
	1959—6 mo. to June 30	64,356,724	—	2,422,380	1.26[1]	1,876,414
Babcock Radia Engineering	1960—year to May 31	6,539,945	—	399,870	.73	548,276
	1959—year to May 31	2,594,742	—	178,595	.40	448,276
Beckman Instruments	1960—year to June 30	54,257,282	$6,282,915	3,092,915[2]	2.24	1,380,123
	1959—year to June 30	44,872,768	3,486,689	1,771,689	1.30	1,363,094
Bendix	1960—9 mo. to June 30	606,009,118	35,827,009	17,359,408	3.23[3]	5,367,801
	1959—9 mo. to June 30	504,553,048	38,451,283	17,745,590	3.31[3]	5,099,137
	1960—qtr. to June 30	206,972,416	—	5,682,715	1.06[3]	5,367,801
	1959—qtr. to June 30	181,062,617	—	6,818,788	1.27[3]	5,099,137
British Industries	1960—6 mo. to June 30	2,904,767	—	156,025	.43	—
	1959—6 mo. to June 30	3,804,849	—	248,008	.68	—
Buckeye Corp.	1960—year to April 30	17,767,911	(1,207,671)	(940,978)[14]	—	1,023,252
	1959—year to April 30	11,877,401	414,052	190,052	.27[1]	638,299
Clarostat Mfg.	1960—6 mo. to June 30	4,489,652	—	197,600	.45	437,868
	1959—6 mo. to June 30	4,325,759	—	118,585	.28	417,993
Cohu Electronics	1960—6 mo. to June 30	3,211,945	—	13,632	.01	1,414,441
	1959—6 mo. to June 30	4,432,803	—	535,103	.53	1,005,971
Electranic Assaciates	1960—year to June 30	17,808,000	—	935,000	1.29	722,665
	1959—year to June 30	10,728,000	—	350,000	.50	701,362
	1960—6 mo. to June 30	6,485,000	—	435,000	.60	722,665
	1959—6 mo. to June 30	3,159,000	—	303,000	.43	701,362
General Transistar	1960—5 mo. to May 31	5,365,958	591,402	317,402	.36	889,964
	1959—5 mo. to May 31	3,832,432	532,002	258,485	.30	870,574
Internatianal Resistance	1960—25 wks. to June 26	10,701,409	—	1,045,972	.75	—
	1959—25 wks. to June 26	9,673,118	—	927,601	.67	—
Meredith Publishing Story on p. 18	1960—year to June 30	59,407,814	8,688,030	4,421,030	3.34	1,321,876
	1959—year to June 30	51,817,401	8,561,770	4,255,770	3.28	1,298,975
Natianal Union Electric Carp.	1960—6 mo. to June 30	16,490,622	791,727	417,727	.07[4]	5,747,579
	1959—6 mo. to June 30	15,878,198	626,704	446,704	.08[4]	5,747,579
Paramount Pictures	1960—6 mo. to June 30	—	—	3,732,000[6]	1.06[5]	1,673,231
	1959—6 mo. to June 30	—	—	5,260,000[7]	1.45[5]	1,714,116
	1960—qtr. to June 30	—	—	2,033,000[6]	.50[5]	1,673,231
	1959—qtr. to June 30	—	—	1,615,000[8]	.69[5]	1,714,116
Philca Story on p. 18	1960—6 mo. to June 30	194,280,000	4,094,000	1,931,000	.43[1]	4,090,207
	1959—6 mo. to June 30	181,345,000	5,169,000	2,386,000	.54[1]	4,069,629
	1960—qtr. to June 30	92,499,000	680,000	316,000	.06[1]	4,090,207
	1959—qtr. to June 30	85,787,000	1,778,000	797,000	.17[1]	4,069,629
Reeves Saundcraft	1960—6 mo. to June 30	2,894,000	39,000	19,000[9]	.01	3,030,990
	1959—6 mo. to June 30	2,498,000	(41,000)[10]	(21,000)[11]	—	2,867,325
Sonotane	1960—6 mo. to June 30	11,133,000	—	302,693	.25[1]	—
	1959—6 mo. to June 30	11,674,000	—	480,250	.41[1]	—
Technicolar	1960—28 wks. to July 9	15,017,332	627,783	258,243	.14	2,036,235
	1959—28 wks. to July 11	14,125,578	(153,225)	(74,569)[12]	—	2,031,570
Texas Instruments Story on p. 18	1960—6 mo. to June 30	116,051,000[13]	16,352,000	7,921,000[13]	2.00[1]	3,923,687
	1959—6 mo. to June 30	94,199,000	13,554,000	6,305,000	1.62	3,894,388
	1960—qtr. to June 30	59,853,000[13]	7,862,000	3,991,000[13]	1.01[1]	3,923,687
	1959—qtr. to June 30	51,468,000	7,109,000	3,322,000	.86	3,894,388

Notes: [1] After preferred dividends. [2] Includes non-recurring net gain of $446,751 (32¢ a share) from April-1960 sale of Shockley Transistor Corp. [3] Based on 5,367,801 shares outstanding June 30, 1960. [4] Based on 5,747,579 shares outstanding June 30, 1960. [5] Based on net income from operations. [6] Includes installments on sale of pre-1948 film library: $1,201,000 (72¢) for qtr., $1,955,000 ($1.17) for 6 mo. [7] Includes $2,767,000 ($1.62) profit on Jan.-1959 sale of investments in Metropolitan Bcstg. [8] Includes $440,000 (25¢) profit on sale of foreign investments. [9] Does not include special credit of $972,000 (31¢) reflecting gain on sales of investments. [10] Before $20,000 tax credit. [11] Does not include special credit of $75,000 (2¢) reflecting gain on settlement of fire claim. [12] After $78,656 tax credit. [13] Record. [14] After $266,693 tax credit.

DuMont Emerson Corp., Emerson's sales & marketing subsidiary, has contracted with 106-year-old commercial factoring firm James Talcott Inc. to provide inventory financing for nearly 10,000 DuMont and Emerson dealers, and sales financing for approximately 200 regional distributors. The new financing plan marks the first time Talcott has agreed to finance the distribution of non-income-producing goods at the wholesale level.

Radio Shack Corp., Boston distributor of electronic products (including Japanese imports) ranging from industrial components to ham radio equipment, plans a public stock offering of 200,000 common shares, price undisclosed. An SEC registration application (File 2-16917) lists Granbery, Marache & Co. as principal underwriters. Of the 200,000 shares, 150,000 would be offered by the company, 50,000 by present holders.

Officers-&-Directors stock transactions as reported to SEC for July:

Admiral. Joseph E. Dempsey bought 3,100 through Dempsey & Co., held 3,100 in Dempsey & Co., none personally.

Allied Artists. Roger W. Hurlock bought 100, held 19,600. Albert Zugsmith bought 7,600, held 160,700.

Ampex. John Jipp exercised option to buy 500, sold 800, held 700 following 3-for-1 stock split Feb. 1.

Amphenol-Borg. G. Marshall Borg sold 800, held 666 personally, 2,666 in trust, 43,000 in estate. Harold R. Egenes sold 300, held 500. Carl J. Seifert sold 500, held 500.

Audio Devices. Joseph K. McCammon sold 600, held 13,206.

Avco. A. B. Newton sold 2,000, held 5,666. Henry J. Oechler sold 4,100, held 1,000. Curry W. Stoup exd. option to buy 2,650, held 9,730.

Avnet Electronics. Lester Avnet sold 100, held 169,907. Arnold Weinstein exercised option to buy 400, held 614.

Belock Instrument. Harry D. Belock sold 6,000, held 225,545. Jack J. Fischer sold 2,000, held 33,771. Donald C. Walton sold 1,000, held 18,171 personally, 1,743 for wife.

Cinerama. Nicolas Reisini bought 4,800 through Robin International Inc., held 7,300 in Robin International Inc., 350,000 personally.

Clarostat. George J. Mucher sold 900, held 10,294. Arthur Richenthal sold 1,500, held 3,650 pers., 300 for wife, 100 for C. J. Goldstein.

Collins Radio. Lester E. Bessemer exercised option to buy 780, sold 2,400, held 1,360 personally, 353 in trust. J. G. Flynn Jr. sold 800, held 706. C. J. Lynch transferred 169 from trust, held 7,054 personally, none in trust. L. M. Schoon exercised option to buy 260, held 520. Sveinn J. Storm exercised option to buy 300, sold 700, held 1,042.

Columbia Pictures. Louis J. Barbane sold 3,900 through Fico Corp. in which he & 10 others have interests, held 117,862 in Fico Corp., none personally. Lacy W. Kastner sold 586, held none. Abraham Schneider bought 500, held 16,022.

Consolidated Electronics Industries. Arthur W. Haydon exercised option to buy 12,500, held 12,625. Arie Vernes bought 125, held 3,825.

Corning Glass. Rollin Van Hadley sold 500, held none. John F. G. Hicks sold 250, held 4,000.

Electronic Specialty. James A. Marsh sold 500, held 5,134.

Electronics Capital. David Salik bought 200, held 15,756.

Electronics Corp. Harlow F. Avery sold 5,000, held 85,000. Laurence D. Sibley bought 2,000, held 2,000.

GE. F. J. Borch sold 1,400, held 9,319. George L. Haller sold 600, held 100. Clarence H. Linder bought 6,890, held 16,900. Samuel Littlejohn sold 1,729, held 4,211. H. A. MacKinnon exercised option to buy 2,500, held 9,827. George F. Metcalf sold 400, held 2,537 personally, 242 in profit sharing plan. Jack S. Parker sold 2,000, held 5,100. Harold F. Smiddy exercised option to buy 1,875, held 13,125. Glenn B. Warren received 150 in incentive compensation, sold 1,000, held 9,481.

General Instrument. Monte Cohen exercised option to buy 12,000, held 12,718. S. W. Gross exercised option to buy 10,000, held 10,500. Louis Scadron exercised option to buy 5,850, held 8,378.

General Precision Equipment. G. C. Whitaker sold 1,000 from trusts, held 24,062 in trusts, 5,926 personally.

General Telephone & Electronics. Carl D. Brorein sold 1,200, held 123. Ralph D. Heusel sold 100, held 2,200. Don G. Mitchell exchanged 1,000 for Walden Inc. shares, sold 1,000 in private transaction, held 5,500 in Walden Inc., 15,223 personally. R. Parker Sullivan sold 300, held 3,975.

Globe-Union. Ralph W. Conway exercised option to buy 300, held 2,400. Harold M. Sauers exercised option to buy 200, held 654 personally, 1,970 for wife. Remington H. Warner exercised option to buy 100, held 560 personally, 280 for wife.

Hazeltine. Philip F. LaFollette sold 500, held 500. Wilfred M. McFarland sold 1,000, held 534. Henry Reeve sold 400, held 20,000.

Hoffman Electronics. Bruce L. Birchard exercised option to buy 100, held 2,000. M. E. Paradise exercised option to buy 5,000, held 5,133.

Indiana General. A. J. Astrologes sold 2,000, held 2,057. J. H. Bouwmeester sold 1,265, held 11,192 following 2-for-1 stock split June 10. Ivan A. Dickey sold 500, held 1,500. Stephen M. Kellen sold 800, held 11,000 following 2-for-1 stock split June 10. Harold F. Linder sold 1,382 and 1,192 more from Trust A, 950 from Trust B, 1,332 from Trust C, held 4,000 personally, 4,000 in Trust A, none in Trust B, 2,000 in Trust C following 2-for-1 stock split June 10. Robert F. Smith sold 1,060, held 2,500. Christopher L. Snyder sold 971, held 8,200 following 2-for-1 stock split June 10.

IBM. J. J. Kenney exercised option to buy 545, held 2,045. William J. Mair sold 150, held 2,808. H. M. Sibley sold 200, held 1,200. McLain B. Smith sold 100, held 95. Bernard F. Wiegard sold 200, held 671.

International Resistance. Charles Weyl bought 100, held 93,750.

ITT. Herbert I. Miller exercised option to buy 4,000, held 5,042. Paul F. Swantee sold 100, held 3,364. C. D. Webb sold 400, held 2,399.

Lear. James P. Brown sold 200, held 846. Albert C. Keske exercised option to buy 400, held 1,571. Richard M. Mock exercised option to buy 1,500, held 16,310.

Litton Industries. Norman H. Moore sold 3,075, held 27,401. Henry E. Singleton sold 100, held 5,516.

Loew's Theatres. James Bruce bought 650, held 1,000.

Loral Electronics. Leon Alpert sold 16,600, held 112,900. O. Arthur Koteen sold 100, held 195.

Magnavox. Frank Freimann sold 2,500, held 101,467 personally, 61,946 in trust. Richard O'Connor sold 4,977, held 93,954. Gerard M. Ungaro sold 1,000, held 11, 829.

P. R. Mallory. G. A. Godwin bought 1,561, held 6,793 personally, 1,560 in trust.

MGM. John L. Sullivan bought 2,000, held 2,050.

Microwave Associates. Joseph C. Bothwell Jr. bought 120, held 5,900. Lawrence Gould sold 100, held 750. George S. Kariotis sold 1,200, held 2,750. Julian Pathe sold 600, held 1,400.

Minneapolis Honeywell. P. H. Wernicke exercised option to buy 550, held 2,375. Alfred M. Wilson sold 300, held 4,729. John J. Wilson sold 500, held 36,100.

Minnesota Mining & Mfg. Carl E. Barnes disposed of 1,500 acquired through a 3-for-1 stock split, held 30, SEC correcting error in June report (Vol. 16:28 p17). Herbert P. Buetow sold 4,500, held 76,863. Bert S. Cross sold 400, held 38,052. Joseph C. Duke exercised option to buy 4,500, held 101,097. Irwin R. Hanson sold 278, held 2,500 personally, 360 in joint tenancy. William L. McKnight sold 30,000, held 2,742,942. Robert W. Mueller bought 3,000, held 14,022. Clarence B. Sampair sold 1,500, held 20,970. George W. S. Swenson sold 1,500, held 13,094. Robert L. Westbee sold 2,000, held 14,546. Louis F. Weyand sold 800, held 222,975.

NAFI Corp. John G. Bannister sold 2,000, held 2,333. Kenyon Brown sold 900, held 10,576. Paul V. Shields bought 7,452, sold 12,000, held 14,977 personally, 149,386 in corporation.

National Theatres & TV. William J. Friedman bought 1,000, held 1,000. Jack W. Ostrow sold 300, held 7,503 personally, 74,025 in corps.

Packard-Bell. Neil H. Jacoby sold 100, held 614.

Paramount Pictures. Randolph C. Wood sold 4,000, held 11,100.

Pentron Electronics. Raymond W. Durst sold 3,663, held 1,200. Marshall Peires sold 830, held 9,400. T. Rossman sold 1,334 and 1,719 more from trusts, held 121,000 personally, 10,800 in trusts. Henry H. Strauss sold 3,000, held 47,001.

Philips Electronics. James J. Colt sold 600 through corporations and 100 more for wife, held 43,587 in corporations, 8,727 for wife, 10,839 for daughter, 3,834 personally.

RCA. Meade Brunet sold 100, held 1,015. Frank M. Folsom sold 300, held 10,100. Donald H. Kunsman sold 201, held 3. Arthur L. Malcarney exercised option to buy 500, held 842 personally, 204 jointly with wife. Edward M. Tuft sold 655, held 1,406.

Raytheon. N. B. Krim sold 472, held none. W. E. Stevenson sold 500, held 3,088.

Sangamo Electric. Robert C. Lamphier exercised option to buy 2,000, held 4,060 personally, 187,034 in trust. George E. Sangster sold 200, held none.

Servomechanisms. J. J. Dempsey excd. option to buy 400, held 400.

Siegler. John G. Brooks exercised option to buy 4,680, held 35,806.

Texas Instruments. Cecil H. Green sold 200, held 286,010. Mark Shepherd Jr. sold 989, held 1,618. Bryan F. Smith sold 900, held 9,671 personally, 159 in trust. H. J. Wissemann sold 1,000, held 4,922.

Thompson Ramo Wooldridge. H. L. George sold 1,700, held 30,235.

Trans Lux. Harry Brandt bought 100 & 400 more through Brapic Inc., held 161,000 personally, 3,000 in Brapic Inc., 17,000 for wife, 100 in Barvic Theatres Corp., 400 in Bilpam Corp., 200 in Marathon Pictures, 1,400 in Pamela Amusement Co., 35,380 in foundations.

20th Century-Fox. Francis T. Kelly sold 600, held 450.

Varian Associates. James B. DuPrau sold 100, held 48. Clifford V. Heimbucher sold 1,200, held 31,683. Richard M. Leonard sold 600, held 28,357. Sigurd F. Varian sold 1,500 from community property, held 75,748 in community property, none personally. Merle R. Zinser sold 2,000, held 3,673.

Westinghouse. C. H. Bartlett exercised option to buy 1,600, held 2,150. R. D. Blasier sold 1,200, held 1,536. Buford M. Brown exercised option to buy 3,400, held 4,000. Tomlinson Fort sold 600, held 2,018. W. E. Knox bought 486, held 2,200. Leslie E. Lynde sold 2,000, held 3,806. L. B. McCully sold 1,500, held 5,100. A. C. Monteith bought 7,000, held 7,006 personally, 2,000 in trust. Carlisle P. Myers bought 200, held 704. John E. Payne sold 603, held 2,540. Gwilym A. Price exercised option to buy 19,000 held 20,000. A. W. Robertson sold 500, held 500. John W. Simpson sold 741, held 185. Fergus M. Sloan sold 1,000, held 1,452. W. W. Sproul Jr. sold 500, held 2,807.

Zenith. Francis W. Crotty exercised option to buy 420, held 450 personally, 270 for wife as trustee. Hugh Robertson sold 500, held 8,208. Leonard C. Truesdell exercised option to buy 1,500, held 1,600. Joseph S. Wright, exercised option to buy 1,500, held 5,280.

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Aug. 18, 1960

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	28¼	30⅝
Aerovox	9½	10½
Allied Radio	22	23⅝
Astron Corp.	2⅛	2⅝
Baird Atomic	38	40⅞
British Industries	13½	15¼
CGS Labs	10	12⅝
Control Data Corp.	38¼	40⅞
Cook Elec.	15¼	16½
Craig Systems	18¼	19⅞
Dictaphone	39¼	42¼
Digitronics	22	24¼
Eastern Ind.	13¾	14¾
Eitel-McCullough	27½	29⅜
Elco Corp.	20¼	22¼
Electro Instruments	38½	42¼
Electro Voice	14	15⅜
Electronic Associates	28½	30⅞
Erie Resistor	8¼	9⅛
Executone	28½	31½
Farrington Mfg.	39½	42½
Fischer & Porter	17⅜	18¾
FXR	49½	54
General Devices	15¾	17¼
G-L Electronics	11¾	13⅛
Granco Products	5½	6¼
Gross Telecasting	18¼	20⅛
Haydu	⅛	3/16
Hewlett-Packard	80½	84¾
High Voltage Eng.	137	149
Infrared Industries	23	25⅛
Interstate Engineering	27¾	29⅞
Itek	69	73¾
Jerrold	9⅜	10¼
Lab for Electronics	49	52½
Lel Inc.	5¾	6⅝
LFE Inc.	11½	14¼
Ling Altec Electr.	24½	26¼
Magna Theater	2¾	3-3/16
Magnetics Inc.	10½	12¼
Maxson (W.L.)	8⅜	9¼
Meredith Pub.	40½	44
Metropolitan Bcstg.	19½	21
Milgo Electronics	22	24⅝
MPO Videotronics	6¾	7½
Narda Microwave	6¼	7⅛
Narda Ultrasonic	4¼	5
National Co.	30¼	32¾
Nuclear of Chicago	32½	35⅛
Official Films	1⅞	2¼
Pacific Automation	8⅜	9¼
Pacific Mercury	8¾	9
Perkin-Elmer	42½	45⅝
Philips Lamp	173½	179¼
Pyramid Electric	2¼	2⅝
Radiation Inc.	24½	26¾
Howard W. Sams	47	50⅝
Sanders Associates	47	51⅜
Soroban Engineering	25¼	27¼
Soundscriber	14½	16¼
Speer Carbon	23½	25⅝
Sprague Electric	55¾	59¼
Taft Bcstg.	13	15¼
Taylor Instrument	82	88¾
Technology Inst.	10	11½
Telechrome	13	14⅜
Telecomputing	8¼	9
Telemeter	15	16¾
Time Inc.	65	68½
Tracerlab	11½	12⅞
United Artists	6⅞	7⅝
United Control	25¼	27¼
Universal Trans.	1¾	2¼
Vitro	14⅝	15¾
Vocaline	3¾	4¼
Wells-Gardner	17	18¾
Wometco Ent.	13	14

AUG 2 9 1960

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

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PAYOLA & SEC. 315 BILLS PASSED: TV & radio were given votes of censure & confidence in Congress last week. The Senate approved the modified—but still sweeping—version of the industry-reform bill previously voted by the House (see p. 3). And the House approved—and President Eisenhower signed—the Senate resolution lifting the equal-time yoke from broadcasters for Presidential campaign (see p. 4).

Broadcasters could congratulate themselves on both votes. Anti-payola reform measure represented legislative monument to more than 2 years of headlined House exposes of TV & radio evils—and it was much less monstrous than some members of Congress wanted to make it. Suspension of Communications Act's Sec. 315 for Presidential tickets represented acknowledgment by usually-suspicious Congress that broadcasters may be trusted to be politically fair on air.

Congress will do nothing more for or against industry this session. It's too late for anything else in 86th Congress. But it's never too late for industry's critics on Capitol Hill to talk about what they're planning to do—and next session will bring fresh legislative threats.

Industry's behavior under new laws in coming months will do much to determine what 87th Congress will do. Senate & House Commerce Committees and FCC will be keeping wary watch on how broadcasters conform to the new restrictions in payola bill and how they handle their new freedom from Sec. 315. Their warning to TV & radio is: "Watch your step."

Biggest immediate test of industry—and networks in particular—will be in upcoming "Great Debate" series of TV appearances by Presidential candidates. If networks bring it off successfully—with no recriminations from Republicans or Democrats—they will achieve political miracle on air. And broadcasting medium may well be on way toward freedom-of-press equality with newspapers.

Ground rules, formats & schedules for non-equal-time performances by Vice President Nixon & Sen. Kennedy hadn't been set at last week's end. And Nixon's Aug. 25 bit on NBC-TV's "Jack Paar Show" scarcely counted as sample of what country can expect. Teams of Washington negotiators—led by Treasury Under Secy. Fred C. Scribner Jr. for Nixon and J. Leonard Reinsch (from Cox stations) for Kennedy—held series of indecisive huddles. They will meet again this week, hope to be ready then with agreement for prime-time negotiations in N. Y. with networks, whose agreement must be obtained in turn.

General Nixon-Kennedy agreement on these TV format points was reported, however: (1) At least 3 & perhaps 5 joint appearances. (2) Debates between 2 candidates interspersed with news interviews at which both would be questioned. (3) Topics—such as foreign relations, domestic economy, civil rights—roughed out in advance. (4) No prepared speeches. (5) Simulcasts on all networks.

90-MIN. FILMS NEXT? Several Hollywood production companies and at least one network—NBC-TV—are quietly working on 90-min. weekly film series for the 1961-62 season. Extra-long length involves many problems aside from obvious one of budget, but nonetheless a highly-placed network source told us flatly: "You can bet at least one or 2 such series will be on TV in 1961." (For more details, see p. 6.)

FOREIGN QUOTA FILM FIGHT: Watch for stiffer U.S. resistance to arbitrary, out-of-line telefilm pricing overseas and a govt.-level campaign against quotas that virtually freeze U.S. telefilms off foreign TV screens. Indication that U.S. producers (to whom foreign market can sometimes mean difference between profit & loss in TV) have just about had it came to us this month in discussion with John McCarthy, recently named pres. of the TV Program Export Assn., telefilm's first overseas lobby group.

McCarthy lists three major problem areas that need correction as soon as possible—Japan, United Kingdom, and major South American TV markets. McCarthy, who's now en route to Japan, has already completed exploratory trip to Britain to discuss that country's quota system with Board of Trade Pres. Reginald Maudling, cabinet minister for information media Dr. Charles Hill, ITV Chmn. Sir Robert Fraser, and others.

Britain discriminates against U.S. telefilms in 2 ways, according to McCarthy: (1) Union-backed quotas (86% British film on ITV, 90% British on BBC-TV), and (2) Preferential prices for British-produced telefilms that are "50-to-100%" above prices paid for comparable American telefilms.

Japanese situation is even worse, McCarthy says. Nippon TV market now constitutes some 5 million homes, has no quota as such, but pays only $500 per 30-min. telefilm. In both Britain & Japan, commercial broadcasters buy choice U.S. telefilms at rock-bottom prices, reap a fortune (up to 25 times the film purchase price) from TV ad revenue. Situation is not new (Vol. 16:22 p4), has long plagued overseas syndicators.

Get-tough policy may involve economic reprisals, McCarthy indicated. Japan is in sensitive position of drawing attention by invading U.S. electronics market (Vol. 16:34 p16) while giving U.S. telefilm producers a hard time financially. Britain would be vulnerable to a sharp U.S. quota on British import cars fostered by Detroit auto unions, or a limitation on textiles, whisky, or even British TV shows. None of these McCarthy wants. ("Quotas are a Frankenstein monster," he said.) But McCarthy, who used to be U.S. Minister for Economic Affairs in Paris, isn't hesitating to sit down with top foreign govt. officials who are more aware of dangers of reprisal quotas than are the foreign broadcasters who are getting rich on the present situation.

Quotas breed quotas in TV field by imitation. McCarthy told us of a proposed quota in Brazilian TV, where local film unions have demanded a not-more-than-20% level on U.S. telefilm from 7-11 p.m., and a 30% U.S. level at other times. "Supposedly," said McCarthy, "this is to protect domestic telefilm industry, but who are they kidding? There is virtually no such industry there." Latin America, incidentally, will get McCarthy's next lobbying trip.

It's easier than foreign broadcasters think for U.S. firms to fight back. There is the immediate threat of "film sanctions" by the 11 members of TVPEA—the witholding of telefilms, and possibly theatrical films, from difficult markets. William Morris, a TVPEA member, handles British film talent & producers. And so on. Whether such a fight will develop is up to foreign TV buyers.

Congress

More about

SENATE PASSES PAYOLA BILL: Suppressing a one-man floor revolt by Sen. Proxmire (D-Wis.), the Senate last week approved a softened version of the House-written TV-radio-FCC anti-payola legislation (S-1898) which sets up fines for misbehavior by stations.

The Senate's acceptance of the modified measure meant that it was as good as enacted. The amended bill was quickly returned to the House, where concurrence in the changes was promised by Commerce Committee Chmn. Harris (D-Ark.), principal author of the tougher House provisions. And there was no question that President Eisenhower would sign it.

It took floor cries of "vote, vote," to end the rebellion by broadcasting critic Proximire, however. The measure, as rewritten by the Senate Commerce Subcommittee headed by Sen. Pastore (D-R.I.), was finally passed Aug. 25 without a change in word or comma. But Proxmire threatened for a time to tie up the Senate—& the bill—with a series of new & harsher amendments.

Lashing out at the industry & FCC, Proxmire argued long & loud that the Senate's bill was much too soft. He proposed: (1) Restoration of House-voted license-suspension penalties against stations, which Pastore's Subcommittee cut out. (2) FCC regulation of networks, which the House had rejected. (3) A "conflict-of-interests" section preventing FCC from favoring Congressional stockholders when Commission weighs qualifications of license applicants—Proxmire's pet subject (Vol. 16:33 p4).

Proxmire's license-suspension amendment was voted down overwhelmingly. He grudgingly withdrew the other 2—but only after he won assurances from Pastore, the measure's floor manager, that network regulation & FCC's alleged favoritism to members of Congress would be explored at the next session.

Javits Challenges Forfeiture Penalties

During 2 hours allotted for floor debate, Pastore also ran into criticism that the bill was too rough.

"I was appalled, as were all other Senators, by the disclosures [of quiz-rigging & payola] which have resulted in the bringing of this measure before us," said Sen. Javits (R-N.Y.).

But Javits challenged the measure's provision authorizing FCC to impose $1,000-per-day forfeitures (up to $10,000) against licensees for infractions of rules.

"The small radio stations, the small run-of-the-mine stations in the smaller places may have incomes of $20,000 a year," Javits said. "Hence, a fine of $1,000 a day could be a crushing burden. And I believe that cruel & inhuman punishments, even for acts which we consider very immoral & against the public interest, are to be avoided."

Pastore replied that he hoped "the Commission would not use that power as an implement of confiscation." And at another point in the debate, he assured the Senate the bill was a "strong but not a punitive bill and was not intended to harass or embarrass the broadcasting industry."

Sen. Engle (D-Cal.), speaking for Hollywood TV film-making constituents, said he was worried that the bill's prohibitions against payola & plugola would hamper legitimate TV-program production.

"I would hope that the Federal Communications Commission would not use the new law in order to harass or to embarrass anybody," Pastore said. He read an Aug. 24 letter from FCC Comr. Lee on implementation:

"It would seem appropriate that, if the bill becomes law, the Commission would in the near future arrange informal conferences with interested parties to discuss what is a reasonable approach to the implementation of this bill. Later, appropriate rulemaking would be undertaken and formal comment would be considered before final rules are adopted."

Engle wanted to know whether TV-film producers would be required from now on to acknowledge publicly that an automobile—for instance—had been furnished free for use in a show.

Pastore had no sure answers. "We cannot, in a law, begin to write in exceptions," he said. "After all, if it is payola for a disc jockey to receive records free and to be paid on the side for plugging a record, it would be just as much payola for an executive of a studio to be given a Cadillac to run around in because every once in awhile, when the studio makes a picture, the car is shown in the picture. Payola is payola."

———■———

Robert A. Bicks' chances of winning Senate confirmation as Asst. Attorney General against Democratic stalling tactics (Vol. 16:34 p5) were dimmed further last week by Judiciary Committee Chmn. Eastland (D-Miss.). Testimony in behalf of Bicks was heard by a Judiciary Subcommittee at another hearing for him, but Eastland told reporters he doubted that a vote on the nomination would be reached before Congressional adjournment. For one thing, Eastland said, he had no plans to call the full Committee together for action on confirmation. Support for Bicks came at the hearing from bar leaders, including incoming Pres. Whitney North Seymour of the American Bar Assn., who has been special NAB counsel. He said Bicks had been "assiduous in the performance of his duties" as the Justice Dept.'s anti-trust chief. Republicans in the Senate—particularly Sens. Dirksen (Ill.) & Keating (N.Y.)—meanwhile tried to set fires under the Commerce Committee to get last-minute action on the stalled nomination of FTC Chmn. Earl W. Kintner. But Chmn. Magnuson (D-Wash.), who has kept Kintner's appointment from coming to a Committee vote, continued to appear unmoved.

Faulty legislative language in a continuity-of-agency-service bill, (S-1965) revised by the House Commerce Committee and enacted in July (Vol. 16:29 p7), has forced Chmn. Harris (D-Ark.) to do some end-of-the-session rewrite jobs. He introduced—and his Committee quickly approved—2 new bills (HR-13066 & HR-13067) to correct errors in provisions of the amended measure which covers extensions of terms of FPC & SEC members whose time in office runs out before appointments of successors are confirmed. Provisions in the new law covering extensions of expired FCC terms weren't affected.

TV-radio "watchdog" monitoring by the Senate Commerce Freedom of Communications Subcommittee (Vol. 16:34 p4) headed by Sen. Yarborough (D-Tex.) may be stepped up during the election campaign. Commerce Committee Chmn. Magnuson (D-Wash.) has introduced a housekeeping resolution (S. Res. 374) seeking an additional $150,000 in Senate funds for Yarborough. The money would be spent for field work by staffers investigating complaints that stations are unfair to candidates.

Equal-space bill: Rep. Harmon (D-Ind.), has proposed a law (HR-13145) forcing newspapers to give equal space to all political candidates. This would correct a bad imbalance of political coverage by the Republican-dominated press, he said.

More about

SEC. 315 SUSPENDED: The House went through the motions of searching the broadcasting industry's always-suspect soul last week. It then shouted approval of a Senate-passed measure clearing the legal way to non-equal-time TV & radio debates between 1960 candidates for President & Vice President.

The special legislation was signed into law Aug. 24 by President Eisenhower. He told his press conference that it would allow the networks to perform a fine public service during a political campaign in which costs of presenting issues & personalities have risen sharply.

Questions about broadcasters' political programming integrity were raised on the House floor. But there was no audible dissent when Speaker Rayburn (D-Tex.) called for a quick voice vote Aug. 22 on the measure (S. J. Res. 207), which suspends application of the Communications Act's Sec. 315 to major nominees during this year's campaign.

Proceeding according to Rayburn's suspension-of-rules plan to expedite final passage of the resolution and speed it to President Eisenhower for his enacting signature (Vol. 16:34 p1), the House made Sec. 315 its first order of business at its first post-convention back-to-work session.

Nobody opposed lifting the equal-time requirement so that Republican & Democratic tickets could get free TV network exposure. House Commerce Committee Chmn. Harris (D-Ark.) floor-managed the measure. He pointed out that the parties would save a total of about $5.5 million which they otherwise might have had to spend to buy time equivalent to the 24 prime hours offered by the 3 networks.

Question Broadcasters' Political Integrity

"I realize there is some serious question in the minds of many members with respect to this resolution," said Harris. He argued that it was only "an experiment for this election year," that "a sword of Damocles will be hanging over the heads of the broadcasting industry," that in any event the industry can't hope to have Sec. 315 repealed entirely by the next Congress.

"Let us remove the shackles for this year, give it a trial, and see how it works out," Harris told the House.

Rep. Bennett (R-Mich.), the Committee's ranking minority member, said he was voting for the resolution—but not "with any great amount of enthusiasm." He maintained the equal-time suspension "delegates too much authority to the broadcasting industry to make decisions on broadcasts that will be seen & heard throughout the U.S."

Bennett also took advantage of the occasion to promote his favorite legislative proposal—FCC regulation of the networks. "In my opinion," he said, "passage of this resolution demonstrates that the real power to discriminate is in the networks, and therefore the networks, along with the individual stations, should be held accountable under the Communications Act."

Rep. Moss (D-Cal.) said he was supporting the resolution "most reluctantly & with serious reservations." Moss indicated he wasn't so much worried about how the networks would behave themselves politically as about the "increasingly partisan operation of some broadcasters."

Moss told the House he's been "increasingly concerned over the number of complaints that I have received from persons of both political parties over the abuse of editorializing by licensees." It's reaching proportions of "purely propaganda of the most partisan type," Moss said. He urged that the Commerce Committee have a look next session at editorials as well as candidates' political appearances on the air.

Rep. Springer (R-Ill.) said Sec. 315 will need reappraisal next year "in view of the ever-growing power of TV & radio where exposure of a candidate can be most valuable to the candidate's prospects of success." At the same time he expressed confidence that "the networks are going to do a good job" in this campaign under the Sec. 315 suspension.

Rep. Avery (R-Kan.) said he was bothered by fears "by minority parties & groups that they are going to be disbarred or discriminated against" when the networks put Republican & Democratic candidates on the air. Harris conceded that there may be justification for such fears, but pointed out that under other provisions of Sec. 315, "fairness & balance would still be required of [broadcasters] in their handling of political events & personalities."

For the record, Harris also reported answers he had received from CBS Inc. Pres. Frank Stanton, NBC Pres. Robert E. Kintner, ABC vp John Daly and MBS Pres. Robert F. Hurleigh when they were asked by him about sponsorship plans for appearances by Presidential tickets. Stanton said CBS wouldn't accept sponsors for debates. Kintner said the answer for NBC was up to the candidates themselves. Daly said ABC plans no sponsorship unless the candidates "expressly wish it." Hurleigh said MBS plans "unsponsored public-service programming."

Harris added that in his "humble judgment, what we intend here is public service to the American people without any sponsorship and I think we should expect all of the networks & the stations to carry out that policy."

CBS's Stanton watched the proceedings from the House gallery, said on leaving the Capitol: "We're pleased & most grateful to the Congress that we are now given the unprecedented opportunity to bring to the American people the candidates & issues of this vital campaign."

Last words on the equal-time issue may not have been spoken in the House or by the networks, however. In Chicago, Lar (America First) Daly, the country's most persistent candidate & equal-time seeker, started buzzing again. Daly said he planned to file a "prime test" case in a U.S. District Court to challenge Congressional action on the Sec. 315 resolution.

* * *

At network hq in N.Y., the news came as a welcome victory. Deep in plans for political programming, the 3 networks would have been out on a limb had the House voted any other way. At CBS it was recalled that as far back as May 1955, Pres. Frank Stanton had urged revision to permit free prime evening time during the 1956 campaign for a "modern-day electronic version of the Lincoln-Douglas debates." Said NBC Chmn. Robert W. Sarnoff: "A test of how well we can fulfill the responsibility of using this long-sought opportunity fairly and effectively . . . I am confident we will meet this challenge." Added ABC vp for news, special events & public-affairs John Daly: "Clears the way for the proposed TV-radio debates . . . TV-radio media eagerly await this opportunity to further expand their service."

* * *

Nixon appearance boosted *The Jack Paar Show* ratings sharply Aug. 26 during the Mid.-12:30 a.m. period, an overnight Arbitron revealed last Friday. During the period of the Vice-President's guest appearance, the 7-city rating was a 16.4 (which, projected nationally, would indicate a 7.5 million-home, 12 million-people audience). In a normal week, the comparable Arbitron rating for the period is a 7.8.

LEE FEARS RED SABOTAGE: Properly-equipped foreign agents could easily disrupt the Conelrad national emergency communications system and set up radio beacons to guide enemy planes in time of war, FCC Comr. Lee warned last week.

Endorsing a bill (HR-12852) to prohibit Commission from granting radio operator's licenses to persons who refuse to answer questions about communist connections (Vol. 16:34 p5), Lee said such a law would be a "useful tool" in minimizing sabotage threats.

He was lead-off witness on the measure at 2-day House Un-American Activities Committee hearings at which a half-dozen holders or former holders of radio licenses—including an NBC studio engineer—invoked the 5th Amendment against self-incrimination when they were asked if they were Communist Party members.

Committee Chmn. Walter (D-Pa.), who introduced the bill in June, had said 100 "security risks" now hold FCC permits and that "a number" of suspect applicants were trying to get licenses (Vol. 16:27 p6). But he closed the hearings without developing evidence of broad infiltration of radio by communists.

The Committee was expected to send the measure to the House floor with a recommendation that it be passed, but there was little likelihood of a vote there this session. It would amend the Subversive Activities Control Act of 1950 by tacking on a section which in turn would amend the Communications Act's Sec. 303, covering "general powers of the Commission."

The balky witnesses at the hearings included David J. Gould of West Hempstead, N.Y., who said he held an operator's license some years ago and now was assigned to studio equipment-placement work by NBC in N.Y. He refused to answer the Committee's stock question: "Are you now or have you ever been a member of the Communist Party?"

They Took the 5th

Others who took the 5th Amendment—all identified by the Committee as license-holders—were Murray Goldberg, Syracuse; Philip Boothroyd, Sparta, N.J.; Stanley Blumenthal, Brooklyn; Wayne P. Paschal, Issaquah, Wash.; Harold O. Townsend, Bayside, N.Y. Ex-communist Michael Minion, now on the staff of the AFL-CIO's Anti-Communist Communications Workers of America, took the stand to testify that in 1938 Boothroyd had been introduced to him as a party member. Committee staff dir. Richard Arens said Paschal had been identified at a 1954 Un-American Activities hearing as a communist.

In addition to Comr. Lee, witnesses urging enactment of HR-12852 included MBS vp Joseph F. Keating, Air Force Lt. Col. Harry F. Smith and American Cable & Radio Corp. vp Wilson McMakin.

Keating said communists or communist sympathizers could "play havoc" with Conelrad. Smith said panic could be spread by a subversive agent giving false information over the air. McMakin said communist technicians in strategic radio spots could copy govt. codes, disrupt international communications.

Under the Walter bill, FCC would be required to turn down or revoke the operator's license of "any individual" who refuses to answer questions by any federal agency concerning: (1) "The membership of such individual, or any other individual, in the Communist Party." (2) "The activities of such individual, or any other individual, as a member of the Communist Party." (3) "The participation of such individual, or any other individual, in activities conducted by or under the direction of the Communist Party or any member thereof."

The FCC

Miami Ch. 10 Reprieve: National Airlines' WPST-TV Miami has won a 2-week respite from FCC's sentence that it must surrender its Ch. 10 grant Sept. 15.

Acting as a one-man board for the vacationing Commission, Comr. Lee postponed the effective date for setting aside WPST-TV's CP to Sept. 30 "to allow sufficient time for consideration by the full Commission of pleadings filed relating to the proceedings" (Vol. 16:34 p9).

"It is anticipated that other pleadings will be submitted," acting FCC secy. Ben F. Waple said in an understatement in announcing Lee's order. In its July 14 decision, FCC gave Ch. 10 to L. B. Wilson Inc., ruling out other contestants WKAT Inc. and North Dade Video Inc. and National Airlines' subsidiary Public Service TV Inc.

* * *

At the same time Lee set a new deadline of Sept. 27 for filings of briefs in FCC's rough-&-tough Boston Ch. 5 "influence" decision. This had taken the grant from the *Boston Herald-Traveler*'s WHDH-TV and given another chance to it and competitors Mass. Bay Telecasters, Greater Boston TV Corp., and Allen B. Du Mont Labs.

The Boston briefs deadline had been Sept. 12. But Lee said the full Commission will need time after it gets back from vacation this week to study pleadings in the Ch. 5 case, too. Lee pointed out that WHDH-TV has moved for a stay of FCC's ruling pending disposal of its petition for reconsideration.

Briefs & memoranda in both "influence" cases continued to pile up at FCC offices meanwhile.

L. B. Wilson filed opposition to Public Service TV's petition for a stay of Commission's Miami ruling. Wilson reported it was working at top speed to try to get going on Ch. 10, but had found it impossible to make a deal to acquire or lease WPST-TV facilities because Public Service claims its physical assets to be worth about 5 times their book value—or $6 million.

Mass. Bay opposed WHDH-TV's motion for a Boston stay. It said the *Herald-Traveler* station was just trying to rehash everything in the case.

Greater Boston urged FCC to put WHDH-TV under trusteeship pending a final decision in the case. It would be wrong, said Greater Boston, to permit WHDH-TV to "reap the enormous financial benefits flowing from the station and to use the money derived therefrom to press its application to the detriment of other applicants."

In the Miami case, the office of FCC gen. counsel Edgar W. Holtz filed legal opinions opposing North Dade Video's application for a rehearing & reconsideration, and objecting to an attempt by one-time Ch. 10 applicant Elzey Roberts to get back into the contest.

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FCC's deadline for comments on its short-spaced vhf allocation proposal (Vol. 16:27 p12) has been advanced from Sept. 1 to Sept. 30 at the request of the Assn. of Federal Communications Consulting Engineers. The deadline previously had been pushed forward from June 20. The engineers said they want to study TASO reports on directional antennas, and they don't have printed copies yet. Meanwhile the National Grange opposed the Commission's plans. KCEN-TV Temple, Tex. filed supplemental comments opposing the proposal—but saying that if FCC grants waivers of the rules, there should be planning to determine a limited number of markets for waivers.

FCC-proposed legislation expanding Commission's regulatory authority to include common-carrier microwaves & other point-to-point circuits has finally been approved by the House Commerce Committee—one year after the Senate voted for it. The Committee headed by Rep. Harris (D-Ark.) agreed belatedly to send the bill (S-1740) to the House floor for concurrence with Senate action in Aug. 1959 (Vol. 15:34 p4). The measure, amending Sec. 202 of the Communications Act, was one of several legislative odds & ends acted on by the Committee at an executive session convened Aug. 23 by Harris.

FCC's all-uhf Fresno plan won't "serve the public interest," according to Rep. Sisk (D-Cal.). Claiming he spoke for "approximately 1 million TV viewers in the San Joaquin Valley," Sisk wrote Chmn. Ford that the Commission's much-debated deintermixture action (Vol. 16:34 p9) is "concerned only with commercial aspects of the TV operation." He called on FCC to reconsider & vacate its July 7 order, pay attention to "99% of TV viewers" in the area instead of "persons & companies in the TV business," and make Fresno, Bakersfield and San Luis Obispo all vhf. Opposition to reconsideration of the order was filed by ABC.

NBC-RKO swaps (cont.): Petitions by KRON-TV San Francisco for a general FCC hearing on the complex series of NBC-RKO station deals (Vol. 16:27 p7) were opposed last week by NBC, RKO and KTVU San Francisco. They said in replies to the Commission that KRON-TV has no interest in the Boston & Philadelphia phase of the transactions, that charges by KRON-TV that trafficking & payoffs were involved hadn't been supported by any facts, that such a proceeding would run endlessly. No objections were raised, however, to KRON-TV's request for a hearing on the proposed sale of KTVU to NBC.

USIA's budget for the Voice of America & other overseas informational programs has been reduced by Congress to $102,557,300 for fiscal 1961. The agency had asked for $105.8 million for stepped-up operations (Vol. 16:4 p12), but ran into a barrage of Congressional criticism (Vol. 16:26 p11). The Senate had proposed a $103,557,300 appropriation; the House, $101,557,300.

Western Union rates for govt. & public telegrams were raised 16.5% & 8.2% respectively Aug. 17, following refusal by FCC Comr. Lee to intervene. Acting for the Commission, Lee rejected a plea by the General Services Administration to suspend the rate raises, holding that Western Union had established its need for additional revenue. An increase of about 8% in press rates went into effect Aug. 26.

Admitted TV-quiz fixer Daniel Enright and his partner Jack Barry, owners of radio WGMA Hollywood, Fla., have sold the station for $265,000 to Kingsley Murphy Jr. & Carroll E. Crawford, owners of KOTE Fergus Falls, Minn. Enright & Barry, fearing a prolonged & costly FCC hearing into Enright's "character qualifications," which were questioned by FCC last Dec. (Vol. 15:49 p7), decided to sell.

Auxiliary Services

TelePrompTer Corp. has added another CATV system to its growing string (Vol. 16:26 p4). Latest acquisition is Abar TV Cable Co., Eugene, Ore., which claims nearly 5,000 subscribers in its 5th year of operation. Purchase price: $384,000 plus an undisclosed number of TelePrompTer stock shares. Blackburn & Co. was the broker in the deal. Said TPT Pres. Irving B. Kahn: "It has a definite place in our plans for development of participation or so-called 'subscription' TV." W. D. Elkins & R. F. Siegenthaler, who originated Abar in 1955, continue to manage the system.

Film & Tape

More about

90-MIN. FILMS COMING: Hour-&-a-half weekly film series for 1961-62 are being quietly developed at Warner Bros., Paramount and MGM-TV. NBC-TV, too, which had hoped to start one this season, is working up a 90-min. series for next year (it may expand one of its current 60-min. series) and the Mirisch Co. is seeking such a series.

It's logical & easier for the major movie studios to undertake such ventures, because they can release them abroad as theatrical movies, thus recouping a good part if not all of their costs. For the independents, it's a much more hazardous venture.

One executive developing a 90-min. series told us the problem is not only in the budget (he estimates an average 90-min. show will cost $150,000), but in sponsorship. Said he: "It will be impossible to find one sponsor to back such a series. This means we will have multi-sponsors & a lot of commercials, which, if not wisely handled, will break up story continuity."

■

Outlook for Foreign Movies: With Hollywood's post-1948s now freed for TV circulation, what is likely to happen to film distributors syndicating packages of European-made or other foreign films that had picked up much of the product slack in the feature market? Some film industry sources feel that foreign films, even those dubbed in English, may be relegated to a kind of "art house" status, much as they are in theatrical circuits. But at least one distributor, Flamingo Telefilm Sales—which has just launched a new European-filmed package—disagrees.

The entrance of American post-1948s on the TV scene may enliven the feature market, stimulate sales in general for features, and be good business for us," stated Flamingo sales vp Peter Jaeger. Hollywood-made post-1948s, Jaeger predicted, will cost "at least double per picture the price of foreign film packages," giving foreign product a price advantage. There's even a growing audience taste for foreign movies in cities where people formerly never attended such films in theaters. "In the past few years our films have drawn such high ratings that we were able to build a following for our stars & for European productions which should continue into the future," Jaeger explained.

Another factor adding to Flamingo's present security is the relatively slow pace at which American post-1948s will invade the TV market. "If all major movie firms were to suddenly dump their recent films into the TV market, it would be a different story," Jaeger stated.

Flamingo's newest "imperial" package of 52 post-1948 dubbed films is now in 20 markets.

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AFTRA's New Demands: When AFTRA begins negotiations for a new contract with the TV & radio networks in mid-September, it will emphasize improvment of working conditions. While the union will seek a 15% wage hike, its primary concern is plugging up what it considers loopholes in the present contract, which expires Nov. 15.

AFTRA sources tell us they want consecutive working days for their actors. Under the present contract, an actor receives a fee for the show & 10 hours of rehearsal, but, while the rehearsals must be within a specified number of days, they are not necessarily consecutive.

HOLLYWOOD ROUNDUP

William Talman, who used to play District Attorney Hamilton Burger on *Perry Mason*, finds it a "fantastic irony" that he cannot get his old job back despite the fact that he was recently acquitted of the charge made against him by Los Angeles police last March. "The heart & essence of the *Perry Mason* show," he told Joe Hyams, "is that every week someone always ends up falsely accused of murder and is proved innocent of the charges." Talman has been writing TV scripts under another name and trying to get acting assignments again.

NBC-TV program executives are in Hollywood for a look at new pilots as insurance against any soft spots which may develop next season. Program vp David Levy, program administration vp Alan Courtney, talent relations vp David Tebet, and dir. of creative services Ross Donaldson are here, in session with NBC-TV coast program vp Felix Jackson and Hal Kemp, vp of live nighttime programming, Pacific div.

Although U.S. movie attendance in Jan.-July 1960 ran 6.5% behind the same period of 1959, reports Sindlinger, theater gross had already reached the movie industry's peak year (1946). Reason: The average admission price in 1960 is 69¢ (vs. 60¢ in 1959 and 35¢ in 1946). Added Sindlinger: In the last week of July, movie theaters played to more people than at any time in the last 4 years.

Showcase Enterprises has been reactivated by Hal Roach Jr. and Carrol Case, to produce TV series & movies. Roach and Case were partnered in the production of *Racket Squad & Public Defender* under the Showcase aegis. This marks Roach's first TV venture since his abortive partnership with Alexander Guterma.

Joseph M. Schenck Enterprises and 20th Century-Fox TV will co-produce a series of filmed specials, *The Jules Verne Theater*. There will be a minimum of six 60-min. films, some of which may be expanded for movie theaters.

Warner Bros. TV production hit an all-time high last week with 20 telefilms before the cameras. Warners will have completed 41 films in August—the highest monthly figure since the studio entered TV in 1955.

20th Century-Fox TV in co-production with ABC-TV is planning a new series, *Margie*, based on the 20th-Fox movie which starred Jeanne Crain. It's a teen-ager story.

People: MGM-TV dir. of business affairs Leon Mirell has resigned to join ABC-TV in an administrative position. . . . Jaime del Valle has been named exec. producer of MGM-TV's *The Islanders*. Richard Bare has bowed out as producer . . . Warner Bros. has signed Peter Breck to a TV contract . . . Ex-*Markham* producer Warren Duff has joined CBS-TV as a staff producer . . . MGM-TV has signed E. Jack Neumann as a staff writer and to develop an action-adventure pilot project . . . Byron Ellerbrock named administrator of the Screen Actors Guild-Producers pension & welfare plans . . . Steve Allen has been named a member of the advisory board of San Fernando State College at Northridge, Cal. . . . Harris Clayton named dir. of business affairs for MGM-TV, West Coast, and asst. to TV production vp Robert M. Weitman . . . Walter Bien has formed his own company to produce industrial films in association with Paramount.

NEW YORK ROUNDUP

UAA will mark its 3rd TV "local special" of the 1960 season with "Noah's Ark," a silent film written by Darryl F. Zanuck in the late 20s. The oldie was re-released theatrically 2 years ago with new sound track & other modernizations. UAA's previous TV specials: "The Adventures of Mark Twain" and "Olympic Cavalcade." Continuing sales are being scored for UAA's old U-I "Sherlock Holmes" features, 11 new markets having taken the series last week.

General Industry Advisory Committee (GIAC) of FCC's $2-million N.Y. uhf project (Vol. 16:33 p4) will meet in Washington Sept. 2. Transmitter Industry Advisory Committee (TIAC) met in N.Y.'s Empire State Bldg. Aug. 18 and discussed possible antennas which might be suitable for the project.

WGN-TV-produced syndicated series, *Great Music from Chicago*, received its first airing last week over WNTA-TV, N.Y. The 60-min. taped telecast is one of 26 concerts featuring the Chicago Symphony Orchestra with conductors Fritz Reiner, Sir Thomas Beecham, Andre Kostalanetz, Arthur Fiedler and others.

ITC claimed a syndication-first last week in using a national magazine ad to kick off a campaign for *Best of the Post*. The double-page ad in the *SatEvePost* is the first in a series of *Post* promotion features, estimated to attract "over 13,000,000 readers." In 3 weeks of selling, the TV series has racked up 71 markets.

Jack Paar's *I Kid You Not*, will bring a small fortune to the performer. The book is now being published as a paper-back by Pocket Books Inc. The rights cost a record amount—$165,000. Paar will split the loot 50-50 with the publisher, an unusually high author's percentage.

ABC Films says it has received "overwhelming" interest in its public-service syndication offering, *John Gunther's High Road*. The ex-ABC-TV documentary series had received "over $100,000 worth of orders" before it was publicly announced for syndication.

NBC program development dept. is planning a new 60-min. colorcast adventure series, *Panama*, for possible prime-time airing during the 1961-62 season. The show will begin location filming in February. No casting yet.

NTA's *Play of the Week* will produce Samuel Beckett's controversial tragicomedy, "Waiting for Godot," with Burgess Meredith, Zero Mostel and Kurt Kasner taking lead roles. The play will be taped Sept. 2-4.

Felix the Cat Creations Inc., is now completing 3 new animated cartoon pilots—*The Kewpies, Don Poco* and *Albert & Cholmondeley*—for showing to networks & ad agencies this fall.

Robert D. Graff has been appointed producer of ABC-TV's new fall Winston Churchill series, replacing Edgar Peterson, resigned.

Cal. National Productions' *R.C.M.P.* has picked up 8 markets to a total of 71.

People: Ben Elrod has been named UAA Western div. mgr. . . . ITC national sales mgr. Charles W. Goit has resigned, with no replacement announced . . . TV writer S. Lee Pogostin has signed to write & co-produce a 60-min. drama pilot for producer Frank Atlass.

Royalty Plan Committee Ruckus: Completion of a TV-film fact-finding committee to establish a royalty plan for writers came closer when the council of Writers Guild of America West approved appointment of a permanent, paid representative to such a group. WGAW's council thus met a demand of its negotiating committee, but still refused that committee's recommendation that one of its members, Samuel Newman, be made the representative. The council specifically prohibited any writer from being on the committee. Management has named Alliance of Television Film Producers Pres. Richard Jencks to the committee, but intra-guild politics & strife have delayed its formation. The council, meanwhile, accepted the resignation of WGAW exec. dir. Michael Franklin "with regret," and named a committee to seek a successor. Franklin resigned chiefly because of policy differences with the membership & negotiating committee.

The council's action on the industry committee was followed by circulation of petitions (75 signatures needed) for recall action against WGAW's TV-radio board & officers. Petitioning writers contended that the present board does not reflect the majority membership view as expressed during & after the recent strike, and that the council had ignored a membership recommendation that Newman be named to the industry committee. On another front, the membership of Musicians Guild of America ratified their contract with the Alliance by a 206-12 vote.

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Screen Actors Guild membership has voted approval (by a 96% majority) of the new TV-film contract with the Alliance of Television Film Producers and Assn. of Motion Picture Producers. A total of 5,362 actors ratified the contract, while only 207 opposed it. N.Y. members voted 87% for the contract despite a special letter sent by SAG's N.Y. branch council to members terming the contract "unsatisfactory when taken in its entirety."

KRCA Los Angeles has bought 587 movies & TV-film reruns for $920,000.

Programming

Levy Discusses NBC-TV Shows: NBC-TV program vp David Levy, in Hollywood last week, told us he has bought no new pilots as yet, but is seeking replacements in case some new starters should fail to click. Reiterating NBC's cut to under 100 specials (Vol. 16:10, 21, 28) and its 40-to-60% hike in color programming (Vol. 16:30 p7), Levy also said he saw no evidence of a particular trend next season. "There is a slight decline in Westerns, made up by an increase in action-adventure series. Also there's an increase in situation comedies, mainly at CBS-TV, with some at ABC-TV," he amplified.

Other Levy observations:

Better quality TV doesn't require more money; it needs dedicated people. The ranks of talented people have thinned out.

A 3-hour special to be produced by Jerry Wald is expected to materialize. Economics may cut it to 2 hours.

While producer Dore Schary's contract with NBC-TV to produce Civil War specials has terminated, NBC-TV is still interested in his projects.

NBC-TV moved into prime-time public-service programming via *World Wide 60* long before any pressure from Washington. Same for its new public-service series, *The Nation's Future.*

NBC-TV is negotiating for Henry Jaffe to produce 6-to-8 *Magical Monarch of Mo* specials, which may become a regular series.

Siegel Acquires GAC: The deal we reported last week (Vol. 16:34 p12) to acquire control of General Artists Corp. (which ranks only behind MCA and William Morris as a TV-theatrical-film talent agency) was confirmed Aug. 24. GAC now becomes, for a reported $2 million in stock & cash, a subsidiary of the publicly-held Centlivre Brewing Corp. of Ft. Wayne, Ind. The chairman of Centlivre—which, more than a beer company, is actually a corporate umbrella for interests ranging from Seeburg jukeboxes to flexible packaging materials—is Herbert J. Siegel, 32.

Siegel's announced plans for the unusual Centlivre diversification are broad: "Expansion programs in selected phases of the entertainment field, including the eventuality of pay TV and its specific requirements, and the rapidly growing areas of showmanship for industry, and to make possible a far greater scope of activities on behalf of its major roster of leading creative & performing clients."

GAC, however, will be permitted to go pretty much its own way under its present executives. Pres. Lawrence Kanaga remains, and will continue to make his hq in N.Y. Exec. vp Milt Krasny (he's also pres. of GAC-TV, the agency's subsidiary) also stays and will make his hq in Beverly Hills. The agency, said Siegel, "will be operated with the same policies as heretofore, plus the additional advantages possible with added capital & financial sponsorship." Additionally, there will be stock-option deals in the parent company for present GAC executives. Siegel indicated that there are still no plans for GAC to enter TV production directly, such as MCA's operation with Revue Productions.

In recent TV seasons, GAC has become something of a specialty house in providing big-name musical artists for network shows. These include: Perry Como, Frankie Laine, Julius La Rosa, Pat Boone, Nat King Cole. Having the Como and Boone TV shows under its wing has given GAC a chance to showcase other young artists getting a talent-agency buildup. Representation of bread-&-butter TV shows has been minor, but its sale of TCF-TV's "The Many Loves of Dobie Gillis" (TCF is now repped by William Morris) has been a major success. (For details of other talent agencies in TV, see Vol. 15:42 p3.) Earlier this year, GAC acquired Baum-Newborn Associates (Don Ameche, Richard Boone, Buster Keaton, Janet Blair, Janis Carter, *et al.*) and is now—according to Actor's Equity records—placing more actors in Broadway shows than any other agency. It is also active in packaging industrial shows, concert tours and motion pictures.

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Decision on new Oscar awards network contract is expected to be reached at a meeting Monday (Aug. 29) of the board of governors of the Academy of Motion Picture Arts & Sciences. After the Motion Picture Producers Assn. dropped industry sponsorship of the annual event, the Academy had opened it to commercial sponsorship. Initial bids by ABC-TV and NBC-TV were rejected last week on the grounds that their formulas were too complicated, and they were asked to submit new bids with clarification on several points. The Academy said CBS-TV's bid had been lower than the others; it was therefore not invited to re-submit.

Jerry Lewis and NBC-TV ended their contract last week in what was described as an "amicable" parting. Lewis was to have starred in 6 specials next season, none of which has been sold to date. Network sources confided the split was due partly to Lewis being busy with movies, partly to the network's inability to sell his specials. Lewis's ex-partner, Dean Martin, will star in 2 specials on NBC-TV next season.

Advertising

Beech-Nut's Big Buy: Most of the as-yet-unsold time segments in NBC-TV's fall show lineup were swept away last week in a $7.5 million, 18-show deal between NBC and Beech-Nut Life Savers Corp. NBC is thus picking up much of the budget money turned loose by ABC-TV's decision to drop the Sat. 7:30-8 p.m. *Dick Clark Show* (Vol. 16:34 p12), plus nearly $4 million in new TV-budget money allocated via Young & Rubicam by the food-confectionery firm. What's left of the former Beech-Nut Clark billings, possibly as much as $1 million according to ABC, will be shifted to Clark's *American Bandstand* afternoon show.

Beech-Nut billings at NBC, as one sales executive at that network put it happily last week, "are all over the network map." Included in the deal are 9 nighttime shows (8 programs plus participations in the *Jack Paar Show*) and participation segments in 9 daytime shows. The nighttime shows (*Shirley Temple, Laramie, Dan Raven, The Westerner*, etc.) are all one-third-sponsorship buys starting in Oct., and ranging from purchases of 9 to 22 thirds. Daytime shows (*Price Is Right, From These Roots, Lone Ranger*, etc.) involve a total of 221 quarter-hour segments.

Two interesting elements of the Beech-Nut buy caused cocktail conversation among network & agency sources in N.Y. last week. For one thing, it's generally felt that the food firm's late-in-the-season deal produced a bumper crop of attractively-priced NBC buys, with program (but not time) charges marked down to a minimum. For another, Beech-Nut still believes that the bobby-sox set is a good market, and is reachable by TV dj's (tucked away in the firm's daytime NBC list is a new show, *The NBC Saturday Prom*, similar to the Clark format, to be televised on Sat. afternoons).

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Hard-sell auto-mileage claims in TV-radio commercials for U.S.-made compacts are coming under the scrutiny of FTC. It's not that they're phoney; it's just that some of those "up to 30 miles per gallon" claims were scored, it seems, by well-groomed cars in test runs held under what amounted to laboratory conditions. So far, FTC has quietly warned auto manufacturers, who have in turn warned their ad agencies in N.Y. & Detroit. With network continuity depts. acting as watchdogs, the outlook is for a toning-down of mileage figures in auto-sponsored network shows—which this coming season are expected to pass $80 million in time-&-talent costs (up $10 million from 1959-60 season).

New reps: KHOU-TV Houston to H-R Television Sept. 16 from CBS Spot Sales • WSJS-TV Winston-Salem to Peters, Griffin, Woodward Sept. 1 from Headley-Reed • WSEE Erie to Devney-O'Connell Aug. 1 from Young • WRDW-TV Augusta to Avery-Knodel July 1 from Branham.

Anti-segregation demonstrators at Glen Echo amusement park on the outskirts of Washington have protested to FTC that TV commercials for the park are "false & misleading" because they don't disclose that Negroes aren't admitted. Lawyers for the pickets sent a copy of their FTC complaint to FCC, suggesting that "this matter is doubtless of interest to your Commission and may be within its present jurisdiction."

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Ad People: Harry Bressler, ex-Ted Bates, appointed vp & TV copy dir., Leo Burnett. Robert Leonhard and Robert Noel named vps at that agency . . . Lawrence R. McIntosh, ex-Grant, named Young & Rubicam vp.

Networks

That CBS News shakeup we predicted recently (Vol. 16:32 p8) is now a reality. Last week, CBS circulated a new table-of-organization chart to network executives in which the following changes were noted with no fanfare: General news exec. Sam Zelman succeeds TV news dir. Malcolm Johnson, with Johnson moved over as election-news coordinator. William Crawford succeeds CBS News managing editor James Burke, who now becomes one of several news editors. Ralph Paskman succeeds CBS News assignment mgr. Frank Donghi, who now becomes assignment expediter reporting to Paskman. Still unchanged: CBS News Pres. Sig Mickelson and vp John Day, although Zelman now reports to Day as No. 3 man.

Canada's Board of Broadcast Governors is slated to hold public meetings this week (Sept. 1 & 2) on conditions & regulations for licensing & operating private TV networks (Vol. 16:28 p7).

NETWORK SALES ACTIVITY

ABC-TV

The Paul Winchell Show, Sun. 4-4:30 p.m., full sponsorship eff. Dec.
Hartz Mountain Products (G. H. Hartman)

Robert Taylor in The Detectives, Fri. 10-10:30 p.m. full sponsorship eff. Sept.
Procter & Gamble (Benton & Bowles)

American Bandstand, Mon.-Fri. 4:30-5 p.m., participations eff. Sept.
Lehn & Fink products (Ted Bates)
Hazel Bishop (Raymond Spector) eff. Aug.

Bugs Bunny, Tue. 7:30-8 p.m., alt. half hrs. eff. Oct.
General Foods (Benton & Bowles)

Hawaiian Eye, Wed. 9-10 p.m., participations eff. Oct.
Whitehall Labs. (Ted Bates)

Naked City, Wed. 10-11 p.m. participations eff. Jan.
Ludens (J. M. Mathes)
E. I. Du Pont (BBDO)

Adventures in Paradise, Mon. 9:30-10:30 p.m., participations eff. fall.
E. I. Du Pont (BBDO)
Ludens (J. M. Mathes)

Daytime programming, Mon.-Fri. participations eff. fall.
Adolph's Ltd. (McCann-Erickson)
Hartz Mountain Products (G. H. Hartman)

Tournament of Roses, Sun. Jan. 2, full sponsorship.
Quaker Oats (Lynn Baker)

NBC-TV

Shirley Temple Show, Sun. 7-8 p.m., co-sponsorship eff. Sept.
Radio Corp. of America (JWT)
Beech-Nut Life Savers (Young & Rubicam)

The Tall Man, The Westerner, Laramie, Thriller, Michael Shayne, Outlaws, Dan Raven, all nighttime shows, one-thirds, eff. 1960-61.
Beech-Nut Life Savers (Young & Rubicam)

Daytime programming, 9 programs, particips. eff. 1960-61.
Beech-Nut Life Savers (Young & Rubicam)

Laramie, Tue. 7:30-8:30 p.m., thirds eff. fall 1960.
R. J. Reynolds (William Esty)

Outlaws, Thu. 7:30-8:30 p.m., **Riverboat**, Mon. 7:30-8:30 p.m., **Dan Raven**, Fri. 7:30-8:30 p.m., one-thirds eff. fall 1960.
Brown & Williamson (Keyes, Madden & Jones)

Stations

Two major broadcast-publishing concerns, Philadelphia-based Triangle Publications, Inc. and the Times-Mirror Co. of Los Angeles, have announced preliminary agreement to form a Cal. corporation to engage in the graphic arts & related fields. The joint venture appears to be the first of its kind in the broadcast-publishing field. The new firm—to be known as Times Mirror-Triangle Co.—establishes an East Coast-West Coast working relationship for the investment of capital between the companies and includes among its directors Triangle Pres. Walter H. Annenberg and Times-Mirror Pres. Norman Chandler. First action of the new company was acquisition of the California Rotogravure Co. Samuel A. George continues as gen. mgr. of that plant and has also been elected pres. of the Times Mirror-Triangle Co. by the board of directors. Triangle publishes the *Philadelphia Inquirer* and *Daily News*, *Seventeen* magazine, *TV Guide*, TELEVISION DIGEST, owns & operates WFIL-TV & WFIL Philadelphia; WNBF-TV & WNBF Binghamton, N.Y.; WFBG-TV & WFBG Altoona, Pa.; WLYH-TV Lebanon, Pa.; WNHC-TV & WNHC New Haven; KFRE-TV & KFRE Fresno. Times-Mirror Co. publishes the *Los Angeles Times* and *Mirror News*, owns & operates KTTV Los Angeles.

Timebuyer guesses in a "true-false quiz" (staged by Westinghouse Bcstg. Co. earlier this month during an all-day outing at New York's Freedomland Amusement Park) presented WBC with a problem. Ten agencymen (& women) had perfect scores in a tricky, 11-question quiz about the WBC-TV-radio markets. WBC therefore draw 3 winners from a hat last week for top prizes (transistor radio, clock radio, electric can opener), sent the other 7 electronic hot dog cookers. The lucky 3: Virginia M. Conway, McCann-Erickson buyer; Tim O'Leary, Reach-McClinton buyer; George McCoy, N. W. Ayer buyer. Consolation prize for non-winners: a "Freedomland" record album.

"So what?" was the retort by AFM & AFTRA representatives in Washington to testimony at an FTC payola hearing that record-distributor Schwartz Bros. Inc. had made payments to "the union" (Vol. 16:34 p7). Nothing sinister about such transactions, said AFM's Sam Jack Kaufman & AFTRA's Evelyn Freyman. They explained it was common practice for unions to collect fees from record firms for TV & radio disc-jockey-show appearances by recording artists. The unions merely act as clearing houses for the fees, and no payola is involved, they said.

Public ownership of airwaves was sharply challenged by TIO Dir. Louis Hausman at Syracuse U.'s seminar on broadcasting's responsibilities. Comparing public spectrum ownership—a favorite retreat of many a TV critic—to civil aviation, in which planes don't fly until private enterprise puts them there, Hausman suggested that the basic function of FCC is simply to keep signals "from bumping into each other" and that FCC, as a representative of the public, should keep out of TV programming altogether. Hausman also scored critics who feel that "good" TV programming must be given to viewers whether they want it or not.

NAB convention planning for Washington sessions next May 7-11 will be started Oct. 6 by the broadcast-engineering conference committee. This group, headed by Virgil N. Duncan of WRAL-TV Raleigh, will meet in Washington to review responses to 100 requests of manufacturers, networks and others for engineering agenda suggestions.

New NAB series of 9 spots extolling virtues of FM has been distributed to FM members for promotional use.

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Personals: Donald M. Hine, ex-KNXT Los Angeles, named programming & public-affairs dir. of Transcontinent TV (WGR-TV & WGR Buffalo, WROC-TV & WROC Rochester, KFMB-TV & KFMB San Diego, KERO-TV Bakersfield, WNEP-TV Scranton-Wilkes-Barre, WDAF-TV & WDAF Kansas City).

Arch Robb appointed special programs dir., NBC-TV . . . Richard O'Leary named general sales mgr. of KABC-TV Los Angeles . . . Thomas G. Roderick Jr., asst. gen. counsel of USIA, named general counsel, succeeding Harry T. Carter, resigning Sept. 1 to enter private practice . . . Rudy Behlmer named exec. producer of KCOP Los Angeles live & tape programs.

Benjamin J. Conroy Jr., Uvalde TV Cable Corp., pres.-mgr., elected pres. of new Tex. CATV Assn. . . . Philip J. Stomberg retires as Nielsen vp . . . Freddie Field has resigned as MCA-TV vp-dir. to form his own TV, theatrical & business-management organization . . . Tom Chauncey, pres.-gen. mgr., KOOL-TV & KOOL Phoenix, appointed to Ariz. Gov. Paul Fannin's study committee to examine state's narcotics problem . . . Norman Kraeft, farm director of *Chicago Tribune*'s WGN-TV & WGN, resigns to join Presidential campaign staff of Sen. Kennedy (D-Mass.) for agricultural PR work.

Robert L. Nelson named sales research mgr., KNXT Los Angeles and CBS-TV Pacific network . . . Anton J. (Tony) Moe, ex-radio KSO Des Moines, named exec. vp of Midcontinent Bcstg. Co.'s WKOW-TV & WKOW Madison, Wis.; Frank McGiven, ex-radio WLOL Minneapolis, replaces Moe as KSO gen. mgr. . . . David C. Stewart, asst. dir. of Joint Council on Educational TV, named exec. dir. to succeed Ralph Steetle, who resigned to join Ore. state school system (Vol. 16:24 p14).

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Griffing missing: The Federal Aviation Agency supervised a widening air-&-ground search last week for pay-TV experimenter & CATV operator Henry S. Griffing, missing since Aug. 16. He took off from Teterboro, N.J. in his light plane with his wife & 2 children on a presumed flight to his Oklahoma City home, but was unreported along the route. Head of Vumore Co. (14 CATV systems in 5 states) & Video Independent Theaters Inc. (200 movie houses & 12.5% of KWTV Oklahoma City), Griffing ran the 9-month Bartlesville, Okla. cable-theater project which was dropped in June 1958 (Vol. 14:21 p20).

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TV PRICES GOING UP? Round of TV price rises may be in offing, in wake of increases hoisted last week by 2 major set-manufacturers—Sylvania and Hoffman. Sylvania's complete 23-in. line, effective Sept. 16, will retail at $10 more per model, reflecting a 2-to-5% increase at factory. Hoffman will effect an average 3% increase on 4 basic TV models Sept. 1. Sales vp Paul E. Bryant reports that "the change in our price structure affects mostly the middle & lower end of our present line, with little change in the higher end."

General industry reaction was one of mild surprise & thoughtfulness. Spot check we made of 6 manufacturers (Admiral, GE, Motorola, Philco, RCA, Westinghouse) elicited unanimous response, expressed in essence by Westinghouse TV-radio mktg. mgr. Charles J. Urban: "We are studying the situation, but have no plans for price increases at this time."

"Principal reason" for Sylvania's price increase, Home Electronics Corp. Pres. Peter J. Grant told us, is the adoption of reflection-free picture tubes as standard for complete Sylvania line. Sylvania introduced reflection-free kinescopes in April in 19-in. tables and some 23-in. furniture consoles, decided to go full line in view of "tremendous popularity" of reflection-free feature. Grant also noted that price rise was keyed to increasing labor & material costs, asserted it was "a positive step toward restoring TV pricing to an area where dealers & distributors can earn a more reasonable return on investment."

TOP TV BRANDS-IN-USE IN 21 MARKETS: Unique comparisons of TV set brands-in-use in 21 different markets have again been made available to us by Consolidated Consumer Analysis, a newspaper ad-promotion survey of consumer buying habits.

CCA surveys cover wide variety of consumer products, from griddle-cake mix to girdles. Results of TV survey in 21 markets, reprinted below, show 13 brands of TV sets with percentage of total households owning them in each of these markets, and ranking of brands according to number owned.

Study covers all sets owned—not just recent purchases. Accordingly, relative sales of various brands last year are reflected only in minor measure. Consumer Analysis surveys are conducted on a sampling basis by local newspapers in the 21 markets. The 1960 survey, made in Jan. by most member newspapers, covered 63,427 households in metropolitan areas containing 4,789,890 households.

Median set saturation in the 21 markets was 96.3% in 1960, up from 94.4% in 1959, 94.5% in 1958.

RCA ranked first in number of sets-in-use in 20 of the 21 sampled areas. Admiral was No. 1 in Chicago. This represented little change from previous surveys. For comparisons of how each manufacturer's percentage has changed in each market in last 4 years, 1960 figures may be contrasted with our Consumer Analysis tabulations in each of these years—1957 (Vol. 13:40 p10), 1958 (Vol. 14:28 p12), 1959 (Vol. 15:26 p16).

More detailed information on brands-in-use in home-electronics field will be found in Consumer Analysis tabulations published by each of the CCA member newspapers. Not only are additional breakdowns on TV supplied for each market surveyed, but some individual-market surveys have similar tabulations, by brands, of hi fi, FM radios, transistor radios.

Milwaukee Journal's tabulations for its own area, for example, have data on both single & multiple TV set owners; data on ownership of stereo-sound systems (8.8% saturation, leading brands: RCA, Magnavox, Motorola, Silvertone, in that order), FM radios (Zenith, RCA, GE, Admiral, Philco are first 5), transistor radios (Zenith, Emerson, GE, RCA, Philco first, although "miscellaneous brands" outpulled them all). Individual area tabulations, valuable to company market researchers, are available on request from member newspapers or their national representatives.

These newspapers participated and have Consumer Analysis studies for their own markets: Chicago Daily News and Sun-Times, Columbus Dispatch and Citizen-Journal, Denver Post, Duluth Herald and News-Tribune, Fresno Bee, Honolulu Star-Bulletin, Indianapolis Star and News, Long Beach (Cal.) Independent and

Press-Telegram, Milwaukee Journal, Modesto (Cal.) Bee, Newark News, Omaha World-Herald, Oregon Journal, Phoenix Republic and Gazette, Providence Journal-Bulletin, Sacramento Bee, Salt Lake Tribune and Deseret News, San Jose Mercury and News, Seattle Times, St. Paul Dispatch and Pioneer Press, Wichita Eagle.

Television Set Ownership in 21 Markets, 1960

(For story, see preceding page.)

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City	% of Owners	Bought new in past 12 months %	RCA Victor Rank	RCA Victor %	Admiral Rank	Admiral %	GE Rank	GE %	Motorola Rank	Motorola %	Zenith Rank	Zenith %	Philco Rank	Philco %	Silvertone Rank	Silvertone %	Emerson Rank	Emerson %	Westinghouse Rank	Westinghouse %	Sylvania Rank	Sylvania %	Magnavox Rank	Magnavox %	Hoffman Rank	Hoffman %	Packard Bell Rank	Packard Bell %
Chicago	96.1	13.5	2.	18.2	1.	20.2	6.	8.5	4.	12.5	3.	14.7	5.	8.8	7.	6.5	11.	2.5	12.	2.4	15.	1.8	8.	4.0	—	—	—	—
Columbus	98.5	25.7	1.	28.1	3.	14.8	6.	8.5	4.	11.0	5.	8.8	2.	18.2	—	—	10.	3.0	8.	4.9	10.	3.0	—	—	—	—	—	—
Denver	96.9	11.7	1.	17.3	2.	11.2	5.	9.3	3.	10.4	4.	9.8	6.	8.0	13.	2.9	9.	4.3	14.	2.8	17.	1.7	14.	2.8	10.	3.4	7.	5.6
Duluth-Superior	96.6	9.6	1.	20.2	3.	9.9	2.	15.5	9.	4.9	6.	7.4	5.	8.0	12.	2.2	4.	8.5	7.	6.7	15.	1.4	13.	1.6	—	—	—	—
Fresno	93.8	13.7	1.	15.9	10.	4.3	5.	9.1	2.	10.6	3.	10.2	4.	9.8	6.	7.2	9.	6.3	12.	3.0	11.	3.7	12.	3.0	6.	7.2	8.	6.7
Honolulu	91.2	21.7	1.	17.7	7.	7.0	3.	11.1	5.	8.2	2.	13.9	6.	7.1	4.	10.8	8.	5.4	11.	2.9	9.	5.0	15.	1.6	14.	1.7	10.	4.5
Indianapolis	95.0	17.8	1.	22.7	2.	16.3	7.	7.9	5.	8.7	4.	9.8	3.	11.5	9.	4.0	11.	2.9	8.	5.8	6.	8.6	12.	2.6	—	—	—	—
Long Beach	96.7	14.7	1.	18.4	2.	11.0	5.	8.6	10.	4.8	5.	8.6	8.	8.2	7.	8.4	12.	2.8	14.	2.2	16.	1.7	9.	7.3	4.	9.9	3.	10.6
Milwaukee	96.8	15.3	1.	27.9	2.	19.0	5.	7.4	4.	9.3	6.	7.0	3.	10.2	7.	4.7	10.	2.7	9.	3.0	11.	2.5	8.	3.5	19.	1.2	—	—
Modesto	89.1	16.5	1.	15.2	9.	4.7	7.	7.1	6.	7.8	3.	11.2	5.	9.5	4.	9.9	10.	4.0	14.	1.7	12.	2.4	13.	1.9	2.	11.3	8.	6.4
Newark	97.8	16.3	1.	30.1	2.	15.7	6.	6.9	10.	4.1	7.	6.8	3.	10.2	11.	3.5	4.	9.2	8.	5.6	12.	3.2	9.	4.8	—	—	—	—
Omaha	98.5	11.2	1.	24.2	6.	8.4	4.	9.7	3.	10.9	5.	9.0	2.	16.1	8.	4.1	7.	5.0	8.	4.1	—	—	10.	3.3	—	—	—	—
Phoenix	95.1	16.3	1.	11.3	2.	9.4	3.	8.8	5.	7.0	4.	7.1	9.	4.6	7.	5.6	6.	6.9	8.	4.7	13.	3.4	12.	3.7	9.	4.6	11.	4.4
Portland, Ore.	93.9	16.4	1.	16.6	3.	10.8	5.	7.8	6.	7.7	2.	11.9	4.	8.0	8.	5.6	13.	2.2	10.	3.6	11.	2.4	13.	2.2	7.	6.5	8.	5.6
Providence	97.2	15.0	1.	13.8	3.	10.7	7.	6.4	5.	8.3	6.	7.4	2.	13.2	12.	2.4	4.	10.6	8.	4.3	10.	3.0	9.	3.5	—	—	—	—
Sacramento	94.9	16.3	1.	19.5	9.	6.3	2.	10.2	8.	6.7	4.	8.4	3.	9.7	7.	6.8	10.	5.2	11.	3.6	16.	1.6	12.	3.3	6.	7.5	5.	8.1
Salt Lake City	96.6	15.0	1.	15.2	4.	10.8	2.	12.3	5.	7.7	6.	6.6	3.	11.2	11.	3.6	15.	2.4	7.	6.1	12.	3.5	10.	4.0	8.	5.6	9.	5.4
San Jose	94.4	18.8	1.	16.2	3.	10.0	8.	6.4	5.	8.8	2.	10.7	4.	9.0	5.	8.8	10.	5.4	12.	3.9	13.	2.1	11.	4.5	9.	6.0	7.	8.7
Seattle	94.9	15.4	1.	19.3	8.	7.8	2.	9.8	6.	8.0	4.	8.4	5.	8.3	6.	8.0	12.	2.8	10.	4.8	11.	4.7	9.	5.0	12.	2.8	3.	8.7
St. Paul	98.1	15.1	1.	23.1	2.	11.9	3.	10.7	4.	10.2	6.	9.2	5.	9.7	—	—	13.	2.5	12.	2.9	—	—	11.	3.1	—	—	—	—
Wichita	96.3	12.3	1.	14.5	2.	12.4	4.	8.7	6.	7.4	3.	12.3	5.	8.6	8.	4.1	19.	1.5	7.	5.0	15.	1.9	10.	4.0	11.	3.6	—	—

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 19 (33rd week of 1960):

	Aug. 12-19	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	119,916	89,430	138,758	3,556,694	3,539,584
Total radio	244,600	243,351	274,526	10,156,796	8,657,763
auto radio	76,054	82,720	83,041	3,897,271	3,346,417

Olympic's Sales Corp.: The trend to autonomous marketing subsidiaries in the consumer-electronics industry (Vol. 16:5 p19) has enlisted Siegler Corp.'s Olympic Radio & Television div., which established subsidiary Olympic Radio & Television Sales Corp. at its Long Island City, N.Y. hq. Olympic div. Pres. Morris Sobin wears a 2nd hat as chairman of the sales subsidiary. Morton M. Schwartz, Olympic consumer-products sales vp, becomes pres. of Sales Corp.

Olympic also reported last week that first-half sales were above the year-ago level, that 85% of the gains came from consumer products. Noted Sobin: The gains continue "an uninterrupted 5-year growth which has tripled Olympic's consumer sales and catapaulted us into a prominent position in the industry." Some of the gains: TV sales, up 19½%; radios, 12½%, TV-radio-stereo combos, 74½%.

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New recording tapes, to be distributed by Ampex's United Stereo Tapes subsidiary and independent distributors: Ampex, a premium-brand tape, and Irish 300, a low-priced version of Irish tape. Both are made by Ampex's Orr Industries subsidiary.

Watts Cooking? The hot subject of thermionic converters heated up last week with the announcement by GE that it was mass-producing a heat-to-electricity generator that produces one watt of power from heat applied at 1,100° C. The compact device—about the size of a silver dollar, with wires—is expected to reach the market in October, with a price range of $300-to-350. (An experimental thermionic converter was announced by RCA in July, Vol. 16:29 p17).

GE reported that it's operating with a pilot production line that turns out 60 converters a week. With minor modifications, the line's output capacity can be stepped up to 100 units weekly. GE also reports it is working on larger converters with outputs ranging up to 500 watts, for industrial, consumer and space-project applications. An immediate application of the one-watt converters is seen in space satellites, for the conversion of solar heat to energy—to derive from the sun the power to actuate devices to send messages back to earth.

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Sylvania's Waltham Labs has won a $3.2-million Navy contract for electronic data-processing equipment.

DROP-IN PARADE BEGINS: RCA last week signaled the start of the drop-in procession by introducing a bevy of added starters to its 1961 TV-radio offerings. Several other set makers added TVs and/or radios to fill & broaden their lines. More drop-ins are in the offing. Among them: Admiral's entry in the reverb derby.

RCA added 16 new TVs, 11 of which feature the "New Vista" tuner introduced in a single model 3 months ago (Vol. 16:22 p18). The 5 other newcomers: 2 color consoles, a 17-in. portable (The Trouper), a 19-in. portable (The Heather, with a $199.95 guide price), a 23-in. console which features push-button pre-selection of up to 12 hours of TV.

The nuvistorized tuner "already has proved that it has the power to pull in TV signals in areas where TV viewing never before was possible, including outlying areas of the Hawaiian Islands," reports RCA product-planning & development vp James M. Toney. The 11 new TVs with the tuner: two 19-in. portables, one 23-in. table, five 23-in. consoles, three 23-in. TV-stereo combinations.

RCA also introduced a flock of new radios: 5 tables, 5 clocks, an AM-FM table, a gift kit comprising a shirt-pocket transistor radio, earphone, leather case, battery & windup alarm clock. Sales vp R. W. Saxon asserted: "It is entirely possible that the radio industry may top 10-million unit sales this year—highest since 1948. Sales are running nearly 18% ahead of last year, when the industry sold 8,897,500 home sets. Sixty percent of the more than 10 million radios expected to be sold this year will be in the table & clock categories, despite all the attention being given to transistor portables."

RCA also extended its stereo line with the addition of 18 console models, in 6 different series. A novelty of the line is an optional reverb unit, in kit form, for installation in the (2-models-each) Mark 8, Mark 4 and Henredon fine furniture series. The reverb unit is priced at approximately $50, installation extra.

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Other drop-in activity last week:

Zenith introduced an FM-AM clock radio that features "drift-free" tuning, a "dial-it" wake-up alarm control, and a suggested retail of $89.95. The "Sandman" increases Zenith's FM line of table radios to 8 basic models. Commented Sales Corp. Pres. L. C. Truesdell: "During the first 6 months of 1960, unit sales to dealers of Zenith FM-equipped table & portable sets topped those in the corresponding period in 1959 by over 70%."

Packard Bell added a 9-ounce (with battery), 6-transistor portable (Model 6RT-4) with a $29.95 price tag. It's shirt-pocket size and features all-topside controls for in-pocket tuning.

Grundig-Majestic dropped in a variety of new TVs, radios and phonos, including: 3 AM/FM/SW radio-phono combos; a 23-in. TV consolette; a lowboy with 23-in. TV, stereo phono and AM/FM/SW radio (remote tuner optional); and a deluxe, $2,995 combo featuring 24-in. TV, AM/FM/SW radio, stereo, 2-speed tape deck, 6 speakers.

Toshiba has come up with what is described as the world's first 3-way transistor portable-table radio. Richard B. Stollmack, gen. mgr. of distributor Transistor World Corp., says the 7-transistor unit will be ready for distribution in about 10 days. The 2-in-1 unit comprises a shirt-pocket portable & a battery- or AC-operated table. The pocket radio, complete with batteries, earphone and carrying case, will retail for $39.95. The table-model speaker cabinet, complete with an AC converter, will sell for $19.95. The speaker cabinet houses its own batteries.

Electronic Mergers Hit: A trend toward mergers & acquisitions in the electronics industry was sharply criticized last week by David Packard, pres. of Hewlett-Packard. He told the Western Electronic Show & Convention at Los Angeles that it was a serious problem. A record 35,000 scientists, engineers, electronics executives and students attended the event at the Sports Arena, which contained 987 exhibits of advanced electronic & space-age equipment.

The mergers, said Packard, are spurred by "the attraction of the exorbitant price-to-earnings ratios which the investment community has generated out of their enthusiasm for our performance. There is no evidence which will stand critical examination to indicate our industry is any stronger as a result . . . I have seen many cases where, when the pride of ownership & the opportunity for truly free individual decision were lost, the enterprise which was acquired, lost, rather than gained productive capability."

Packard also urged the industry to resist pressures of governmental control, acknowledging that this is difficult when there is reliance on the government for such a large proportion of business.

Other Packard observations: More effort should be put into improving the U.S. educational system . . . The anticipated influx of Japanese TV sets will be not as severe as the Japanese transistor-radio invasion . . . Russia is not ahead of the U.S. in electronics. Packard was presented with the Western Electronic Medal of Achievement.

Awards of industrial design excellence were presented to 4 manufacturers: Ampex, for its FR-600 magnetic tape recorder; Beckman Instruments, Fullerton, Cal., for its potentiometric recorder and the 210 high-speed data-processing systems; Librascope div. of General Precision, Glendale, Cal., for its RPC 40,000 electronic computing system; and Eitel-McCullough, for the Eimac X762B power triode.

Other awards: The 1960 achievement award of IRE 7th region to space-scientist Dr. Eberhardt Rechin . . . The newly-established $1,000 De Forest scholarship in the future-engineers competition, to Dwight Jaeger, 17-year-old Los Alamos, N.M. high school senior.

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Electronics companies in the 11 Western states will account for 22% of 1960 U.S. electronic sales—up from 20% a year ago. The forecast is from Western Electronic Manufacturers Assn. Pres. S. H. Bellue, who said Western firms will bill nearly $2.3 billion of 1960's estimated total $10.2 billion, compared with $1.9 billion last year. The figures do not include broadcast, service and distribution revenue. Bellue added that by the end of this year there will be 840 electronic firms in the West, an increase of 70 firms; employment will rise from 155,000 to 167,000. Los Angeles & nearby Orange County account for more than half of the West's total sales. Electronic companies in these 2 counties expect sales approaching $1.4 billion this year—up 19% over last. Sales by electronic companies in the San Francisco Bay area are expected to reach $530 million—up 21% over last year.

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Zenith's budget for Sept.-Oct. daily newspaper advertising has been increased to 100% over the year-ago level, reports Sales Corp. Pres. L. C. Truesdell. The expanded ad schedule embraces Zenith's 1961 lines of TVs, radios and stereo phonos.

Standardized electronics terms approved by IRE & other professional organizations are included in *Electronics & Nucleonics Dictionary*, published at $12 by McGraw-Hill. More than 13,000 terms are defined in the 543-page book.

Color TV In Japan: Nine Japanese manufacturers are now turning out color-TV sets for home consumption, reports Tokyo-published *Radio & TV*. Adds the trade magazine: "At present the price of color TV averages between 400,000 & 500,000 yen [about $1,100-to-1,400], rather high, but manufacturers say that the price [for 21-in. sets] will be lowered to 150,000 yen [around $400] by 1964, the year of the Tokyo Olympic Games. They presume that by this year color TV will have attained its peak."

The 9 color-TV manufacturers: Mitsubishi, Matsushita, Sanyo, Hayakawa, Yaou, Nippon Electric, Nippon Columbia, Hitachi, Toshiba. "Of these 9," reports the magazine, "only Toshiba has an exclusive factory for color TV. Hitachi, Mitsubishi and NEC, who were outstripped by Toshiba and National [Matsushita] have a keen interest in the new TV. Hitachi and National are intending to invest large funds [for plant expansion] . . . Each company faces severe sales competition."

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"Color TV is emphatically fulfilling the prophecy made 6 years ago by RCA Chmn. David Sarnoff that 'the future of TV is in color,'" RCA Pres. John L. Burns asserted last week in the role of guest business-columnist in the *N.Y. Herald Tribune*. He added: "Today [color TV's] vast & varied activities add up to more than a $100-million-a-year business at retail. Over 60% of this total comes from sales of color receivers. Some 15% is accounted for by broadcast equipment, tubes and parts; another 15% by servicing activities; and the rest by independent local broadcasting . . . Color TV has positioned itself as a $100-million-plus venture in only half the time it took the American automobile industry, one-quarter the time it took the aircraft industry."

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"Color TV shows concrete signs of real mass-market sales this fall," RCA Sales Corp. Chmn.-Pres. W. Walter Watts told distributors in Chicago last week. "RCA's sales are currently running 60% ahead of last year, with weekly increases of more than 100% ahead of 1959 during the past few months." Watts also declared that the company "is more optimistic today about the future of the electronic consumer-products business than we have been since the height of the b&w TV boom in the early 1950s." Some of the optimism-producing factors: color TV, the nuvistorized TV tuner, "excellent position regarding inventories." On the basis of these & other factors, Watts said, "we confidently look forward to 1960 ending up as one of RCA's most successful in home-instrument marketing—both in unit & dollar volume."

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Color-TV set was voted 6th most-wanted item on a list of 16 in a Pulse survey which asked 1,000 persons how they would spend an unexpected gift of $1,000. As reported in *Television Age*, 5.5% would buy a color set with the windfall—although 49.2% of the respondents had never seen a color-TV program. Asked if they had 1960 buying plans for color TV, 95.3% of 508 respondents who had viewed color TV said no. Major reasons: Too expensive (48.2%), not perfected (27.3%), satisfied with b&w (15.1%).

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Admiral's manifesto against "the tidal wave of Japanese electronic products" exported to the U.S. (Vol. 16:34 p16) was cited by Rep. Dent (D-Pa.) in a 30-min. Aug. 24 House speech on foreign trade policy. He called for tariff revisions to protect U.S. industries from foreign encroachments which he said were spreading unemployment here.

Trade Personals: R. H. Coffin named ad & sales promotion staff vp, RCA, in a consolidation of the institutional and staff ad & sales promotion activities . . . C. Wesley Michaels, ex-GE, named to new post of planning & mkt. research mgr., RCA industrial electronic products . . . Nicholas De Falco named to new post of gen. mgr., Du Mont Labs industrial electronics div.

Raymond T. Leary promoted from gen. sales mgr. to mktg. vp, Cornell-Dubilier . . . William H. Herrman, ex-Hoffman Electronics, named ad & sales promotion mgr., Stromberg-Carlson's electronics div. . . . Donald W. Gunn promoted from sales vp, Sylvania electronic tubes, to regional vp, Sylvania Electric Products, headquartering in Burlingame, Cal. William O. Spink succeeds Gunn.

Andrew T. O'Rourke appointed Eitel-McCullough controller . . . Charles L. Hasseman named PR dir., Fischer & Porter . . . Thomas J. Kelly named to new post of international services asst. dir., Raytheon.

Edward R. Wagner, ex-RCA, joins Page Communications Engineers as vp and maintenance & operations dir. . . . Robert P. Sumberg and E. Douglas Kenna named vp's Avco Corp. advanced development div. . . . R. W. Harbison, Lear service div. gen. mgr., elected a vp . . . Harry G. Bowles named vp & controller and financial planning committee chmn., Burroughs Corp. . . . Theodore Bloom named vp-gen. mgr., Olympic of Southern New England . . . K. A. Ray, ex-Caltech, named solar product mgr. of Hoffman Electronic semiconductor div.

Melvin L. Russell, ex-Teleregister, named Adler Electronics military products div. contract administrator . . . John W. Hillegas, ex-Standard Electronics, named Southeast field sales representative.

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RCA veteran L. S. Thees, gen. commercial mgr. of the electron-tube div., will be honored by the purchasing-agents div. of the United Jewish Appeal's TV-radio-electronics-industry group. The testimonial, at UJA's Oct. 11 dinner, is to Thees's years of service to the industry & his "deep interest in the welfare of his fellow men."

RCA Chmn. David Sarnoff will be honored by the N.Y. Board of Trade at its 14th annual gold awards dinner Oct. 6.

New plants & expansions: RCA broke ground in Palm Beach Gardens, Fla. recently for a $4-million production plant for electronic data-processing equipment. The 180,000-sq.-ft. facility is expected to be operative by January —and to employ several hundred persons • GE will begin construction next year of a $3-million lab in Schenectady, N.Y. for the study of advanced manufacturing methods. The lab will be completed in 1961 • GE also announced a $2,860,000 expansion program for its Owensboro, Ky. receiving-tube plant. The expansion will add 2 buildings (one of 128,500 sq. ft., the other 19,500 sq. ft.), increase engineering equipment • GT&E Labs has established temporary Western hq at 1177 University Drive, Menlo Park, Cal. pending completion of a new research facility on a 75-acre tract in Palo Alto • Bulova Watch has opened a warehouse in Berkley, Cal. to handle distribution of its radios, stereo phonos, and electric razors to retail jewelers in 7 Western states.

Obituary

Joseph Sanders, 82, Washington banker who as a youth worked with his uncle Emile Berliner in developing the first disc-record talking machine (subsequently trademarked "His Master's Voice" by Victor), died Aug. 20 in Georgetown Hospital. Surviving are 2 sons, a daughter, 3 sisters.

Finance

Mergers & Acquisitions: Transitron Electronics and Thermo King, Minneapolis maker of refrigeration equipment for trailer trucks, have signed a preliminary merger agreement. Subject to further study, satisfaction of certain conditions, and stockholders approval, Transitron would issue 9 of its common shares in exchange for each 10 of Thermo King. • ITT has acquired the electromagnetic vibration equipment unit of Los Angeles-based L. C. Miller Co. ITT's industrial products div. will produce & market electromagnetic shaker & calibration equipment for testing electronic components & systems • America Corp. (formerly Chesapeake Industries) has acquired Pricemetal Corp. of Belmont, Cal., will operate it as the V.M.P.-Pacific div. of subsidiary Virginia Metal Products Inc. America also announced 2 new firms: Pathé Sound Services Inc. of N.Y., a wholly-owned unit of subsidiary Pathé Labs, and Pathé-DeLuxe of Canada Ltd., a jointly-owned company established in Montreal by Pathé with 20th Century-Fox subsidiary DeLuxe Labs • Philips Electronics and Pharmaceutical Industries Corp. (a 66.7%-owned subsidiary of Consolidated Electronics Industries Corp.) has acquired Columbus Pharmacal Co., Columbus, O. • Minnesota Mining & Mfg. and Warner-Lambert Pharmaceutical have agreed tentatively to merge, subject to further discussions & approvals by directors & stockholders of both companies. Under the proposed merger, one share of Warner-Lambert common would be exchanged for one-half share of 3M common, plus one share of a special Class A voting stock still to be authorized • Electric & Musical Industries has acquired the rights to the Top Rank label from Rank Organization subsidiary Rank Records Ltd. • Itek Corp. and Seeburg have resumed their on-again-off-again merger talks, and announcement of tentative agreement is anticipated shortly after Labor Day.

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Lab for Electronics anticipates "the highest earnings & sales in the company's history" in its 1961 fiscal year ending next April 30. Pres. Henry W. Harding reports that volume & profit for the initial quarter are the best for any comparable period. In its 1960 fiscal, Lab for Electronics earned $1,225,880 ($2.23 a share) on $38,526,334 sales. "We are very optimistic about the future," Harding said, noting that the order backlog had jumped to $40 million on June 30 from $28.4 million at the close of the fiscal year 2 months earlier. Stockholders will vote Sept. 13 on a proposal to increase the authorized common stock to 1,250,000 from the present 750,000 shares. The added shares, Harding said, would "provide the board with the flexibility to take advantage of opportunities for acquisition requiring prompt & decisive action."

SEC hearing for Re, Re & Sagarese, N.Y. broker-dealer accused of violating securities laws in transactions involving Skiatron Electronics & TV stock (Vol. 16:32 p15), has been postponed in Washington from Sept. 7 to Sept. 19 at the firm's request.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Amphenol-Borg	Q	$0.35	Sep. 30	Sep. 16
Andrea Radio	New	.12½	Sep. 15	Sep. 1
Arvin Industries	Q	.25	Sep. 30	Sep. 6
Electronics Investment	Q	.25	Sep. 30	Sep. 22
Hoffman Electronics	Q	.15	Sep. 30	Sep. 16
Sprague Electric	Q	.30	Sep. 14	Aug. 31
Textron Inc.	Q	.31¼	Oct. 1	Sep. 15

Ampex earnings dropped sharply in fiscal-1961's first quarter ended July 31, despite an 11% sales gain (see financial table). Pres. George I. Long Jr. forecast improvement in both volume & profit in the current quarter, but indicated that earnings for the half would run behind the year-ago net. He told stockholders that fiscal-1961 sales are expected to top fiscal-1960's $68,113,000 level, and that earnings will compare favorably with the 55¢ a share earned in the preceding fiscal (Vol. 16:25 p20). Long reported that the proposed merger of Ampex and Telemeter Magnetics, Culver City, Cal. maker of precision electronic components and core-memory products, was still under active study by the boards of both firms. A decision on the merger proposal is anticipated within several weeks. If the directors favor a merger, stockholders will be called to a special meeting to vote on the proposal.

Desilu Productions reports a net loss for its first quarter of fiscal 1961 (see financial table). Pres. Desi Arnaz attributed the loss to a late start in production, caused by the 5-month Screen Writers Guild strike. He anticipates that profits in the 2nd & 3rd quarters will be "greater" than in the year-ago periods. Arnaz said Desilu is exploring acquisition of companies producing & filming TV shows.

Reports & comments available: Transitron, discussion, Laidlaw & Co., 25 Broad St., N.Y. 4 • Corning Glass, report, White, Weld & Co., 20 Broad St., N.Y. 4 • Television-Electronics Fund, booklet-prospectus, Hallowell, Sulzberger, Jenks, Kirkland & Co., Philadelphia National Bank Bldg., Philadelphia 7 • Pacotronics Inc., prospectus, Myron A. Lomasney & Co., 39 Broadway, N.Y. 6 • Motion Picture Industry, profile in Aug. 24 *Financial World.*

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Aug. 25, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	28½	30⅞
Aerovox	9½	10½
Allied Radio	22½	24⅛
Astron Corp.	2⅛	2⅝
Baird Atomic	36	38½
British Industries	13¾	15⅛
CGS Labs	9	11½
Control Data Corp.	45	48¼
Cook Elec.	16¼	17½
Craig Systems	18¼	19⅞
Dictaphone	41	44
Digitronics	23¼	24⅝
Eastern Ind.	14⅜	15½
Eitel-McCullough	28½	30⅜
Elco Corp.	18½	20⅜
Electro Instruments	37	40¼
Electro Voice	13	14⅜
Electronic Associates	30¼	32¾
Erie Resistor	9⅛	10
Executone	32¼	35⅝
Farrington Mfg.	45½	48¾
Fischer & Porter	21	23
FXR	54	58½
General Devices	16	17½
G-L Electronics	10	11½
Granco Products	5⅛	5⅞
Gross Telecasting	18¼	20⅛
Haydu	¼	5/16
Hewlett-Packard	83¾	87½
High Voltage Eng.	137	148
Infrared Industries	22	24⅛
International Rect.	24½	26½
Interstate Engineering	26½	28½
Itek	68	72½
Jerrold	8⅞	9⅞
Lab for Electronics	49¼	52¾
Lel Inc.	6	6⅞
LFE Inc.	11½	14¼
Ling Altec Electr.	26⅞	28⅝
Magna Theater	2¾	3-3/16
Magnetics Inc.	10½	12¼
Maxson (W.L.)	10¾	11¾
Meredith Pub.	40	43½
Metropolitan Bcstg.	19½	20¾
Milgo Electronics	22½	25⅛
MPO Videotronics	6⅝	7⅜
Narda Microwave	5¾	6⅝
Narda Ultrasonic	3½	4¼
National Co.	32¼	34⅝
Nuclear of Chicago	33½	36⅛
Official Films	2	2⅜
Pacific Automation	8	9
Pacific Mercury	8	8¾
Perkin-Elmer	44¼	47½
Philips Lamp	178¾	184½
Pyramid Electric	2⅝	3-1/16
Radiation Inc.	26	28¼
Howard W. Sams	49	53¼
Sanders Associates	57	61½
Silicon Transistor	6¾	7⅝
Soroban Engineering	25¼	27¼
Soundscriber	14¼	16
Speer Carbon	23	25⅛
Sprague Electric	55¾	59¼
Taft Bcstg.	14¼	15¾
Taylor Instrument	82	88¾
Technology Inst.	11¼	12⅝
Telechrome	14¾	16¼
Telecomputing	7¾	8½
Telemeter	15¼	17
Time Inc.	66½	70
Tracerlab	11¾	13⅛
United Artists	6⅞	7⅝
United Control	24¾	26¾
Universal Trans.	1⅝	2⅛
Vitro	14⅛	15⅛
Vocaline	3½	4
WJR Goodwill Station	9	—
Wells-Gardner	17¼	18¼

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Ampex Story on p. 15	1960—qtr. to July 31 1959—qtr. to July 31	$16,400,000 14,800,000	— —	$ 344,000 826,000	$0.05 .11[1]	7,275,920 2,209,308
Andrea Radio	1960—6 mo. to June 30 1959—6 mo. to June 30	3,718,889 2,936,777	$ 250,738 260,396	131,953 136,388	.53[2] .55[2]	250,700 250,700
Audio Devices	1960—6 mo. to June 30 1959—6 mo. to June 30	3,251,954[9] 2,930,414	283,012 (40,976)	143,012 (14,676)[3]	.17 —	828,119 800,820
Consolidated Electronics Industries	1960—6 mo. to June 30 1959[4]	46,487,749 —	4,311,372 —	2,009,811 —	.72 —	2,810,750 —
Desilu Productions Story on p. 15	1960—13 wks. to July 30 1959—13 wks. to Aug. 1	2,558,778 3,799,974	(428,697) 432,550	(201,397)[10] 265,050	— .23	1,155,000 1,150,000
Esquire Radio & Electronics	1960—6 mo. to June 30 1959—6 mo. to June 30	1,706,531 1,396,231	— —	36,693 (4,401)	— —	— —
Four Star Television	1960—44 wks. to April 30 1959—43 wks. to April 25	13,945,332 7,025,182	— —	301,814 275,140	.63 .57	480,000 480,000
National Video	1960—year to May 31 1959—year to May 31	17,047,104 14,853,531	1,425,169 1,468,996	1,131,869 1,018,996	1.84 1.65	616,667 616,667
Philips Electronics & Pharmaceutical	1960—6 mo. to June 30 1959[4]	17,385,984 —	1,497,880 —	851,896 —	.43 —	1,993,275 —
Sonar Radio	1960—year to June 30 1959—year to June 30	1,115,212 806,483	— —	137,251 57,137	.33 .24	410,940 230,940
Victoreen Instrument	1960—6 mo. to June 30 1959—6 mo. to June 30	6,093,307 3,629,259	530,963 475,465	260,770 219,465	.16[11] .14[11]	1,594,249 1,458,483
Warner Bros.	1960—9 mo. to May 28 1959—9 mo. to May 28	66,392,000 62,084,000	9,077,000[5] 11,899,000[6]	4,577,000 7,249,000[7]	3.05 4.57[8]	1,499,900 1,585,196

Notes: [1]Adjusted for Feb.-1960 3-for-1 split. [2]Based on 250,700 shares outstanding June 30,1960. [3]After $26,300 tax credit. [4]Comparison invalid because of major consolidations in Oct. 1959. [5]Includes $430,000 profit on sale of capital assets. [6]Includes $797,000 profit on sale of capital assets. [7]Does not include special credit of $6.5 million ($4.10 a share), representing profit on sale of ranch. [8]Based on net from operations. [9]Record. [10]After $227,300 tax credit. [11]Based on 1,594,249 shares outstanding June 30, 1960.

Pacific Industries has disposed of 3 of its 7 operating divisions, will now concentrate in fields allied with electronics & scientific instruments, reports Pres. Henry L. McIntyre. Jettisoned are the tannery, ship repair and mining divs., which had a combined net loss of about $300,000 for the 11 months to July 31 of fiscal 1960. The 4 remaining divs.: General Film Labs, Hollywood processor of motion picture & TV film; Custom-Aire Products, manufacturer of furnaces & wall heaters; Computer Measurement Co., maker of precision-electronic equipment, and Midland Mfg. and Wright Electronics, producers of quartz crystals. McIntyre said their combined quartz production "is the nation's largest for the electronics industry."

NAFI Corp., whose diversified interests run from textiles & boat-building to broadcasting (KPTV Portland, KCOP Los Angeles, radio KXYZ Houston), plans a public offering of $7.5 million of convertible subordinated debentures due 1980. An SEC registration statement (File 2-16947) listed Shields & Co. and Lehman Bros. as principal underwriters, said the interest rate & price of the debentures would be supplied in an amendment.

Litton Industries, Beverly Hills, Cal. manufacturer of electronic components, equipment and tubes, rolled up a sales gain of nearly 50% to $185 million in its 1960 fiscal year ended July 31. Chmn.-Pres. Charles B. Thornton, in a preliminary report, said that profits (undisclosed) also gained, commensurate with the sales rise. Final profit figures are expected to become available shortly.

Indiana General Corp. was listed for trading on the N.Y. Stock Exchange last week. Symbol: IGC.

Technology

Bow-mounted TV cameras helped navigate the atomic submarine Seadragon on its history-making cruise charting a new Northwest Passage from the U.S. East Coast to Alaska. Fixed-position TV has been used by other nuclear-powered subs in Arctic exploits, but the Navy reported that movable cameras aboard the Seadragon provided new help to crew, scientists & technicians in watching the ocean around the sub, the bottom below, the ice above.

IRE professional group will join with the U.S. Committee for the International Scientific Radio Union in Dec. 12-14 technical sessions at the National Bureau of Standards' Boulder (Colo.) Labs. Main subjects for the meeting: Tropospheric & ionospheric radio propagation, radio noise of terrestrial origin, radio waves & circuits. Oct. 10 is the deadline for submission (to Boulder Labs' A. H. Shapley) of titles & 100-to-200-word abstracts of proposed papers.

Experimental "dial control system" developed by Westinghouse permits operation of home electrical appliances via dial telephone anywhere in the country. Consumer products vp Chris J. Witting said Westinghouse has no immediate plans to carry the device beyond its present experimental stage, although it is incorporated in an electronic oven which is now on tour as part of a Westinghouse products display. The system is built around a relay box. When the housewife goes out, she puts the equipment on automatic. From any phone in the U.S., she can call her home number, then dial another code number to connect her with the specific appliance she wishes to control.

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WEEKLY

Television Digest

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The authoritative service for executives engaged in all branches of the television arts & industries

SEP 6 1960

IN THIS ISSUE: TV Station Income & Expenditures for 1959—FCC Economics Division report on markets with 3 or more operating stations (pp. 1 & 3)

SUMMARY-INDEX OF WEEK'S NEWS

Auxiliary Services

CATV—STEADY AS SHE GOES—now serving nearly 3 million in U.S., as shown by data in Factbook's 31-page directory p. 2).

Stations

RADIO CODE CHIEF DUE in stepped-up NAB program for expanding & strengthening radio's self-regulating structure. More than 600 stations subscribe now (p. 2).

Congress

PAYOLA LAW FINALLY VOTED, House completing Congressional action on Harris-Pastore bill by accepting softening Senate changes. NAB hails vote (p. 4).

FCC

"REGULATORY LAG" HIT AGAIN—this time by President Eisenhower. He agrees to White House conference on problems cited by FCC & other "Big 6" agencies (p. 5).

Programming

ABA KEEPS CANON 35 but lawyers' convention extends life of the committee which is studying questions of TV-radio courtroom coverage. Foundation financing is still sought (p. 7).

Film & Tape

CBS-TV LEADS OTHER NETWORKS in production with 8 series, but NBC-TV has 7 and ABC-TV has Warner Bros. making 7 (p. 10).

Consumer Electronics

FIRST JAPANESE TV SETS arriving in small quantities, with 8-in. set at $99 first on the counters. Big test to come next month with Delmonico's 19-in. (p. 12).

ZENITH PATENT VICTORY in District Court seen as first step in drive to assert patent position on ultrasonic remote control & sync separator circuit (p. 12).

TV-RADIO EXPORT tabulations for May show Latin America is only significant U.S. customer for TV sets. Radio-phono imports almost all from Japan & Germany (p. 13).

Advertising

GOVT. CONFIRMS TV SET COUNT by American Research Bureau as Census Bureau reports 88% household-saturation point reached in May. Two-set homes total 11% (p. 8).

NATIONAL AD VOLUME 9% AHEAD at 1960's halfway mark, paced by strong gains by magazines (17%), newspapers (8%), network TV (7%) (p. 9).

Finance

TV-ELECTRONICS FUND reports record assets of $357,837,601 at the close of 3rd fiscal quarter (p. 15).

Other Departments

NETWORKS (p. 9). **TECHNOLOGY** (p. 10). **PERSONALS** (p. 11). **AUXILIARY SERVICES** (p. 16).

FCC DOCUMENTS TV PROFIT CURVE: If you have any lingering questions about the reasons for prices paid for TV stations nowadays, or for intense attention the industry continues to receive from the shrewd investment fraternity, cast your eyes on FCC's official 1959 TV financial report just released.

While rest of U.S. economy generally complains of fighting losing battle with rising expenses, TV continues to show dramatic profit increase—29.3% over 1958, to $222.3 million. Total broadcast revenues rose 13% to $1.164 billion, but expenses increased only 9.7% to $941.6 million, accounting for the sharp profit rise. This is explained primarily in terms of manpower, which is lion's share of expense. Total employment increased only from 39,382 (10,054 network, 29,328 stations) in 1958 to 40,270 (10,127 network, 30,143 stations) in 1959. Thus, small manpower increase handled substantial revenue upsurge.

Biggest increase was in spot revenues—up 22.9% to $424.2 million—while network time sales rose only 5% to $445.8 million and local sales increased 10.6% to $200.6 million.

For first time, Commission has segregated network figures from those of their 17 o&o's, documenting what has always been known generally—that o&o's really bring home the bacon, though networks haven't done badly. Networks handled lot more money than their o&o's, but latter kept more. Networks had revenues of $438.5 million, o&o's $137.6 million, but former retained only $32 million in profits while latter kept $55.9 million. The 502 non-o&o stations had profits of $134.4 million on revenues of $587.8 million.

Worth noting is sharp profit improvement of the 334 post-freeze vhf stations and cut in losses of the 77 uhfs. Former drove profits up to $39.8 million from 1958's $21.3 million, while latter cut losses from $2.2 million to $500,000. Also notable is resumption of the upward curve of the 93 pre-freeze vhfs (excluding the 17 o&o's). In 1957, they showed profits of $82 million but dropped to $75.8 million in 1958. In 1959, they rebounded to $95.1 million.

Profits were reported by 74.6% of all stations. Only 9 of pre-freeze operators showed losses while 83 post-freeze did. Even uhfs improved somewhat: 35 with profit, 34 with loss, vs. 27 & 48 in 1958.

The report's 10 tables are chock full of intriguing breakdowns. For example, 12 stations had profits of more than $3 million each; 9, $2-3 million; 8, $1.5-2 million; 36, $1-1.5 million. Of the 126 losers, 85 reported suffering losses of less than $100,000 each, while 3 went in hole more than $800,000. Median profit of all stations was $165,000 vs. $162,000 in 1958. Median loss was $55,000 vs. $77,000 in 1958.

Piece de resistance of report is market-by-market table. Commission lists 80 markets individually, confining list to those with 3 or more stations and lumping their figures to mask each station's performance. Table is extremely useful for comparing similar markets—and shrewd operator can make pretty good guess at his competitors' figures. Therefore, we have reprinted table in full on opposite page. For copy of complete report, ask Commission. For digests of FCC's reports covering 1946-58, see p. 18, TV Factbook No. 30.

CATV—STEADY AS SHE GOES: Our semi-annual inventory of CATV, based on analysis of fresh data included in Fall-Winter TV Factbook No. 31, to be published Sept. 15, shows same picture reflected for last few years—steady growth.

Our well-educated guess, based on this most exhaustive inquiry of the industry, is that nearly 3 million people in U.S. get their TV via cable. Herewith are key figures derived from the 31-page directory:

(1) 685 U.S. systems operating, compared with 660 six months ago. Canada, 172 vs. 164.

(2) Total U.S. homes served: 706,524 vs. 669,921 last April. Canada, 119,129 vs. 105,841.

(3) Potential of existing U.S. systems is 1,219,603, according to operators—vs. 1,180,351 in our last report. Canadian potential: 317,923 vs. 253,570.

(4) Average number of subscribers per system: 1,187, vs. 1,220. Canada: 969 vs. 962. In U.S., 595 operators supplied figures for that average; in Canada, 123.

(5) Average potential indicated by U.S. operators: 2,155 vs. 2,223. Canada, 2,373 vs. 2,243. Estimates were given by 566 U.S. systems, 134 Canadian.

A valuable innovation, we think, compiled at request of our subscribers, is listing of installation & monthly charges for each system—the only one extant, to our knowledge. This in addition to customary basic data: Name of company, address, phone, number of subscribers, estimated potential, date of start, make of equipment, principal officer, stations received & directory of firms or individuals owning 2 or more systems.

Stations

Radio Code Chief Due: Employment of a full-time staffer to administer NAB's Radio Code under radio vp John F. Meagher was authorized last week by the new Code Board headed by Cliff Gill (KEZY Anaheim, Cal.).

Meeting at NAB's Washington hq for the first time since its appointment in June (Vol. 16:26 p10), the Board also approved plans for stepped-up subscription campaigns. They included: (1) Proselytizing at meetings of state groups of broadcasters. (2) Sales efforts by NAB's station relations staff. (3) Presentations at NAB's fall conferences.

Meagher will hire the Code director, whose duties will include preparation of a monitoring program intended to insure compliance by Code subscribers. Meagher told the Board that the subscription list—now open to non-NAB members—had passed the 600 mark.

Radio Code subscribers pay fees of up to $360 per year in a scale based on 10 times a station's highest one-min. rate. Active NAB members get a 40% discount.

More TV-radio news training should be offered to journalism students, Chmn. Clair R. McCollough of NAB's Policy Committee told the Assn. for Education in Journalism at Pa. State U., University Park. He cited an NAB survey showing that among station news staffers, the number who had any journalism school training at all ranged from only 16% at small stations to 40% at large stations. McCollough offered 2 conclusions: (1) "The schools of journalism are not concentrating sufficiently on encouraging young people to go into radio or TV or, possibly, they are not specifically training students for such careers." (2) "The broadcasters themselves are derelict in not working closely enough with the schools of journalism."

Foreign TV-radio delegation of 17 specialists starts a 4-month tour of U.S. installations this week in a State Dept.-sponsored exchange program, now in its 7th year. The group represents 15 nations and is scheduled for a 2-week orientation course in Washington and a 2-week seminar at Syracuse U. After that will come visits to TV & radio stations from Oct. 31-Dec. 10.

TV Station Income and Expenditures for 1959

In Markets with 3 or More Operating Stations — Compiled annually by FCC Economics Division

TV MARKETS No. of Stations in Operation in parentheses ( )	No. Reporting $25,000 or More Time Sales	Time Sales (Before Commissions) Networks	National & Regional Advertisers & Sponsors	Local Advertisers & Sponsors	Total Stations Reporting	Total Broadcast Revenue (Less Commissions, Plus Talent & Program Sales)	Total Broadcast Expenses	Total Broadcast Income (Before Federal Taxes)†
Albany-Schenectady-Troy (3)	3	$1,496,134	$3,279,405	$1,015,374	3	$5,222,118	$3,943,457	$1,278,661
Albuquerque (3)	3	387,902	529,902	956,101	3	1,789,833	1,770,950	18,883
Altoona-Johnstown (3)	3	926,270	1,902,886	610,951	3	3,173,158	1,834,822	1,338,336
Amarillo (3)	3	390,082	558,295	1,019,093	3	1,902,348	2,209,812	(307,464)
Atlanta (3)	3	1,665,402	3,882,260	1,927,247	3	6,843,594	4,708,288	2,135,306
Austin-Rochester, Minn.-Mason City, Ia. (3)	3	331,590	675,986	656,491	3	1,657,455	1,255,544	401,911
Bakersfield (3#)	3	**	**	**	3	**	**	**
Baltimore (3)	3	2,095,636	5,791,622	2,741,610	3	9,501,287	6,771,219	2,730,068
Boise-Nampa (3)	3	198,110	264,712	490,316	3	957,654	1,031,245	(73,591)
Boston (3)	3	3,620,473	13,191,035	5,250,745	3	19,531,021	10,929,423	8,601,598
Buffalo-Niagara Falls (3)	3	2,120,106	6,081,427	2,528,814	3	9,489,944	5,535,546	3,954,398
Cape Girardeau, Mo.-Paducah, Ky.-Harrisburg, Ill. (3)	3	496,649	1,137,936	288,755	3	1,776,337	1,167,388	608,949
Cedar Rapids-Waterloo, Iowa (3)	3	767,833	1,570,413	406,612	3	2,586,691	2,466,645	120,046
Champaign-Urbana-Danville, Ill. (3#)	2	**	**	**	3	**	**	**
Charleston-Oak Hill-Huntington, W.Va.-Ashland, Ky. (4)	4	1,141,334	1,785,071	1,079,074	4	3,862,435	3,602,799	259,636
Chattanooga (3)	3	625,244	789,939	666,966	3	1,964,280	1,864,852	99,428
Chicago (4)	4	6,157,995	25,326,700	8,089,590	4	38,853,073	25,459,885	13,393,188
Cincinnati (3)	3	1,921,896	5,226,882	2,316,267	3	9,693,834	6,022,752	3,671,082
Cleveland (3)	3	3,410,650	9,004,293	3,378,499	3	15,597,292	8,556,984	7,040,308
Colorado Springs-Pueblo (3)	3	218,931	422,896	694,899	3	1,409,278	1,281,157	128,121
Columbus (3)	3	1,658,513	4,037,519	2,059,597	3	7,359,814	5,244,038	2,115,776
Dallas-Fort Worth (4)	4	2,151,027	4,528,844	3,130,689	4	9,154,910	6,874,851	2,280,059
Denver (4)	4	1,170,728	3,339,662	2,540,518	4	6,762,529	5,010,769	1,751,760
Des Moines-Ames (3)	3	1,714,493	2,354,917	623,101	3	3,555,151	3,070,381	484,770
Detroit (3)	3	4,255,444	10,042,253	4,406,172	3	17,448,502	9,774,506	7,673,996
El Paso (3)	3	324,770	688,084	781,002	3	1,769,313	1,693,224	76,089
Evansville, Ind.-Henderson, Ky. (3)	3	515,709	688,194	702,182	3	1,745,278	1,557,276	188,002
Flint-Saginaw-Bay City (3)	3	801,836	1,430,015	573,351	3	2,529,859	2,731,188	(201,329)
Fort Wayne (3)	3	689,688	919,222	819,191	3	2,294,557	2,114,808	179,749
Fresno (3)	3	793,309	1,560,522	803,858	3	2,726,868	2,697,036	29,832
Green Bay-Marinette (3)	3	810,075	949,858	762,141	3	2,382,073	2,154,676	227,397
Greenville-Spartansburg, S.C.-Asheville, N.C. (4)	3	682,145	1,175,812	696,612	4	2,403,235	2,128,173	275,062
Harrisburg-Lancaster-York-Lebanon (5)	5	1,160,705	2,517,521	1,059,653	5	4,006,615	3,164,810	841,805
Hartford-New Haven-New Britain-Waterbury (6)	6	1,637,003	5,922,295	1,264,620	6	7,918,570	5,463,827	2,454,743
Honolulu (3)	3	251,532	937,200	1,519,215	3	2,587,059	2,457,654	129,405
Houston-Galveston (3)	3	1,611,106	4,811,299	2,432,328	3	7,880,601	5,727,200	2,153,401
Indianapolis-Bloomington (4)	4	1,818,921	5,219,715	2,258,416	4	8,607,389	6,929,170	1,678,219
Kansas City (3)	3	2,071,416	4,939,280	2,040,989	3	8,208,491	5,407,404	2,801,087
Knoxville (3)	3	664,457	1,002,633	862,948	3	2,297,652	1,594,379	703,273
Las Vegas-Henderson (3)	3	86,414	218,647	698,218	3	1,106,255	1,283,052	(176,797)
Little Rock (3)	3	636,522	1,012,824	718,172	3	2,231,644	2,007,518	224,126
Los Angeles (7)	7	5,301,919	28,544,778	16,991,897	7	45,610,926	35,997,499	9,613,427
Madison (3)	3	523,772	816,604	556,820	3	1,817,217	1,402,192	415,025
Memphis (3)	3	1,591,759	2,851,841	1,064,970	3	5,023,018	3,194,106	1,828,912
Miami (3)	3	1,406,137	4,658,725	2,533,057	3	8,545,648	6,089,754	2,455,894
Milwaukee (4#)	4	1,923,868	5,514,731	1,875,030	4	8,404,758	6,003,610	2,401,148
Minneapolis-St. Paul (4)	4	2,407,662	5,069,538	3,643,611	4	10,814,919	8,308,899	2,506,020
Mobile, Ala.-Pensacola, Fla. (3)	3	487,450	962,562	995,654	3	2,420,905	2,308,766	112,139
Nashville (3)	3	1,253,878	1,609,265	1,672,263	3	4,104,684	3,479,137	625,547
New Orleans (3)	3	1,385,546	3,127,200	2,288,494	3	6,200,085	5,297,229	902,856
New York City (7)	7	11,070,449	53,851,982	10,570,115	7	69,534,724	40,211,596	29,323,128
Norfolk-Portsmouth-Newport News-Hampton (4#)	3	1,099,223	2,004,367	1,335,310	3	4,169,211	3,515,859	653,352
Oklahoma City-Enid (3)	3	1,356,211	2,837,652	1,336,460	3	5,331,520	3,816,434	1,515,086
Omaha (3)	3	1,352,903	2,414,862	928,197	3	4,518,601	3,536,512	982,089
Orlando-Daytona Beach (3)	3	523,252	714,132	919,231	3	2,013,814	1,885,758	128,056
Peoria (3)	3	663,479	977,404	790,905	3	2,344,963	2,263,462	81,501
Philadelphia (3)	3	5,135,599	16,278,444	3,994,387	3	22,463,765	15,292,951	7,170,814
Phoenix-Mesa (4)	4	727,307	1,467,115	1,834,560	4	3,954,279	3,806,646	147,633
Pittsburgh (3)	3	3,262,016	10,782,150	3,351,447	3	15,356,170	9,999,424	5,356,746
Portland-Poland Springs (3)	3	667,148	1,461,118	461,096	3	2,350,291	2,265,843	84,448
Portland, Ore. (4#)	3	1,463,191	4,129,601	1,504,665	3	6,148,534	4,545,880	1,602,654
Richmond-Petersburg (3)	3	1,053,234	1,286,808	684,560	3	3,043,175	2,583,167	460,008
Roanoke-Lynchburg (3)	3	862,516	1,140,628	691,228	3	2,503,362	2,136,654	366,708
Rochester (3)	3	1,105,090	2,246,297	1,146,603	3	3,985,948	3,029,537	956,411
Sacramento-Stockton (4#)	3	912,954	3,382,868	1,240,801	3	4,759,776	4,281,429	478,347
Salt Lake City-Provo (4)	4	918,571	1,384,452	1,402,011	4	3,651,350	3,947,809	(296,459)
San Antonio (4)	4	1,059,898	2,066,914	1,288,272	4	3,889,472	3,412,801	476,671
San Francisco-Oakland (4)	4	3,364,103	9,715,695	5,346,435	4	16,652,358	10,560,279	6,092,079
Scranton-Wilkes-Barre-Hazelton (3)	3	833,717	1,059,649	977,969	3	2,784,410	2,569,932	214,478
Seattle-Tacoma (5)	5	1,606,039	5,421,411	1,539,186	5	7,715,663	7,728,659	(12,996)
South Bend-Elkhart (3)	3	539,854	720,972	588,639	3	1,820,903	1,781,919	38,984
Spokane (3)	3	671,631	1,794,017	846,480	3	2,941,978	2,379,923	562,055
St. Louis (4#)	4	2,538,618	7,014,027	3,178,224	4	11,292,045	8,780,198	2,511,847
Tampa-St. Petersburg (3)	3	1,015,620	2,530,540	1,535,549	3	4,726,576	3,948,173	778,403
Tucson (3)	3	272,924	467,812	1,031,605	3	1,822,671	1,644,410	178,261
Tulsa (3)	3	1,098,586	2,004,693	933,773	3	3,725,304	2,923,454	801,850
Wailuku (3)	1	*	*	*	3	*	*	*
Washington (4)	4	2,431,379	6,947,540	2,314,162	4	11,178,905	8,890,261	2,288,644
Wichita-Hutchinson (3)	3	854,917	1,829,009	869,247	3	3,237,720	2,933,395	304,325
Youngstown, Ohio-New Castle, Pa. (3)	3	498,887	859,943	420,146	3	1,716,613	1,532,442	184,171
Total 80 Markets (272)	265	$119,566,512	$343,806,366	$150,925,986	267	$567,232,444	$410,518,528	$156,713,916
Markets Less Than 3 Stations								
Total 191 Markets (253)	245	$38,428,755	$80,399,521	$49,747,510	252	$158,201,370	$124,615,864	$33,585,506
Total 271 Markets (525)	510	$157,995,267	$424,205,888	$200,673,496	519	$725,433,814	$535,134,392	$190,299,422

†Parentheses ( ) denotes loss. #Not all stations in this market operated a full year during 1959. *Data not published for groups of less than 3 stations. **Data withheld because third station in this market in operation for short period during 1959.

NEW & UPCOMING STATIONS: It's been a slow year for new TV stations. Only 14 U.S. outlets have begun operation thus far—of which 4 are non-commercial educational outlets. Of the 10 commercial starters, 3 were satellite operations, for the added coverage of parent stations. The 10 commercial starters included the 2 uhf outlets of KNBS (Ch. 22) Walla Walla, Wash., and WPCA-TV (Ch. 17) Philadelphia—and the latter is charging only enough to meet operating costs (Vol. 16:27). Canada has started 5 new outlets this year—3 of them unattended satellite repeaters.

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In our continuing survey of upcoming stations, these are latest reports from principals:

KERA-TV (Ch. 13, educational) Dallas, Tex. has given up plan for early start with limited programming and expects to begin with full schedule Sept. 11, according to Martin Campbell, exec. dir. It has temporary studio-office at 3000 Hines Blvd., near standby transmitter and 300-ft. tower it purchased from WFAA-TV (Ch. 8), which is completing $3.5-million plant adjacent to building of parent *Dallas Morning News*.

CKAM-TV (Ch. 12) Campbellton, N.B. has 11-kw RCA transmitter installed and plans Sept. 12 start as satellite of parent CKCW-TV (Ch. 2) Moncton, N.B., reports Keith B. MacConnell, chief engineer of CKCW-TV. Microwave link with Moncton needs only adjustments for CKAM-TV to begin as unattended repeater unit. CKCW-TV base hour is $400. Reps are Young Canadian and Stovin-Byles.

WFSU-TV (Ch. 11, educational) Tallahassee, Fla. has 10-kw GE transmitter installed and wired and plans Sept. 19 programming, writes Roy Flynn, dir. of Fla. State U. bcstg. services. It has 777-ft. Klein tower and GE antenna ready for operation at site in Apalachicola National Forest Junction, near Holland, Fla.

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FCC's denial of site move for WNHC-TV (Ch. 8) New Haven after protest by WWLP (Ch. 22) Springfield, Mass. (Vol. 16:32 p8) has been appealed to the courts by WNHC-TV. FCC had said that the primary reason for the denial was that the move would jeopardize a uhf station. WNHC-TV stated, among other things, that "the record is devoid of any probative evidence that protestant will suffer any diminution of revenues as a result of WNHC-TV's proposed move." In a separate appeal, WNHC-TV said that the FCC erred in failing to take into account WWLP's acquisition of ⅓ interest of WHNB-TV (Ch. 30) Hartford, WWOR (Ch. 14) Worcester and several translators in the area.

Purchase of KBAK-TV Bakersfield, Cal. (Ch. 29) by Reeves Bcstg. & Development Corp. is first move in plans to expand TV holdings, according to vp J. Drayton Hastie. Reeves, which manufactures audio equipment and also operates WUSN-TV Charleston, S.C. (Ch. 2), acquired KBAK-TV for $1 million (including some $250,000 in obligations) from the *San Francisco Chronicle*, which also operates KRON-TV San Francisco (Ch. 4). Broker was Hamilton-Landis & Associates.

Sale of radio KXOK St. Louis to Storz Bcstg. Co. for an amount in excess of $1.5 million was reported by Elzey M. Roberts Jr., co-owner of KXOK with C. L. Thomas. Storz operates radio stations WDGY Minneapolis, WHB Kansas City, KOMA Oklahoma City, WTIX New Orleans & WQAM Miami, Fla.

Congress

PAYOLA LAW FINALLY VOTED: Senate-rewritten "Communications Act Amendments, 1960"—which will go down in broadcasting lawbooks as the Harris-Pastore Act—sailed through the House and on to the White House last week.

The modified Senate version of the bill (S-1898) outlawing payola and authorizing FCC to fine stations $1,000 per day for defiance of Commission rules & orders (Vol. 16:35 p1) was accepted by the House in a voice vote Aug. 30—just 2 days before Congress adjourned.

House Commerce Committee Chmn. Harris (D-Ark.) had little trouble carrying out his agreement with Senate Commerce Communications Subcommittee Chmn. Pastore (D-R.I.) that no serious House objections to the Senate's softening changes in the original House amendments to S-1898 would be raised. As first voted by the House in July, the bill provided 10-day license suspensions as well as cash forfeitures as penalties against stations (Vol. 16:27 p1). The Senate knocked out the suspensions and wrote in procedural safeguards for broadcasters.

The only real obstacle which Harris had to overcome in completing Congressional action on S-1898 was Rep. Bennett (R-Mich.), ranking minority member of the House Committee. Frequently at policy odds with Harris on TV-radio-FCC issues, Bennett once again raised a cry that the legislation wouldn't cure broadcasting abuses unless it brought networks under FCC regulation.

House approval of the revised bill had been urged by NAB govt. relations vp Vincent T. Wasilewski, who told Harris: "The Senate-passed version, while not meeting the objectives of all concerned, is one to which the NAB can give its support, and we express to you our earnest desire that it be adopted by the House."

Further Steps by Harris

Following the House vote, NAB Policy Committee Chmn. Clair R. McCollough said:

"NAB is happy that Congress removed from the legislation a proposal to permit the FCC to suspend station licenses. This would have placed an intolerable burden on individual broadcasters. While NAB believes that fines are unnecessary, it is pleased that legislation enacted contains provision for appeal to the courts & other safeguards."

With the Harris-Pastore Act signed, sealed & delivered to the White House, and the 1960 legislative season for broadcasters closed, Harris added some footnotes to this session's sensational Oversight Subcommittee probes.

He called the Subcommittee into tag-end hearings to explore evidence of "irregularities & even possible corruption" in ICC operations—and to wrap up some loose ends & "conflicts" of testimony in the payola investigations.

Playing return engagements before the Subcommittee were gen. mgr. Paul G. O'Friel & ex-disc jockey Norman Prescott of Westinghouse Bcstg. Co.'s radio WBZ Boston, who had been featured performers at public & private hearings in February (Vol. 16:7 p6).

Objecting to secret February testimony by Prescott which was later released by the Subcommittee, O'Friel protested that Prescott "tried to leave the impression that I was aware payola existed at WBZ and did nothing to stop it." O'Friel said "this is absolutely untrue."

In his rebuttal turn on the stand, Prescott (now a film PR man in N.Y.) flatly contradicted O'Friel. He said O'Friel had ordered him to offer extra air time to at least 10 N.Y. record firms in return for $12,000 worth of albums.

"Growing octopus control" of TV & radio stations and newspapers by Samuel I. Newhouse has been assailed by Sen. Morse (D-Ore.). "It is a rather shocking thing," he told the Senate in a speech demanding "a Congressional investigation of the type of monopolistic practices the Newhouse so-called newspaper, radio-TV chain is developing in this country." The speech was one of a series of attacks on Newhouse by Morse, who has been particularly critical of tactics by the publisher-broadcaster in the long *Portland Oregonian* strike. Morse cited Newhouse's partial purchase of the *Springfield* (Mass.) *Union, News* and *Republican* (Vol. 16:26 p10) as another "threat to sound public policy in this country." (For Newhouse TV-radio interests, see TELEVISION FACTBOOK No. 30, p. 269).

Microwave-regulation authority was finally won from Congress by FCC last week. The House approved a bill (S-1740) passed by the Senate in Aug. 1959 amending the Communications Act to bring it in line with point-to-point-circuit advances since the original law was enacted in 1934 (Vol. 16:35 p6). As polished by the House Commerce Committee and accepted without debate on the floor, the Senate's amendment to Sec. 202 read: "Charges or services, whenever referred to in this Act, include charges for, or services in connection with, the use of common carrier lines of communication, whether derived from wire or radio facilities, in chain broadcasting or incidental to radio communications of any kind."

USIA is falling down in strife-torn Africa, 4 critics of the agency charged in Senate speeches. Leading the attacks on USIA, whose budget was cut by Congress in July (Vol. 16:35 p6), was Sen. Carlson (R-Kan.). He read a letter from the wife of an American missionary, now in the Congo, who said Voice of America broadcasts there had been jammed for 5 months while radio propaganda from Moscow, Red China and Cairo came in loud & clear. Sen. Holland (D-Fla.) said USIA has been "very derelict" in its duty. Sen. Yarborough (D-Tex.) said it was time for USIA to start moving fast. Sen. Frear (D-Del.) agreed the agency hadn't been responsive enough to African crises.

TV is bright spot in the weekly routine of Senate Minority Leader Dirksen (R-Ill.), he told the Senate. Chided by Majority Leader Johnson (D-Tex.) for taking time out from floor business for "a TV performance" every Tues. morning at the White House, where Republican leaders confer regularly with President Eisenhower, Dirksen said: "I would not give it up for anything." How else, Dirksen asked, would he get "an opportunity to ventilate his opinions & views over 3 networks?" The weekly exposure to TV news cameras at the White House "is one of those priceless things," he said.

Stepped-up monitoring of election campaign behavior by TV & radio stations was approved by the Senate last week. It voted to give $150,000 more (for a total of $185,000) to Chmn. Yarborough (D-Tex.) of the Commerce Freedom of Communications Subcommittee for his "watchdog" operations in the field (Vol. 16:35 p3). He plans to expand his tiny subcommittee office staff by hiring contract investigators to look into any reports that broadcasters are violating the Communications Act's equal-time Sec. 315.

NAB-lobbied exemptions for smaller-market TV & radio stations from overtime requirements of the Fair Labor Standards Act (Vol. 16:34 p5) were shelved in Congress last week. Senate-House conferees on Democratic-sponsored minimum wage bills failed to agree and the legislation—including the non-controversial exceptions for broadcasters—died.

The FCC

"REGULATORY LAG" HIT AGAIN: Another brave start toward doing something about time-consuming procedures of FCC & other federal regulatory agencies was made in Washington last week—this time by President Eisenhower.

Responding to a joint plea by heads of the "Big 6" agencies—FCC, FTC, FPC, CAB, SEC, ICC—the President agreed to call a White House conference to study ways of taking lags out of their work and putting some speed into it.

Chief Judge E. Barrett Prettyman of the Court of Appeals for the D.C. Circuit, who presided at a 1953-54 White House conference on the same administrative problems, was named temporary chairman of the new setup. No date for convening the first 1960 meeting was set. But the President was expected to send out his formal call within the next few weeks after the agencies have drawn up lists of staffers to represent them.

In asking for the White House-sponsored study on a "comprehensive, organized scale," FCC Chmn. Ford & the other "Big 6" chiefs cited "cumbersome procedures, unnecessary expense and delays which have been steadily increasing in some of the procedures of the administrative agencies."

The agency heads quickly made it clear, however, that they didn't want the new conference to try to tell them how to run their business. The conference shouldn't "attempt to impose rules or procedures upon the agencies, but act in an advisory capacity only," they told the President.

Magnuson Pledges Cooperation

Full cooperation with the President's plan was pledged by Sen. Magnuson (D-Wash.), whose Commerce Committee will undertake a major investigation of agency procedures next year (Vol. 16:33 p3). Magnuson said he's in favor of anything that will cut "red tape, delay and costs" in regulatory processes.

The need for procedural streamlining was stressed meanwhile by FCC Comr. Hyde at a panel session of the American Bar Assn.'s convention in Washington (see p. 7). Hyde said it sometimes takes FCC 2 years to write an opinion, that even an uncontested case can require a year for processing.

"There are simply too many cases where litigants have not survived the process," Hyde said. "If a regulatory agency can be trusted to decide substantive matters involving millions of dollars, surely it can be given some discretion in procedural matters, too."

Supreme Court Justice Tom C. Clark told another ABA session that "present habits as well as bad procedural behavior of the agencies can be largely corrected within the present statutory framework." But he suggested it would be a good idea if the White House conference idea were expanded into a regular top-level operation to police the agencies.

As it is, said Clark, the agencies have bad habits of piling up case records that include "everything but the kitchen sink" and of "procrastination on over-all policy determinations." He complained that no Supreme Court session "passes but that we get some agency case which discretion says never should have been brought, but which some over-zealous attorney has taken on as a pet project."

Hyde & fellow-panelists Whitney Gillilland (CAB), Jerome K. Kuykendall (FPC) and John H. Winchell (ICC) agreed that biggest blame for regulatory lags lay in leg-

islation binding the agencies to set procedures. They also told the ABA delegates that lawyers practicing before the agencies often do their bit, too, by taking advantage of every delaying tactic permitted by law.

Lawyers were criticized by FTC Chmn. Earl W. Kintner, too. At another convention panel session, Kintner let loose at "carping & sniping and moaning & groaning" by attorneys over federal regulation of their clients. "Enforcement officials," he said, "should receive the assistance of a responsible legal professional and not a barrage of efforts to thwart or belittle enforcement."

Kintner also took some swings at unnamed members of Congress who make off-the-record appeals to agencies on behalf of their constituents. At his suggestion, the convention recommended that the agencies adopt rules preventing such Congressional interference.

"Many proposals have been advanced for changes in administrative procedures," but none has seemed to have worked out so far, the joint agency letter to the President pointed out.

Among them: A proposal by ABA itself that an overall Office of Administrative Practice be established. This idea, incorporated in an ABA-drafted agency-reform bill (S-600), was kicked around—but got nowhere—in 1959 hearings by the Senate Judiciary Administrative Procedure Subcommittee headed by Sen. Carroll (D-Colo.).

The ABA's super-agency plan was submitted as a companion measure to sweeping anti-ex-parte bills (S-2374 & HR-6774) which the lawyers also tried without success to push through the Senate Subcommittee (Vol. 16:24 p4) and the House Commerce Legislative Oversight Subcommittee (Vol. 16:26 p1).

Another proposal: An inter-agency Advisory Council on Administrative Problems, set up in 1959 under the aegis of the Oversight Subcommittee headed by Rep. Harris (D-Ark.). Little has been heard of it since it held one of its first meetings—with much fanfare—more than a year ago (Vol. 15:30 p5).

Another: Administrative courts to take over some judicial functions of the agencies, stripping them of much of the power they now have. Still another: Establishment of a permanent conference of agency representatives & lawyers to keep a continuing watch on how procedures are working.

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Panel discussion by FCC dept. heads and an FCC Commissioner will be a highlight of the 10th annual broadcast symposium of IRE's Professional Group on Broadcasting Sept. 23-24 at the FCC and the Willard Hotel. The Commission panel, at FCC hq, will be followed by a tour of the Commission. Technical papers will be presented on the following subjects, selected by questionnaire of members of the professional group: TV station automation, videotape recording, automatic program logging, high tower construction, image orthicon tubes, solid-state rectifiers, TV & AM directional antennas, advanced measurement techniques.

FCC waived mileage separation requirements to grant educational KETC (Ch. 9) St. Louis permission to change its transmitter site to Boatman's Bank Bldg. The grant is conditioned on KETC accepting any interference which may result from a station operating on educational Ch. 9 in Evansville, Ind., as yet unoccupied.

Allocations petition: By radio KSUE Susanville & KVIP-TV Redding, Cal. to add Ch. 9 to Susanville.

Influence of courts on FCC decisions & policies has been substantial & unpredictable, FCC Chmn. Ford pointed out Sept. 2 in a speech before the W.Va. Bar Assn. in White Sulphur Springs, W.Va. He gave examples of court decisions in major cases, noting particularly how the judges in recent years have stepped into areas previously left entirely to Commission discretion. Ford said he was pleased to report that the Commission had lost only one case out of 17 in the year ending June 30—compared with 12 out of 33 the preceding year and 13 out of 25 the year before that. "It may be overly optimistic," he said, "but I would like to attribute our recent score of successes in some measure to the development of a greater mutual understanding between the Commission & the courts." Ford thus put delicately what most people put in blunter terms—that judges aren't immune to the climate of the times and were obviously wary of the Commission after "influence" cases were exposed, and that the FCC had dropped into the habit of issuing easily-assailed decisions. Some of the courts' far-ranging decisions, Ford said, bear out an opinion of U.S. Supreme Court Justice Harlan: "Suffice it to say, that the courts have rarely, if ever, felt themselves so restrained by technical rules that they could not find some remedy, consistent with the law, for acts, whether done by govt. or by individual persons, that violated natural justice or were hostile to the fundamental principles devised for the protection of the essential rights of property."

FCC's all-uhf plan for Fresno & Bakersfield has been assailed in almost 600 comments filed. They request that Fresno's Ch. 12 & Bakersfield's Ch. 10 be retained in those cities for educational use. The comments came from individuals, civic organizations, cultural groups, etc. The FCC has deleted KFRE-TV's Ch. 12 from Fresno, proposes to remove KERO-TV's Ch. 10 from Bakersfield.

Programming

Oscarcast to ABC: The movie industry's Academy Awards telecast, on NBC-TV for the past 8 years, went to ABC last week, after it outbid the other networks for exclusive TV-radio rights for the next 5 years. ABC's bid was $561,000 a year. The movie industry paid NBC-TV last season approximately $900,000 to sponsor its own Award event (Vol. 15:12 p. 9).

The Academy retains the privilege of "reasonable" sponsor approval, and there will be no station-break local spot commercials during the 90-min. simulcast. The Academy's Pres. B. B. Kahane said it will underwrite program costs, but that ABC will pay for certain production costs. The Academy would not disclose how much ABC had outbid NBC-TV. A CBS-TV bid had been rejected earlier as too low. For the past 3 years the movie industry itself had sponsored the event, but after the Motion Picture Producers Assn. of America decided against continuing, the Academy had opened the event to commercial sponsorship.

ABC's successful Oscarcast bid represented a remote-control victory for AB-PT Pres. Leonard H. Goldenson, who has been stalking the Oscarcast for more than a year. To the AB-PT pres., the Oscar event is a natural for ABC-TV because of its family link with Paramount Theaters and the motion picture industry.

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Public-service idea: WJW-TV Cleveland in cooperation with the Red Cross has started telecasting a 13-week course in home nursing. The 15-min. thrice-weekly shows go on the air at 7 a.m.

ABA KEEPS CANON 35: Debate on broadcasting subjects—ranging from FCC procedures to crime on TV—enlivened the multi-session agenda of the American Bar Assn.'s convention in Washington last week.

But the lawyer-delegates once more bypassed a legal subject which many broadcasters regard as the liveliest of all—repeal or revision of the ABA's Canon 35 of Judicial Conduct which effectively bars news microphones & cameras from most U.S. courtrooms.

As he did at the ABA's 1959 convention in Miami (Vol. 15:37 p7), Chmn. Whitney North Seymour, of a bar-&-media Canon 35 study committee, filed a little-or-no-progress report to the ABA's House of Delegates. He reported that his committee has had few meetings since it was set up early last year, is still trying to find a well-heeled foundation willing to finance a thorough-going look at Canon 35 by lawyers & newsmen (Vol. 16:8 p12). The committee's life was extended for another year.

Speaking now as the incoming ABA president, Seymour held out little hope to TV & radio or newspapers that any relaxation of Canon 35 was imminent. Speaking in March at NAB's Chicago convention, where he appeared as special NAB counsel on broadcasting's Constitutional rights, Seymour had warned the industry that ABA sentiment was strongly in favor of retaining Canon 35 as is—and was unlikely to change.

Result: Seymour's Canon 35 report was routinely received & filed—as usual—by the House of Delegates.

Other Broadcasting-Related Sessions

Much more interest was displayed by the ABA delegates at other convention sessions in discussions of other broadcasting issues which also involve lawyers:

FCC & other regulatory agencies: Joined by CAB, FPC and ICC spokesmen, FCC Comr. Hyde called for more legislative leeway to permit govt. regulators of business to streamline their procedures. The panelists also called on lawyers to help them by refraining from snarling cases in legal tangles. The House of Delegates formulated no over-all solutions to agency problems, but did pass a resolution recommending rules discouraging interference in cases by members of Congress.

Crime on TV: British lawmaker & visiting delegate Charles Fletcher-Cooke said that complaints that TV thrillers encourage juvenile delinquency are almost universal. But he suggested delinquency is "usually the parents' own folly & inability to control their children." NAB TV vp Charles H. Tower agreed that parents can't pass the buck to TV. He also cited "a tremendous popular demand" for cops-&-robbers shows; "Matt Dillon will beat Bill Shakespeare to the draw every time, by a wide margin."

Portrayals of lawyers on TV: Herman F. Selvin of Los Angeles, where the issue has been debated hotly (Vol. 16:31 p11 et seq.), said lawyers shouldn't go on TV themselves, that the practice brings the profession in disrepute. He was disputed by fellow Los Angeles lawyers Richard F. Hayden & Quentin C. Ogren and by Gilbert Giordano of Washington. They argued it was better for lawyers to play their own roles on TV—or supervise courtroom drama—than to have legal procedures misrepresented by TV producers' notions. (An honor guest of the convention was Raymond Burr of CBS-TV's *Perry Mason*, which won an ABA "Gavel Award." See next column.)

Closed-circuit TV in court: Chicago handwriting & documents expert Linton Godown predicted that closed-circuit TV systems soon may be regular courtroom equipment. He demonstrated techniques by which a jury can watch a screen while a camera is pointed over the shoulder of a witness at trial exhibits. The equipment "costs less than your car," Godown told the lawyers.

Note: another feature of the ABA convention was a party thrown at the Army-Navy country club by the Federal Communications Bar Assn. for 100 visiting lawyers from British Commonwealth countries.

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TV "Gavel Awards" of the American Bar Assn. for "outstanding contributions to public understanding of the American legal & judicial systems" were presented to: Westinghouse's KPIX San Francisco for the documentary "A Life in the Balance." NBC's WRC-TV Washington for "increasing public understanding of the role of juvenile courts." Paisano Productions, Hollywood, producer of CBS-TV's *Perry Mason*. Tulane U., New Orleans, *With Justice for All*. Radio "Gavel Awards" went to: NBC's WRCV Philadelphia, *Law in Action*. WHAS Louisville, *It's the Law*. Newspaper winners of ABA awards were the *Washington Post*, *Pittsburgh Post-Gazette*, *Portland Oregonian* and Decatur (Ill.) Lindsay-Schaub newspapers.

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Seeking to avoid Bar Association ban against lawyers appearing in TV "trial" dramas (Vol. 16:31 p11), Los Angeles stations have agreed to accept a set of rules regulating such appearances. The L.A. Bar Assn. wants to end lawyer appearances altogether and the issue is now before the American Bar Assn. UCLA Prof. Edgar A. Jones, who plays a judge on TV shows, said the new rules were coordinated with the special committee named by the Cal. State Bar Assn. to investigate the situation. He declined to reveal details of the rules, pending further meetings.

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Nixon-Kennedy debate formats call for a campaign total of 4 TV-radio simulcasts of 60-min. duration piped to all networks. Two of the sessions will be face-to-face debates; the other 2 will feature panel interviews by newsmen. The Presidential rivals will share the same studio in the debates, although split-screen may be used in the interview shows if the candidates are in different cities. Agreement on these points was reached Aug. 29 at a Washington meeting of Republican & Democratic TV-radio officials. Final details of the staging, networks said in N.Y. last week, are still to be resolved. There will, as reported earlier (Vol. 16:32 p2 et seq.), be no sponsorships. In a 2nd meeting last week (Aug. 31), the networks & political officials agreed that the dates for the debates would be Sept. 26, Oct. 13 and Oct. 21 with Oct. 8 set tentatively as the 4th date.

Groucho Marx—or his press agent—got on the House floor last week with an equal-time complaint. He sent a telegram to Commerce Committee Chmn. Harris (D-Ark.) protesting that the appearance by Vice President Nixon on NBC-TV's *Jack Paar Show* (Vol. 16:35 p1) discriminated against the Marx comedy show on the same network. The same went for an earlier *Paar* appearance by Sen. Kennedy, Marx said. Harris read the wire to the House, commented: "It *does* raise the question of equal time in a different light."

Public service: *Arizona's New Arithmetic*, a 5-part series on a new method of teaching arithmetic, produced by KTVK Phoenix, is being shown by that station and KGUN-TV Tucson this week. The program is directed primarily to teachers, instructs on teaching the new method.

Dore Schary's Civil War series planned by the writer-producer under a 1960-61 season contract with NBC-TV has been put on the shelf, the network has revealed. NBC, however, indicated it may call on Schary at a later date for some TV shows. His busy schedule was not the sole factor in NBC's decision to pigeonhole the Civil War project, according to N.Y. sources. Although there's plenty of interest in the Civil War, it's necessarily partisan. Many sponsors & agencies therefore are approaching Civil War TV shows (apart from the simplest forms of action-adventure) with buying caution.

Republican convention TV national audience totaled 36.9 million families, according to A. C. Nielsen figures released last week. Daily convention audiences ranged from a Monday high of 29.9 million homes to a Thursday low of 27.7. During the convention's total running time of 17 hours, an average of 12.9 million homes watched during each minute. The Democratic convention, telecast earlier in July, outdrew the Republican meeting 38.7 million to 36.9 million homes, but also continued later each session and ran one day longer, Nielsen noted (Vol. 16:34 p12).

Eight pre-election specials are being bought by Longines-Wittnauer Watch Co. on NBC-TV. The full-sponsorship purchase—which calls for 60-min. political-affairs shows to be telecast in the Sat. 9:30-10:30 p.m. slot starting Sept. 17—is the watch firm's first major TV buy this season and its first political-programming buy. Four of the NBC-produced shows, all of which will be under the direction of Julian Goodman, will feature NBC's Huntley-Brinkley team; the other 4 will feature Frank McGee. Ad agency that proposed the NBC buy to L-W: Victor A. Bennett Co.

Papal TV-radio-press secretariat named by Pope John XXIII to prepare for an upcoming ecumenical council includes Msgr. James I. Tuecek, Rome correspondent of the National Catholic Welfare Conference news service, and Rev. George F. Heinzmann of the Maryknoll Society. Americans named as consultants to the secretariat include Archbishop William E. Cousins of Milwaukee, Bishop James A. McNulty of Paterson, N.J., Bishop Albert Zuroweste of Belleville, Ill., and Msgr. Timothy Flynn of the N.Y. diocese's radio & TV center.

KOA-TV & KOA Denver, NBC affiliates, are offering 4 half-hours of prime time for debate at no charge to Colorado Senatorial candidates Sen. Gordon Allott and Lt. Gov. Robert Knous. Station Pres. William Grant wired the candidates that specific half-hours, following 4 of NBC-TV's projected Presidential-campaign debates, would be reserved for them. The wire further stated that if additional candidates for the Senate become legally qualified before the Sept. 23 deadline, they will be included.

Kudos to NBC-TV for its upcoming discussion-&-debate series on *The Nation's Future* have been awarded by Rep. Giaimo (D-Conn.). "This is TV programming at its best," he said in a *Congressional Record* statement. Giaimo said that in the past he had criticized "the indifference to the public interest revealed in certain TV & radio practices," but that such shows as *The Nation's Future* provide "the kind of programming America needs."

The stand-up comedian will continue to remain seated in the new TV season. Only Jack Benny and Red Skelton will return with weekly series—and Milton Berle will be on as m.c. of a bowling show. Bob Hope will star in 8 specials, and there may be occasional appearances by such as Mort Sahl and Sid Caesar. But missing will be Jackie Gleason, George Gobel and Jerry Lewis. Non-stand-up comedy will retain regulars Groucho Marx, Danny Thomas.

Advertising

Govt. Confirms TV Set Count: The govt. made it official last week. Nearly 9 of every 10 U.S. households—or 88%—now have TV sets, the Census Bureau reported.

This was the precise TV-saturation percentage figure estimated in June by the American Research Bureau in its county-by-county survey (Vol. 16:25 & Supplement No. 6).

In its TV-households report—7th in a series conducted since 1955 at the request & expense of the Advertising Research Foundation—the Census Bureau also said that in May 11% of all households had 2 or more sets vs. 8% in May 1959 and 7% in Jan. 1958.

Households with only one set constituted 77% of the total TV count, which left only 12% without TV. The 88%-saturation figure compared with 86% in May last year, 83% in Jan. 1958—and 12% in April 1950.

Other findings in the Census Bureau's May count this year: (1) Among households in standard metropolitan areas, 91% had one or more sets. (2) Outside metropolitan areas, 82% had sets. (3) The Northeast was highest (92%) in set ownership, followed by North Central states (89%) and the West (87%), trailed by the South (82%). (4) Rural farm households raised set ownership to 76% vs. 73% in May 1959 and 68% in Jan. 1958.

Note: Copies of the Census Bureau's report (Series H-121, No. 7) *Households with Television Sets in the United States, May 1960*, may be obtained for 10¢ from the Bureau of the Census, Washington 25, D.C., or from Commerce Dept. field offices.

FTC's TV ratings probe, under way since May (Vol. 16:19 p4), has spread to N.Y. & Chicago, where the agency's field staffers are gathering preliminary data on the operations of all leading services. Purpose of the investigation is to explore methods of the services and see whether subscriber stations have used ratings unfairly against competitors in promotion, according to FTC Chmn. Earl W. Kintner. He has reported no findings so far.

Trend to single TV rate is growing in the wake of strong support by Station Reps Assn. for uniform spot TV rates for local, regional & national advertisers. A check-up we made late last week with SRA managing dir. Lawrence Webb revealed that letters from about 75 stations "are running 6-to-1 in favor of the single-rate plan." Those opposed fear the financial drawbacks of reducing national rates & the loss of local sponsors which would occur from raising local rates.

"How to create the TV ID," a pamphlet designed for stations, advertisers and admen, was distributed last week by TvB. The presentation is a summary of basic guides toward producing effective-but-inexpensive 10-sec. TV spot-commercials.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WBKB Chicago	$3000 to $4000	$825 to $1000[1]	[2]
WDAF-TV Kansas City	1300 to 1400	350 to 400	Aug. 1
XETV Tijuana-San Diego	800 to 1000	200 to 250	Sept. 1
KETV Omaha	900 (no change)	225 to 245[3]	Aug. 1
WRAL-TV Raleigh	750 to 850	150 to 170	Aug. 1
WIS-TV Columbia, S.C.	575 to 650	175 to 200	Sept. 1
KTVK Phoenix	600 (no change)	100 to 135	Aug. 1
WESH-TV Daytona Beach	400 to 500	90 to 105	Aug. 1
KROD-TV El Paso	495 (no change)	109 to 125	July 1
WCAX-TV Burlington, Vt.	450 (no change)	90 to 105	Sept. 1
WECT Wilmington, N.C.	425 (no change)	85 to 100	Sept. 1
WTVM Columbus, Ga.	300 to 400	60 to 90	[2]
KSYD-TV Wichita Falls	400 (no change)	80 to 100	[2]

[1]20 Sec. Rate. [2]Not reported. [3]20 Sec. remains $225.

9% Ahead At Half: The national ad volume passed 1960's halfway mark with a cumulative 9% lead over the year-earlier pace, reports *Printers' Ink*. All major media with the sole exception of network radio (down 7%) contributed to the Jan.-June gain, the latest index shows. The pace-setters: magazines (17%), newspapers (8%), network TV and business papers (7%).

Although network radio lagged in first-half total business, it continued to display strong 2nd-quarter comeback strength in closing the gap (Vol. 16:31 p7). It soundly outscored all major media both in June-from-May business (17%) and in June over June-1959 (17%). With the exception of outdoor, network TV was the only other medium to show gains in both periods: 8% in June vs. June, 4% in June vs. May. Magazines' June business was 13% ahead of a year ago, but down 1% from May. Newspapers were ahead 5% in June-to-June comparisons, but 2% behind May.

Medium	Index June 1960	Index June 1959	% Change from 1 month ago	% Change from 1 year ago	% Cumulative Change
General Index	243	225	— 1	+ 8	+ 9
Total Magazines	193	171	— 1	+13	+17
Weekly	226	196	0	+15	+22
Women's	129	119	— 8	+ 8	+10
General Monthly	232	208	— 1	+12	+12
Farm	95	97	+ 9	— 2	+ 2
Newspapers	220	210	— 2	+ 5	+ 8
Network Television	492	456	+ 4	+ 8	+ 7
Network Radio	27	23	+17	+17	— 7
Business Papers	242	232	— 6	+ 4	+ 7
Outdoor	171	161	+ 3	+ 6	+ 5
	1st Qtr. '60	1st Qtr. '59	4th Qtr. '59	1 year ago	
Spot TV*	762	672	+ 3	+13	+13

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-1959 except for the TV base, which covers the years 1950-52. Spot TV is not reflected in the general index. *Spot TV data, although shown monthly, report the preceding quarter's activity.

Network TV got the biggest ad budget slice of the nation's top 100 national advertisers during 1959, *Advertising Age* reiterated in its annual profile study of company-by-company advertising expenditures. Over-all total for the top 100 was $2.5 billion in 1959, up 9% from 1958's $2.3. The breakdown by media: Network TV $522.7 million; newspapers $338.5; spot TV $327.5; magazines $294.7; spot radio $76.2; outdoor $64.3; business publications $41.8, and farm publications $15.4. General Motors Corp. was again the nation's top ad spender, with a $155-million budget. P&G was 2nd with $123 million.

Sunday supplements blame TV for their slipping ad volume, reports *Wall St. Journal*, noting that the 4 nationally-syndicated supplements—*American Weekly, Family Week, Parade, This Week*—have registered ad-linage declines for 1960's first 7 months. Comments the *Journal*: "The decreases [vs. Jan.-July 1959], ranging from *American Weekly*'s 33.7% to *This Week*'s 5.9%, contrast with ad-linage gains for most general magazines (*Look*, up 19.4%; *Time*, 7.2%; *SatEvePost*, 7.5%). Several supplement officials think their publications have been losing ad dollars to spot TV."

Ad People: Howard Kramer, Bertram F. Mulligan, Richard H. Hurley and Harold V. Rover named Compton vps . . . Frederic W. Wile, ex-NBC-TV, MGM-TV, John Guedel Productions, named managing dir. of West Coast operations for Advertising Council.

Obituary

Paul Russell, 45, a BBDO vp, died Aug. 29 of a heart attack at his home in New Canaan, Conn. He is survived by his wife, son and daughter.

U.S. Court of Appeals decided last week in favor of H. F. Ritchie, manufacturer of Brylcreem (participating sponsor in ABC-TV's *Roaring 20's 77 Sunset Strip, Untouchables, Hong Kong* and *Hawaiian Eye* plus spot TV in major markets). Its suit had charged Chesebrough-Pond's Valcream with trademark infringement. Reversing an earlier decision of a district court, the Appeals Court's verdict indicated that Valcream deliberately imitated not only Brylcreem's name, but size, shape and packaging. Chesebrough has suspended manufacture of Valcream and has had to revise its TV schedules to eliminate the product.

Networks

Network Spending on Rise: Total network-TV spending for the 2nd quarter of 1960 exceeded $164 million as compared with $152 million for the same period last year. Jan.-June 1960 total is $336 million, as compared with $308 million for 1959. Advertisers in apparel, footwear and accessories, beer & wine, gasoline, and household furnishings classifications showed the biggest gains in network spending during the first 6 months of this year. Apparel jumped from $2.8 million to $4.2 million; beer & wine from $2.7 million to $4 million; gasoline from $2.1 million to $7.6 million, and household furnishings from $1.7 million to $3.3 million, reported TvB.

The top network advertiser in the 2nd quarter was Procter & Gamble, with a $12.5-million investment in TV time. In not-even-close 2nd place was American Home Products with an $8.4-million bill. There were no TV-electronics firms among the top 25 spenders. The 2nd quarter's leading net-advertised brand was Anacin tablets, with $2.4 million in billings.

The leading network-time buyer at the half, by product category, was food & food products, which slipped slightly to $57.4 million from $57.6 million a year earlier. The TV-radio-phono-instruments category purchased $2.1 million of network time, down from $2.9 million in Jan.-June 1959. Here's how the other product categories fared in first-half 1960 vs. first-half 1959 comparisons:

Network TV Ad Expenditures
By Product Classification

	Jan.-June 1960	Jan.-June 1959
Agriculture & Farming	$1,209,095	$1,048,140
Apparel, Footwear & Accessories	4,223,212	2,824,957
Automotive, Automotive Accessories & Equipment	26,790,359	23,073,047
Beer, Wine	4,030,002	2,760,541
Building Materials, Equipment, & Fixtures	1,396,132	1,575,991
Confectionery & Soft Drinks	8,267,804	6,203,622
Consumer Services	2,032,807	1,689,939
Drugs & Remedies	41,587,332	35,465,054
Entertainment & Amusement	143,517	254,901
Food & Food Products	57,392,516	57,555,312
Freight, Industrial & Agricultural Development	247,530	235,587
Gasoline, Lubricants & Other Fuels	7,685,827	2,187,148
Horticulture	371,250	240,016
Household Equipment & Supplies	14,049,990	14,960,832
Household Furnishings	3,329,265	1,791,151
Industrial Materials	10,595,179	10,423,733
Insurance	5,584,611	5,133,387
Jewelry, Optical Goods & Cameras	5,992,767	6,782,609
Office Equipment, Stationery & Writing Supplies	1,735,110	1,961,169
Publishing & Media	43,904	—
Radio, TV Sets, Phonographs, Musical Instruments, Accessories	2,118,308	2,901,374
Retail or Direct by Mail	36,792	—
Smoking Materials	39,401,889	37,927,340
Soaps, Cleansers & Polishes	35,548,883	33,798,047
Sporting Goods & Toys	1,311,932	1,258,214
Toiletries & Toilet Goods	56,099,021	51,995,107
Travel Hotels & Resorts	765,173	715,062
Miscellaneous	4,245,145	3,888,934
TOTAL	$336,235,352	$308,651,214

Nielsen Holdouts Sign: All 3 networks have returned to the Nielsen rating fold, as predicted (Vol. 16:33 p9), despite their earlier intention to back an American Research Bureau service to rival Nielsen in national audience measurement. This is the current network lineup at Nielsen, worth just under $1 million annually in research billings:

ABC-TV: Network has signed for full Nielsen service, including new 51-market competitive area report.

CBS-TV: A contract for full services has been drawn with Nielsen, and is awaiting final signatures.

NBC-TV: Full services contract was signed last week.

Although A. C. Nielsen's N.Y. office refused to discuss the terms of the contracts, we hear reliably that: (1) They were signed pretty much on Nielsen's terms, although some cost increases were adjusted in negotiation. (2) NBC and CBS are paying more for Nielsen services than is ABC. (3) The networks are pleased at Nielsen's new plans to speed up the reporting process and to reflect alternate-week & one-shot program audiences.

ARB is still in the network research picture, however. All 3 networks, particularly NBC, haven't really dropped the idea of an ARB-produced rapid national rating service and some network-ARB meetings are still going on. Also, ARB is a primary source of overnight (Arbitron) ratings, audience composition of network programs, other data.

NETWORK SALES ACTIVITY

NBC-TV

Laramie, Tue. 7:30-8:30 p.m., participations eff. Sept. 20.
R. J. Reynolds Tobacco (William Esty)

Story of a Family, Mon. Nov. 14, 7:30-8:30 p.m., one-time special, full sponsorship.
Ocean Spray Cranberries (BBDO)

Chet Huntley Reporting, Sun. 5:30-6 p.m., co-sponsorship eff. Sept.
American Photocopy Equipment (Irving J. Rosenbloom & Associates)

Technology

Medical application of electronic missile checkout techniques to report on the functions of the human body was forecast by RCA vp-technical dir. Dr. Charles B. Jolliffe recently. Addressing the W.Va. State Medical Assn., he said: "In these checkout systems, electronic instruments detect & report instantly & simultaneously upon all key functions in the missile—before flight to determine malfunctions; in flight to record performance & environment. I am not going beyond the state of the electronic art when I say that practically any part of the human body can be instrumented and its functioning automatically recorded & displayed either continuously or upon demand. Such principles will be used to keep a close check on the physical conditions of our first men in space. They are equally available for routine use in a hospital."

"Space-Satellite Broadcasting: Threat or Promise?" Is title of an article by U. of Ill. communications-research professor Dallas W. Smythe (ex-FCC staff member) contained in the summer edition of the *Journal of Broadcasting*. Another article: "Legal Restrictions on Use of Program Materials," by Mich. State U. professor Walter B. Emery, also ex-FCC. The *Journal* is published quarterly by the Assn. for Professional Bcstg. Education, may be obtained by writing the Editor at U.S.C., Los Angeles 7.

Film & Tape

Networks Step Up Production Activity: CBS-TV, as the new season approaches, leads the other networks in film production. It is making 8 series compared with the 7 which NBC-TV is turning out. Warner Bros. is making 7 more for ABC-TV, and that network, with the recent announcement (Vol. 16:30 p9) of its intention to enter film production for itself, is expected to show a sharp increase next year.

CBS-TV series are *Rawhide, Gunsmoke, Have Gun—Will Travel, Twilight Zone, Pete & Gladys, Oh Those Bells, Perry Mason* and *Angel.* (The last is from CBS Films.)

NBC-TV-produced series are *Bonanza* and *The Outlaws*, plus *R.C.M.P., The Lawless Years, Henry & His Claymates, The Jim Backus Show* and *The Blue Angels*—all from its subsidiary, Cal. National Productions.

ABC-TV's Warner-made series are *77 Sunset Strip, Lawman, Maverick, Hawaiian Eye, Surfside Six, The Roaring Twenties* and *Cheyenne* (the latter including segments of *Sugarfoot* and *Bronco*).

Independent producers in Hollywood don't view all this network production activity favorably. They complain that any network-made pilot enjoys a considerable selling edge over a property from an independent operation. On the other hand, the networks don't see why they shouldn't get into actual production and enjoy the financial benefits of outright ownership.

Decision on American Federation of Musicians petition in Federal District Court, N.Y. (Vol. 16:34 p10) was reserved last week by Judge William B. Herlands. AFM hopes to bar the sale of 122 post-1948 Warner Bros. movies to Creative Telefilm & Arts (now 7 Arts Corp.) for syndicated distribution. AFM had asked for an immediate decision last week because the WB-7 Arts deal was scheduled to become effective Sept. 1. Once the films are transferred to the distributor, AFM would have to sue WB for money damages. Meanwhile AFM announced, after nearly 3 years of negotiations with NBC, a settlement amounting to $50,000 in TV residuals covering taped reruns of *The Perry Como Show* in England. The dividend affects 20 network staff musicians and 8 extras who performed on the *Como* telecasts.

Although writers' strike against TV film producers ended over 2 months ago, composition of the industry fact-finding committee called for in the new contract remains elusive (Vol. 16:35 p8). The purpose of this committee is to establish a royalty plan for WGA members. Involved in internal dissension over whom its representative shall be, WGA hasn't yet named a member and the TV-radio board of WGA West may face a re-call election. As for the engineering firm which will serve on the committee, producers & writers have failed thus far to find a mutually acceptable company.

IATSE will seek broader health & welfare and pension plan coverage when it begins negotiations in October for a new contract with major movie studios. The union's 22 Hollywood locals, which began drafting their demands last week, want to increase pension benefits from the present $75 a month to $100. The union will also seek a so-called "past service" payment for post-1948 movies sold to TV, which would go into its pension fund. The majors gave the talent guilds such payments in settling the ticklish problem of post-1948 payments. IATSE will also seek to negotiate for payment of residuals on post-1948 movies sold to TV.

NEW YORK ROUNDUP

WNTA-TV N.Y. will give first U.S. TV airing to the recently released 20th Century-Fox post-1948 package (Vol. 16:34 p3). The deal made between parent company NTA, distributor for Fox, and the N.Y. outlet includes 30 Oscar winners ("All About Eve," "A Letter to Three Wives," "Viva Zapata," "Pinky" etc.). The features will start Sept. 19. Previously, both WCBS-TV and WOR-TV N.Y. had been rumored to be negotiating for the 81-title package of 27 post-1948s and 54 pre-1948s

WABC-TV will use the wild blue yonder to promote *The Blue Angels*, a Cal. National syndication production, due to be premiered in late Sept. Through an agreement with Skywriting Corp. of America, a campaign was to be launched over the Labor Day weekend with a fleet of 5 sky-writing planes cruising over the N.Y. metropolitan area (weather permitting).

Robert Herridge, producer of the syndicated 30-min. taped *Robert Herridge Theater* for CBS Films, has signed a 3-year network contract with CBS-TV to develop & produce musical & dramatic specials. Among Herridge's past credits: *Studio One, Camera Three, The Seven Lively Arts.*

Robert Saudek Associates will launch 33 TV specials for the 1960-61 season, including *The Dow Hour of Great Mysteries, Leonard Bernstein & the N.Y. Philharmonic, Omnibus,* and *7 Wonders of the World.*

HOLLYWOOD ROUNDUP

Arthur Gardner-Jules Levy-Arnold Laven production team (*The Rifleman, Robert Taylor's Detectives*) will produce a pilot titled "Simon Battle," this week as a segment of its *Rifleman* series. The Western, starring Phil Carey & Gigi Perreau, concerns an ex-gunfighter turned doctor. The same team has another Western pilot, the *Rambling Man,* starring Gene Nelson, which may be submitted to agencies & networks if midseason casualties develop.

Columbia Pictures has sold 34½ acres of undeveloped property adjoining its Burbank, Cal. ranch for $1,725,000 to the Barclay-Hollander Development Co. Columbia originally bought the land for $2,500 an acre, received $50,000 an acre for it. "The back 40 acres," as they were known, will be used for residential & commercial building.

Goodson-Todman Productions will produce its pilot of *Las Vegas Beat* in the Nevada city Sept. 14. Andrew Fenady created the project for GT . . . Red-Bill Productions has finished the pilot of *The Loggers,* an action-comedy series. William Reynolds and Stanley Dougherty produced.

People: William Kayden named producer of NBC-TV's daytime show, *Here's Hollywood* . . . Norman Lessing named exec. producer of Henry Jaffe's *Magical Monarch of Mo* series to be seen on NBC-TV . . . Warner Bros. TV exec. producer William T. Orr back from Europe where he scouted locations & material for the new 60-min. *Solitaire.* . . . Helen Ainsworth, Guy Madison Productions vp, has resigned from the company and ended her personal management contract with the actor.

Television Digest

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Personals: Frederick S. Gilbert, *Time* magazine gen. mgr., named to new post of gen. mgr. for Time Inc. bcstg. div. . . . Peter V. O'Reilly promoted to local sales mgr., WTOP-TV Washington . . . Leonard H. Marks, Washington TV-radio attorney who handles legal matters for Mrs. Lyndon B. Johnson's stations, joins Democratic National Committee to work on Sen. Johnson's campaign, serving with James H. Rowe, former White House assistant, and ex-Sen. Earle C. Clements (D-Ky.).

John Begue, ex-WICS Springfield, Ill., named station mgr., WICD-TV Danville, Ill. (formerly WDAN-TV) . . . James B. Patterson named prog. dir. of KABC-TV Los Angeles . . . Larry Lowenstein, ex-Rogers & Cowan, Benton & Bowles and CBS-TV press information, named NTA PR dir. . . . Ub Iwerks, technical research dir., Walt Disney Studio, received SMPTE's Herbert T. Kalmus Gold Medal Award for outstanding contributions to color films.

■

NBC newsman Richard Jennings played a real-life hero role last week and made the front pages of the N.Y. newspapers by helping to capture one of the men who held up a currency exchange in the RCA Bldg. Jennings, asst. managing editor of NBC Radio's *Monitor*, heard shots and followed a man running along 6th Ave. He tracked his quarry on foot & by cab, ending up at the Lincoln Tunnel with a policeman who took the holdup man into custody.

ARB has leased additional office space for its executive & sales offices in the General Dynamics Bldg. at 1 Rockefeller Plaza, N.Y. It retains its offices at 201 & 32 E. 57 St.

Obituary

Henry S. Griffing, 53, his wife Jo and both of their children—Philip, 24, and Linda, 20—were found last week burned to death in the wreckage of the plane Griffing had piloted. They had been missing since Aug. 16 (Vol. 16:35 p10). The plane was located in the wooded top of one of the highest mountains in the Allegheny range, between Central City & Ogletown, Pa., about 69 miles from Pittsburgh. Griffing had gone to N.Y. to meet his family as it returned from a 6-week tour of Africa and was flying home to Oklahoma City. He was the head of Vumore Co., which operates 14 CATV systems, and Video Independent Theaters (200), owned 12.5% of KWTV Oklahoma City.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

FIRST JAPANESE TV SETS ARRIVING: Japanese-made TV sets are beginning to appear on a very few store counters—and it's still too early to judge public reaction. Bigger influx will come between now & Christmas, with the first mass shipment due to arrive this month.

Those cute little 8-in. transistor portables aren't due until just before Christmas—if then. As with any product so new, there are bugs. Delmonico International, importer of the Japan Victor line, has examined "a fair amount of transistor TV sets," exec. vp Herbert Kabat told us. "They still leave something to be desired. We're going to go slow until we're satisfied with their performance." Sony doesn't plan to offer its transistor TVs here until Yule season.

Only Japanese sets which are being shipped to dealers in sale quantities—so far as we can determine—are the tiny 8-in. AC-powered (not transistorized) sets made for Star Lite Merchandise Co. by Riken Industries. Star Lite co-owner Al Dayon said they have been shipped to such stores as Gimbels and May Co. for retailing at $99. He added that first shipment of 500 has already been dispatched from N.Y.

"We're very happy with them," said Dayon of the 8-in. sets. "They've been selling well, and with only about 2% returns." Second shipment of 500 sets is en route from Japan, he said, but "deliveries are very poor."

Biggest direct test of Japanese-vs.-U.S. TVs will come when Delmonico starts merchandising its neat 19-in. portable, listing at $179.95 (Vol. 16:20 p17). Kabat said the first dozen production units arrived by air last week and the performance was "far above our anticipation." First large-scale shipment is in transit now by boat and should be here this month. He added that his company hopes to receive close to 20,000 of them by the first of the year. The 19-in. tubes are added to the sets in this country after receipt.

Delmonico hopes to have its 19-in. TV-radio-stereo combination late next month, and a 23-in. line early next year. Color? Still some time in future, most importers agree. Color telecasting in Japan is too new and real mass production hasn't yet begun there (Vol. 16:35 p. 14).

IMPLICATIONS OF ZENITH PATENT VICTORY: Zenith won a virtually clean sweep last week in first round of battle to assert patent ownership of 2 widely-used features of modern TV receivers. Federal Court in Oklahoma City ruled that Admiral had infringed Zenith patents on ultrasonic wireless remote control and sync signal separator interference rejector circuit (Fringelock), sweeping aside an Admiral countersuit charging Zenith had infringed an Admiral phono-spindle patent.

Battle is far from won. Admiral is expected to appeal, although its officials declined to comment at press time, not having seen decision. A similar suit, also charging infringement of remote-control and Fringelock patents, is pending against Motorola. Admiral Oklahoma City decision, of course, doesn't set precedent for the Motorola case, which is due for trial in Chicago Federal Court.

Both decisions were painted with broad brush by Judge Ross Rizley. Although it was too early to obtain industry interpretations, examination of remote-control decision indicates that court was convinced Zenith owns basic patents on type of mechanically-actuated ultrasonic TV remote-control system which is in widest use today.

Admiral had challenged Zenith patent claims in ultrasonic remote field, pointing to "prior art" inventions such as ultrasonic garage-door openers. Court, however, completely upheld validity of Zenith patents, also setting aside Admiral charge of "bad faith" by Zenith in prosecution of its patent application. Decision further stated that Admiral deliberately made a "straight copy" of Zenith Space Command remote tuning.

How much is covered by the Zenith patents—in Court's opinion—is demonstrated in this excerpt from Judge Rizley's opinion: "In considering the broad concept of remote control by ultrasonic waves [Zenith vp & associate research dir.] Dr. [Robert] Adler conceived the idea of a moveable channel system in which superaudible sound impulses of different frequencies would be used to perform different control functions such as channel selection, off-&-on switching, and so forth. This led him to the further concept of a wholly mechani-

cal transmitter containing 2 or more resonators (sound generators) with an arrangement by which the user could operate his selected resonator to produce a particular function in a television receiver . . . He finally came up with the hand-held, finger-operated transmitter which employs the novel concepts which are described in minute detail on the Space Command transmitter patents . . ."

In the case of the Fringelock circuit, Judge Rizley noted that it had been "promptly adopted by virtually the whole TV industry" soon after its invention in 1951. Zenith's patent application, filed in 1951, wasn't granted until 1957. Judge Rizley held the patent valid, arguing that just because Admiral had a "free ride" for 5 years, it shouldn't be allowed to "continue the free ride" after patent was in effect. He mildly rebuked Zenith for "evasive" conduct in not warning Admiral of possible infringement claims.

Court called phono-spindle countersuit "an afterthought on Admiral's part" in dismissing it. It involved an Admiral patent "informally" licensed to V-M, which supplies changers to Zenith. Although V-M has used spindle since 1951, Judge Rizley stated that Admiral hadn't been diligent in enforcing its claim, hadn't sued anybody but Zenith in all that time.

Zenith had asked an injunction against further use of the devices, accounting of damages and costs —plus treble damages for "wilfull" infringement. However, the Judge said the treble-damage plea appeared to be "borderline case," to be determined after an accounting of what is a reasonable royalty.

TV-RADIO EXPORTS & IMPORTS: Latin-America continued to be the only significant customer for American-made TV sets in May, the latest month for which Census Dept. figures are available. In May, Mexico was the biggest customer, receiving 3,299 complete TV sets (valued at $138,882) and 375 TV chassis (at $20,370). U.S. exports of TV sets for the month totaled 10,526 units at $1,126,946 and 577 chassis at $33,347.

Other big users of U.S. TV sets in May were Peru, 1,287 sets ($168,326); Venezuela, 1,230 ($176,088); Costa Rica, 1,197 ($167,742); Panama, 692 ($89,221); Canada, 619 ($77,779); Iran, 568 ($89,434); Dominican Republic, 266 ($31,132); Uruguay, 16 sets ($1,843) & 200 chassis ($12,717); Saudi Arabia, 166 ($13,664); Italy, 131 ($19,651); Brazil, 109 ($17,574).

No other country received more than 100 U.S. sets. American TVs were exported to these other countries (less than 100 sets, but more than $1,000): Guatemala, El Salvador, Honduras, Nicaragua, Canal Zone, Bermuda, Bahamas, Haiti, Netherlands Antilles, Colombia, Chile, Argentina, France, Switzerland, Spain, Portugal, Syria, Lebanon, Arabia, Bahrein, Thailand, Philippines, Japan, Libya, Egypt.

Venezuela was the biggest customer for home-type radios, buying 1,033 at $49,409. Total U.S. exports of home radios for the month was 8,139 units at $319,799. Auto radios exported totaled 4,543 at $98,670, of which Mexico took more than half—2,608 at $42,354. Some 794 radio-phono combinations, valued at $37,960 were exported in May, as were 1,778 phonos, at $114,700.

Census Dept.'s import tabulation shows no TV sets coming into the country in May, gives these breakdowns:

Transistor radios: 501,803 units at $4,950,967, Japan supplying 495,670 ($4,814,515), West Germany 5,460 ($124,857). Non-transistor portables: 23,154 ($141,114), almost all from Japan. Other radios: 62,639 ($422,018), mainly from Japan, with a smattering from West Germany, Hong Kong and the Netherlands. Radio-phonos: 3,903 ($346,151), with 2,623 ($274,297) from West Germany, 1,185 ($61,839) from Japan. Phonos: 2,010 ($52,662), half from Japan, the remainder from Canada and other countries.

* * *

British electronics exports to U.S. in first-quarter 1960 were 8% lower than in the same 1959 period, the electronics div. of Commerce Dept.'s Business & Defense Services Administration reported last week. Audio equipment shipments, however, were generally substantially higher, most of the drop being in tubes, parts & radios. U.K. electronics shipments to the U.S. for the period were at "an annual rate of $20 million compared with $22 million for 1959," the agency stated. First-quarter shipments of phonos totaled $100,000, up 157% from the same 1959 period; radio-phono combinations totaled $83,000, up 12.5%; speakers & microphones $147,000, up 6.5%. Phono parts & accessories totaled $203,000, down 60%; tubes $391,000, down 38%; radios $51,000, down 19%. Communications, navigation & radar equipment shipments rose 45% to $638,000. The "other electronic products" category was up 127% to $465,000.

* * *

Federal aid for companies, workers & communities suffering from import competition was proposed last week by Sen. Javits (R-N.Y.) in a bill introduced "for the record," to be re-introduced when the new Congress convenes in January. Proposed as an alternative to quotas & higher tariffs, the measure provides for tax relief for companies, increased unemployment benefits, training programs and allowances of costs of moving to new towns for workers, when companies or workers are determined to have been injured by competition from abroad. The measure also would restrict tariff & quota relief.

* * *

Visual Electronics Corp., N.Y., and its export sales mgr. Bert Kupperman were indicted Aug. 31 by a U.S. District Court Grand Jury in N.Y. on charges that they violated the U.S. Export Control Act. Based on evidence developed by Bureau of Foreign Commerce Investigators, the 5-count indictment alleged that in July 1958 the company & Kupperman: (1) Sent $3,700 shipments of electron tubes & transistors to Cuba & Switzerland without obtaining validated export licenses. (2) Misrepresented the ultimate destination of shipments to Cuba. (3) Made false representations on shippers' export declarations. Visual Electronics is a sales & engineering firm specializing in coordinated systems of technical communication equipment.

———■———

"The Apartment," new hit movie starring Jack Lemmon & Shirley MacLaine, takes the usual cinema swipe at the institution of television but, simultaneously, without really meaning to do so, puts on a fine sales demonstration of remote control. Should sell a lot of sets.

Excise-clarification bill (HR-12536), adjusting tax rates charged to manufacturers whose price structure is based partly on local advertising charges (Vol. 16:25 p18), has been passed by Congress. The measure reverses a 1958 Treasury Dept. ruling that when manufacturers & dealers share co-operative advertising costs, taxes must be paid on the full selling price. The new law permits manufacturers to deduct portions of the sales price represented by contributions to the co-op ad fund—not exceeding 5% of the price. In addition to the 5% limitation, the bill sets up these conditions: (1) Local advertising charges must be separately billed. (2) It must be intended that the advertising charges be refunded to the purchaser for reimbursement for local advertising. (3) Amounts must be refunded by May 1 of the following year to become taxable. (4) Applicable advertising is limited to TV, radio and newspapers. (5) Advertising must state the name of the article and the retail sales location at which it may be purchased. (6) Advertising must be initiated by the purchaser of the article, not by the manufacturer.

Trademark licensing bills (S-3890 & HR-13170) introduced by Sen. Wiley (R-Wis.) & Rep. Judd (R-Minn.) would permit small companies to make exclusive territorial franchise agreements for sale of their brand products without risking Justice Dept. anti-trust actions. Intended "to encourage national advertising by small business concerns," the bills were referred to Senate & House Judiciary Committees, where they suffered session-end deaths.

Sales of 500,000 color TVs in 1961, followed by a "jump aboard the bandwagon" by numerous other set makers, were forecast last week by RCA Sales Corp. Chmn.-Pres. W. Walter Watts in an interview with *Home Furnishings Daily*. Commenting on color's profitability, Watts stated: "Some manufacturers are spending money on design & research, but are waiting for us to create the public demand. We are making very good money in color, both on tubes & sets and are willing to be helpful by pointing out the opportunities available." He said RCA's investment in color TV totals $130 million, and "we are so dedicated to this that we will continue to invest."

RCA's ad plans for color-TV sets will include newspaper advertising for the first time in 4 years, the company told its recent distributors meeting in Chicago (Vol. 16:35 p13). The campaign will begin Sept. 15 with 1,100-line ads in about 160 newspapers paid for by RCA but listing local dealers. A magazine ad campaign will kick off in Sept. 19 issues. Color will also be plugged on RCA-sponsored *Bonanza* and *Shirley Temple Show* (NBC-TV).

TV-radio industry, which has tried frankly to emulate the auto industry in annual model changeovers, planned obsolescence, etc., got a shocker last week from Chrysler Corp. vp M. C. Patterson, gen. mgr. of its Dodge div. He told 1,100 Eastern Dodge dealers that the auto industry is entering an era "when cars will be marketed like radios and refrigerators in a variety of sizes for a variety of uses." He didn't mention long-line inventory problems.

New automatic phono device—to add "record-changer convenience" to "turntable quality"—will be introduced by Rek-O-Kut at the N.Y. High-Fidelity Show Sept. 7-11 in the Trade Show Building. Designed for addition to tonearms on hi-fi turntables, the device automatically starts the turntable, lowers the arm onto the record, lifts it on completion of the record and returns it to the arm-rest. List price is $29.95.

Trade Personals: **David R. Hull**, ex-Raytheon vp who recently completed 2 terms as EIA pres., elected Hoffman exec. vp in charge of the military products div. and coordination of activities of the company's science center with other corporate divisions . . . **L. Harriss Robinson**, ex-RCA, named mktg. dir., Westrex Corp.

Dr. Clinton R. Hanna retires after 38 years with Westinghouse, most recently as research labs dir. . . . **Edward E. Fellman**, ex-Sylvania, appointed works mgr., Semicon Inc. (silicon rectifiers) . . . **Orland O. Schaus**, ex-Cyanamid of Canada, named research & engineering mgr., Audio Devices . . . **Allen J. Lovenstein**, ex-Crosley div. of Avco Corp., named mkt. planning & analysis mgr. Sylvania Electronic Systems Waltham Labs.

J. Bryan Straley, former exec. vp, elected Reeves Instrument pres. & board member . . . **William H. Herrman**, ex-Hoffman, joins Stromberg-Carlson as electronics div. ad & sales promotion mgr. . . . **Robert R. Lipsky** has been named Pentron Electronics personnel & administration vp.

■

Pennsylvania Railroad strike had Philco concerned at press time that it would have to close some plants if the Sept. 1 walkout continued more than a week. Pres. James M. Skinner Jr. pointed out that "the major portion of components for our electronic plants in the Philadelphia area are brought in by railroad. Because of the nature of our operations we normally maintain a close inventory on parts. As a result we have limited stocks of components to keep our plants running despite emergency steps we have taken recently." Another major TV-electronics firm on PRR's doorstep, RCA, reports it has no immediate supply problems, notes it is heavily dependent on trucks.

Admiral enters hospital communications field through its commercial electronics div., headed by vp Frank Rogers. Among the equipment to be offered to hospitals on a sale or lease basis—and displayed for the first time at the American Hospital Assn. convention in San Francisco Aug. 29-Sept. 1—are b&w and color TV for patients, radios for patients, closed-circuit TV for "visiting" patients from lobbies, closed-circuit TV monitoring, wireless paging, doctor-calling equipment, etc.

Distributor franchising program for consumer & industrial magnetic tapes has been introduced by Ampex for its Ampex and Irish brand tapes. Industrial distributors will be franchised to handle instrumentation, computer, professional audio & video tapes. Home tape products will be handled by franchised consumer distributors.

Obituary

Jack M. Winer, 53, president of the Capehart Corp., died Aug. 30 at his desk at the Capehart plant in Richmond Hill, N.Y. He founded Dynamic Service Corp., a N.Y. retail appliance chain in 1934, guiding its expansion into a group of 25 stores. The company's name was changed in 1945 to Dynamic Electronics-New York Inc. Dynamic expanded into electronics manufacturing, left the retail business and added hi-fi components & consoles. Last year the firm acquired the Capehart trade name and branched into TV and higher-priced furniture consoles. Winer is survived by his widow, 2 sons, 2 daughters, 2 brothers and 2 grandchildren.

David H. Ormont, 50, pres. of Hudson Radio & Television Corp., was killed Aug. 27 in an auto accident while vacationing in Las Vegas, Nev. He was also pres. of 2 Newark, N.J. manufacturing concerns: Keystone Electronics (crystals) and Electronic Enterprises (tubes). He is survived by his wife & daughter.

Finance

TV-Electronics Fund Gains: Record net assets of $357,837,601 were reported by Television-Electronics Fund at the close of fiscal 1960's 3rd quarter July 31. The Chicago-based mutual fund also reported that it had reduced its holdings of common stocks & convertible securities to 89.6% of total assets from 91.3% 3 months earlier and 95.1% a year ago. Pres. Chester D. Tripp said the Fund "has been engaged for some time in adjusting the portfolio . . . to anticipated changes in the general economic picture which have been occurring during the past 2 years." He noted that the "cash" position has been increased to more than $8.4 million, that "profits have been taken and new additions have been made which appeared prudent under prevailing market circumstances."

Portfolio changes in common stock during the 3rd fiscal quarter: Added were 100,000 shares of Universal Controls, market value $1,537,500; 6,800 General Cable, $257,550. Holdings were increased in AB-PT, AT&T, du Pont, Foxboro, GE, International Nickel of Canada, Pullman, Texaco, Union Carbide, United Utilities. Holdings were reduced in Aerojet-General, Friden, ITT, Ia.-Ill. Gas & Electric, Minneapolis-Honeywell, Minnesota Mining & Mfg., Paramount Pictures, Southern Cal. Edison, Zenith. Holdings were eliminated in American Electronics, Vitro, Walt Disney Productions, Warner Bros.

For the 3rd fiscal quarter ended July 31 (1959 shares & assets-per-share are adjusted for Jan.-1960 2-for-1 split):

	1960	1959
Net assets	$357,837,601	$315,302,428
Net assets per share	7.97	8.29
Capital shares	44,818,220	38,023,394

Loral Electronics proposes a 3-for-1 stock split and issuance of up to $5 million in convertible debentures, subject to stockholder approval at the Oct. 27 annual meeting. Loral currently has 580,148 outstanding common shares, of one million authorized. "The purpose of the split," reports Pres. Leon Alpert, "is to relieve the tight situation in the available stock and get away from serious ups & downs in price which are not on a normal basis. If I had my way there would be no stock split, because I like a high-priced stock." He owns 119,375 shares, with options to buy 9,450. Vp William Lorenze owns 112,350, with options for 6,300.

Trav-ler Radio Corp. plans a public offering of $2.2 million of 6½% sinking-fund debentures due 1975, with 15-year common-stock purchase warrants, through underwriters headed by Lee Higginson Corp. and Straus, Blosser & McDowell. The company's SEC registration application (File 2-16886) said 2 warrants to purchase 50 stock shares will be issued with each $1,000 debenture. Part of the proceeds will be used to retire 6% debentures due 1967, part for working capital. Of 863,061 Trav-ler common shares now outstanding, Pres. Joe Friedman owns 265,494, dir. Jeanette Friedman, 94,947.

Electronics Capital Corp., the small business investment company headed by Charles E. Salik, has purchased $300,000 of convertible debentures and long-term notes in Communications Control Corp., the Van Nuys, Cal. developer of sophisticated high-speed precision-data systems, analog-converter systems and data-logging components. Communications Control Corp. was founded in 1958 by its president, Dr. Martin L. Klein. The purchase by Electronics Capital Corp. comprises $200,000 of 8% debentures, convertible into 54% of Communication Control's common stock, and $100,000 of long-term notes.

Mergers & Acquisitions: Major merger news last week was the Aug. 31 amalgamation of General Instrument Corp. and General Transistor Corp., following approval by stockholders (Vol. 16:30 p19). Surviving General Instrument, reports Chmn. Martin H. Benedek, will now rank "among the leading full-line producers of semiconductors in the U.S.," and will have assets of $37 million, with 15 plants & research centers in this country & Canada. It is projecting more than $80-million sales for the current (1960-61) fiscal year. Each of General Transistor's 893,215 common shares outstanding on July 27 will be exchanged for seven-tenths of a share of General Instrument common. Herman Fialkov, General Transistor pres., becomes a corporate vp & board member of General Instrument. Other merger news last week:

Loral Electronics and FXR Inc. have broken off negotiations for Loral's acquisition of FXR, following failure of talks to develop "mutually satisfactory terms."

Radiation Service Co., wholly-owned subsidiary of Melbourne, Fla.-based Radiation Inc., has acquired for an undisclosed price American Bosch Arma's Philadelphia-based electronics service div., which leases & maintains communications equipment.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Aerovox	Q	$0.05	Sep. 15	Sep. 1
Bendix	Q	.60	Sep. 30	Sep. 10
British Industries	Q	.12½	Sep. 30	Sep. 16
Capitol Records	Q	.50	Sep. 30	Sep. 19
Radio Condenser	—	.07½	Sep. 20	Sep. 1
Wells-Gardner	Q	.30	Sep. 15	Sep. 8

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Wednesday, Aug. 31, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	27½	30⅛
Aerovox	9¼	10¼
Allied Radio	22½	24⅛
Astron Corp.	2⅛	2⅝
Baird Atomic	35½	38¼
British Industries	13¼	14⅝
CGS Labs	9½	11½
Control Data Corp.	42½	45⅝
Cook Elec.	15½	16¾
Craig Systems	16¾	18⅝
Dictaphone	43½	46⅝
Digitronics	22½	24⅝
Eastern Ind.	13⅞	14⅞
Eitel-McCullough	25¼	27
Elco Corp.	17½	19⅝
Electro Instruments	32½	35⅞
Electro Voice	13½	14⅞
Electronic Associates	31½	34¼
Erie Resistor	8⅞	9¾
Executone	32½	35⅛
Farrington Mfg.	45½	48½
Fischer & Porter	7¼	8⅛
FXR	48	52½
General Devices	16¾	18⅜
G-L Electronics	9½	11
Granco Products	5	5⅝
Gross Telecasting	18½	20⅜
Haydu	¼	9/16
Hewlett-Packard	28⅛	30
High Voltage Eng.	138	149
Infrared Industries	20	22
International Rect.	23¼	25⅛
Interstate Engineering	26¾	28½
Itek	64	68½
Jerrold	9	9⅞
Lab for Electronics	46	49¼
Lel Inc.	6⅛	7
LFE Inc.	11½	14¼
Ling Altec Electr.	27¾	29⅝
Magna Theater	2⅝	3-3/16
Magnetic Amp.	not available	

Stock	Bid	Asked
Magnetics Inc.	10¼	11⅞
Maxson (W.L.)	10⅜	11⅝
Meredith Pub.	40½	43½
Metropolitan Bcstg.	18½	19⅞
Milgo Electronics	22	24½
MPO Videotronics	6⅜	7⅛
Narda Microwave	4¼	5¼
Narda Ultrasonic	1¼	1⅞
National Co.	31½	33¾
Nuclear of Chicago	31	31⅛
Official Films	2-1/16	2⅜
Pacific Automation	7¾	8⅝
Pacific Mercury	7⅝	8⅜
Perkin-Elmer	42¼	45⅜
Philips Lamp	175¼	181
Pyramid Electric	3	3-7/18
Radiation Inc.	25¼	27½
Howard W. Sams	42½	45⅞
Sanders Associates	58½	62½
Silicon Transistor	6½	7⅜
Soroban Engineering	25½	27½
Soundscriber	13¾	15¼
Speer Carbon	22¾	24⅝
Sprague Electric	54½	58
Taft Bcstg.	13¾	15⅜
Taylor Instrument	38½	42
Technology Inst.	11	12⅜
Tele-Broadcasters	½	—
Telechrome	13½	14⅞
Telecomputing	8⅜	9⅛
Telemeter	13¾	15½
Time Inc.	64¾	68¼
Tracerlab	11½	12¼
United Artists	6⅞	7⅝
United Control	24¾	26¾
Universal Trans.	1⅝	2⅛
Vitro	13½	14½
Vocaline	3¼	3¾
Wells-Gardner	17	18⅜
WJR Goodwill Station	9	—

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Barnes Engineering	1960—year to June 30	$3,853,889[1]	——	$219,942[1]	$0.62	352,520
	1959—year to June 30	2,754,522	——	178,961	.55	352,520
General Transistor	1960—6 mo. to June 30	6,588,400	——	359,800	.41	891,900
	1959—6 mo. to June 30	4,846,063	——	368,100	.43[2]	875,346[2]
National Co.	1960—6 mo. to June 30	6,127,371	$511,132	208,885	.27	765,000[3]
	1959—6 mo. to June 30	5,340,075	246,535	112,642	.30	350,774
N. V. Philips' Gloeilampenfrabrieken	1960—6 mo. to June 30	545,635,000	——	43,315,000	——	——
	1959—6 mo. to June 30	468,520,000	——	33,655,000	——	——
Howard W. Sams	1960—year to June 30	9,729,889	1,107,039	509,487	1.18	425,450
	1959—year to June 30	7,194,786	775,672	371,301	.86[4]	375,450
TelePrompTer	1960—6 mo. to June 30	2,631,071	——	107,821[5]	.18	599,794
	1959—6 mo. to June 30	1,910,194	——	132,135[5]	.37	356,591
20th Century-Fox	1960—26 wks. to June 25	56,370,992	——	2,628,576	1.10	2,383,286
	1959—26 wks. to June 25	55,103,921	——	1,770,870	.76	2,338,536

Notes: [1]Record. [2]Adjusted for July-1959 2-for-1 split. [3]Reflects 2-for-1 split & stock dividend. [4]Adjusted to reflect stock increases. [5]No tax provision required due to availability of operating loss carry-forward.

NT&T will offer holders of its 5½% sinking-fund subordinated debentures an opportunity to trade about half of their debentures for a new issue of 6%, 15-year convertible debentures. Pres. B. Gerald Cantor said the offer will be made as soon as the necessary documents & legalities are completed. NT&T has outstanding about $13 million of 5½% debentures, due Mar. 1, 1974. Each holder will be able to trade about 50% of his holdings at $100 face value of debentures for $80 face value of new securities.

Premier Microwave Corp., Port Chester, N.Y. maker of microwave components, plans public sale of 100,000 common stock shares through Val Alstyne, Noel & Co. on an all-or-none basis, price undisclosed. An SEC registration statement (File 2-16971) said an additional 15,000 shares have been acquired by the underwriter from present stockholders at 10¢ per share. Premier Microwave was organized in 1940 as Premier Tool & Instrument Corp., changed its name in August.

Davega Stores registered a net loss of $37,837 for the 4 months to June 30, reflecting a strong comeback from the $329,880 loss reported for Mar.-June 1959. Pres. Joseph Axler also noted that Davega had more than $100,000 in non-recurring expenses during the 1960 period. He said sales "continue on a very strong upward trend." For July and the first 27 days of August, sales ran approximately 50% ahead of 1959's July-Aug. volume.

Axe Science & Electronics Corp. mutual fund reports strong gains in assets & stockholders for the quarter ended June 30:

	1960	1959
Net assets	$14,215,945	$12,006,939
Net assets per share	11.75	13.54
Capital shares	1,209,557	886,753

Reports & comments available: AB-PT, discussion in *Investor's Reader*, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5 • Decca and Crowell-Collier, discussions, Shearson, Hammill & Co., 14 Wall St., N.Y. 5 • Yardney Electric, prospectus, Kidder, Peabody & Co., 17 Wall St., N.Y. 5 • RCA, profile in Aug. 31 *Financial World*. • Collins Radio, study, F. S. Moseley & Co., 120 Broadway, N.Y. 5 • Fidelity Electronics, offering circular, Metropolitan Securities Inc., Lewis Tower Bldg., Philadelphia 2.

Auxiliary Services

Pay-TV test in Hartford would "adversely affect" the theater-sponsored Joint Committee Against Toll TV and Conn. Committee Against Pay TV, they told FCC in a letter last week. Therefore, they said, they are "parties in interest" with a right to object to the test. They spelled out how pay TV would compete for revenues. The 2 organizations were joined in the letter by 5 individual theater owners of the area—Stanley Warner, Loew's, Conn. Theatres, Outdoor Theater Corp., Manchester Drive-In Theater Corp. JCATT & CCAPT are trying to get FCC to conduct a full-scale hearing on the test application led by RKO-Zenith (Vol. 16:29 p3).

First batch of vhf repeater-station applications has been filed with the FCC, 8 in number—the first being from Saddle Butte TV Assn. The applicant plans to pick up KFYR-TV (Ch. 5) Bismarck, N.D. and repeat it over Ch. 8 to communities of Trial City, Glencross, Timber Lake and Firesteel, S.D. The other applications filed were for Afton, Wyo., Claremont, N.H., Ourway, Colo. and 4 from Newcastle, Wyo. FCC has designated the requests "Broadcast Television Repeater Applications." All of the applications were filed on a temporary form and must be followed up within 6 months by a more complete form.

TelePrompTer is discussing concerts from Carnegie Hall (via theaters and possibly CATV) as a possible closed-circuit, pay-TV offering next season. Officials of the venerable concert hall are auditioning overtures from TPT Pres. Irving Kahn with interest because $360,000 is needed for the music center's refurbishment. If the deal goes through, TPT may start the series Sept. 26, with the annual opening concert presented as a full-evening pay-TV special.

Institute for Advancement of Medical Communication, whose Council on Medical TV recently added a half-dozen firms to its list of sustaining contributors (Vol. 16:33 p8), has received a general-support grant from the U.S. Steel Foundation. The Institute said the money would be used to finance research & development of new communication methods in the health sciences.

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WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

FCC

MANEUVERS IN WASHINGTON, Miami, Boston—FCC & station legal moves involving fates of major facilities (p. 1).

Auxiliary Services

FCC & BOOSTER OPERATORS smoke peace pipe, Commission staff reporting cooperative attitude among operators in Western conferences (p. 2). Dept. (p. 3).

Foreign

WORLD TV COUNT jumps 10 million in year to reach nearly 94 million sets-in-use. Programs supplied by 1,953 transmitters. Results of our latest survey (pp. 3 & 20).

Programming

MARCH OF POST-1948s CONTINUES, despite an attempt by American Federation of Musicians to block the first big Warner Bros. group of new films. Network, syndication deals are hot (p. 6).

Networks

JOHN CROSBY ATTACKS NBC—and NBC hits back hard (p. 7).

CANADIAN NETWORKS sought by 2 private groups—station-owned cooperative and Caldwell TV-film interests. CBC unopposed to idea of private network (p. 8).

Advertising

AAAA ISSUES PAIR of booklets to station operators & reps suggesting ideas for advancement of national spot in TV & radio (p. 12).

Consumer Electronics

RCA FM STEREO multiplex standards proposed to FCC outside NSRC framework provide for simultaneous stereo & other multiplex services (pp. 14 & 15).

FM STEREO RACE in home stretch, FCC officials confident of system standards this year. Field tests show good stereo from 5 of 6 systems (p. 14).

RETAIL TV SALES passed 3-million mark in July, EIA figures show. TV output down sharply, providing inventory adjustment. Canadian sales continue dull (p. 16).

JERROLD INTO HI-FI business through proposed merger with Harman-Kardon. Lynch Corp. buys Symphonic for $2.5 million in stock. Blonder-Tongue acquires Benco (p. 16).

Film & Tape

MOVIE MAJORS' STAKE IN TV continues to grow; they're all in it now—in contrast to the "TV-is-natural-enemy-of-the-movies" days (pp. 2 & 4).

Stations

PAYOLA CHARGE FOUGHT by New Orleans Columbia distributing firm which tells FTC its TV & radio dealings were "generally accepted & entirely proper" (p. 10).

Other Departments

CONGRESS (p. 11). **TECHNOLOGY** (p. 11). **FCC** (p. 12). **PERSONALS** (p. 13). **FINANCIAL** (p. 18).

MANEUVERS IN WASHINGTON, MIAMI, BOSTON: Legal pulling-&-hauling on several major channels intensified last week as FCC convened in full force after vacation. Most unusual was application for Ch. 4 Washington by San Francisco Chronicle (KRON-TV), which seeks to wrest channel away from NBC's WRC-TV in a license-renewal hearing. This is latest move of KRON-TV to block NBC's purchase of KTVU San Francisco, to which NBC would shift affiliation from KRON-TV. WRC-TV's license is due for renewal Oct. 1, and Commission apparently is now obligated to accord KRON-TV its comparative hearing, just as it's expected to give Philco a crack at Ch. 3 Philadelphia, occupied by NBC's WRCV-TV (Vol. 16:19 p10).

Because NBC wants to sell WRC-TV to RKO, KRON-TV told FCC, "it is in the public interest to afford the Commission the opportunity of choosing between an applicant desiring to operate a TV station in the nationally significant Washington, D.C. area and an applicant which no longer has an interest in that community." Novel aspect of KRON-TV's application is network service it proposes—NBC-TV.

Tortuous Miami Ch. 10 case took a couple of more steps. National Airlines' WPST-TV, ordered to vacate channel by Sept. 30, had requested Commission to hold everything until Court of Appeals acted on station's challenge of FCC's decision. But Commission last week instructed staff to draft a decision rejecting that request. In addition, FCC gave L. B. Wilson authority to build a Ch. 10 station at temporary site—at Miami antenna farm, 400 ft. north of WCKT's tower. It's assumed that Wilson's WLBW-TV can't get going by Sept. 30 and that FCC will keep WPST-TV on air until WLBW-TV is ready—unless court gives WPST-TV additional

respite. Wilson Pres. C. H. Topmiller & vp Tom Welstead are supervising construction from offices in Security Trust Bldg., and they've leased temporary studios at 2133 NW 11th Ave.

WHDH-TV Boston lost a round in efforts to retain Ch. 5. Station has asked Commission to reconsider decision taking away its license and to keep status quo, pending decision on that request—but FCC turned down the "status-quo" request last week. In week or 2, it will rule on station's request for a rehearing. Commission's basic July 14 "influence" decision was that WHDH-TV must give up its CP and fight for it again in another 4-way hearing, but this time under handicap (Vol. 16:29 p1).

From Petersburg, Va. came another challenge of an existing station, in form of application for WXEX-TV's Ch. 8, from Southside Virginia Telecasting (Louis H. Peterson), which lost to WXEX-TV in 1955.

MOVIE MAJORS' BIG TV STAKE: Hollywood has come a long way since early 1950s when head of one major studio termed TV "the natural enemy of movies." Our checkup among N.Y. hqs of movie majors last week showed that all are now involved in TV in some way, many with heavy investment. TV may be "enemy" to small exhibitor in neighborhood areas, and even to such baroque palaces as now-defunct Roxy Theater in N.Y. But movie-making industry itself now lives with TV—frequently at a profit.

As much as 40% of a movie major's gross today may come from TV, as in cases of Warner Bros. and Columbia Pictures (parent of Screen Gems), latest earnings reveal. This isn't true by any means of all the big film firms. Those which have arrived on scene lately or are not active in production or which are sitting cagily on feature backlogs may be getting only 10% of gross (MGM) on down to only ½% (20th Century-Fox) from TV. If anything, however, percentage is likely to shift in TV's favor.

It's been largely a case of sink-or-swim-in-TV for most movie majors. Diversification in face of TV has been (by old Hollywood standards) somewhat incredible among big film studios. With yesterday's contract star system scattered into small independent production companies, or into obscurity, the majors are involved in anything from financing-distribution of movies (almost all) to plastic religious statuettes (Republic Pictures), electronics (Paramount), and oil leases (MGM and 20th-Fox). But diversification hasn't stopped TV.

Most common activity of majors in TV is release of old movie backlogs to the medium, by methods ranging from self-distribution (MGM, Columbia, Republic, UA) to tieups such as 20th-Fox & NTA, Paramount & MCA, Universal & Screen Gems. With post-1948s moving into circulation (Vol. 16:29 p7 et seq.), feature activity has quickened with many deals in the works. But backlogs-to-TV, as any studio knows, can also be a well-heeled prelude to financial suicide, for once a backlog's gone, it's gone, and where do you find another? (For more on backlogs, see p. 6.)

Long-range TV answer for movie majors lies in other areas—chiefly new production for TV. But there are also station ownership, pay TV, studio rental and production of film commercials (see p. 4).

Glamorous, flamboyant Hollywood is no more, even as Billy Wilder's prophetic 1950 production of "Sunset Boulevard" acidly portrayed. The hard-working stars of today's studio-produced TV shows may not radiate the glamor of the Swansons and the Garbos and the Barrymores, but they're preventing many a studio from becoming a parking lot or a supermarket.

FCC & BOOSTER OPERATORS SMOKE PEACE PIPE: FCC staff's goodwill foray into heart of Western booster country (Vol. 16:34 p9) produced excellent dividends, in opinion of engineer McIvor Parker who made tour with attorney Dee Pincock.

Purpose of trip was to acquaint booster operators with new Commission rules that allow them to attain approved status (Vol. 16:31 p2). Parker said 50 to 100 operators attended each of the 11 meetings and appeared willing to comply with rules. He believes they represented some 2,000 boosters. FCC field engineers accompanied the Washington team.

Operators' first question, Parker said, was sparked by Commission's requirement that they get originating stations' rebroadcast permission. Operators were informed that FCC can't force stations to grant permission—but that there's every evidence stations will be cooperative. Another matter bothering operators was requirement that booster be turned off easily & quickly. Parker made several suggestions: (1) Run power lines to accessible spot. (2) Where other services use same power lines, superimpose signal on lines to actuate equipment. (3) Where power lines are inaccessible, use citizens radio for remote control.

Most operators will have to add or replace equipment to meet standards, according to Parker. He knows of 3 companies offering equipment, assumes there will be more: Mid-American Relay Systems, Rapid

City, S.D.; Eitel Electronics, Prescott, Ariz.; Benco, a Canadian firm. He reports that Benco has sold units with the proviso that it would convert them to FCC standards at a small fee.

All existing boosters may continue as is until Oct. 31, 1961, but they must register with FCC by Oct. 31, 1960. New booster must comply with new rules from scratch.

Parker said he saw quite a few booster pictures, "most of them pretty poor, although some were fair." He added: "I'd get a headache watching them."

WORLD TV COUNT JUMPS 10 MILLION IN YEAR: Nearly 94 million TV sets in all parts of the globe are now supplied with programs by 1,953 transmitters. In 12 months to Aug. 1, the number of TV sets-in-use increased by more than 10.7 million, while 355 new stations began telecasting.

These are outstanding results of our semi-annual survey of world TV sets & stations, made for the forthcoming Fall-Winter Television Factbook slated for publication Sept. 15. We believe the survey—and the resulting Factbook list of foreign TV stations & sets—to be the most accurate of its kind, since all information (with exception of some Iron Curtain data) has been obtained directly from countries involved. Highlights:

There are now 66 countries which have TV stations, vast majority with some kind of commercial, advertising-supported operation. No country even approaches the U.S. total of sets-in-use—estimated as 53.6 million as of Aug. 1. No. 2 country in TV-set circulation is United Kingdom, with 10.9 million (up less than million in year). Canada, once 3rd in sets, has dropped to 6th with 3.84 million (up 500,000)—trailing Japan with 5 million (up 2 million), W. Germany 4.25 million (up 1.5 million), USSR 4 million (up nearly million).

Other countries with more than million sets each: Italy, 1.8 million (up 300,000); France, 1.5 million (up 200,000); Brazil, 1.1 million (up 250,000). Due to break the million-mark this year is Australia, which has 950,000 sets (up 325,000), possibly to be joined within 12 months by Sweden with 810,000 (up 360,000) and the Netherlands with 700,000 (up 100,000).

The 1,383 TV stations listed as on air in foreign countries include virtually every type of installation—from 1-watt boosters to elaborate super-power stations. In our foreign count, we have classified as stations everything that broadcasts TV pictures—even though some would be classed as translators (or less) in this country. For the U.S. tally, however, we have confined ourselves to bona fide stations—therefore the 570 we tallied do not include translators & unlicensed boosters. We have included in a separate category the 31 TV stations maintained in isolated posts by the U.S. armed forces.

In the station derby, Italy comes out way ahead, with 400 transmitters—but 372 are low-powered satellites. West Germany is next with 228, again mostly satellites & boosters. (Both Italy & Germany, incidentally, have started regular uhf service.) Japan has biggest array of regular stations, listing 108, all except 10 of them originating outlets. USSR has an estimated 150 stations & repeaters, Canada 70, France 65, U.K. & Sweden 35 each, Cuba 27, Brazil 24, Mexico 20.

For country-by-country summary table of stations & sets-in-use, see p. 20.

Auxiliary Services

Closed-circuit Carnegie Hall deal is temporarily off. TelePrompTer had hoped to start the series with a Sept. 26 all-star concert, to be fed to theaters, auditoriums and its CATV systems. But problems quickly mounted. Among them: (1) Insufficient time to make contract arrangements with all talent and to provide "a proper build-up" for the event. (2) TelePrompTer's collection system for pay-TV events fed to its CATV systems is still in the experimental stage. TelePrompTer officials told us they plan to pursue talks with Carnegie Hall (Vol. 16:36 p16) at a more leisurely pace toward the goal of starting a TV concert series early next year.

Translator station applicants should now use revised Form 346, changed in July to provide all required information in initial applications, and should destroy old April 1957 Form 346, the Commission said in a public notice. Copies of the new form are available from FCC field offices as well as Washington hq.

TV control of highway traffic will begin a 2-year, $400,000 test Nov. 1 on Detroit's heavily congested John Lodge Expressway (Vol. 16:8 p24). The Michigan Highway Dept. reports that it is awarding GE, on the basis of its $168,116 bid, a contract for the construction, operation and maintenance of the experimental closed-circuit TV system. The test will use a 14-camera hookup to scan 3.2-miles of the midtown expressway and feed the pictures to a control center. Guided by the TV projections of traffic conditions, operators will push buttons to close entrance ramps, cut lane speed, and effect other traffic-control measures. The installation will embrace 11 miles of TV cables, 239 miles of control wires.

Rochester Video, CATV system in Rochester, Minn., has been bought for an undisclosed price by Brainerd Video, Brainerd, Minn., which is headed by Paul J. Schmitt. Frank P. Thompson, vp of the Brainerd system, will be gen. mgr. of both. The Schmitt group also owns systems in Benton & Willmar, Minn. TELEVISION FACTBOOK No. 31 lists the Rochester system with 2,064 subscribers.

Film & Tape

More about

MOVIE MAJORS IN TV: All of Hollywood's major movie studios & distributors today are involved in TV in some way (see p. 2), and the range of interest-areas is broad indeed. In our own checkup among movie majors, we found these TV activities predominating:

1. Production of studio-produced film shows for network telecasting, or distribution of independently produced shows at network level.

2. Distribution of pre-1948 backlogs of feature films, either directly or through a sales agent. Packages of Hollywood-produced post-1948s are appearing on the network & syndication market in increasing numbers (see p. 6).

3. Production & syndication of film shows.

4. Production to order of TV film & tape commercials directly or through subsidiaries.

5. Studio rental to independent TV program & commercial producers, including crews, facilities, sets, etc.

6. Overseas distribution of telefilm shows & features.

7. Ownership of TV & radio stations.

8. Ownership of or interests in pay-TV or closed-circuit TV companies.

9. Ownership & manufacture of TV-electronics such as pay-TV equipment, color tubes, etc.

10. Film-lab processing & shipping of programs & commercials.

Here's a company-by-company roundup of TV activities of the majors as reported to us:

Allied Artists: Network shows this fall—none scheduled, but new informational films div. plans to offer a biographical special on mathematician Albert Einstein to networks as 1961 possibility • Features—AA-owned Interstate TV Corp. currently distributes over 300 titles (including 24 post-1948s) • Syndication—Interstate currently marketing 2 first-run juvenile-appeal cartoon series (*Snip Snap; Foo Foo*), both 30-min. Interstate also supplies a group of 90 "Our Gang" Roach-produced shorts under the syndication title *Little Rascals*, plus other shorts & telefilm reruns.

Columbia Pictures (via Screen Gems): Network shows this fall—ABC-TV: *Naked City, Donna Reed, Flintstones, Winston Churchill Memoirs, Rin Tin Tin* (reruns) in afternoon strip. CBS-TV: *Dennis the Menace, Father Knows Best* (reruns), *Route 66, My Sister Eileen.* NBC-TV: *Dan Raven, Ruff & Reddy,* (Screen Gems network shows include co-productions with Hanna-Barbera, Herbert B. Leonard and purchasing networks) • Features—currently distributes 600 pre-1948s for Columbia Pictures, 700 pre-1948s for Universal. Plans post-1948 packages for late fall. Also distributes large library of movie short subjects, comedies, etc. • Syndication—currently marketing two 30-min. first-run shows, *3 Faces West* and *Manhunt* (2nd year production), as well as taped *Medicine 1960* series. Total of 24 other rerun syndication series available • Commercials produced—owns subsidiary Elliot, Unger & Elliot • Ownership of TV-radio stations—owns KCPX-TV Salt Lake City through Columbia Pictures Electronics Co. • TV-electronics—In planning stage.

Walt Disney Productions-Buena Vista Distributing Co.: Network shows this fall—ABC-TV: *Walt Disney Presents.* NBC-TV: Currently in discussion stage, and may include use of few top post-1948 Disney films as network specials • Features—None; entire backlog withheld from TV except for Disney shows • Commercials—Only special "billboards" for Disney shows • Recently re-purchased AB-PT holdings in Disneyland amusement park.

Metro-Goldwyn-Mayer (via MGM-TV): Network shows this fall—ABC-TV: *The Islanders.* NBC-TV: *National Velvet* • Features—distributes library of 700 titles through MGM-TV, plus 52 "Our Gang" comedies, cartoons, shorts, etc. • Syndication—distributes off-network reruns of *Thin Man,* etc. • Commercials produced—inactive, but has produced film commercials • Studio rental—yes. • Ownership of TV-radio stations—None at present, but has been active in past.

Paramount Pictures (via Paramount TV and Telemeter): Network shows this fall—CBS-TV: *Mr. Garland* (first network sale) • Features: Paramount pre-1948 backlog of 700 titles distributed by MCA subsidiary EMKA Corp. in long-term deal • Syndication—in planning stage • Studio rental—yes • Ownership of TV stations—KTLA Los Angeles • Pay-TV interests—owns International Telemeter, currently conducting pilot operation with Famous Players Corp. in Toronto suburb • TV-electronics—active in fields of computer, pay-TV, color-tube electronics via subsidiaries; also has owned stock in Du Mont.

Republic Pictures: Features—distributes 466 pre- and post-1948 titles through Hollywood TV Service Inc., subsidiary • Syndication—in planning stage under new Victor M. Carter regime • Studio rental—yes, a major activity • Overseas TV distribution—limited distribution of its properties • TV film-lab work—yes, through subsidiary Consolidated Film Labs.

RKO General Inc. (General Teleradio div., subsidiary of General Tire & Rubber Co.): Features—RKO pre-1948 backlog formerly handled on time-&-cash basis by C&C Films now distributed by United Artists Associated, which now has 729 RKO titles including nearly 100 post-1948s. Additionally, Show Corp. of America distributes 66 post-1948 RKO titles. RKO plans to syndicate 17-title package of European-produced, English-dubbed features, all post-1948s, this fall • Commercials—owns Robert Lawrence Productions • Studio rental—No, studio sold to Desilu Productions • Ownership of TV-radio stations—WNAC-TV & WNAC Boston, KHJ-TV & KHJ Los Angeles, KFRC San Francisco, WOR-TV & WOR N.Y., WHBQ-TV & WHBQ Memphis, WGMS Washington; through Canadian subsidiary owns ⅔ of CKLW-TV Windsor-Detroit (CKLW); also operates Yankee Network • Pay-TV interests—has deal with Zenith for future Hartford operation with Phonevision if granted FCC approval • RKO General, since it sold its studio to Desilu and went out of production, has no movie interests.

20th Century-Fox (via TCF-TV): Network shows this fall—ABC-TV: *Hong Kong, Adventures in Paradise.* CBS-TV: *Many Loves of Dobie Gillis.* Also planning *Strange World of Jules Verne* for 1961-62 fall season • Features—total of 552 titles, including new group of 27 post-1948 20th-Fox features, distributed by NTA • Syndication—in planning stage • Commercials—produces theatrical commercials, sometimes used on TV, through Movietone • Studio rental—only to TV producers who have distribution deals with 20th-Fox • Ownership of TV-radio stations—KMSP-TV Minneapolis, plans to buy more • Pay-TV interests—discussing possible deal with Matthew J. (Matty) Fox • TV-electronics—owns partial interest in Eidophor theatrical large-screen TV system • TV film lab work—through subsidiary Deluxe Film Labs.

United Artists (via UAA and Ziv-UA): Network shows this fall—CBS-TV: *Aquanauts.* NBC-TV: *Klondike, Bat Masterson* • Features—UAA has largest feature library in field, totaling nearly 2,000 titles, including backlogs of Warner Bros., RKO, United Artists, Monogram and many independents. Also has extensive library of Warner car-

toons, *Popeye*, short subjects, etc. • Syndication—Ziv-UA currently marketing in first-run syndication *Case of the Dangerous Robin*, *Lockup*, reruns of *Tombstone Territory*, new cycles of *Sea Hunt*, etc. Total Ziv-UA syndication list is over 30 series. UAA plans new cartoon syndication series • Commercials—occasional commercials for syndication sponsors • Studio rental—yes • Ownership of TV-radio stations—no, but UA has created subsidiary at Ziv lot in Hollywood to scout station purchases.

Universal Pictures: Features—(see Columbia Pictures-Screen Gems).

Warner Bros: Network shows this fall—ABC-TV: *Maverick*, *Lawman*, *Cheyenne*, *Surfside Six*, *Bugs Bunny*, *Hawaiian Eye*, *77 Sunset Strip*, *Roaring Twenties* • Features—entire pre-1948 backlog of 754 titles, plus WB-produced cartoons & shorts, distributed by UAA. New package of 122 post-1948 WB titles being distributed by 7 Arts Corp. (Creative Telefilm & Artists Inc.) in deal for $11 million plus WB share of profits • Syndication—no domestic, but sells WB telefilms overseas • Commercials—none produced by studio, but has "facilities exchange" deal with N.Y. commercial-making Filmways Inc.

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First Comes The Word: There's nothing wrong with TV that good writing can't cure, Hollywood writers have always contended. Trouble is, too much interference & too many restrictions are imposed on writers, they've added. So last week a group of writers tried to do something about this. They banded together under the name of Company of Writers, and turned in the first of 5 pilot scripts they will do for Screen Gems. SG has assured them "artistic control of their properties," they said. Asked what will happen if one of their series sells and a sponsor or agency denies them control, they said they wouldn't argue about a line, but if a series concept is changed (as happened in the case of *Mr. Lucky*) that would be different. But "we'll cross that bridge when we come to it," they added.

Reluctant to disclose the nature of their 5 pilot projects, they did say that "not one shot was fired" in them; and that they are neither Westerns nor private eyes. "We hope to create trends of our own," asserted Paul Harrison, producer-director, and exec. producer of COW.

Some of those enlisted in the ambitious venture are screen writers with little or no TV experience; some have ample TV backgrounds. Involved are Harrison (*The Untouchables*, exec. producer at Screen Gems, ex-CBS-TV), Ivan Goff & Ben Roberts (teamed on pilot of SG's *The Fat Man*), Liam O'Brien, (pilot of *Johnny Midnight*), Marion Hargrove (*Maverick*, *77 Sunset Strip*, *Cheyenne*, *Dick Powell's Zane Grey Theater*, *Colt .45*, *Telephone Time*), and Richard Murphy (screen writer, no TV).

Three of COW's pilot scripts will be delivered to SG by Sept. 19, the remaining 2 by Nov. 19. Four are half-hour series, one is 60-min. If COW is successful, it will expand into the financing of movie & stage productions.

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Screen Extras Guild has voted approval of a new contract with the Alliance of Television Film Producers and the Assn. of Motion Picture Producers by a majority of better than 94%. The contract taking effect this week (Sept. 12), provides increased wage scales & improved working conditions for extras.

Bonnaker Productions will pilot *The Drumbeater* Sept. 26. Pat Harrington Jr. stars.

HOLLYWOOD ROUNDUP

ABC-TV's Selmur Film Co.: Selmur Productions Inc. is the name of ABC-TV's new film & tape production subsidiary, and it's off to a good start with 2 taped shows to begin on the network this fall (Vol. 16:30 p9). One, *Day in Court*, has been on ABC-TV for some time, and will now be produced by Selmur. The other, also daytime, is *Morning Court*. It goes on Oct. 10.

Selmur is now developing film properties and expects to have some deals set by mid-October. Thus far the organization consists of 3 executives: ex-KABC-TV Los Angeles gen. mgr. Selig Seligman, pres.; ex-KABC-TV program dir. Peter Robinson, in charge of programming; and Leon Mirell, ex-MGM-TV dir. of business affairs, in charge of business & administration.

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86 movies have been or are being made so far this year in Hollywood, compared with 118 for the same period of last year. We saw a striking example last week of the switch from cinema to TV film at the sprawling Metro-Goldwyn-Mayer plant in Culver City. Once a turmoil of movie activity, MGM last week hadn't a single picture in production at its home lot. But it was most certainly busy with TV film—2 of MGM-TV's own series (*The Islanders* and *National Velvet*) and those of tenant producers (*Peter Gunn*, *The Outlaws*, *One Step Beyond*, *Oh Those Bells*, *Rawhide*, *Twilight Zone*, *The Brothers Brannagan*, *The Tab Hunter Show* and *The Jim Backus Show*). Warner Bros.' Burbank plant, too, without a single movie before the cameras, but busy with its series for ABC-TV, would be paralyzed without TV.

TV-film producers, an insecure lot at best, are now expressing anxiety over what the Presidential election campaign will do to their ratings. They tell us they are concerned that pre-emptions will not only jar series ratings, but that election-conscious Americans may show less interest in regular TV programming. This may lead sponsors & agencies to drop series sooner than usual. Explained one producer: "Usually you know by late October what shows are going to make it. But because of the campaign, I don't think you'll get a clear picture this year until late November or early December. And by then a sponsor may cancel a show."

Some 95% of "scabbing" accusations during the recent Writers Guild of America strikes against telefilm & movie producers in Hollywood were false & unfounded; WGA's disciplinary committee has announced that it is investigating the remaining 5%. One member's trial has been held, ending in a guilty verdict. The committee will remain in force "until the last of the accused is either cleared or convicted," but it will not operate as a "goon squad," "kangaroo court" or "literary mafia," it stated. The committee's surmise is that management got most scripts during the strike from non-WGA-members—actors, directors, producers, even clerical help at the studios.

Screen Gems resumes production this week on syndicated *2 Faces West*, starring Charles Bateman & June Blair. Matt Rapf is producer.

People: Ziv-UA signed ex-MGM-TV producer Richard Bare as a producer . . . Vance King named PR dir. & mgr. of Hollywood Museum Associates, non-profit corporation formed to promote the movie & TV museum.

NEW YORK ROUNDUP

Screen Gems anti-trust case, in which N.Y.'s U.S. District Court absolved parent Columbia Pictures and Universal Pictures of any violations of the Sherman & Clayton Acts in TV film deals (Vol. 16:34 p10), has been marked "closed" by the Justice Dept. Govt. attorneys had contemplated carrying the July ruling by the District Court to the Supreme Court, but let a 60-day deadline for filing pass without making a further move in the case. A Justice Dept. source told us that the decision against appealing the Screen Gems ruling will not affect the govt's prosecution of a similar case—now in pre-trial proceedings—involving United Artists. UA is accused of anti-trust violations in deals with Warner Bros. & RKO-Radio Pictures for pre-1950 films for TV distribution. The UA case will probably go to trial in the N.Y. District Court within the next 2 months.

Cooperative Advertising Associates Pres. Lester Krugman recently outlined to us (Vol. 16:34 p10) a suggestion that TV syndicators could tap major new revenue by selling a show on a national basis to a major automotive manufacturer and then placing it, on a co-op basis locally, through dealers. Last week, just such a deal was announced. Studebaker-Packard Corp., on behalf of its Lark compacts and through the D'Arcy agency, signed for a 30-min. filmed comedy series, *Wilbur & Mr. Ed*, produced by Filmways and represented by MCA. The show, which stars Alan Young and is the creation of Al Simon, Arthur Lubin and George Burns, will be spot-placed by Studebaker-Packard in over 120 markets in local-rate co-op time purchases with Lark dealers.

"TV Channels," the new syndicated supplement for Sunday newspapers, began distribution in the *Boston Sunday Herald* Sept. 11. This paper, added to the present list (*Los Angeles Times, Washington Post, Dallas Morning News* and *Bridgeport Sunday Herald*) brings the supplement to a circulation of 1,954,592. It is a 16-page section into which the newspaper binds its area's own locally-printed program schedules.

N.Y.U. will provide a training ground for animators this fall in a workshop course oriented toward the humorous art. The program may come as a relief for producers and animators' unions which have complained of the shortage of trained cartoonists (Vol. 16:26 p6).

Add syndication sales: NTA wrapped up 4 new markets last week for *Play of the Week*, making a total of 56. New buyers: WHEN-TV Syracuse, N.Y.; WTOL-TV Toledo, Ohio; WTVR Richmond, Va.; WRCV-TV Philadelphia, Pa. . . . ITC's *Best of the Post* has been sold in 94 markets to date . . . Ziv-UA announced markets for *Lock Up* now number 184, and *Case of the Dangerous Robin*, 142.

Bob Hope signed a 5-yr. contract renewal with NBC-TV last week to include 6-to-8 60-min. specials and one 2-hr. special each season.

Young mothers watch more TV, both daytime & evening, than other women, reported a recent TvAR study. Women with children under 6 years devote "an average of 5 hrs., 17 min. each weekday to TV, while all other women average 4 hrs. 1 min.," said the rep concern.

People: Ray Heindorf, former Hollywood music director, signed by CBS-TV as music director of "An Hour with Danny Kaye," Oct. 30 special . . . Sidney Ginsberg named Trans-Lux TV asst. vp in charge of production.

Programming

More about

MARCH OF THE POST-1948s: Sales deals, actual & proposed, and an important legal decision highlighted industry activity last week in lining up post-1948 features for TV's fall schedules. Among developments:

A last-ditch effort by the American Federation of Musicians failed completely to block the sale of the first major post-1948 package of Warner Bros. films. AFM, seeking an injunction in Federal District Court, N.Y. to hold back the package, on grounds that musicians should be paid a royalty for their soundtrack music (Vol. 16:34 p10 et seq.), was flatly denied the petition by Judge William B. Herlands. This means that 7 Arts Corp.—the Canadian distribution firm established by Eliot Hyman which has an $11-million deal with WB for the package—now gets the green light to begin station & network sales.

It was a double rebuke to AFM, for Judge Herlands added that a grant of AFM's petition would be "infringing on the representation rights of the Musicians Guild of America." This is the rival musical union which has been representing WB-employed musicians and has just concluded 4-year Hollywood agreements with several major record companies (including TV-allied Disney Records).

AFM promptly appealed the Federal District Court decision, although its chances looked slim. The union also served notice it will "continue to file suit against any major motion picture producer that ignores its contractual pledge to the federation." Current AFM contracts, although not cutting union members in for a direct slice of post-1948 TV revenue, call for "prior consent" to TV re-use of such films.

* * *

On another Hollywood movie front, however, AFM scored a union victory. In a representation election, AFM was restored as bargaining agent (vs. the MGA) for musicians employed by major studios. AFM Pres. Herman Kenin hailed the vote as signaling "the speedy end of dual unionism and the kind of unity of purpose that enables an honest trade union to represent its members effectively." With AFM now back in its former position as collective bargaining agent for studio musicians, AFM's hand was strengthened somewhat in dealing on post-1948 issues.

* * *

Network-level interest in post-1948 movies continues, meanwhile. MGM-TV, we're told, is quietly feeling out network attitude toward "An American in Paris," the Oscar-winning 1951 musical starring Gene Kelly & Leslie Caron. Modeling its approach on CBS-TV's successful once-a-year use of "The Wizard of Oz," MGM is exploring a minimum 3-year deal whereby the film would be sold for a rumored $1 million to a network for telecasting as an annual, multiple-sponsored special. Interest in such films-on-network projects is primarily centered at NBC-TV, whose programs & talent vp David Levy visualizes them as blockbuster color shows with pre-sold audience.

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Levy's alma mater, Young & Rubicam, is also interested in network-level feature shows. The agency has been discussing possible post-1948 properties with still another former Y&R executive, 20th Century-Fox TV Pres. Peter Levanthes, and with Columbia-owned Screen Gems.

Y&R's tentative blueprints call for one-shot movie specials, paying less than $100,000 per picture for network use, but relinquishing the films immediately for use in syn-

dicated feature packages. Columbia's "Bell, Book & Candle," as we reported several weeks ago (Vol. 16:34 p3), is also being sought as a network special by NBC-TV and by the C. J. La Roche agency.

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Post-1948s are also among the hotter fall properties in station-level syndication sales, with considerable interest being shown in new packages by major market outlets. The 7 Arts-Warner Bros. package (see above) has not yet been offered officially in syndication. But UAA has been scoring some quick sales for its recently acquired UA "Box-office 26" package. An all-post-1948 package (whose films include "The Barefoot Contessa" with Ava Gardner & Humphrey Bogart, "Attack" with Jack Palance, and "The King & 4 Queens" with Clark Gable), the group has been sold so far to KTVK Phoenix and KLRJ-TV Las Vegas. Other deals for the package are in the works, including a pending sale to WNBC-TV N.Y. (which is trying to build up its own feature library to rival the 18-month supply accumulated by WCBS-TV N.Y.).

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WOR-TV N.Y., thanks to a recent deal with parent RKO General, will feature 13 or more post-1948 RKO films in its fall *Million Dollar Movie* series. These include "Bundle of Joy" with Eddie Fisher & Debbie Reynolds, and "The Americano" with Glenn Ford & Frank Lovejoy. The latter film will initiate a series of colorcast *MDM* features on WOR-TV next month.

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WNTA-TV N.Y. will function as a private showcase for Chicago buyers who are interested in its recently-purchased 20th Century-Fox post-1948 package (distributed through NTA). Special screenings will be provided for 300 Chicago agency men and advertisers beginning this month, showing highlight clips from the post-1948 features.

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"Hollywood has an advanced case of intellectual leprosy," *Time* magazine quotes David Susskind who is presently in the film capital making "A Raisin in the Sun" for Columbia Pictures. Added Susskind: "It is sterile & bland, a place of languor & procrastination, of overwhelming provincialism." Retorted Oscar Levant: "Susskind is salami dipped in chicken fat." The TV producer, who this year raises his production from 1959's $12 million to $30 million, uttered another quote after meeting with MGM exec. Benny Thau: "The only thing we have in common is breathing."

WTVJ (Ch. 4) Miami, has inaugurated a Mon.-Fri. Spanish-language news service entitled *News en Español.* The twice-daily program (6:45 a.m. and each weeknight following the late movie) emphasizes Cuban and other Latin American news, and will be supplied with newsfilm reports by Central & South American TV stations. The programs include an "answers-to-viewers'-questions" service designed, according to station pres. Mitchell Wolfson, to orient newly-arrived Latin Americans.

Voice of Democracy broadcast script-writing contest is under way again. Kits for the 14th annual competition for high school students, co-sponsored by NAB, EIA and state broadcasters' associations, in cooperation with Veterans of Foreign Wars, have been sent to all broadcasters & VFW posts. College-scholarship contest instructions also are being mailed to 28,000 high schools. Top winners will be picked next February.

Networks

John Crosby vs. NBC: A quick feud flared last week between John Crosby & NBC. It kicked off when the TV columnist roasted the network and its management in a Sept. 7 column alleging that the network's present policies were creating a "mess of colossal proportions."

Crosby got in over his head, though, by venturing into figures. One of his statements was that NBC is "*earning* [italics are ours] $230 million annually." A checkup reveals that the figure is actually a close guess at the *gross* 1959 revenue time & talent—of NBC-TV. That network provides about two-thirds of the gross revenue of $323 million reported for all NBC activities (TV & radio networks, o&o stations, syndication, etc.) by RCA for 1959.

Departing from his role of critic, Crosby charged that NBC's programming in the last few seasons (". . . Quality was to be sacrified to get more viewers") has been a financial flop. NBC's profits, he asserted, have skidded from a 1956 Pat Weaver-administration figure of "between $18 & $19 million," to a profit last year of "between $2 & $5 million" under the Sarnoff-Kintner regime. "Virtually its only 2 profitable operations" said Crosby "are *Today* and *Tonight,* both of them left over from the regime of Pat Weaver, the visionary," said Crosby.

Crosby's blast provoked an unusual response from NBC, which generally turns the other cheek where major syndicated columnists are concerned. NBC Chmn. Robert W. Sarnoff and Pres. Robert E. Kintner fired off a joint letter to Crosby's boss, *Herald-Tribune* Pres.-editor Robert M. White II. In it, Sarnoff & Kintner termed the Crosby column "vindictive & distorted" as well as "false & damaging." Crosby, said the NBC executives, "is not competent to deal" with questions of network operation and management, and committed "errors of fact."

Sarnoff Predicts Record Profits

Far from losing profits (as Crosby had charged), NBC's profits "were at a near-record level and for the 4th quarter of that year were the highest in the company's history." Indications in 1960 are that "NBC will earn an all-time high in profits for the year," said the Sarnoff-Kintner letter, although no specific figures were given.

Crosby's slap at NBC was, as the NBC executives saw it, "a striking example of his bias, since he gives no recognition to NBC's accomplishments in news & public affairs . . . entertainment programs of outstanding merit . . . development of color TV—all costly undertakings."

Although NBC didn't mention them in its letter (which was printed in the letters-to-the-editor column of the Sept. 9 *Herald-Tribune*), Crosby had advanced other inaccuracies. For one thing, he indicated that NBC had "tossed out" *Philco Playhouse,* a "quality dramatic" series; actually, Philco never renewed the show. For another, Crosby charged that NBC had plunged in ratings from top spot to third place, and that the daytime schedule "is a failure." But in the first half of 1960, according to Nielsen the nighttime (6-11 p.m.) network audience shares averaged: CBS-TV—33.5; NBC-TV—29.2; ABC-TV—28.5. In daytime, NBC is even stronger. Daytime (10 a.m.-1 p.m., 2-5 p.m.) Nielsen shares in the first half of the year ran: CBS-TV—37.0; NBC-TV—34.0; ABC-TV—18.0.

There was no apparent Wall St. effect of the Crosby column. In the 2 days following the column's appearance, the price of RCA common dropped from 61⅜ to 59½—a drop that was almost exactly the same as the 2-point average sag reported in the market by Dow-Jones.

2 Seek Canadian Nets: Two competing groups sought approval as Canada's 2nd—and first privately-owned—network in briefs before the Board of Broadcast Governors in Ottawa last week. Of 4 comments filed on the subject, only one expressed opposition to the idea of a 2nd network.

These groups proposed to operate Canadian networks:

(1) The Independent Television Organization (ITO), a cooperative to be owned by 8 recently-approved private TV stations (none of them yet on the air). Headed by R. E. Misener, gen. mgr. of upcoming CFCF-TV Montreal, the group proposed initial non-interconnected operation via exchange of video tape & film.

(2) S. W. (Spence) Caldwell, head of big Toronto TV film producer-distributor S. W. Caldwell Ltd., proposed to operate a network which would use microwave interconnections from the outset.

Govt.-supported CBC, which operates the only existing Canadian network, stated that it isn't opposed to competition from a private network so long as the same conditions & responsibilities are imposed on both networks.

Graham Spry of the Canadian Bcstg. League, on the other hand, expressed fear for the CBC's future in competition with a private network. He predicted that commercial interests would freeze CBC out of mass-appeal programming, thereby reducing its ad revenues and imposing a burden on the taxpayers. CBC's deficit is met by the govt.

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ABC-TV affiliates will hold their pre-fall-season meeting in Hollywood this week. The board of the Affiliates Advisory Assn. met Sept. 11 at the Beverly Hills Hotel. Later this week, the board will join ABC executives in a final discussion of new program plans, local-level promotion & new network policies.

"Oh Those Bells," new CBS-TV situation comedy series starring the Wiere Bros. and produced by Ben Brady, begins production Sept. 13 at MGM.

Oscarcast sales drive is on at ABC-TV. Most likely prospects are reportedly Revlon, General Foods and P&G.

NETWORK SALES ACTIVITY

ABC-TV

Maverick, Sun. 7:40-8:30 p.m., part. eff. April.
E. I. Du Pont (N. W. Ayer & Son.)

Hong Kong, Wed. 7:30-8:30 p.m., part. eff. May.
E. I. Du Pont (N. W. Ayer & Son.)

Cheyenne, Mon. 7:30-8:30 p.m., part. eff. April.
E. I. Du Pont (N. W. Ayer & Son.)

Republican Presidential candidate, 8 telecasts p.m., eff. during Oct. only. Full sponsorship.
Republican National Committee (Campaign Assoc.)

Daytime programming, Mon.-Fri. a.m. part. eff. Sept.
American Cyanamid (Erwin Wasey, Ruthrauff & Ryan)
Sterling Drugs (Dancer-Fitzgerald-Sample)
Campbell Soup (Needham, Louis & Brorby)
Block Drugs (L. C. Gumbinner)

Lawrence Welk Show, Sat. 9-10 p.m., part. eff. Dec.
Polaroid (Doyle Dane Bernbach)

NBC-TV

John Brown's Raid (special), Oct. 25, 10-11 p.m., full sponsorship.
Purex (Edward H. Weiss)

TV-radio debate schedules were resolved last week among the networks for the scheduled Nixon-Kennedy appearances in the pre-election period (Vol. 16:36 p7). In Sept. 9 meeting between NBC news vp William McAndrew, ABC vp for public affairs John Daly, and CBS News Pres. Sig Mickelson, some coin-flipping resulted in this pool-coverage schedule: CBS will handle the Sept. 26 show. NBC will handle an Oct. 7 panel show (a date to be confirmed by the Presidential aspirants). And ABC will originate shows on Oct. 13 & 21. All shows will be fed to all TV-radio networks. Apart from the face-to-face sessions, the candidates will be seen on other shows. The Sept. 29 *Person to Person* show, for instance, will have Kennedy as a guest in its season premiere, with Nixon scheduled shortly thereafter. Both NBC & CBS plan several documentary specials that will be profiles of the key candidates in the forthcoming election, and a Nov. 13 *Omnibus* show on NBC, after the election, will feature a study of the office & powers of the President.

Stations

NEW & UPCOMING STATIONS: The year's 15th new-station starter—and 5th educational outlet to begin in 1960—is KERA-TV (Ch. 13) Dallas, operated by the Area Educational TV Foundation. It brings the total of operating U.S. stations to 571 (482 vhf, 89 uhf), of which 49 are non-commercial.

KERA-TV plans its inaugural program Sept. 11, beginning regular programming Sept. 12 with approximately 15 hours of live school programming weekly, "and at least as much adult programming, mostly film & tape from NET," according to exec. dir. Martin Campbell. The station is housed in temporary quarters in a schoolhouse borrowed from the Board of Education, pending completion of permanent quarters in 1961. It is using a 300-ft. tower, transmitter and other equipment purchased from WFAA-TV. The 48th affiliate of NET, KERA-TV claims to be "the first ETV station equipped to broadcast in color."

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In our continuing survey of upcoming stations, these are the latest reports received from principals:

KWCS-TV (Ch. 18, educational) Ogden, Utah,installing 1-kw RCA transmitter, expects to begin programming in Sept., reports T. H. Bell, supt. of grantee Weber County School Dist. It has Deale Electric antenna on 112-ft. Stainless tower. John A. Larson, station dir. & Norman Barber, engineer, both have been working in the school district's closed-circuit operation.

KEYC-TV (Ch. 12) Mankato, Minn., with 11-kw RCA driver installed and 25-kw amplifier on hand, expects to meet Oct. 1 target, says Herbert R. Ohrt, exec. vp of Lee Radio Inc., 70% owner. Mankato studio building is scheduled to be ready Sept. 15. Transmitter house in Lewisville, Minn. was completed early in Aug. Kimco 1040-ft. tower is ready for RCA traveling wave antenna which arrived late in Aug. Bob Gardner, ex-Las Vegas TV stations, is station mgr.; Hap Halligan, ex-KGLO-TV Mason City, sales mgr.; Bob Cavanaugh, ex-KGLO-TV, program dir.; Don Borchert, ex-KGLO-TV, chief engineer. Network affiliation hasn't been signed. Base hour, $300; rep, Branham.

WIPM-TV (Ch. 3) Mayaguez, P.R., planned as noncommercial operation of P.R. Dept. of Education, now has Oct. programming target, writes R. Delgado Marquez, gen. mgr. of Dept.'s other station WIPR-TV (Ch. 6, educational)

San Juan. It has 6-kw RCA transmitter ready for use, but installation of antenna on 202-ft. Ideco tower has been delayed until this month.

WTVI (Ch. 19) Fort Pierce, Fla. has completed studio-transmitter building on Signal Hill, between Fort Pierce & Vero Beach, and plans Nov. 1 start with CBS-TV & ABC-TV, writes Gene T. Dyer, owner-mgr. GE 12-kw transmitter was scheduled to arrive before end of Aug. It has 380-ft. Stainless tower ready for GE antenna, also due by end of Aug. J. Patrick Beacom, pres. of WJPB-TV (Ch. 5) Weston, W.Va. is exec. mgr.; Les Combs, station mgr.; Ken Sanders, ex-WLWD Dayton & WNEM-TV Bay City, program mgr.; Joe Strelauski, ex-WJPB-TV, chief engineer. Base hour will be $300. Rep will be Forjoe.

KCSD-TV (Ch. 19) Kansas City, Mo. expects to meet Nov. 15 target as non-commercial educational outlet of School Dist. 19 there, reports J. Glenn Travis, admin. asst. to the school supt. Stub tower on top of City Hall is ready for antenna, and construction of studios in Board of Education Bldg. has started. GE 1-kw transmitter & antenna are due to arrive Sept. 5. Clyde Howe, ex-WIBW-TV Topeka, is chief engineer.

KEZI-TV (Ch. 9) Eugene, Ore. has ordered 35-kw GE transmitter and plans Nov. start, according to D. A. McDonald, pres. of grantee Liberty Television Inc. Tower Sales Erecting Co. is furnishing 200-ft. tower. Base hour not set. Meeker will be rep.

KIFI-TV (Ch. 8) Idaho Falls, Ida. has tentative Dec. 1 target, awaiting FCC approval for maximum power, reports James M. Brady, pres. of grantee Eastern Idaho Bcstg. TV Co., and operator of radio KIFI. GE 28-kw transmitter has been ordered for delivery about Nov. 1. Studio building is ready, but construction of transmitter house awaits FCC power boost approval. Tower Construction Co. has begun work on 100-ft. tower and GE antenna is due about Nov. 1 also. Network affiliation hasn't been signed. Base hourly rate not set. Rep will be Gill-Perna.

KCDA (Ch. 3) Douglas, Ariz. has changed target to next Dec., according to Mike Ling, national sales mgr. of owner Electron Corp. Building is on hand for 250-watt Electron transmitter scheduled for delivery in Dec. Alford antenna also is due in Dec. for installation on 100-ft. Rohn tower. Base hour not set. Rep not chosen.

WLTV (Ch. 13) Bowling Green, Ky. has ordered Standard Electronics transmitter for Nov. delivery and plans Dec. programming, writes grantee George A. Brown Jr., Ky. representative of General Shoe Corp. Construction has begun on studio-transmitter building. It will use 600-ft. Stainless tower. Network affiliation hasn't been signed, base hour not set, rep not chosen.

KCBY-TV (Ch. 11) Coos Bay, Ore. finished building construction at end of Aug., but won't begin NBC-TV programming until later in fall as semi-satellite of parent KVAL-TV (Ch. 13) Eugene, Ore., writes S. W. McCready, KVAL-TV gen. mgr. RCA antenna has been installed on 200-ft. Fisher tower and RCA 2-kw transmitter is scheduled to be ready for use by Sept. 25. Milton Lindley, from KPIC (Ch. 4) Roseburg, Ore., also KVAL-TV satellite, will be resident mgr.; Glenn McCready, also ex-KPIC, resident engineer. Base hour will be $150. Rep will be Hollingbery.

KCND-TV (Ch. 12) Pembina, N.D., planning fall start, has transmitter house nearly ready for 2-kw RCA transmitter, reports operations dir. Charles K. Bundlie, ex-KNOX-TV (Ch. 10) Grand Forks, N.D., which owns 25% of KCND-TV. Studio-office building also is nearly complete and work on 1350-ft. Stainless tower began early in Aug. Gene Higdem, ex-KNOX-TV, is production dir. It's negotiating for network affiliation. Base hour will be $400. Reps will be Meeker, Wayne Evans (Minn.), Pembina TV Sales (Winnipeg, Man.), Representatives Ltd. (Canada).

KFOY-TV (Ch. 9) Hot Springs, Ark. hasn't named specific target, but 500-watt Gates transmitter was due late in Aug., according to acting mgr. John Whitt, also sales mgr. of KFSA-TV, Fort Smith, Ark. Owner is newspaper publisher Donald W. Reynolds, who also operates KFSA-TV Fort Smith (KFSA), KLRJ-TV Las Vegas (KORK), KOLO-TV Reno (KOLO) & KGNS-TV Laredo, Tex. Network affiliation hasn't been signed as yet. Base hour not set. Rep will be Headley-Reed.

WBNB (Ch. 10) Charlotte Amalie, V.I. has 500-watt Gates transmitter scheduled for delivery in Nov. and plans to begin programming by next Jan. 1, reports Robert Moss, pres. of grantee Island Bcstg. Co. Construction has begun on studio-transmitter building, and 160-ft. Utility tower is to be shipped to Island in Oct. It's negotiating for network affiliation. Base hour not set and rep not chosen.

KTWX-TV (Ch. 9) Sheridan, Wyo. start has been delayed until sometime this fall or winter, says Pres. Burt I. Harris, also pres. of Harriscope Inc., TV producer & packager. Postponement of satellite to KTWO-TV (Ch. 2) Casper, Wyo. is caused by booster situation in area. KTWO-TV has $150 base hour. Rep is Meeker.

WPTT (Ch. 10) Augusta, Me. plans start in fall of 1961 as educational non-commercial outlet, reports Dr. Charles S. Phillips, pres. of Bates College, Lewiston, Me., which acquired CP this summer from Richard S. Robie.

KAIT-TV (Ch. 8) Jonesboro, Ark. now doesn't have a target date, but is in process of letting contract for studio-transmitter building, according to owner George T. Hernreich, owner of Fort Smith radio KFPW and onetime 50% owner of KFSA-TV there (under KNAC-TV call).

CJCH-TV (Ch. 5) Halifax, N.S., call letters pending approval of Board of Transport, hasn't reported a target, but has ordered GE transmitter, writes A. D. Grayston for radio CJCH gen. mgr. Finlay MacDonald. Footings & foundation of tower were completed Aug. 27. Base hour not set. Rep not chosen.

WWLP Springfield, Mass. (Ch. 22) will be equipped for color-film origination this month, according to Pres. William L. Putnam.

Obituary

William F. O'Neil, 76, founder & chairman of General Tire & Rubber Co., died of a heart ailment Sept. 4 at his home in Akron. His was one of the first U.S. firms unconnected with entertainment or electronics to diversify into broadcasting when in 1942 it purchased the Yankee Network. It later acquired control of the Mutual Bcstg. System and the Don Lee network, neither of which it now owns. O'Neil's penchant for diversification and his faith in broadcasting led to the empire which now includes 5 TV & 7 radio stations. He was instrumental in opening the floodgate of old feature movies to TV when in 1955 his General Tire purchased RKO Radio Pictures from Howard Hughes for $25 million, later selling off the feature film backlog to Matty Fox but retaining rights to exclusive showings of the films in markets where his General Teleradio owned TV outlets. He is survived by his widow, and by 4 sons—Thomas F., vice chmn. of General Tire and pres.-chmn. of RKO General Inc. (TV-radio stations); Michael G., General Tire pres.; John, General Tire finance committee chmn.; William, owner of radio WSKP Miami—a daughter, and 26 grandchildren.

Payola Charge Fought: FTC has been challenged by Interstate Electric Co., New Orleans distributor of Columbia Records, to prove that any of its dealings with TV & radio disc jockeys and station managements constituted illegal payola.

Joining Washington's Schwartz Bros. Inc. as one of a few among 100-odd FTC-cited record firms to fight payola complaints (Vol. 16:35 p10), Interstate Electric & 4 officers demanded that FTC's case against them be dismissed.

The New Orleans company, charged in June with making under-the-turntable payments to station personnel (Vol. 16:28 p7), said in its formal answer that it "has participated in generally accepted & entirely proper promotions & advertising activities looking toward increased distribution & sale of Columbia phonograph records & other products."

But Interstate & officers L. L. Hirsh, George C. Howell Jr., F. P. Goodwin Jr. and Millard H. Cook insisted: "Such promotions & activities were not intended to, nor did they in fact, influence, induce, obtain, insure, stimulate or motivate selection or 'exposure' of phonograph records alleged in the complaint, or mislead & deceive the public."

Meanwhile, 3 more N.Y. record firms in effect pleaded no-defense in FTC payola cases against them, without admitting they violated any law. Carlton Record Corp. & Carlton Record Distributing Corp. and Hugo & Luigi Products Inc. signed consent orders forbidding them to make concealed payments to anybody for broadcasting their records.

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Last headline hearing of 1960 by House Commerce Legislative Oversight Subcommittee probably has been held (Vol. 16:36 p4)—and the special investigative unit itself may not be revived in the next Congress. No further public proceedings by the Oversighters were scheduled last week by Chmn. Harris (D-Ark.) following adjournment of the 86th Congress. And he was reported undecided on whether to ask the new House next Jan. for an extension of the life of the Subcommittee, which will go out of business at the end of this year. Meanwhile, the Subcommittee staff (already whittled down from its full strength of 32) was settling down to its post-adjournment assignment of drafting a final 1959-60 report, due in Dec. It will cover payola, quiz & other hearings, make recommendations for additional TV-radio-FCC legislation. It's likely that the recommendations will repeat Subcommittee proposals for FCC regulation of networks, among other things. One thing is sure, whether or not the Oversight Subcommittee opens up again at its old Hill stand next year, broadcasters will not be ignored by Harris. He's already outlined a Commerce Committee agenda for them in the 87th Congress (Vol. 16:33 p3).

Americans are devoting 160 billion hours annually to watching TV, reports A. C. Nielsen. The figure is derived from the 5 hours & 3 minutes per day from June 1959 through May 1960 during which the average TV home was tuned in. There were 1.9 viewers per viewing home.

NAB's music advisory committee, which had been scheduled to meet Sept. 8 in Washington (Vol. 16:33 p10), postponed its session until Sept. 22.

Metropolitan Broadcasting Corp. has established a new office in Philadelphia, where vp Benedict Gimbel Jr. will maintain his hq.

NAB has resumed publication of *Stateside*, its bimonthly newsletter for state broadcasting organizations.

Broadcast Engineering Symposium: Automated TV will be the main theme of the 10th annual symposium of IRE's professional broadcasting group Sept. 23-24 in the Willard Hotel, Washington.

First-day papers: "TV Station Automation," F. R. McNicol (RCA). "Application of Digital Computers to Station Program Sequence Switching Control," A. B. Ettlinger (CBS). "Amtec," Anthony Sverda (Ampex). "An Automatic Program Logging Device," R. M. Brockway & Robert Flanders (WFBM-TV Indianapolis). "High Voltage Solid State Rectifiers in Existing Transmitters," Lynn R. Zellmer (GE).

Second-day papers: "A Further Analysis of TASO Panel 6 Data on Signal-to-Interference Ratios," Harry Fine (FCC). "TV Tape Recording," RCA representative. "CBS-TV Standards Conversion Techniques," K. B. Benson & Alfonso Cosentino (CBS). "Sine Squared Pulses in TV System Analysis," Ralph Kennedy (NBC). "Planning & Erecting a 1,619-ft. tower for TV," Roger Hodgkins (WGAN-TV Portland, Me.). "New Type Image Orthicon," Dr. H. J. Hannam (GE). "Directional Antennas for Vhf TV," RCA representative. NBC paper, J. L. Hathaway (NBC). "Intersync," Harold Clark (Ampex). "Airborne TV Broadcasting for Educational Purposes," Charles E. Nobles (Westinghouse).

First-day sessions also will include: (1) Technical discussions at FCC with such Commission personnel as chief engineer Edward W. Allen. (2) A Willard banquet at which the winner of IRE's Scott Helt award will be announced, and VOA dir. Henry Loomis will speak.

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Handy TV-radio guide on payola definitions, as developed in the legislative history of the new Harris-Pastore Act (Vol. 16:36 p4), has been mailed to all NAB members by chief counsel Douglas A. Anello. The 4-page sheet lists examples of circumstances requiring—& not requiring—sponsor identification: (1) When records are supplied by distributors to disc jockeys or stations, no announcement is necessary unless the distributors "furnished more copies of a particular recording than are needed for broadcast purposes." (2) When an announcer gets an automobile for his own use in return for on-the-air mention of the product, announcement is required. (3) When a manufacturer furnishes a grand piano for a TV concert program, no announcement is necessary, unless cameras are focused on the piano's brand insignia instead of the pianist's hands.

President Eisenhower will salute North & South American broadcasters in a taped statement that is being distributed to NAB members for use on Continental Broadcasting Day Oct. 4. Tapes also have been sent to the Canadian Assn. of Bcstrs. and Inter-American Assn. of Bcstrs.

Sharp reductions in video-tape rates by WGR-TV Buffalo are shown in its Video-Tape Rate Card No. 2. Examples: (1) Rate per 30 min. of studio use has been cut from $200 to $50. (2) New rates for off-air taping start at $25 for 5 min. or less.

New Radio Code plaques designed for display in station lobbies & reception rooms have been mailed by NAB to more than 600 subscribers. Distribution is part of NAB's stepped-up promotion of radio self-regulation (Vol. 16:36).

WCAU-TV Philadelphia aired the city's first TV editorial Sept. 8, discussing the Transport Workers' Union strike against the Pennsylvania R.R. John A. Schneider, CBS-TV Stations div. vp & station gen. mgr., delivered the editorial. TWU Pres. Michael J. Quill rebutted next day.

Congress

Monitor Fund Request Withdrawn: Our report that the Senate appropriated an additional $150,000 for the Commerce Freedom of Communications Subcommittee to finance TV & radio monitoring during the election campaign (Vol. 16:36 p5) was erroneous. The housekeeping resolution (S. Res. 374) authorizing the extra funds for the Subcommittee's equal-time "watchdog" work didn't come to a vote on the Senate floor. It was withdrawn by Chmn. Yarborough (D-Tex.) just before the Senate adjourned at 11:52 p.m. Sept. 1 (after our Labor Day issue had gone to press) following prolonged floor argument. We confused the "watchdog" resolution with another Commerce Committee housekeeping resolution (S. Res. 354), appropriating $11,525 more for other investigative work, which was approved routinely by the Senate Aug. 31 in the adjournment rush.

Yarborough & Commerce Chmn. Magnuson (D-Wash.) tried hard to push the "watchdog" appropriation through before the adjournment deadline overtook them. But they finally gave up in the face of bi-partisan objections. Opposition to S. Res. 374 was spearheaded by Sen. Ellender (D-La.) who protested that Yarborough's monitoring operation would be a waste of money. Others who took the floor against S. Res. 374 included 2 Commerce Committee members—Sens. Thurmond (D-S.C.) & Lausche (D-O.)—and Minority Leader Dirksen (R-Ill.). They argued that it was FCC's responsibility to enforce equal-time Sec. 315 of the Communications Act.

Withdrawal of the "watchdog" resolution left the Yarborough Subcommittee with a budget of only $35,000 and 2 investigators—Joe Bailey Humphreys & Walter Boehm—to carry out its Sec. 315 assignment this year (Vol. 16:25 p5). They'll have no money for field checks on equal-time complaints (which Yarborough said already are flowing in) and must count on candidates supplying them with kines & tapes of protested political programs.

Yarborough also called on the public for volunteer help. In a brief statement, he asked viewers & listeners "to monitor programs across the nation and report any unfairness to the Committee," acting as "the jury demanding fair play."

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NBC-TV's Sacco-Vanzetti special in June has "been used by some as left-wing propaganda," according to Sen. Bridges (R-N.H.). He cited no specific examples, but said in a post-adjournment *Congressional Record* statement that the network was guilty of "historical distortion" in its "utterly biased" 2-part dramatization of the famed case. Bridges also complained that NBC-TV had refused "equal time" to Boston attorney Robert H. Montgomery, author of a book (*Sacco-Vanzetti: The Murder & the Myth*) defending prosecution of the case. Bridges quoted a letter from Montgomery protesting that he was given a runaround by the network after he had been invited to appear on the Aug. 18 *Today* show.

Federal aid to ETV should be "must" legislation in Congress, Rep. McDowell (D-Del.) told the House. Pointing to the "tremendous support which the federal govt. has given to American railroads, to the airlines, and to shipping & highway transportation," McDowell said: "Certainly, educational TV is equally deserving & is equally important to the welfare of the people of this great nation." He promised to press for enactment of ETV legislation which was killed by the House Rules Committee in May (Vol. 16:20 p5).

Last TV-radio bill in the 86th Congress, filed just before adjournment, would make it illegal for stations to censor programs they accept for broadcasts. Submitted by Rep. Multer (D-N.Y.), the measure (HR-13261) amends the Communications Act to ban "unauthorized deletions from certain matters submitted for broadcasting." Multer drafted the bill as the result of cuts made by WTIC-TV Hartford in a 15-min. documentary film, "The Work of My Hands," which was sponsored on the station by the Commission on Social Action of Reformed Judaism. WTIC-TV deleted sequences dealing with world hunger and capital punishment as "too stark" & "too controversial," according to the Commission on Social Action. The film was produced by Allend'or Productions primarily for synagogues.

Survey of Congressmen by *TV Guide* indicates that 29% plan to use more TV in their next campaign, 63% will use the same amount and only 8% will use less. Among those running for re-election, an impressive 92% will increase their use of TV. Aside from personal appearances, more legislators named TV as the medium which aroused most public reaction during the last campaign. Asked which types of TV programs were most valuable to them, 45% said interview. Speech got 32%; panel 17%; debate 6%. Their preferences in program length showed the largest group, 42%, voting for 5 minutes; 10- & 20-sec. spots got 27%; 15 min. 23%; and 30 min. 8%. On a list of Republicans, Nixon was overwhelmingly chosen as the "most professional" TV performer, getting 68%. Kennedy led the Democratic list, but tallied only 39%.

"Radio Free Cuba" to counter anti-American propaganda of the Castro govt. would be set up in a privately-financed venture under a proposal by Rep. Pucinski (D-Ill.). He urged that "powerful radio transmitters" be built on an offshore island between Miami & Cuba to "beam the truth about Castro & his Communist advisors to the people of the island republic." Pucinski said he's "confident American industry, the American labor movement and the American people will help make this a successful venture."

House & Senate have approved (Aug. 30) technical corrections in the continuity-of-agency-service legislation (S-1965) which had been enacted in July (Vol. 16:36). Errors in the language of the bill, committed by Rep. Harris's (D-Ark.) Commerce Committee—when it reported the bill to extend the tenures of FCC, FPC and SEC members until successors can be approved—were corrected.

Boycott of Khrushchev by networks when he comes to N.Y. for UN General Assembly has been urged by House Judiciary Committee Chmn. Celler (D-N.Y.). He said TV & radio facilities should be denied the Communist boss except for regularly-scheduled broadcasts of UN meetings.

Technology

Electronic skytracks, along which airliners are controlled by ground batteries of radar, radio and computer equipment, will be operating by 1970, according to RCA Pres. John L. Burns. In a speech at the annual banquet of the Canadian International Air Show in Toronto, he said pilots still will have things to do in the air. But predicted Burns: "Within the decade, advanced electronic equipment will make air travel less dependent on the weather and automated from takeoff to landing."

Latest technical book on TV tape: *Video Tape Recording*, covering mechanics & electronics of both Ampex & RCA machines, by Julian Bernstein, instructor at RCA Institutes, N.Y. (Rider, 272 pp., $8.95).

The FCC

Technical changes in FCC's TV & FM rules have been proposed to: "(1) Clarify the specifications for the frequency response in the vicinity of the color pass band. (2) Permit FM & TV stations to determine operating power of aural transmitters by direct measurement or the presently prescribed indirect method. (3) Relax requirements relating to operation with reduced power to the extent that the Commission need only be notified if the required minimum operating schedule cannot be maintained with authorized power and provided the period of reduced power operation is 10 days or less. And (4) modify the wording in Sec. 3.689(a)(1) which specifies the transmitter modulation to be employed when determining the operating power of the visual transmitter by abolishing reference to 'standard black TV picture' and substituting language which specifies the form & amplitude of the modulating signal."

Equal-time suit challenging Constitutionality of suspension of the Communications Act's Sec. 315 for Presidential tickets (Vol. 16:35 p1) has been filed in U.S. District Court, Washington, by one-man-party candidate Andrew J. Easter. He said that the Congressional resolution lifting equal-time broadcast requirements suspended the intent of the Constitution to permit the public to be fully informed on public issues. Named as defendants were FCC Chmn. Ford, Vice President Nixon, Sen. Kennedy, House Speaker Rayburn (D-Tex.)—and for good measure, NBC Pres. Robert E. Kintner, *Time* and the *Washington Star*. In May, Easter testified before the Senate Commerce Communications Subcommittee in opposition to proposals that TV networks be required to donate prime time for debates by major Presidential candidates (Vol. 16:21 p2).

Foreign TV-radio relations are the diplomatic responsibility of the State Dept. & FCC and shouldn't be negotiated directly by U.S. licensees, the Commission warned in a public notice. Naming no names of broadcasters or countries, FCC cited instances in which "licensees or applicants occasionally have attempted to deal directly with the foreign licensees or foreign govts. concerned, in an effort to secure favorable consideration of their cause, or otherwise influence the course of negotiations between govts." FCC pointed out that such "unauthorized negotiations involve the risk of violating U.S. laws which prohibit certain types of 'correspondence or intercourse' with foreign govts."

Ownership of vhf & uhf stations in the same city by one owner—as a boon to uhf—is likely to be approved by FCC. WEAU-TV (Ch. 13) Eau Claire, Wis. had petitioned for waiver of the "duopoly" rules to permit it to use Ch. 25 (Vol. 16:13 p5), and the Commission had been inclined to reject the request until recently. Now, it's understood, FCC is strongly considering granting the proposal—may do so this week.

RKO-Zenith Hartford pay-TV test will be subject of a 3-day FCC hearing before the 7 Commissioners sitting *en banc*—instead of a long, full-scale evidentiary hearing sought by theater groups (Vol. 16:39 p16). That's the present inclination of the Commission, and it's expected to rule that way this week or next.

Updated equal-time guide for TV & radio stations was issued Sept. 8 by FCC as Public Notice 92294, available to all licensees. The *Supplement to Use of Broadcast Facilities by Candidates for Public Office* covers revisions of the Communications Act's Sec. 315 and new Commission interpretations since Oct. 1958 (Vol. 14:41 p10).

Advertising

Advice from 4A: Following its traditional practice of avoiding media squabbles, but freely offering "suggestions" to ad media which may improve the industry, American Assn. of Advertising Agencies last week sent to TV & radio broadcasters and station reps a pair of booklets. They were entitled *Suggestions for the Advance of National Spot Television [Radio] Advertising*, "recommended by the Committee on Broadcast Media and approved by the Board of Directors, AAAA."

The suggestions are intended by 4A to help TV-radio media "increase their volume of advertising by making it more productive & easier to handle." One suggestion, new this year, recommends adherence to standards of practice —general copy codes, NAB codes, and other codes of ad ethics. Other suggestions concern presentation of information, operations, relations with ad agencies and terms. Information is provided on such topics as marketing, audiences, rate cards and acceptability of research.

Copies of the booklets may be obtained from 4A, 420 Lexington Ave., N.Y. 17.

———■———

Support for Station Reps Assn. plan to promote single rates for TV-radio stations is coming from "several" leading advertisers & their agencies, we're told by SRA managing dir. Lawrence Webb. Because most of the support is off-the-record, Webb declined to cite specific examples. Letters from stations continue to run heavily in favor of a switch from multiple rates to a single-rate pricing structure (Vol. 16:36 p8), said Webb.

Ad agencies profit rise of 4.27% in 1959 (3.23% last year) has been reported by the 4As. This reverses the downward trend, according to 4A's study of 240 agencies. "Profits are still too low," Pres. Frederic R. Gamble reported. "There is a great deal of work to be done to bring them to a point where our industry is really healthy from a profits standpoint."

Multi-million-dollar campaign is set to introduce "Commander," Philip Morris's new king-size, non-filter cigaret. Heavy spending for network TV (*Dobie Gillis, Route 66, Rawhide, Douglas Edwards* and *Perry Mason*) and in TV-radio spot will launch the campaign Sept. 15, along with extensive print media ads. The new brand competes directly with top-selling Pall Mall.

Anti-advertising campaign is brewing in Washington, warned Compton agency Pres. Barton A. Cummings last week, and it is time for the ad industry to get "a little tough" about it. He told a regional conference of National Business Publications Inc. that a drumfire of election-year criticism aimed at advertising by political leaders, university professors, et al. "has been going on for too long. It will go on even longer unless we all do something about it."

Big slice of magazine revenue is coming from split runs & regional editions, according to a late *Advertising Age* rundown. Some large figures chalked up in this category of revenue during 1960's first half: *SatEvePost*, $9,217,204; *Life*, $4,711,000; *Look*, $3,918,580; *Farm Journal*, $2,216,663; *TV Guide*, $2,027,523; *Reader's Digest*, $1,805,020. The report listed 14 other national magazines whose regional revenue amounted to $1 million or less.

FTC Chmn. Earl W. Kintner was scheduled to talk about advertising's problems with govt. regulation this week (Sept. 12) in a luncheon speech to the American Legion's admen's post at the Hotel Lexington, N.Y.

"Point-Five" Hassle: Two major research firms—A. C. Nielsen and American Research Bureau—all but challenged each other to slide-rules-at-dawn last week over a rounded-out percentage point. The storm blew up along Madison Ave. when ARB pointed pridefully to a U.S. TV saturation figure for May 1960 of 88% released by the Census Bureau (Vol. 16:36 p8), pointing out that it confirmed exactly ARB's national estimates (Vol. 16:25, Supplement) for early June 1960.

Nonsense, said A. C. Nielsen Co., and cited a follow-up release by the Advertising Research Foundation to the census story which showed May set saturation actually to be 87.5%. Explained Nielsen: The Census Bureau, (which had made the study for ARF) had merely rounded off the figures to 88%. What's more, the official Nielsen figure on set saturation for May was—you guessed it—87.5%. If anything, said Nielsen, the census checkup for ARF proved that Nielsen, not ARB, was right.

The ARF report, meanwhile, threw some additional light on the size & scope of TV in the U.S. In May, stated ARF, there was a whopping total of 46,199,000 U.S. TV households, representing a growth of more than 14 million TV homes since June 1955. Of the TV households, 5,793,000—or slightly more than 12.5%—were multi-set TV homes. And this same group of homes was "more than the total number of TV households reported in the 1950 U.S. census." (Full copies of the ARF report, which includes more data than the Census report, are available for $5 from ARF, 3 East 54th St., N.Y. 22.)

■

Ad People: Mort Werner, Young & Rubicam vp & TV-radio dept. dir., appointed a senior vp . . . John N. Calley elected a Ted Bates vp . . . Richard H. Hurley and Harold V. Rover named Compton vps . . . S. Brooke White, William W. Suitt and Daniel C. Ellis named Lennen & Newell vps.

Obituary

Vincent Riggio, 82, former pres. & chmn. of the American Tobacco Co., died Sept. 6 in Northern Westchester Hospital, Mount Kisco, N.Y. Riggio, a Sicilian emigrant, left his recently opened barber shop in 1905 to go into the tobacco business. By 1947 he was listed among the 10 highest paid corporate executives in the country. American Tobacco was the first cigaret company to buy network radio, and was, by the late 1930's, radio's biggest sponsor (*Lucky Strike Hit Parade, Kay Kayser's Kollege of Musical Knowledge*, and the old Lucky Strike tobacco auctioneers). Riggio is survived by his wife, daughter, 2 sons.

Frederick A. Kugel, 45, editor & publisher of *Television* magazine, died Sept. 7 of a heart ailment in Southside Hospital, Bay Shore, N.Y. He founded *Television* in 1944 as one of the first trade publications in the field and was founder & chairman of the U.S. Broadcasters Committee on World Affairs. He leaves a wife and 2 daughters.

Jack D. Tarcher, 64, Doyle Dane Bernbach vp, died Sept. 6 at his home in N.Y. after a long illness. He was formerly a Lennen & Newell vp, and earlier had headed his own agency, J. D. Tarcher & Co. Surviving are his wife, 2 daughters, a son and 3 grandchildren.

George E. Simons, 52, Benton & Bowles vp, died Sept. 5 of cancer in N.Y. Hospital. He was formerly ad mgr. for GE major appliances, later for Crosley electrical appliance div. of Avco. He was also a former Kenyon & Eckhardt vp. Surviving are his wife, mother and a brother.

Television Digest

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Personals: Walter D. Scott, NBC-TV exec. vp, and P. A. (Buddy) Sugg, owned stations & Spot Sales exec. vp, elected NBC dirs. . . . Ray A. Klinge named program dir., KVOO-TV Tulsa, Okla., succeeding Bill Sadler . . . Joseph L. Floyd renamed NAB TV film committee chmn.

Neal K. McNaughten named Ampex staff vp and mktg. activities consultant for Ampex Professional Products Co., Ampex Audio Co. and Ampex International. Leonard E. Good promoted from Ampex Corp. corporate staff dir. of operations services to succeed McNaughten as mgr. of Ampex Professional Products Co. Harold S. Salzman, ex-AT&T long lines, named Professional Products mktg. mgr.

Claire Horn, ex-WBC, named WOR-TV & WOR sales development mgr. . . . Richard P. Hogue resigns as KXTV Sacramento vp & gen. mgr.; Robert Salk, of Corinthian Stations' staff, assumes duties temporarily . . . Robert Mochrie, MGM gen. sales mgr., appointed a vp.

Willard A. Michaels of Storer's WJBK-TV Detroit appointed NAB Video Tape Usage Committee chmn., succeeding Harold P. See of KRON-TV San Francisco; Eugene S. Thomas, vp-gen. mgr. of KETV Omaha, named NAB Community Antenna Committee chmn.

Jim English, ex-production mgr., replaces Wes Potter as program dir. WPSD-TV Paducah, Ky.; Bob Swisher named production mgr. . . . Alan Y. Naftalin advances to membership, Koteen & Burt, Washington TV-radio law firm.

Laurence A. Tisch named Loew's Theatres chmn. & chief exec. officer, succeeding Leopold Friedman, who continues as a dir. Eugene Picker remains pres., but is no longer chief executive officer . . . Thomas J. Welsh, Eversharp exec. vp & dir., named a Technicolor dir., succeeding Dr. Herbert T. Kalmus, retired.

■

Leonard Bernstein: "Wherever we [N.Y. Philharmonic Orchestra] have gone, the excitement and the turnouts have been incredible. We have broken every record in every city—double, triple, sometimes quadruple . . . I suppose I sound boastful. I don't mean to. It's just an example of the astounding power of television."

Federal grand jury probe of alleged monopoly in the handling & sale of Sunday newspaper supplements by 7 firms (Vol. 16:29 p12) was adjourned from Sept. 8 to Sept. 26 in Buffalo's district court.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

RCA PROPOSES OWN FM STEREO SYSTEM: Without any fanfare, RCA has proposed a set of FM stereo broadcast multiplex standards to FCC. Although its system resembles some of those analyzed & field-tested by EIA's National Stereo Radio Committee (see story below), it differs in some major respects.

RCA's proposal, not submitted to or considered by NSRC—of which RCA isn't a member—still will be weighed by FCC. It was filed as follow-up to RCA's lengthy analysis last spring of all proposed methods of getting FM stereo (Vol. 16:12 p6).

Its system uses frequency-modulated subcarrier for stereo channel, similar to Crosby, Halstead & Calbest systems. It provides for space for 2 subsidiary communications channels—for storecasting, NBC's proposed "doctorcasting," etc.—in addition to stereo information channel. This means that an FM station could broadcast stereo & monophonic programming and at same time carry 2 additional multiplex programs for special private customers.

One big point of difference between RCA & other proposed systems: Stereo multiplex channel would be at top end of FM channel—65.5 kc. This may cause howl from those functional music FM broadcasters now using that frequency for their specialized service.

Since nearly all major set makers have already designed receivers around the 6 systems being considered by NSRC—and because of the great engineering interest in all FM stereo multiplex proposals—we are printing the basic specifications of the RCA proposal on opposite page.

FM STEREO RACE IN HOME STRETCH: FCC staffers are optimistic that final set of FM stereo broadcast standards can be adopted by year's end. This will signal start of production of stereo sets & converters—introducing to market a new type of radio.

Top industry engineers in NSRC this week begin evaluation of results of recent field tests conducted via Pittsburgh's KDKA-FM (Vol. 16:28 p14). They're due to be filed with FCC by Oct. 28. Then there'll be another 10 days for replies, followed by FCC staff work & Commission consideration. There could be further delays—as we've pointed out before—but FCC is giving matter high-priority tag. Commission sources say they don't expect RCA's new proposal (see above) to delay establishment of standards.

In preparation for starting gun, most major set manufacturers have designed sets to receive each system—although it's highly possible that final standards will be "hybrid," a combination of best features of several systems.

Five of the proposed systems provided "good stereo" at NSRC's field-test sites, on basis of subjective observations by those present. The systems are basically divided into 3 classifications: (1) FM with FM subcarrier (Crosby, Halstead & Calbest systems). (2) FM with AM subcarrier (GE & Zenith). (3) EMI (Percival) system. All systems except Crosby permit simultaneous use of other multiplex channels (functional music, etc.) in addition to stereo.

Each system has strong appeal—including the one system which is virtually certain to be rejected. On basis of many conversations with industry engineers, here's how we rate them:

Crosby system—the hi-fi enthusiast's dream.

GE & Zenith systems—the set maker's dream.

EMI system—the engineer's dream.

All systems except Crosby—the FM broadcaster's dream.

If EMI is the engineer's dream system, it's still going back to sleep for a while. This ingenious British stereo broadcasting method apparently failed to provide satisfactory stereo sound, despite its many advantages (ease of networking stereo programs, economy of spectrum space).

Crosby system was said to provide best frequency response and signal-to-noise ratio—the highest fi. Its one big disadvantage, from broadcaster's standpoint, is that it permits use of only one subcarrier, precluding simultaneous transmission of stereo radio and such subsidiary services as storecast background music.

Systems using AM subcarrier (GE, Zenith) appeal to set makers because of simplicity of circuitry. Not including the separate audio channel, a stereo receiver for one of these systems would require only one tube more than conventional monophonic FM set. With Crosby system, differential would be 3 tubes. Resulting price difference for adding stereo would be about 3 to 1 between most expensive & cheapest system.

Problem for FCC is tough one—tougher than for NSRC, which isn't pledged to recommend, but just to give the facts. So far as we can determine, no single system has emerged so markedly superior that its choice is inevitable.

To most manufacturers—dream systems aside—important question is not so much which standards are adopted, but when. They feel that all 5 systems still being considered are highly satisfactory—and they want to get the show on the road.

TV-RADIO PRODUCTION: EIA statistics for week ended Sept. 2 (35th week of 1960):

	Aug. 26-Sept. 2	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	125,850	124,362	141,550	3,808,138	3,819,081
Total radio	314,846	281,923	369,035	10,761,029	9,314,866
auto radio	105,140	95,567	125,087	4,098,748	3,559,379

More about

RCA FM STEREO PROPOSAL: The standards for FM stereo worked out by RCA (see p. 14) were designed for "simplicity, low cost and satisfactory performance in FM receivers," RCA stated in its comments to FCC.

RCA is particularly anxious that a system be proposed which won't blot out existing FM multiplex services, such as functional music. Said RCA:

"It is possible that initially, at least, an FM station may secure little if any additional revenue from stereophonic transmissions, and it may have to rely on various services permitted by the Commission under Subsidiary Communications Authorizations (SCA) to improve its financial position. Under the specifications which we are recommending, consideration is given to the importance of both the stereophonic and SCA services.

"The system parameters are selected so as to provide good signal-to-noise ratios for each of the 3 FM subchannels. The uppermost & widest of these . . . is allotted to stereophonic programming, and in addition frequency space is provided for SCA channels. Thus, for example, 2 SCA channels of good quality is one possible arrangement within the frequency space available for SCA services, although the matter of the arrangement of such channels & their number should be optional, we believe, with the FM broadcaster." RCA also suggested that broadcasters be permitted to use the stereo subchannel for SCA services.

Here are the parameters of RCA's proposed FM stereo multiplex standards:

Subchannel modulation method (L-R)—FM
Stereo subchannel carrier—65.5 kc
Stereo subchannel frequency deviation—±9.5 kc
Stereo subchannel modulation band—30-9,500 cps
Stereo subchannel pre-emphasis—75 microseconds
Stereo subchannel modulation of the main carrier—30% (±22.5 kc)
Main channel modulation of main carrier
Main channel modulation = [100% (±75 kc)]--[the sum of subchannels modulation of the main carrier]
Sum of subchannels modulation not to exceed 50% (±37.5 kc)

Sylvania Drop-Ins: "Modular concept" of TV-radio-phono combination, reminiscent of TV's early days, was offered last week in modern dress by Sylvania. The basic unit is a stereo-phono console at $259.95 & $269.95—which can be expanded into a complete home-entertainment center. It includes a separate stereo extension speaker enclosure which may be placed on a shelf built onto the console or the speaker may be located up to 12 ft. away.

A Sylvania 19- or 23-in. table model TV set may be placed on the shelf for conversion to a TV-phono combination, and an AM-FM simulcast tuner (at $99.95) may be dropped into the phono console.

Sylvania also introduced its first 19-in. portables—the industry's first portables with bonded reflection-free (treated) safety glass. Thin units are $199.95 & $219.95.

Completing its drop-ins are 2 shirt-pocket 6-transistor radios at $26.95 & $29.95.

* * *

Motorola drops in 3 new radios: (1) "Subminiature" portable, smaller than a cigaret pack, in ivory case designed to complement ladies' jeweled accessories, at $29.95. The 6-transistor set was made in Japan to Motorola design. (2) "High performance" 7-tube AM set with 6-in. speaker, designed for difficult reception areas, at $39.95. (3) Similar set, 6 tubes, $34.95.

FM-AM clock radio at $89.95—with 4x6-in. speaker and AFC—increases Zenith's line of FM table sets to 8 basic models. Zenith said its unit sales of FM table & portable sets to dealers during 1960's first half were 70% ahead of the same 1959 period.

New Westinghouse promotion idea features 1960-61 TV sets & stereo equipment showcased in 20 original designer settings at the N.Y. National Design Center. Westinghouse officials label the one-month exhibit "a new concept in marketing, with sets styled to fit the room designs."

TV-RADIO OUTPUT & SALES: Retail sales of TV receivers passed the 3-million mark in July, according to official EIA figures released last week. The retail sales of 392,858 in July were 6% higher than those of July 1959, while the 7-month cumulative sales figure was about 12% ahead of the comparable 1959 figure.

July being the traditional vacation month for the TV-radio industry, production was down sharply. In TV, it was considerably less than the output of July 1959, providing—in effect—an inventory adjustment. The TV inventory situation, in fact, looked quite good at the end of 7 months. While year-to-date retail sales were nearly 400,000 units ahead of 1959, total production was less than 100,000 units higher.

Radio sales for July were 9% higher than July 1959, with FM radio sales (excluding radio-phono combinations) for the 7-month period more than double those of the same 1959 period. Here are EIA's figures & 1959 comparisons:

TELEVISION

Month	Total Production 1960	Total Production 1959	Uhf Production 1960	Uhf Production 1959	Retail Sales 1960	Retail Sales 1959
January	526,494	437,026	50,119	35,841	590,867	501,704
February	503,453	459,492	43,537	34,678	507,673	448,173
March	549,500	494,032	45,411	32,112	501,829	425,751
April	422,551	389,251	39,240	20,501	351,214	263,998
May	442,176	431,911	32,295	28,247	334,283	279,536
June	518,870	571,004	34,245	29,064	371,661	344,795
July	268,854	350,360	14,621	21,022	392,858	370,575
TOTAL	3,231,898	3,133,075	259,468	201,465	3,050,385	2,634,532

RADIO

Month	Total Production 1960	Total Production 1959	Auto Radio Production 1960	Auto Radio Production 1959	Retail Sales (excl. auto) 1960	Retail Sales (excl. auto) 1959
January	1,355,788	1,124,737	632,461	420,052	803.388	700,490
February	1,442,368	1,125,385	596,872	432,551	611,479	474,888
March	1,667,550	1,347,554	633,761	511,219	664,441	515,563
April	1,230,323	1,040,183	399,963	422,346	547,839	388,863
May	1,277,040	1,039,562	463,165	476,222	548,322	400,882
June	1,551,451	1,430,165	596,870	637,806	702,889	678,195
July	890,359	829,035	328,009	254,725	392,858	370,575
TOTAL	9,414,879	7,936,621	3,651,101	3,154,921	4,451,721	3,685,708

FM radio production (1959 figures in parentheses): Jan. 33,816 (30,235), Feb. 50,963 (29,145), March 83,127 (32,994), April 61,953 (31,425), May 65,438 (48,841), June 105,317 (50,783), July 49,707 (24,553). Seven-month total: 492,242 (247,976).

* * *

Canadian TV sales to dealers continued to run well below 1959 in July, according to EIA of Canada. For the year's first 7 months, sales totaled 156,064 (vs. 191,447 in 1959), July sales totaling 19,664 (vs. 27,066 in July 1959). July sales by cabinet type (vs. July 1959 in parentheses): Portables, 4,474 (4,205); table models, 3,341 (5,801); consoles, 11,037 (16,184); combinations, 812 (876).

* * *

TV picture-tube & receiving-tube sales at the factory level dropped in July from July 1959. In year-to-date totals, picture-tube output was still ahead of 1959, while receiving-tube totals continued to run considerably behind last year. Factory sales of picture tubes in July totaled 681,785 units at $13,898,468 (vs. 750,352 at $14,648,444 in July 1959), while receiving-tube sales totaled 34,883,000 at $28,810,000 (vs. 36,394,000 at $29,786,000). The month-by-month figures, from EIA:

	Picture Tubes Units	Picture Tubes Dollars	Receiving Tubes Units	Receiving Tubes Dollars
January	795,250	$15,831,430	31,367,000	$26,872,000
February	741,233	14,495,480	32,734,000	27,881,000
March	794,375	15,654,281	36,382,000	31,751,000
April	707,252	13,782,769	29,737,000	25,759,000
May	659,859	13,329,826	30,354,000	25,580,000
June	756,827	15,505,481	33,916,000	29,065,000
July	681,785	13,898,468	34,883,000	28,810,000
Jan.-July 1960	5,136,581	$102,497,735	229,373,000	$195,718,000
Jan.-July 1959	5,120,887	98,904,723	238,373,000	205,560,000

Jerrold into Hi-Fi Business: The proposed merger of Jerrold Electronics and Harman-Kardon Inc. would put the Philadelphia manufacturer of community antenna & distribution equipment more squarely in consumer electronics.

Harman-Kardon, Westbury, N.Y., is a manufacturer of component hi-fi systems & do-it-yourself hi-fi kits. It has a data-systems div. which designs & manufactures miniaturized logic modules for computers. Under the consolidation approved by the directors of the 2 companies, Harman-Kardon shareholders would receive one share of Jerrold for each 1.8 shares held. Jerrold has about 1.7 million common shares outstanding, Harman-Kardon about 463,000. For the fiscal year ended Feb. 29, 1960, Jerrold's net earnings were $810,251 on sales of $8,416,750. Harman-Kardon's data for the fiscal year ended June 30, 1960 isn't yet available, but sales are estimated at $3.5 million, down from fiscal 1959 when sales were $3.8 million and net income $150,124.

* * *

In other merger news last week:

(1) Stockholders of Lynch Corp., manufacturer of glass & packaging equipment, approved the acquisition of Symphonic Electronic Corp., N.Y. TV & phono manufacturer (Vol. 16:23 p19), for a maximum of 185,411 shares of Lynch common stock, worth about $2.5 million. Principal sellers are Symphonic Pres. Max J. Zimmer, treas. Howard A. Jacobs & Chmn. Bernard H. Lippin, who own 99% of Symphonic's stock. The 3 Symphonic officers were elected to the Lynch board and will continue in their present executive posts.

Lippin and Lynch Chmn.-Pres. Will Freeman announced after the meeting that sales of the merged firms are now at an annual rate of $30 million. Lynch's sales last year totaled $7.3 million, its earnings $189,614 (40¢ a share); Symphonic earned $241,034 ($1.30) on $18.5 million sales in the year ended Jan. 31, 1960.

(2) Blonder-Tongue Labs, manufacturer of master TV and community antenna equipment, has acquired controlling interest in Benco TV Associates Ltd., said to be the largest Canadian firm in the master antenna field.

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New plants & expansions: Japan's Sony Corp. will complete by March 1961 a 308,000-sq.-ft. electronic research lab in Yokohama. The facility will be devoted to research & development in new-for-Sony electronics fields • GE is constructing at DeWitt, N.Y., near Syracuse, a new hq building for its TV-radio div. It's slated for early-Oct. completion • RCA is erecting at Cherry Hill, N.J. a 2-story, 70,000-sq.-ft. center for training engineers, technicians, programmers and other personnel in data-processing techniques. The building will be completed around year's end. RCA also will establish its 4th data-processing center this fall, to serve the Chicago business community. (The other 3 are in N.Y., Cherry Hill, Washington, D.C.) The Chicago center will be in the Morton Salt Bldg. • Perkin-Elmer will expand its facilities by 40% with the construction of a new plant at Wilton, Conn. The new facility is slated for mid-1961 occupancy and will house the engineering and advanced R&D groups of the concern's electro-optical div. • Zenith subsidiary Central Electronics Inc. will build a 100,000-sq.-ft. plant in Paris, Ill., to employ 500, for production of radios & components.

Space-Tone Electronics Corp., Washington, will produce stereo hi-fi phono consoles at its new plant near Suitland, Md. Space-Tone Pres. Philip Connor said first units should come off the assembly line by Dec. 15 for sale in Washington area by subsidiary American Music Guild Inc.

Problem of Japanese imports again occupies a top spot on the agenda of EIA's fall conference Sept. 13-16 at French Lick, Ind. Sept. 14 presentation on the effects of Japanese competition will be made by Mark Shepherd Jr., Texas Instruments, for the electronic imports committee. Other highlights: (1) EIA board will review "trends & outlook for electronics in national defense and a proposal of the General Accounting Office that [govt.] purchasing of all electronic equipment & parts be handled by a single agency." (2) Address on "What Education Will Expect from the Electronics Industry in the Next Decade" by Dr. Philip Lewis, director of the Bureau of Instructional Materials, Chicago school system, author of the forthcoming EIA-sponsored *Educational TV Guidebook*. (3) Review of legislation enacted by the 86th Congress and of the current minimum-wage proceedings. (4) New industrial parts marketing committee, headed by Wilfred L. Larson, Switchcraft Inc., will hold its initial meeting preparatory to instituting a study on all aspects of the marketing of industrial electronic components.

Tariff negotiations leading to reduction of import duties on electronic products were opposed by EIA in a statement filed with the govt. last week by exec. vp James D. Secrest. The filing supplemented an EIA brief of last June opposing the inclusion of "TV tubes" and germanium diodes for negotiation at the conference of the General Agreement on Tariffs & Trade (GATT) at Geneva this fall. Since then, Secrest said, EIA learned that part of the original govt. proposal apparently was intended to apply to a wide range of electronic products. He protested that the wording of the notice is "so vague & uncertain that it has been impossible [to] comment intelligently and make specific recommendations."

Expanded export markets for consumer-electronic products are opening up in at least 15 countries, the Commerce Dept.'s Bureau of Foreign Commerce reports. The BFC's "good prospects" list includes: Burma, TV receivers. Chile, radio components. France, receiving & amplifying tubes. Iran, "inexpensive" TV & radio sets. Italy, sound recorders. Kuwait, TV & radio sets. Mexico, TV components. New Zealand, TV components. Norway, unassembled TV sets. Portugal, radio sets & equipment. Pakistan, radio sets. Saudi Arabia, TV sets. Sudan, battery-operated radios. Sweden, "electronic items of all types." Uganda, radio sets. Details about the markets are available from Commerce Dept. field offices or BFC offices, Washington.

Export control violations in trans-shipments of electronic & other products are charged to James L. Fitzgerald Co. Inc., N.Y. and Wassmer & Cie., Zurich, in govt. orders denying them license privileges. The Commerce Dept.'s Foreign Commerce Bureau said that 1957 transactions involving the 2 companies included 50 transistors which were sent "to an unauthorized destination"—presumably in a Communist country.

Public-spirited "Gift of Hearing Scholarship Contest" is being sponsored by Zenith to stimulate interest in the problem of deafness in children. In the name of each of the 25 weekly winners, Zenith will present $500 scholarship grants for pre-school training of deaf children, plus a $2,500 grand prize scholarship. Winning entrants will receive 200 prizes, including a grand-prize trip to Europe, Zenith TVs & radios, etc.

Garbage disposers bearing Philco brand-name will be made under contract by In-Sink-Erator Mfg. Co., Racine, Wis., which also makes Kelvinator-label disposers.

Trade Personals: W. Walter (Wally) Watts, RCA group exec. vp who was recently named chmn. & pres. of RCA Sales Corp. (Vol. 16:34 p16), elected to board of parent RCA, filling vacancy created by retirement of **Dr. Charles B. Jolliffe** last Dec. . . . **Howard W. Hibshman**, ex-Magnavox mkt. development mgr. and onetime Hotpoint TV receiver mktg. mgr., named Stromberg-Carlson consumer products sales mgr. . . . **Charles R. Lunney**, ex-Sylvania Home Electronics ad & sales promotion mgr., named to same post in GE TV receiver dept.

Boyd W. Granger, ex-Philco, appointed International Resistance mktg. research mgr. . . . **Robert S. Klonfas**, ex-DuMont Labs, rejoins Thomas Electronics as industrial & military tube div. sales mgr. . . . **Irving Brenholdt** named engineering vp, Pentron Electronics Corp. . . . **William E. Bratton** named pres. of GPE subsidiary Librascope.

Rear Adm. H. C. Bruton (USN ret.) named vp of planning for military products div. of Hoffman Electronics . . . **Stanley W. Cochran**, RCA surface communications div. gen. mgr., named also div. vp; **Irving K. Kessler**, Airborne Systems div. gen. mgr., named div. vp—both divs. in RCA defense electronics products. **Edwin A. Speakman** named div. vp, missile range programs, RCA Service Co. govt. services dept. . . . **John Buchholz** named vp, Amphenol connector div., and gen. mgr., Amphenol-Central connector div. . . . **Norman Wicks** named PR & ad dir., General Precision Equipment Corp., and subsidiary General Precision.

Hi-Glo Electronics Corp., Goodrich, Mich., and its sales agent Sylvan Electronics Corp. have denied FTC charges that they misrepresented rebuilt TV picture tubes as new. They conceded that invoices, cartons and tubes themselves weren't marked to indicate that the tubes contained used parts, but contended that distributors were aware they were rebuilt. Hi-Glo & Sylvan denied "having any control over the dealers who mislead or deceive the public."

Liberty Electronics Inc., Union, N.J., has been cited by FTC for alleged misrepresentation of its rebuilt TV picture-tubes as entirely new. The FTC complaint said the company falsely described its used-part product as a "brand new" & "fully guaranteed NEW tube."

United Electronics Labs Inc., Louisville correspondence training school, has signed an FTC consent order forbidding it to make false employment offers, exaggerate employment offers and otherwise deceive prospective students. Among other things, FTC had charged that starting salaries for United-trained electronic technicians were less than the $90-$160 weekly claimed by the school's salesmen.

Ex-RCA vp Edward F. McGrady, who died in July at the age of 88 (Vol. 16:30 p18), "was truly one of the greatest men I have ever met," House Majority Leader McCormack (D-Mass.) said in a Congressional adjournment statement. McCormack told the House that in McGrady's death "the country has lost one of its truly great citizens."

Obituary

Wesley M. Angle, 77, president of Stromberg-Carlson from 1934 to 1945, died Sept. 3 at his home in Kennebunkport, Me. He joined the firm in 1903 as a cable machine operator after being graduated from Harvard, rising through the ranks to president. He was chairman from 1945 to 1949, when he became honorary chairman. In 1955, when Stromberg merged with General Dynamics, he became a director of the parent company. He is survived by his wife, 3 sons, a daughter and 14 grandchildren.

Realignment of semiconductor operations of General Instrument Corp., following its merger with General Transistor (Vol. 16:36 p15) results in these new posts & assignments: GT Pres.-founder **Herman Fialkov** becomes pres. of the company's enlarged semiconductor div., with former GI semiconductor operations chief **Maurice Friedman** as exec. vp. Other GI semiconductor div. posts: **Kenneth C. Moritz**, ex-Raytheon, becomes mktg. vp; **Dr. Bernard Jacobs**, ex-GT research vp, research & development vp; **Jerry Fishel**, ex-GT mktg. vp, sales vp; **Bernard Cohen & Norman Neumann**, former GT vps for N.Y. & R.I. operations, to similar GI posts; **Richard Adler**, national field sales mgr., from same post in GT organization.

"World's first electronic jewelry," shown to newsmen last week, turned out to be more electrical than electronic, although it uses battery & light bulb originally designed for use in subminiature electronic equipment. Designated "Marchalite," the jewelry line is composed of gold charms with tiny built-in illumination (example: Statue of Liberty with glowing torch). Demonstrated by Marchal Jewelers, N.Y., the jewelry ($39 up) uses tiny Mallory battery and Sylvania bulb designated as "the smallest incandescent lamp ever produced on an assembly line."

RCA is marketing a custom room-divider that houses a stereo phono system and a TV set on a 180° swivel, to permit viewing from either the front or back of the divider. The unit is tentatively priced at $800 with built-in 21-in. TV, $575 without TV. The divider is 6½ ft. tall, 5½ ft. wide, 21 in. deep. It incorporates a 4-speed stereo record-changer, 6 speakers, record storage, a swivel kit for an optional 21- or 23-in. TV. RCA Sales Corp. sales vp R. W. Saxon said the room divider had been created as an RCA display piece for home shows, and was moved into the line when it attracted builders, dealers and home owners.

Printed-contact relay, said to make possible substantial savings in space, weight and assembly costs, was introduced last week by Executone Inc. The "Printact" relay, employing a permanent magnet in place of a spring to hold the relay armature open, is designed for mounting directly on a printed-circuit board, with the contacts making direct contact with conductors on the printed board. Executone announced the formation of a components div., which will offer Printact to other equipment manufacturers.

New stereo receiver is being launched in the components market by Crosley-Teletronics Inc., whose multiplexed FM stereo is one of the contenders for FCC approval. The receiver (model 650) is designed to function as an all-in-one stereo unit (AM-FM tuner with multiplex adaptor jack, pre-amp, twin 14-watt amplifier channels) less external speakers. Price, without cabinet: $219.95.

Avco's Crosley div. has been renamed Avco electronics & ordnance div. Explained John Milhalic, Avco vp & div. pres.: "The Crosley div. name long has been associated with a line of consumer items which we no longer produce. Today, the division is engaged almost entirely in the design, development and production of electronics & ordnance items for the Armed Services." The change won't affect Avco's Crosley Bcstg. Corp., a wholly-owned subsidiary.

Addison Industries Ltd., Canadian TV-radio manufacturer now operating in trusteeship under Part III of the Canadian Bankruptcy Act, has offered creditors a settlement of 25¢ on the dollar through trustee Clarkson Co. Ltd., Toronto. As of July 31, creditors' claims totaled $478,670, while the company's estimated value in liquidation was $209,500. Claims of preferred creditors plus estimated liquidation costs totaled $58,642.

Finance

Officers-&-Directors stock transactions as reported to SEC for August:

Admiral. Joseph E. Dempsey bought 900 through Dempsey & Co., held 4,000 in Dempsey & Co., none personally.

Allied Artists. Albert Zugsmith bought 5,600, held 166,300.

AT&T. F. R. Kappel bought 150, held 958.

Arvin Industries. Harlan Foulke sold 262, held 6,498.

Audio Devices. William T. Hack bought 300, held 300. C. J. LeBel sold 1,500, held 71,914. Joseph K. McCammon sold 200, held 13,660.

Avco. James R. Kerr sold 3,300, held 6,000. W. A. Mogenson sold 300, held 9,000. K. R. Wilson Jr. sold 4,000, held 11,000.

Belock Instrument. Harry D. Belock sold 2,050 in private transaction, held 223,496.

Cinerama. Nicolas Reisini bought 3,850 through Rohin International Inc., held 11,150 in Robin International Inc., 350,000 personally.

Cohu Electronics. Arthur G. Linkletter bought 300, sold 5,000, held 11,728. Frank Massa sold 3,000, held 53,999.

Collins Radio. Max W. Burrell sold 500, held 2,630.

Columbia Pictures. Louis Barhano sold 100 through Fico Corp. in which 12 others have holdings, held 117,762 in Fico Corp., none personally.

Corning Glass. Amory Houghton Jr. bought 2,000, held 2,000 personally, 25,000 in trust, 1,230 as trustee.

Decca Records. Milton R. Rackmil bought 200 as co-trustee, held 11,800 as co-trustee, 1,713 personally.

Electronics Capital. Alfred J. Coyle sold 110 through Hayden Stone & Co., held 110 in Hayden Stone & Co., 200 personally. Neil H. Jacoby bought 200 for trust for son, held 200 in trust for son, 1,000 personally.

Emerson. Dorman D. Israel sold 1,000, held 2,615.

General Dynamics. Rex L. Nicholson bought 10,000, sold 10,000, held none.

GE. John W. Belanger sold 1,000, held 18,068. James H. Goss sold 5,500, held 3,942. Francis K. McCune exercised option to buy 3,960, held 13,289. Halbert B. Miller bought 174, held 3,138. J. B. Montgomery sold 746, held none. Harold A. Olson sold 2,000, held 4,327. Robert Paxton sold 2,000, held 23,727. Charles E. Reed bought 2,645, held 3,529.

General Precision Equipment. Joel Dean sold 900, held 500.

General Telephone & Electronics. Harold V. Bozell acquired 687 by conversion, held 4,872. Gardiner Symonds sold 1,000, held 2,000.

Indiana General. Henry H. Arnhold sold 5,732, held 28,000. W. G. Caples bought 400 through investment cluh, held 500 in investment cluh, none personally.

IBM. Charles V. Boulton sold 168, held 297. Walker G. Buckner sold 100 from foundation, held 400 in foundation, 1,631 in trusts for daughters, 2,088 personally. Herbert T. Hansford sold 458, held 1,213. T. Vincent Learson sold 100, held 996. L. H. LaMotte sold 200 and 153 more from trust, held 4,994 personally, none in trust.

International Resistance. Walter H. Powell exercised option to buy 1,000, held 2,120.

Lear. F. D. Beamer exercised option to huy 250, held 628. Roy J. Benecchi bought 4,000, held 6,166. Philip E. Golde exercised option to huy 4,250, held 8,577. Andrew F. Haiduck exercised option to huy 4,875, held 5,069.

Litton Industries. William L. Reynolds sold 100, held none.

Loral Electronics. Bernard R. Garrett sold 200, held 325. Sidney Rydell sold 245, held 4,680.

Magnavox. T. Elwood Reeves sold 100, held 603.

Mircowave Associates. Vessarios Chigas sold 1,000, held 14,000. George S. Kariotis sold 800, held 1,950. Richard M. Walker sold 100, held 37,760.

Minnseota Mining & Mfg. Lyle H. Fisher bought 1,700, held 7,751. Lloyd A. Hatch sold 250, held 24,281.

National Theatres & TV. Joe Benaron hought 100, held 31,208. B. Gerald Cantor sold 9,059 personally, 8,000 more through Cantor Fitzgerald & Co., 2,400 more through Cantor & Son, held 100,000 personally, none in Cantor Fitzgerald & Co., 2,600 in Cantor & Son. Eugene V. Klein sold 7,500, held 52,323. Jack M. Ostrow sold 2,200, held 5,303 personally, 74,025 in corporations. Laurence A. Peters sold 209, held none.

Paramount Pictures. V. Frank Freeman sold 2,500, held 2,700. Louis A. Novins sold 1,000, held 791.

Pentron Electronics. Alec K. Gianaras sold 348 personally 13,367 more through Transformer Mfrs. Inc., held none personally, 3,300 in Transformer Mfrs. Inc.

Philips Electronics & Pharmaceutical. M. M. Dorenbosch exercised option to buy 1,200, sold 300, held 900.

RCA. Elmer Engstrom acquired 87 hy conversion, held 3,472.

Raytheon. Percy L. Spencer sold 6,000, held 2,188.

Reeves Soundcraft. Dolores J. Russell sold 700, held 196.

Texas Instruments. F. J. Agnich sold 1,000, held 23,875. Cecil H. Green sold 500, held 285,510. Patrick E. Haggerty sold 800, held 120,225.

Thompson Ramo Wooldridge. Harold L. George sold 100, held 30,135. Burton F. Miller sold 500 and 700 more from trust, held 3,157 personally, 8,000 in trust. Edward P. Riley sold 650, held 1,530.

Trans Lux. Jacoh Starr bought 800, held 55,900.

Trav-ler Radio. Joe Friedman bought 8,000 from trusts for children, held 265,494.

Universal Pictures. Preston Davis bought 200, held 309.

Varian Associates. Ralph W. Kane hought 158, held 3,076 personally, 1,550 in joint tenancy. Decker G. McAllister sold 200, held 25,384. Sigurd F. Varian bought 6, sold 800 from community property, held 6 personally, 74,948 in community property.

Warner Bros. Benjamin Kalmenson exercised option to buy 20,000, held 20,000. William T. Orr hought 5,000, held 20,800. Jack L. Warner exercised option to huy 30,000, held 255,055 personally, 1,400 in trust.

Wehcor. J. E. Archamhault hought 500, held 2,717. John H. Ihrig bought 323, held 1,000. L. O. Kressmann bought 100, held 100. Robert G. Moffat bought 100, held 100. Woodrow Paradis bought 220, held 245.

Westinghouse. J. K. Hodnette sold 3,200, held 8,376. E. V. Huggins exercised option to huy 4,000, held 8,252. W. O. Lippman sold 1,200, held 800. George G. Main exercised option to huy 4,800, held 5,600 personally. 800 in trust. William C. Rowland exercised option to buy 3,000, held 3,516. Charles H. Weaver exercised option to buy 3,000, held 3,050.

Zenith. Hugh Robertson sold 500, held 7,708.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Capehart Corp.	1960—year to March 31	$3,549,237	——	($398,577)	——	1,250,600
	1959—year to March 31	3,132,653	——	225,834	$0.18	1,250,600
Collins Radio	1960—year to July 31[1]	185,000,000	——	6,500,000	3.00	2,149,172
	1959—year to July 31	118,000,000	——	3,817,000	1.95	1,813,347
Electronic Assistance Corp.	1960—6 mo. to July 31	2,139,942	——	138,068	.24[2]	583,764[3]
	1959—6 mo. to July 31	132,592	——	(15,885)	——	583,764[3]
Emerson Radio & Phono	1960—39 wks. to July 30	——	$2,920,450	1,483,182	.70	2,118,582[4]
	1959—39 wks. to Aug. 1	——	3,184,548	1,466,548	.69	2,118,582[4]
Espey Mfg. & Electronics	1960—year to June 30	3,696,853	——	167,680	1.07	——
	1959—year to June 30	3,016,418	——	141,388	.91	——
Herold Radio[5]	1960—year to Feb. 28	8,159,464	——	(2,008,594)	——	579,852
	1959—year to Feb. 28	10,491,781	——	185,782	.33	567,984
Siegler Corp. Story below	1960—year to June 30	84,095,002[6]	——	3,201,023[6]	1.71	——
	1959—year to June 30	77,074,442	——	2,203,022	1.36	——

Notes: [1] Estimated. [2] After preferred dividends. [3] Outstanding July 31, 1960. [4] Outstanding July 30, 1960. [5] Herold has filed petition under Chapter XI of the Bankruptcy Act in U.S. District Court (Vol. 16:34 p16). [6] Record.

Reports & comments available: CBS, report, Walston & Co., 74 Wall St., N.Y. 5 • **Taft Bcstg. Co.**, report, Westheimer & Co., 322 Walnut St., Cincinnati • **Zenith** and **Motorola**, comments, Goodbody & Co., 115 Broadway, N.Y. • **Northrop Corp.**, report by Burnham & Co., 15 Broad St., N.Y. 5, and discussion by Hirsch & Co., 25 Broad St., N.Y. 4 • **E. J. Korvette**, pamphlet analysis, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 • **Pacific Automation Products**, study, William R. Staats & Co., 640 Spring St., Los Angeles 14 • **Branson Instruments**, analysis, Steiner, Rouse & Co., 19 Rector St., N.Y. 6 • **Electronic Associates**, report, A. C. Allyn & Co., 44 Wall St., N.Y. 5 • **Cubic Corp.**, prospectus, Hayden, Stone & Co., 25 Broad St., N.Y. 4 • **Perkin-Elmer Corp.**, prospectus, Blyth & Co., 14 Wall St., N.Y. 5.

SEC hearing for N.Y. broker-dealer Re, Re & Sagarese, on charges that the firm violated Securities Exchange Act regulations in transactions involving Skiatron Electronics & TV stock and other issues (Vol. 16:32 p15), was postponed Sept. 7 until Nov. 21. Counsel for the brokerage firm asked for more time.

Connie B. Gay Bcstg. Corp. plans public sale of 130,000 common shares ($1 par value) to help pay for its acquisition of KFEQ-TV & KFEQ St. Joseph, Mo. and radio KLIK Jefferson City (Vol. 16:32 p10). Hill, Darlington & Co. heads underwriters for the offering, expected late Oct.

Clevite's electronics operation increased sales 60% during first-half 1960 and registered an even greater profit gain over Jan.-June 1959. The electronics activity accounted for 40% of Clevite's total first-half sales of $51,409,665 and nearly half of the pre-tax profit of $7,921,395.

Common Stock Dividends				
Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Clevite Corp.	Q	$0.30	Sep. 29	Sep. 19
Corning Glass	Q	.37½	Oct. 1	Sep. 19
Decca Records	Q	.30	Sep. 30	Sep. 19
MGM	Q	.40	Oct. 14	Sep. 16
Motorola (new)	Q	.25	Oct. 14	Sep. 30
RCA	Q	.25	Oct. 24	Sep. 16
Times-Mirror Corp.	Q	.10	Sep. 14	Sep. 2
Universal Pictures	Q	.25	Sep. 28	Sep. 17
Warner Bros.	Q	.30	Nov. 4	Oct. 14

Siegler Corp., reporting record sales & profits for the year ended June 30 (see financial table), noted that its 2 consumer-product divisions were both "up substantially" in gross & net. Pres. John G. Brooks said that Olympic's unit volume gain during year was 25.7%, while Bogen-Presto "increased its annual volume by a substantial margin."

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Sept. 8, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	25½	28¼
Aerovox	10¾	11¾
Allied Radio	24½	26¼
Astron Corp.	2¼	2⅝
Baird Atomic	33	35⅜
British Industries	13¾	15⅛
CGS Labs	9	11½
Control Data Corp.	41½	44⅝
Cook Elec.	15	16¼
Craig Systems	17	18⅝
Dictaphone	42¼	45⅜
Digitronics	23	25⅝
Eastern Ind.	13½	14⅝
Eitel-McCullough	26⅝	28¼
Elco Corp.	16¼	18
Electro Instruments	32	35⅝
Electro Voice	13¼	14⅝
Electronic Associates	29	31½
Erie Resistor	8¾	9⅝
Executone	34	37¼
Farrington Mfg.	40½	43½
Fischer & Porter	20¼	22¼
FXR	45	49¼
General Devices	15	16½
G-L Electronics	9½	11
Granco Products	4¾	5⅜
Gross Telecasting	18½	20⅜
Haydu	⅛	5/16
Hewlett-Packard	28⅜	30¼
High Voltage Eng.	144	157
Infrared Industries	21	22¾
International Rectifier	21¼	23
Interstate Engineering	26¼	28¼
Itek	62½	67
Jerrold	9¼	10¼
Lab for Electronics	44¾	48
Lel Inc.	5⅜	6⅝
LFE Inc.	11½	14¼
Ling Altec Electr.	28¼	30⅜
Magna Theater	3	3-7/16
Magnetics Inc.	9½	11
Maxson (W.L.)	10	11
Meredith Pub.	41¼	44¼
Metropolitan Bcstg.	18¾	19⅞
Milgo Electronics	20	24⅛
MPO Videotronics	7⅛	8
Narda Microwave	4½	5½
Narda Ultrasonic	1¾	2⅜
National Co.	31	33¼
Nuclear of Chicago	30½	33½
Official Films	2-1/16	2⅝
Pacific Automation	7¼	8⅛
Pacific Mercury	7⅞	8⅜
Perkin-Elmer	43½	46⅝
Philips Lamp	167	172½
Pyramid Electric	3¼	3¾
Radiation Inc.	24	26¼
Howard W. Sams	46½	50⅛
Sanders Associates	57	61½
Silicon Transistor	6¼	7⅛
Soroban Engineering	25	27
Soundscriber	13½	15¼
Speer Carbon	23½	25⅛
Sprague Electric	51½	55
Taft Bcstg.	13⅛	14¼
Taylor Instrument	35½	38¾
Technology Inst.	11½	12⅞
Tele-Broadcasters	½	——
Telechrome	13¼	14⅝
Telecomputing	8¾	9⅝
Telemeter	13	14¾
Time Inc.	63¾	67¼
Tracerlab	11	12¼
United Artists	6⅞	7⅝
United Control	24	26¼
Universal Trans.	1¾	2¼
Vitro	12¾	13¾
Vocaline	3	3-7/18
Wells-Gardner	16½	17⅞

Charles E. Salik's electronics financial activities are going international. The president of Electronics Capital Corp., described by financial experts as the nation's only really successful small business investment company, has applied to SEC for permission to offer U.S. buyers securities in the Electronics International Capital Ltd., Hamilton, Bermuda. The new international firm was incorporated by a special act of the Bermuda Parliament as a closed-end non-diversified management investment company investing in securities of foreign electronics firms, including those traded on stock exchanges of Toronto, Montreal, London, Amsterdam, Frankfurt, Paris or Johannesburg. It plans a public offering of shares through a group headed by Bear, Stearns & Co. to obtain at least $22.5 million for investment purposes. Salik, listed as pres. & chmn. of Electronics International Capital, owns 81% of the stock of Electronics Investment Management Corp., which, in turn, owns all the stock of Electronics International Management Ltd., which will serve as investment adviser to Electronics International Capital.

Electronics Investment Corp., the mutual fund headed by Charles E. Salik, reports total net assets as of July 31 of $35,008,339, an increase of 16% over the $30,137,333 a year ago. Net asset value per share was $7.95 at the end of the period. Portfolio changes during the quarter: Only new stock purchased was Hathaway Instruments (25,000 shares). Stockholdings were increased in Aerojet-General, Ampex, Elliott-Automation Ltd., IBM, Lab for Electronics, Litton Industries, Microwave Associates, Motorola, Packard Bell, Siemens & Halske, Transitron and Varian. Stockholdings in Sperry Rand were decreased.

Electro-Science Investors Inc., organized in August in Richardson, Tex. as a closed-end management investment company, has applied to SEC (File 2-17013) for registration of 772,000 common stock shares for public sale, price undisclosed in the application. Kidder, Peabody & Co. and Rauscher, Pierce & Co. Inc. head underwriters of the issue. Licensed under the Small Business Investment Act, Electro-Science Investors proposes to furnish equity capital to small firms in electronic, scientific and technological fields. Principal holders of 728,000 common shares now outstanding include Chmn. James J. Ling, Pres. Joseph F. McKinney, Troy V. Post, Luther D. Oliver, Robert A. Hall. Present shares were issued at $10.

Educational Television

Foreign ETV is being furthered by the Ford Foundation with a $684,000 grant to experimental TV-radio school systems in India & Nigeria. $474,500 went to the Indian govt. for a 4-year ETV program in secondary schools of Delhi & New Delhi. The Nigerian Bcstg. Co. will receive $210,000 for an educational-radio project for secondary schools & teacher-training institutions. In both instances school authorities hope that broadcasting media will help offset the shortage of qualified teachers.

Gift of 500-ft. TV tower to Central Mich. U. at Mt. Pleasant for its proposed Ch. 14 educational station there has been made by WNEM-TV Bay City-Flint-Saginaw. The tower, valued by WNEM-TV at $60,000, has been unused since the station replaced it with a 1,000-ft. structure in Dec. 1957. Flint Junior College recently received 2 camera chains from WNEM-TV.

New Voice of America series of taped on-campus interviews with foreign students at 15 universities, arranged with the help of the National Assn. of Educational Bcstrs., is scheduled by USIA's overseas broadcast service.

Foreign

More about

WORLD TV GROWTH: This table of world TV stations & sets-in-use as of Aug. 1, 1960 is based on the new Foreign TV Directory, a feature of the forthcoming 1960 Fall-Winter TELEVISION FACTBOOK (see p. 3):

Country	Stations	Sets
Algeria	4	47,700
Argentina	2	450,000
Australia	16	950,000
Austria	17	150,000
Belgium	5	400,000
Bermuda	1	8,500
Brazil	24	1,100,000
Bulgaria	1	3,000
Canada	70	3,840,000
Chile	2	[1]
China (mainland)	5	6,000
Colombia	10	150,000
Costa Rica	1	3,000
Cuba	27	500,000
Cyprus	1	1,000
Czechoslovakia	9	600,000
Denmark	10	400,000
Dominican Rep.	4	15,000
Ecuador	1	[1]
El Salvador	3	30,000
Finland	13	60,000
France	65	1,500,000
E. Germany	10	603,000
W. Germany	228	4,250,000
Guatemala	2	25,000
Haiti	1	1,200
Honduras	1	2,000
Hong Kong[3]	1	5,400
Hungary	5	75,000
India	1	300
Iran	2	36,000
Iraq	1	70,000
Ireland[2]	—	70,000
Italy	400[5]	1,800,000
Japan	103	5,000,000
Korea	1	7,000
Kuwait	1	600
Lebanon	2	12,000
Luxembourg	1	6,000
Malta[6]	—	8,500
Mexico	20	660,000
Monaco	1	11,000
Morocco	—	5,000
Netherlands	6	700,000
Netherlands Antilles	1	3,000
Nicaragua	1	5,000
Nigeria	2	6,000
Norway	2	17,500
Okinawa	2	[1]
Panama[4]	1	11,000
Peru	5	33,200
Philippines	4	30,000
Poland	14	300,000
Portugal	5	40,000
Rumania	2	22,000
Saudi Arabia	1	4,200
Spain	6	240,000
Sweden	35	810,000
Switzerland	14	105,000
Taiwan	1	100
Thailand	2	50,000
Trinidad	1	24
Turkey	1	1,000
United Arab Republic	1	30,000
United K'dom	35	10,900,000
Uruguay	1	25,000
USSR	150	4,000,000
Venezuela	13	250,000
Yugoslavia	5	15,000
FOREIGN TOTAL	1383	40,360,224
U.S.	570	53,600,000
U.S. Military	31	—
GRAND TOTAL	1953	93,960,224

[1] Sets-in-use estimate unavailable.
[2] Viewers tune to British stations.
[3] Closed-circuit cable systems.
[4] Viewers tune to Armed Forces.
[5] Includes 372 satellite stations.
[6] Viewers tune to Italian stations.

UNESCO TV conference in Paris on promotion of international understanding produced discussion—but no decisions—by producers & directors from 10 countries, including CBS's John Lynch. Other participants in addition to UN staffers represented networks in the Soviet Union, Czechoslovakia, Canada, France, Italy, Mexico, Japan, West Germany, the United Kingdom. Among projects proposed at the sessions: (1) Coordinated production, exchange and broadcasting of TV programs. (2) UNESCO cooperation with the International Film & TV Council in establishing an information service. (3) An annual prize for best international programming. (4) Network production of films on children for international exchange. (5) Network-UN cooperative projects.

Soviet protests against proposed establishment by the Adenauer govt. of a central radio network in West Germany, with hq set up in Berlin (Vol. 15:46 p14), have been rejected again by the State Dept. Replying to a July 28 note from the Kremlin which raised new objections to the plan, the State Dept. retorted that the USSR made "false & provocative" claims to Communist East German territorial rights in Berlin. The U.S. reply said: "The attitude of the Soviet govt. is the more unjustified since East Zone authorities operate several broadcasting stations in Berlin and interfere with normal broadcasting in Germany through numerous jamming stations."

Cuba & East Germany are setting up for a regular TV program exchange, according to the official East German news agency ADN.

SEP 19 1960

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

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FCC

TIGHT 4-3 VOTE SHAVES OPTION TIME to 2½ hours per segment of day as Comr. King breaks deadlock. Ford, Hyde & Bartley dissent (pp. 1 & 5).

PAY-TV TEST DUE FOR FCC HEARING before all 7 Commissioners. Oct. session, featuring limited cross-examination, may be ordered this week (pp. 2 & 6).

FAA INTO TALL TOWER ACT with issuance of proposed new rules. Broadcasters fearful of possible intent to usurp FCC's final say-so (p. 5).

Advertising

IMAGE MAKERS COMING INTO THEIR OWN in TV. Growing list of sponsors now buying public-affairs shows for a variety of reasons, ignoring program ratings (p. 9).

ADMAN BLASTS ADS: Dodge ad & sales promotion mgr. W. D. Moore decries dishonesty in copy, warns medium it is reaching ultimate in insulting buyer's intelligence (p. 10).

Auxiliary Services

TELEMETER—MIXED REPORTS: There are indications that all may not be smashing success for the Paramount-owned, coin-in-slot pay-TV experiment in Toronto, according to outside observers (pp. 4 & 6).

YUMA CATV-STATION FIGHT ENDS with sale of KIVA for $550,000 to cable operator who will put KIVA signal on one channel (p. 7).

Consumer Electronics

AD PRACTICES CODE for TV-radio-phono retailers to be drafted by EIA; seen covering price comparisons, bait ads, screen sizes, stereo claims, etc. (p. 16).

NEW JAPANESE ONSLAUGHT coming, with portable & color TV next targets, EIA is warned by Texas Instruments vp, who predicts "every segment of industry" will feel import competition (p. 16).

STEREO SALES GAINS continue, retail figures showing 7-month increase of almost 90% compared with last year. Retail sales of all phonos 21% ahead (p. 18).

Networks

CROSBY-NBC HASSLE CONTINUES, Crosby sticking to his guns and charging that NBC's network TV profits had slipped badly in the past 4 years (p. 7).

BILLINGS ROSE 17.4% in July to $55.8 million from $47.5 million a year ago; TvB tabulation finds cumulative business 10.1% ahead of 1959's first 7 months (p. 8).

Film & Tape

MARTIN LEEDS OUT as Desilu exec. vp in split with Desi Arnaz, breaking up one of top production teams in TV film (p. 13).

TV FILM'S CHANGING LANDSCAPE: Small, free-wheeling independents vanishing as giants take over industry (p. 14).

TIGHT 4-3 VOTE SHAVES OPTION TIME: No significant change in networks' mode of operation is expected in visible future as result of new option-time rules adopted by FCC last week, effective Jan. 1, 1961—as it followed through on all the important changes proposed last year (Vol. 15:17 p3). And only time will tell whether networks' fears are justified—that reduction of option time from 3 to 2½ hours for each of day's 4 segments will gradually erode clearances, reduce income, degrade service.

Immediate problem facing networks is which hours to choose, as they cut ½ hour from option periods, after which they must amend all affiliation contracts to comply with new rules (for full text, see p. 5).

By very close 4-3 vote, with new Comr. Charles King the swing man, Commission adopted 4 of the 5 changes it proposed last year—reversing itself only on "straddle" time. Here's what it did:

(1) Reduced option time from 3 to 2½ hours for each of day's 4 segments.

(2) Provided more variation in the amount of advance notice a network must give affiliates of plans to put shows in unused option time. Present minimum is 8 weeks. Now it will be 4-13 weeks.

(3) Gave stations right to reject network programs they've contracted for as well as those merely "offered" by networks.

(4) Gave stations right to substitute, for network programs, programs of "greater local or national importance." Current rules use word "outstanding" instead of "greater."

Commission backed off from its proposal to treat "straddle" programs (those lapping over into option time) as entirely within option time. Instead, it decided to count them as entirely outside.

Basic purpose of changes, FCC said, was to "improve the competitive position of non-network groups and to broaden the individual station's freedom of program selection under its affiliation contract." The 21-page decision analyzes each change, together with all industry recommendations, in that light, concludes:

"The Commission recognizes that certain adverse effects to network operation may be involved in adopting these amendments. However, we are of the opinion that the amendments, considered individually or cumulatively, will not pose any serious threat to continued successful network operations and will make a significant affirmative contribution to the affiliates' freedom of program selection and the competitive opportunities available to non-network elements in the TV field."

• • • •

Chmn. Ford and Comrs. Hyde & Bartley issued strong dissent, written by Hyde. First, they said, networks & stations are so interdependent that option time isn't needed. Second, there's serious question as to legality of option time from anti-trust standpoint. (Justice Dept. had said it's illegal.) The decision, they said, seems to leave "the Commission & industry relying on FCC regulations in apparent conflict with anti-trust laws without even an argument to support an exemption." Finally and basically, they said: "We believe that the fundamental issue in this proceeding was whether the broadcasting industry should operate under traditional concepts of competition which the anti-trust laws are designed to foster, or whether it should be subjected to a system of increasing governmental regulation which the majority seems to favor . . ."

Commission was deadlocked 3-3 in its voting last week, we're informed, throwing decision fully up to newcomer King. Though he'd done considerable homework on subject during Aug. vacation, he said he was impressed by new ideas brought out in discussion, indicated he'd like more time to ponder. Some Commissioners suggested vote be delayed a week but Cross pressed for final decision then & there—and colleagues finally went along with him.

King's concurring opinion seems to indicate tendency to side with minority. However, he didn't agree with them that Commission had before it the alternative of doing away with option time. Said he:

"I concur in the order, but not necessarily in the numerous statements contained in the report preliminary thereto which are not necessary to the recital on page 2 of the report that 'optioning of time by affiliates to their networks is reasonably necessary for successful network operations and in the public interest.'

"In this particular rule-making proceeding, due to the limited period for which I have been a member of the Commission, no opportunity has been available to me to choose between alternatives other than the two presented by the motion to adopt the subject order, namely, either to reduce the option time permitted by the Commission's rules from 3 to 2½ hours per broadcast segment or to continue it at the present 3 hours. As between these 2 alternatives, I choose the former; beyond that my vote should signify nothing."

In light of King's apparently lukewarm assent, there's speculation within FCC that Commission might grant a petition for reconsideration (if anyone, such as option-time opponent KTTV Los Angeles, filed one) and reverse itself—killing option time. However, another school within Commission doubts whether it would want to invite charges of "vacillation."

Interesting question raised but not answered by the 3-man dissent: Do they believe that option time should be prohibited? Or do they believe option time should operate on a laissez-faire basis, controlled only by anti-trust decisions as charges of abuses arise? Best judgment at Commission is that one dissenter is for prohibition, one for laissez-faire, one in between. Dissent may be read both ways.

PAY-TV TEST DUE FOR 5-DAY FCC HEARING: One solid week is being considered favorably by FCC for a hearing, before all 7 Commissioners, of RKO General-Zenith's proposed Hartford pay-TV test. It's understood that Commission told staff to draft up an order for probable adoption Sept. 20, day before members go to N.Y. for luncheon meeting of Radio & TV Executives Society.

A "403 hearing" is what's in works—meaning the kind of inquiry permitted by Sec. 403 of Communications Act. This is same sort of hearing used in network study. However, variations are being considered—

"limited" cross-examination, for example; none was permitted in network case. What Commission wants to do is clear decks for clean-cut yes-or-no decision on the test, not get things tied up in legal technicalities for months or years.

Main legal problem is this: If RKO-Zenith gets go-ahead without a hearing, a protest is likely to be filed & granted, requiring long evidentiary hearing. However, what kind of hearing must be held before grant if protest is to be precluded? New pre-grant procedure just voted by Congress isn't effective until Dec. 13. Meanwhile, regular protest procedure remains in force. Apparently, much depends on when FCC finally votes to grant or deny test go-ahead—whether before or after Dec. 13. Staff is now doodling over legalities.

Original FCC thought was to give couple days a week to hearing. However, it's understood Chmn. Ford pushed for straight 5-day job some time in Oct.—not even stopping for regular Wednesday meeting—and that's what's in works now. Knowing how Chmn. Ford operates (Vol. 16:33 p2), you can expect Commission to make up its mind at end of 5th day.

Commission is said to be virtually unanimous on this so far. It's also apparent that it doesn't intend to let hearing run more than 5 days. FCC is expected to give main parties plenty of time—but short shrift to witnesses offering cumulative evidence.

Though Telemeter has said it has no plans to program-test its pay system over the air, intends to expand cable operations, last week it asked FCC for permission to make a 6-month technical air test of its system. It proposed to operate a test facility at Hazeltine Research Labs, 3320 W. Burbank Blvd., Burbank, Cal., using a 5-watt Ch. 3 transmitter at 16215 Sierra Hwy., Saugus, Cal. Purpose of test, it said, is to see how system works under conditions of multipath transmissions, ghosting, fading & "other circumstances" and to see how it handles color.

Incidentally, Chmn. Ford is due to inspect Telemeter's Toronto wired toll-TV set-up after his Oct. 6 address before Radio-TV News Directors Assn. convention in Montreal's Queen Elizabeth Hotel.

The only operating pay-TV system—Telemeter's wired experiment in Etobicoke, Ontario—was subject of skeptical comment from admen, meanwhile. For details, see pp. 4 & 6.

RATINGS vs. CORPORATE IMAGE: A big rating is nice to have—but growing list of network advertisers are today more concerned with "corporate image" projected by their shows and with quality of audience that's reached.

There are 4 basic reasons for trend toward ratings-aren't-everything philosophy, network & agency executives tell us:

1. Appeal to highly select, deluxe audience through cultural, specialized programming. Such an audience, if properly pin-pointed, usually has higher income, more leisure, more outside interests, and is more likely to buy expensive products. (Examples: Bell & Howell's part sponsorship of "Winston Churchill Memoirs" series on ABC-TV; Florist Telegraph Delivery Assn. sponsorship of color opera specials on NBC TV.)

2. Creation of strong corporate image within professional field, particularly in recruiting cream of college grads with science degrees for company employment. (Examples: GE's sponsorship of "College Bowl," various educational & scientific specials on CBS-TV; Aluminium Ltd. sponsorship of "Omnibus" on NBC-TV.)

3. Identification with cultural projects by relatively small-budget advertisers seeking maximum publicity mileage. In such a case, sponsor usually feels that strikingly controversial special which gets big press play is worth several expensive weeks on straight bread-&-butter shows. (Examples: Purex Co. sponsorship of the recent Sacco-Vanzetti drama special on NBC-TV; Longines-Wittnauer sponsorship of pre-election political specials, also on NBC-TV.)

4. Big-budget advertiser use of cultural programming as a "balance" to more routine week-to-week shows, or simply to project dignified corporate image in mass media. (Examples: Brown & Williamson part-sponsorship of recent "Journey to Understanding" on NBC-TV; U.S. Steel prestige dramas on CBS-TV, etc.)

Struggle by networks to sell cultural programming isn't as difficult as it used to be. For advertisers who still cherish strong sponsor identification in TV, public-affairs shows are sometimes better buy than slice of multi-sponsored film series, no matter how high in rating ranks. (For further comment by admen, see p. 9.)

TV'S 'U-2 LOOK' AT TELEMETER: Is Telemeter's Canadian pay-TV experiment really a success? According to Telemeter executives, it is. But there are indications from other sources that coin-in-slot, Paramount-owned operation is something less than runaway hit.

Real facts about Telemeter are a close-kept secret. What you read & hear about Toronto tryout is largely what is carefully filtered, like wartime communiques, through Paramount's N.Y. hq. Telemeter has yet to reveal: (1) Per-home average spending. (2) The break-even point. (3) Just how much work is involved in maintaining and processing coin-box system. (4) Any extensive program plans for future, apart from feature movies. (5) How Telemeter stacks up against free TV in viewer preference.

This has led to some quiet snooping in Toronto by various organizations, including the Ted Bates and Young & Rubicam agencies, all 3 U.S. TV networks, and at least one major movie studio. We've managed to track down a number of observers who have staged their own private brand of U-2 flight in Etobicoke, site of the Telemeter experiment. Consensus so far: Telemeter has achieved a measure of success, but it's a long way from being a threat to free TV (for details, see p. 6).

Telemeter has already downgraded profit predictions for the system. Earlier this summer, a Telemeter operations executive told us that the Etobicoke experiment, which started in late Feb., would show a profit after "the first 6 months" (Vol. 16:29 p10). Last week, Telemeter Pres. Louis A. Novins told Advertising Age that Telemeter would be in the black "by winter." This suggests that Telemeter is already behind its financial schedule by several months, even though it's ahead in terms of installations.

Why does Telemeter operate behind an Iron Curtain? There are several obvious reasons. For one thing, Telemeter hopes to move, in 1961, into the U.S., via franchises in such locations as the N.Y. and Los Angeles areas; adverse publicity would hurt franchise sales. For another, Telemeter will face much more difficulty in providing movie program fare in the U.S. than in Canada, where Famous Players (Toronto franchise holder in which Paramount has a 51% interest) controls half the nation's movie theaters.

VOID MIAMI CH. 7 CP, EXAMINER URGES: FCC's special "influence" examiner Judge Horace Stern, deciding he has to follow Commission's tough examples in Miami Ch. 10 & Boston Ch. 5 cases (Vol. 16:29 p1), got just as tough in Miami Ch. 7 case. His recommendation last week: (1) Take WCKT from Cox-Knight-Trammel group (Biscayne TV Corp.). (2) Totally & finally disqualify Biscayne, South Florida TV Corp. and East Coast TV Corp.

This leaves Sunbeam TV Corp. without a scratch on it, thus raising obvious speculation that it stands strong chance of getting Ch. 7 by default, precisely as did L. B. Wilson in Miami Ch. 10 case.

Judge Stern's 14-page decision summarized testimony and concluded that 3 applicants were guilty of misconduct & improper activities in attempting to influence Comr. Mack, and therefore should be disqualified.

Stern seemed a bit reluctant to be as severe as Commission. It "would constitute the ordinary practice" to issue "black marks" against the wrongdoers, he said, but he noted that FCC went further in Miami Ch. 10 case and said that the accused parties were "unfit to become licensees of the Commission." Said Stern: "Applying this viewpoint, it would seem necessarily to follow" that Biscayne, South Florida and East Coast are done for, because their activities were "precisely the same" as those of miscreants in Ch. 10 case.

Venerable Judge Stern, ex-Pa. Supreme Court Chief Justice who was 82 Aug. 7, certainly keeps his promises. He had said he aimed for decision by Sept. 15. It was issued Sept. 14.

In Miami Ch. 10 & Boston Ch. 5 cases, meanwhile, Commission followed through with its intentions to keep its original decisions in force, issuing final orders supporting their instructions to staff (Vol. 16:37 p1). WPST-TV Miami & WHDH-TV Boston had sought to persuade Commission to hold everything pending court appeal and request for FCC rehearing, respectively. WHDH-TV promptly appealed to Court of Appeals at end of last week, asking that FCC be required to stay effectiveness of its basic decision, that FCC be ordered (after its forthcoming decision on WHDH-TV's petition for rehearing) to certify whole record to the Court, that Court ask parties to file briefs within 30 days thereafter.

FCC Chmn. Frederick Ford has 2 speeches on tap: Sept. 21, Radio-TV Executives Society, Hotel Roosevelt, N.Y., accompanied by the rest of the FCC Commissioners; Oct. 6, Radio-TV News Directors Assn., Queen Elizabeth Hotel, Montreal.

Anti-payola bill (S-1898) is now law, the President having signed it last week, and it's now up to FCC to flesh it out with a set of rules, on which its staff is already working. Also signed was HR-12536, exempting co-op ad allowances from excise taxes (see p. 17).

The FCC

More about

AMENDED NETWORK RULES: Here is the full text of FCC's new rules, effective Jan. 1, 1961, concerning option time and stations' rights to reject programs (see p. 1)—changing Sec. 3.658,(d) & (e):

(d) Option Time. (1) No license shall be granted to a television broadcast station which options for network programs any time subject to call on less notice than is required by subdivisions (i), (ii), (iii) of this subparagraph.

(i) In no event may a station subject its time to call, under an option, for a network program to commence earlier than four weeks after notice of exercise of the option.

(ii) If a station has a written contract with one or more advertisers pursuant to which a non-network program series is being broadcast, the time so contracted shall not be callable under an option held by a network until the earlier of (a) the end of a 13-week waiting period or (b) the end of the program series so contracted.

(iii) If a station has entered into a written contract with an advertiser or advertisers for the broadcast of a non-network program scheduled to commence no later than four weeks after the network exercises its option for the same time segment, the network may not under its option require the station to substitute a network program until the earlier of (a) 13 weeks from the commencement of such non-network program or (b) the end of the program series so contracted.

(iv) If the station has contracted with more than one advertiser for the program series, the end of the program series for the purposes of this section shall be the latest of the several contract termination dates.

Option-Time Periods Described

(2) No license shall be granted to a television broadcast station which options for network programs more than a total of 2½ hours within each of four segments of the broadcast day, as herein described. In determining the number of hours of option time, any network program which begins during the hours agreed upon by the network and station as option time and extends into non-option time, or which begins during non-option time and extends into the hours agreed upon as option time, shall be considered as falling entirely outside option time. The broadcast day is divided into four segments, as follows: 8 a.m. to to 1 pm.; 1 p.m. to 6 p.m.; 6 p.m. to 11 p.m.; 11 p.m. to 8 a.m. (These segments are to be determined for each station in terms of local time at the location of the station but may remain constant throughout the year regardless of shifts from standard to daylight saving time or vice versa.) Time options may not be exclusive as against other network organizations and may not prevent or hinder the station from optioning or selling any or all of the time covered by the option, or other time, to other network organizations.

(3) As used in this section, an option is any contract, arrangement or understanding, express or implied, between a station and a network organization which prevents or hinders the station from scheduling programs before the network agrees to utilize the time during which such programs are scheduled, or which requires the station to clear time already scheduled when the network organization seeks to utilize the time. All time options permitted under this section must be specified clock hours, expressed in terms of any time system set forth in the contract agreed upon by the station and network organization. Shifts from daylight saving to standard time or vice versa may or may not shift the specified hours correspondingly as agreed by the station and network organization.

(e) Right to reject programs. No license shall be granted to a television broadcast station having any contract, arrangement, or understanding, express or implied, with a network organization which, with respect to programs offered or already contracted for pursuant to an affiliation contract, prevents or hinders the station from (1) rejecting or refusing network programs which the station reasonably believes to be unsatisfactory or unsuitable or contrary to the public interest, or (2) substituting a program which, in the station's opinion, is of greater local or national importance.

———■———

FAA Into Tall Tower Act: Broadcasters were uncertain & apprehensive last week after reading proposed rules issued by the FAA governing erection of tall structures.

FAA said it was proposing the new rules for 2 major reasons: (1) The Air Coordinating Committee, which heretofore made recommendations on tall broadcasting towers to FCC, goes out of business Oct. 10 and its duties must be absorbed by FAA. (2) No "forum" exists to evaluate non-broadcast structures.

Industry attorneys said it's impossible to tell from the 54-page document whether FAA is attempting to usurp FCC's final authority to approve or disapprove towers—but they fear that it is. They have in mind the comments of the Air Transport Assn., filed in FCC's Docket 13384, asserting that FCC is no longer in the picture. Reply comments in the Commission proceeding are due Sept. 19, and TV-radio industry will be on hand with heavy rebuttals asserting that the law says FCC has the power—or has the duty to decide whether it still has the power—and that the courts, not the executive branch, are the place to resolve any conflict that may arise between FCC & FAA.

Among provisions of FAA's proposal is this one: FAA will designate specific location, size & shape of antenna farms for the whole country. Comments on FAA's proposal are due by Oct. 31. Document is labeled Airspace Docket No. 60-WA-159.

The FCC proceeding had started out as an innocuous thing amending rules to reflect FAA's assumption of ACC's duties. It got hot when ATA asserted that FCC's tall-tower power has disappeared.

NAB filed its comments with FCC late last week, before the deadline, asserting that FCC still has final authority, stating that the Federal Aviation Act, which set up FAA, gives FAA "no authority, expressed or implied, to exercise final jurisdiction over broadcast transmission towers."

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Ownership of both vhf & uhf in Eau Claire, Wis.—an important policy departure—was due to be granted by the FCC last week through the issuance of a CP for Ch. 25 to WEAU-TV (Vol. 16:37 p12), but it's understood that at the last minute the Commission learned of a competing Ch. 25 application being filed. It withheld action and asked its staff to come up with a proposal to drop another uhf channel into the city.

CPs granted: Ch. 13, Flagstaff, Ariz., to Saunders Bcstg. Co. • Ch. 34, Salina, Kan., to Prairie States Bcstg. Co. • Educational Ch. 10, Portland, Ore., to State Board of Higher Education • Ch. 70 translator, Daggett, Cal., to Elephant Mountain TV Club • Ch. 22, Ft. Smith, Ark., to Ft. Smith Telecasters Inc.

Auxiliary Services

More about

ADMEN EVALUATE TELEMETER: With their vested interest in free-TV commercial billings, the major ad agencies and TV networks have, from the start, been fascinated by Telemeter's wired pay-TV experiment in Toronto suburb Etobicoke. Does it spell doom for TV as most admen know it? Will network-TV cowboys gallop unseen across film prairies while viewers drop coins in a slot to watch new movies instead? Can free TV and pay TV co-exist?

A TV-radio executive of one of the largest ad agencies in N.Y., recently returned from a first-hand look at the Telemeter setup, summed up his reaction thus:

"Telemeter has a solid setup in Toronto, but if it continues on its present path, it's doubtful that it will be a long-range success. The pricing structure (i.e., $1 for movies; 25¢ for special kid shows) is such that viewers can't help but be satisfied with it. They have no trouble in signing and holding subscribers.

"But the Toronto operation is essentially a missionary operation. Telemeter officials have kept the price low. They don't tread too heavily on downtown theaters, and never have any 'exclusive' or 'preview' film showings. They have announced little in the way of program plans of their own. The novelty is wearing off, too. I'm convinced that Telemeter will not provide a major threat to regular TV."

Telemeter Vs. Bartlesville Test

A top research official of another major agency, which made a study of the now defunct Bartlesville (Okla.) pay-TV project and more recently prepared a client-level study and presentation on Telemeter, took a similar tack in discussing the Toronto experiment with us:

"Telemeter differs from the Bartlesville test in that nearly all of the respondents in our study like it. If Telemeter gets off the ground in a big way—and it will only do this if it proves economically feasible—it will be competitive with free TV. But the competition will be spotty, and it is ridiculous nonsense to think that it will be a constant major threat to regular sponsored TV. At best, I don't think Telemeter would ever be able to reduce the total available audience for free TV in the U.S. by more than 10%."

Apart from such purely-opinion reaction (typical, incidentally, of agency-network feeling today toward Telemeter), there are some clues which indicate mixed success:

Ratings: There's only been one real test so far of how Telemeter stacks up against free TV. Early in the Telemeter experiment, Canada's Elliott-Haynes Research Co. (which operates much as the U.S. Trendex firm does) made a telephone coincidental study—with Telemeter's cooperation—in Telemeter equipped homes. Since viewers in the area can watch ABC, CBS and NBC shows, plus CBC programs and a Hamilton, Ont. independent station, Telemeter exists in what is actually a 6-channel situation. In the E-H checkup, it was learned that Telemeter actually ranked 5th among the 6 program choices in Telemeter homes. Telemeter promptly withdrew its cooperation, and there has been no subsequent study.

Grosses: Telemeter is about as eloquent as a Kremlin security official when it comes to per-home grosses, although it has issued hints that grosses are high (Vol. 16:20 p10). Reputedly, the break-even point for Telemeter has been on the order of $2 weekly. A quick door-to-door sampling by a Toronto newspaper, soon after Telemeter started, indicated a $2.35 average in spending. But this may be very optimistic. Agency sources in N.Y. told us of a study of the Etobicoke area made by one of the U.S. networks for its corporate management which covered nearly one out of every 3 Telemeter homes. Reportedly, this network study shows that Telemeter grosses this summer averaged less than $1 per home weekly. (Interestingly, CBS flatly denied the existence of such a study; NBC sources, however, told us they had indeed heard of it, quoted us figures from it, but said it wasn't theirs.)

Rumors of Mechanical Troubles

Problems: From time to time, there has been a rumor that Telemeter has had mechanical trouble with its top-of-the-set gadget that collects viewer coins and unscrambles the pay-TV channel. Telemeter has always denied the charge. But one NBC official, who knows his electronics and who toured the Telemeter origination plant in Toronto, told us that, as far as he could tell, the rumors were true. "The process of collecting the boxes, emptying them, and tallying the results involves several steps, a lot of manpower, and considerable time," he said. "Down at one end of the plant I saw a huge pile of defective pay-TV units that was being sent back to the manufacturer for repair. Apparently, the gadget gets out of whack fairly easily."

Telemeter's own view continues to be rose-tinted.

By Telemeter's latest count, there are 6,000 homes (of a potential 12,500) wired into the cable system. So far, Paramount's investment in Telemeter (development, research, the Etobicoke system, etc.) has amounted to some $10 million, according to Pres. Novins, but Telemeter expects to get it back. Although most of the programming to date has been feature movies, Telemeter has taped (in N.Y., under a special AFTRA scale that calls for a share of the gross for performers in addition to network minimum) a full-length version of Gian-Carlo Menotti's "The Consul," produced by Jean Dalrymple (Vol. 16:20 p12). Telemeter has no intention of padding its revenue with commercials on pay-as-you-look programs, and takes the attitude that it can get along without them. At the moment, Telemeter has stopped installing decoders in Toronto homes so that it can "research the homes" and "evaluate trends."

* * *

Pay TV would destroy free TV and movie theaters, speakers at last week's Theater Owners of America Los Angeles convention reiterated. Chmn. Philip Harling of TOA's Committee Against Pay TV said he sensed public antipathy to the Etobicoke wired toll-TV experiment while visiting Canada. He said TOA has collected 16 million signatures on an anti-pay-TV petition, with 30 million the nation-wide goal. Washington attorney Marcus Cohn charged that pay-TV proponents are really interested in "free air waves"—not wired systems. Pres. Mitchell Wolfson of theater & TV-owning Wometco Enterprises, Miami, called pay TV a "one-armed bandit" and said that neither movie theaters nor quality free TV could co-exist with it.

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Multiplexed weather service on a national scale, utilizing FM stations, is contemplated by the U.S. Weather Bureau. Following a suggestion by Sen. Green (D-R.I.), the Bureau has started experimentation with *Providence Journal's* WPJB-FM and Travelers' WTIC-FM Hartford, planning continuous weather broadcasts 12-16 hours daily.

Yuma CATV-Station Fight Ends: Battle between KIVA Yuma and the local community antenna system came to a halt last week when Harry C. Butcher sold the station to CATV operator Bruce Merrill for $550,000 and agreed to withdraw his protest against FCC's grant of Merrill's microwave to bring Phoenix signals to Yuma. Butcher said he's pleased with Merrill's plans for operating KIVA—putting its signal on one CATV channel. In addition, he said, KIVA advertisers will get double exposure on the cable through a switching technique which will put its network adjacencies on 2 channels. Furthermore, he said, KIVA has been getting its network feed from Los Angeles, which meant that its viewers had been seeing programs at least one hour later than Yuma viewers—who had been getting their network shows via Phoenix. Henceforth, KIVA will also be fed by microwave from Phoenix.

"We had to sell or go into the CATV business," Butcher said. "If it hadn't been for the cable, we'd have been in good shape, for we had turned the profit corner last year. I bought the station for $241,000 in 1957, when it was in Chapter XI [bankruptcy]. We put a lot of money into it—went to maximum power, put a studio in El Centro, installed network color, etc. We got out with a reasonably whole skin."

Butcher believes the deal may presage a trend for the industry, whereby viewers get a multiple choice of signals while local stations improve their chances of surviving and furnishing locally-originated service. Merrill said that no changes in KIVA personnel are contemplated.

Last year, Butcher sold 75% of KIVA to interests headed by Floyd Odlum, retired chairman of Atlas Corp.

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Teaser press release put out by David E. Bright, chmn. of H & B American Corp., Los Angeles, which recently paid $5 million for Jerrold's 9 CATV systems (Vol. 16:33 p8), says that his firm has in "preliminary" stages "further large acquisitions in antenna systems, radio & TV." H & B last week reported the sale for "in excess of $2 million" of its General Trading Co. subsidiary to Gould-National Batteries Inc., St. Paul, distributor of automotive & industrial supplies and agricultural equipment through 43 outlets in 6 north central states.

NCTA's 10th annual convention will be held June 20-23, 1961 at the Jack Tar Hotel, San Francisco.

Educational Television

"Teaching with Television—An Institute for Medical Educators" will be conducted in Fla. Oct. 27-28 by the Institute for Advancement of Medical Communication's Council on Medical TV. The Oct. 27 lab session will be at the U. of Fla. College of Medicine, Gainesville, and on Oct. 28 participants will see a "scrambled-image" demonstration in Jacksonville, site unspecified. The Council is also planning a TV teaching institute for dental educators to be held in Boston March 25, prior to the annual meeting of the American Assn. of Dental Schools March 26. Dr. Michael Romano, chmn. of U. of Pa. School of Dentistry TV committee, will be in charge.

Two credit courses will be offered on WNED-TV Buffalo, N.Y., the state's only ETV outlet, beginning today. The station has made arrangements with Buffalo U. and Canisius College for courses in English & European history.

Networks

CROSBY-NBC (cont.): That hassle between TV columnist John Crosby and NBC's top management (Vol. 16:37 p7) went into a second round early last week, with Crosby determined to have the final word in print. There are a number of indications to show that he may have had just that.

NBC had rebutted Crosby's charges that the network's TV profits had slipped badly by stating they were at "a near record level." In a Sept. 12 column, Crosby snapped: "I said that former NBC Pres. Pat Weaver, with imagination and daring and quality programs had made profits of $18 million out of network television in the last year of stewardship, whereas NBC this year would net from $2 million to $5 million with its mediocre horse operas. Well, I said it and I'm glad, because it happens to be true. CBS's TV network operations will net it 4 to 5 times as much as NBC this year; even ABC with a far lower gross will have higher TV network profits."

Although TV network profit levels are among the industry's best-kept secrets, we found that CBS and ABC network officials last week were more prone than usual to discuss them—especially NBC's.

What obscures such figures is that network TV profits are generally combined with profits from other TV activities, such as those made on o&o TV stations. Crosby noted this in his reply-to-NBC column, and guesstimated that WCBS-TV N.Y. for example "will gross roughly $15 million this year with a net profit of roughly $7 million." A high-ranking CBS source not only confirmed such gross-vs.-profit relationship but told us last week that "Crosby's figures are conservative."

Crosby also charged in his rebuttal that NBC's network TV profits had been lowered by a crop of bread & butter shows (". . . most of them off the bottom shelf of MCA") that have been selling at cut prices.

A peace feeler of sorts was put forward by Crosby, who indicated that he'd had enough of the feud. "NBC has given me many wonderful moments," he said. "I love its news. I love Huntley-Brinkley. I love color TV. I'm sure it will give me many wonderful moments again when this lunacy blows over."

However, in an interview in Sept. 19 *Newsweek*, Crosby indicated he was fed up with just about all TV and would like to give up his TV column.

"In its present state, TV is terrible, absolutely terrible," he is quoted. "It could hardly be worse . . .Television is a form of dope addiction, consciously used by Madison Avenue for its cynical purposes, constantly increasing the national neuroses and weakening the national moral fiber . . . Even if it were possible to find out what the mob wants [through audience research], it's an immoral way to run a country or an industry or an individual. . . ."

Said Crosby: "I seriously intend to break off writing about TV exclusively. A guy should move on. I'd like to write a general column . . . write plays. I can't sit and stare at that box for another 10 years. I'd go crazy."

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ABC-TV affiliates are "extremely excited" about the network's fall schedule and "have hopes of a good year," said affiliate Chmn. Howard Maschmeier, WNHC-TV New Haven-Hartford, after the affiliate board meeting in Hollywood last week. Board members viewed the new shows and appeared on a closed-circuit preview of the network's upcoming schedule.

Network Television Billings

July 1960 and January-July 1960

For June report, see TELEVISION DIGEST, Vol. 16:32 p9

July Billings Up 17.4%: Network TV's July gross time billings rose to $55.8 million—17.4% ahead of July-1959's $47.5-million volume. TvB's latest tabulation also shows that July bested all other 1960 months in surpassing year-ago performance. (Previous leader: Feb., with a 13.7% gain.) July, normally the pickup month from summer slump, also showed an appreciable gain over June 1960's $52.9-million business. The July-from-June gain pushed the cumulative volume to $392 million—10.1% ahead of Jan.-July 1959's $356 million.

CBS, as usual, was the dollar leader, both in July ($23.4 million) and year-to-date ($161.7 million). ABC, as usual, led the other networks in percentage gains: 49.3% for July over July-1959, 28.2% for Jan.-July 1960 over 1959's first 7 months.

Cumulative nighttime billings of the 3 networks rose 16% to $275,773,376 from $237,910,716 in Jan.-July 1959. Daytime billings sagged 1.7% to $116,272,934 from $118,-284,861. In July vs. July-1959, nighttime billings gained 24.9% to $39,878,981 from $31,939,514; daytime increased 2.1% to $15,931,977 from $15,604,849.

NETWORK TELEVISION

	July 1960	July 1959	% Change	Jan.-July 1960	Jan.-July 1959	% Change
ABC	$12,529,660	$ 8,391,470	+49.3	$ 89,480,230	$ 69,813,986	+28.2
CBS	23,475,841	21,269,782	+10.4	161,768,225	153,017,329	+ 5.7
NBC	19,805,457	17,883,111	+10.7	140,797,855	133,364,262	+ 5.6
Total	$55,810,958	$47,544,363	+17.4	$392,046,310	$356,195,577	+10.1

1960 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	$13,260,010	$23,477,358	$20,980,897	$57,718,265
February	12,677,110	22,977,171	19,923,712	55,577,993
March	13,487,460	24,043,799	21,072,164	58,603,423
April	12,701,240	22,580,032	20,642,038	55,923,310
May	12,876,050	23,209,917	19,414,264	55,500,231
June	11,948,700	22,004,107	18,959,323	52,912,130
July	12,529,660	23,475,841	19,805,457	55,810,958

Note: These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on basis of one-time rates or before frequency or cash discounts.

CBC 'Freezing' Affiliates: CBC moved promptly to officially tie up its 46 English and French-language TV network stations as a sequel to a no-raiding warning by Board of Broadcast Governors to sponsors of a private TV network.

At hearing on proposed rules for TV network operations, BBG said it will not allow the publicly-owned CBC network to be displaced by a private TV network in any area. CBC Pres. Alphonse Ouimet said CBC needs affiliated stations to provide a national service and BBG said CBC would be guaranteed prior right in all areas.

CBC and affiliated stations at an Ottawa meeting Sept. 10 adopted a written affiliation agreement to replace the verbal understandings under which the private stations have received network service for last 7 years. Contracts are due to be signed by Jan. 1 and a 15-member joint advisory committee of CBC and affiliate representatives will be set up to deal with such matters as program schedules and commercial requirements. Contract details are not likely to be made public before signing.

BBG proposed network regulations and defined a network to include stations "affiliated by agreement to carry film or other mailed programs" as well as live interconnections.

BBG said it will give preference in awarding a network franchise to applicants (1) which are wholly Canadian-owned, (2) which guarantee live programming through interconnection, (3) which propose to link the largest number of stations.

Under the proposed BBG regulations, network licenses would be limited to 5 years and affiliation agreements would require BBG approval. Network licenses would be canceled if content of programming failed to adhere to the 55%-Canadian-content rule.

BBG hopes to hold final hearings on the proposed network regulations Sept. 26 in Ottawa and plans to hear applicants for network licenses in November or early December.

NETWORK SALES ACTIVITY

ABC-TV

Hawaiian Eye, Wed. 9-10 p.m., participations eff. Oct.
Warner-Lambert Pharmaceutical (Lambert & Feasley)

Roaring 20s, Sat. 7:30-8:30 p.m., participations eff. Nov.
Colgate-Palmolive Co. (Ted Bates)
Carter Products (Ted Bates)
American Chicle (Ted Bates)

Daytime programming, Mon.-Fri. participations eff. Oct. & Nov.
Grocery Store Products (Ted Bates)
Bon Ami (Cole, Fischer & Rogow)
Brillo Manufacturing (J. Walter Thompson)
Mystik Adhesive Products (George H. Hartman)
Sterling Drug (Dancer-Fitzgerald-Sample)

CBS-TV

National Automobile Show, Sun., Oct. 16, 6-7 p.m. one-shot special. Full sponsorship.
Reynolds Metal (Clinton E. Frank)

The Magic Land of Allakazam, Sat. 11-11:30 a.m., full-sponsorship eff. Oct.
Kellogg (Leo Burnett)

The Gershwin Years, Sun., Jan. 8, 8-9:30 p.m., one-shot special, full-sponsorship.
General Electric (BBDO)

NBC-TV

White Papers, 60-min. prime-time specials beginning Nov. 29, participations.
Timex (W. B. Doner)

Pro Football, Sun. afternoon participations eff. fall 1960.
Minneapolis Brewing (Knox Reeves)
National Brewing (W. B. Doner)
Anheuser-Busch (Gardner)
Pearl Brewing (Tracy-Locke)
Phillips Petroleum (Lambert & Feasley)

Outlaws, Thu. 7:30-8:30 p.m., Riverboat, Mon. 7:30-8:30 p.m., Dan Raven, Fri. 7:30-8:30 p.m., participations eff. fall 1960.
Brown & Williamson Tobacco (Keyes, Madden & Jones)

"The Real West," *Project 20* special, 60-min., March 1961, full-sponsorship
Savings & Loan Foundation (McCann-Erickson)

Advertising

More about

RATINGS vs. CORPORATE IMAGE: One of the most popular legends cherished by the critics of TV is that programming is so "bad" because all sponsors ever seek is the highest possible rating. Actually there appears to be a steady lengthening of the list of advertisers who, when they go shopping for a new TV show, search for something other than mass audience (see p. 3).

"Entirely too much emphasis is placed on ratings," reported a recent *Printers' Ink* study of admen's opinions. Major findings: 80% of ad execs believe program ratings are over-emphasized; 37% say they are declining in importance. As one agency vp put it, "The race for ratings has killed off many excellent programs & ideas."

"The favorable image created by sponsor identification with high-quality TV programming raises many a company's own rating in the eyes of the public," Herminio Traviesas, BBDO TV-radio vp, told us recently. And Standard Oil (N.J.) Pres. M. J. Rathbone has stated: "Selective TV programming buys can bring the sponsor far more lasting sales success, which may exceed the beneficial results of participation in Western or adventure series."

Image projection through cultural-appeal TV shows isn't just a matter of dropping ordinary TV commercials into an available public-service show, or of worrying about overnight Arbitron ratings. The traditional role of sponsorship shifts considerably from the field of pure advertising to the field of public relations.

"By making a public-service contribution, the advertiser such as Shell Oil or Ford Motor Co. (sponsors of Leonard Bernstein concerts on CBS-TV this fall) serves a tremendous public relations function, irrelevant to the size of the TV audience," we were told by John Karol, CBS-TV vp for special projects. Or, as Prudential Insurance Pres. Carroll Shanks put it: "We pay attention to ratings, but they are only one way of measuring the medium."

Ratings Still Watched Closely

Cultural shows have to pull some weight in the advertising boat, however. "There isn't a sponsor in existence who doesn't care at all about ratings," insists NBC-TV special projects dir. Edwin Friendly Jr. "Although an increasing number of advertisers are considering side benefits, safety in numbers is a tried-&-true axiom."

Networks today recognize the importance of the right commercial in public-affairs or educational shows. "We would not sell *CBS Reports*, or any other public-affairs specials, to hard-sell sponsors," stated CBS's Karol.

Agencies are not averse to the theory. Generally, the sponsor "who wishes to distinguish his image is one who uses a softer-sell approach," remarked BBDO's Traviesas. Since commercials in a major public-service special are not scattered 1-min. participations but often a few longer messages, "the company has time to deliver a corporate message, rather than just sell a product," he added.

Does image-projection TV advertising at the expense of big ratings really work? Although networks, advertisers & agencies admit that more research is needed, certain facts have been established. "We have discovered at Du Pont that those who watched *Show of the Month* had a more favorable attitude toward the company than they held before the series," observed Du Pont ad mgr. Charles Crowley. A recent NBC study, evaluating sponsor advantages in buying semi-cultural specials based on Sinclair Oil's purchase last fall of the one-shot "Music from Shubert Alley," concluded (on the basis of both consumer & dealer response to the show) that "specials give the sponsor tremendous advantage in changing consumer attitudes."

A dramatic example of this sort of success can be found in the recent TV experience of Standard Oil Corp. (N.J.) which literally rescued NTA's taped, critic-kudoed *Play of the Week* from extinction. "The volume of mail from stockholders, TV fans and the extraordinary press reception is but one indication of reaction," said TV-radio dir. Arthur Lamb. "We are amazed at the number of people who say they are switching to Esso because of it."

Helping the cause of image-building-type shows is the fact that networks have re-adjusted schedules since last fall's quiz scandals. With many such shows moving from the "cultural ghetto" of Sunday-afternoon slots into prime-time exposure, a growing number of advertisers are willing to venture into cultural program territory. "There is a hard core of people who always want to know what is going on in the world and the number is constantly increasing. These people, in the above-average income & intelligence group, buy a number of products that are out of range for most viewers. This makes them the perfect audience for companies that manufacture these products," stated ABC-TV news & public affairs vp John Daly.

Attractively Priced for Modest Budgets

Traditionally, the talent (if not time) costs of cultural & public-affairs shows have been lower than those of typical entertainment vehicles. This makes their over-all costs attractive to many advertisers with modest TV budgets. Coupled with other advantages of specialized audience, public-affairs or informational shows sometimes emerge as the ideal TV buy. A good case in point is North American Van Lines, whose annual ad budget has been in the $800,000-$1-million class. NAVL is now entering its second year as a sponsor of ABC's *Championship Bridge* series.

The company program relationship is a rare example of what NAVL merchandising mgr. C. D. Pease calls "the perfect fit." A 60% correlation was established, in a recent NAVL survey, between "bridge players" and "people who moved within the past 5 years." Pease told us: "The *Championship Bridge* program not only provides a selective audience, it contains a mood of challenge & of silent, intelligent contemplation. The quality of mood relates to the image we try to project. We make sure our commercials are psychologically integrated with the nature & tone of the program." NAVL relies on the fact that bridge fans watch the show devotedly and "will remember in October a hand that was played in May," remarked Ruder & Finn (PR agency for NAVL) acct. exec. Richard Cunningham. "Our aim is to convince these bridge types that we are their kind of people, and we can best serve them."

Actually, the progression of major & minor advertisers into image-building public-service programming is only half the picture. A cyclical trend may be noted in the area of program choice. While new companies are being attracted toward prestige-heavy specials & series (Brown & Williamson Tobacco Co. into NBC's "Journey to Understanding," etc.), several advertisers who usually walk a red-carpet path in advertising have expanded into bread-&-butter shows (Du Pont into ABC's *Adventures In Paradise*). The cycle reflects a growing interest in TV diversification (such as Ford's 1960-61 program spread, which includes everything from Leonard Bernstein culture to Tennessee Ernie Ford's high-rated corn). Commented NBC's Friendly: "The major sponsor today hopes to reach the largest possible audience, both in size & type."

Adman Blasts Ads: The pelted & belted ad medium caught another barrage last week—this time delivered by one of its own, Dodge ad & sales promotion mgr. W. D. (Pete) Moore. Addressing the Los Angeles Ad Club, Moore teed off: "It's bad enough that too many of our ads are unbelievable. But must they be downright ridiculous? Must we flood our media with phony consumer tests & 'unretouched photos?' It's all too obvious that we are only reaching the ultimate in insulting a consumer's intelligence."

Moore plastered his charges of misleading & deceitful advertising on all media, noted that "print isn't the only violator of 'truth.' Take TV," he offered. "Remember those shots of cars roaring up what seems or is purported to be a 60° incline? It's a very simple trick—just tilt the camera." Copywriters, he charged, are now "stuffy, bored and hidebound" and are producing copy that has become "unchanging, tired and mired in a rut of conventionality." He urged the industry to take steps to rectify image of grey-flannel adman, to spin ad copy from facts, not fancy.

"Lack of honesty in advertising hurts in many ways," he declared. "People resent it. And resentful people are poor customers. Russian roulette with truth devaluates the advertising dollar faster than Khrushchev in the White House."

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FTC's Pilot 'Truth' Conference: First of its kind, a "special pilot conference" for Cincinnati businessmen will be conducted by the FTC Sept. 28 at the Hotel Sheraton-Gibson Roof Garden.

Purpose of the session, according to FTC Chmn. Kintner, is to "promote truthful & non-deceptive advertising on a community-wide scale." If it's successful, he said, similar sessions will be conducted in other major markets.

Some 2,000 firms have been invited to send representatives to hear presentations by 3 FTC officials: John R. Heim, dir. of the Bureau of Consultation; William D. Dixon, legal advisor on FTC guides; William H. Brain, guide administration attorney. Luncheon speakers will be Heim and Victor H. Nyborg, pres. of the Assn. of Better Business Bureaus.

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Self-policing ad agency policy should be continued in the battle against deceptive practices, FTC Chmn. Earl W. Kintner told the Advertising Men's Post No. 209, American Legion, in N.Y. Sept. 12. "The existence of the FTC presents a meaningful alternative to govt. control of markets," stated Kintner, "and it is your public-service duty to call to the attention of the FTC deceptive advertising by your competitors." Kintner reminded that false advertising hurts the consumer and "gives rise to demands for drastic measures of reform."

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Ad People: William A. Taylor, Robert Scurlock and Frederick A. Mitchell named Dancer-Fitzgerald-Sample vps . . . Frederic W. Wile named Advertising Council Pacific Coast operations managing dir.; Mrs. Lavinia S. Schwartz appointed Midwest operations managing dir.

Obituary

James Duncan Webb, 51, president of C. J. LaRoche Co., died Sept. 15 in Greenwich (Conn.) Hospital after a short illness. He had formerly been a Young & Rubicam vp. Surviving are his wife and 2 daughters.

Sad reality of TV business—that when an account at a small agency prospers greatly and increases its ad spending to blue-chip proportions it often shifts to a now-interested big agency—is likely to occur soon at N.Y.'s W. B. Doner Co. Doner handles U.S. Time Corp. (Timex), which has grown in the past 7 years from a modest $250,000 annually to its present level of $3.5 million, mostly in TV. Last week, Timex officials were quietly interviewing new-business executives from several major agencies, and an account switch was almost certainly in the works. Another clue was furnished by the resignation, effective Sept. 16, of Doner TV-radio vp Sylvan Taplinger, who had originally persuaded Timex to take a big-budget (for Timex) plunge in network TV jazz specials, and in one-shots starring such big TV names as Frank Sinatra and Bob Hope. The most recent Timex purchase is a series of 6 public-affairs shows on NBC-TV.

Heavy network & spot TV campaign will be used this fall for Esquire shoe polish, manufactured by Knomark. Co-sponsorship of 2 CBS-TV prime-time fall shows, *Witness* and *Face the Nation*, are the TV keystones. In addition, IDs have been set in 15 U.S. markets and 60-sec. commercials are scheduled for exposure in 8 Canadian markets. Radio & print media make up the remainder of the campaign.

New idea in press previews, the "environmental screening," was tested by ABC-TV during Sept. 9-11 weekend to preview its Desilu-produced *Guestward Ho!*, which debuts Sept. 29 under Ralston Purina and 7-Up sponsorship. The show deals with a Madison Ave. couple's adventures running a New Mexico dude ranch. So ABC corralled a posse of tenderfoot N.Y. editors, and whisked them up the Hudson to the Stanbrooke Dude Ranch to meet show talent and executives of J. Walter Thompson and Guild, Bascom & Bonfigli agencies, and to see the show's pilot. Editorial consensus: Reality (in the form of the slickly-run, TV-equipped Stanbrooke) and situation comedy (in the show's strictly-for-laughs dude ranch) are as far apart as ever.

NBC-TV will again play patron to Gian-Carlo Menotti, marking the 4th time the network has commissioned the composer to write an opera for TV. The new 60-min. work is expected to be ready for the 1961-62 season. Also due next season is a CBS-commissioned musical play by Menotti, to be delivered next Feb.

NTA has cracked through quickly in 17 markets with its recently-acquired 20th Century-Fox post-1948 package. After the initial sale to WNTA-TV N.Y., sales in the following big-city markets were scored: WRCV-TV Philadelphia, WRC-TV Wash. D.C., WCKT Miami, KTVI St. Louis, among others. In practically all cases, sales were made at prices "from 35-to-60% above prevailing rates," reported NTA sales vp E. Jonny Graff.

Italian TV-radio network RAI has opened a North American office in N.Y. to exchange ideas, talent and technical facilities with TV-radio companies in the U.S. & Canada. RAI exec. vp Giorgio Padovano will head the office, in the Corning Glass Bldg. at 717 Fifth Ave.

North American distribution rights to German-made IBAK closed-circuit TV systems have been obtained by newly formed Inspectronics Ltd., Brantford, Ontario. Pres. D. O. Johnson says his firm will operate only in Ontario, will sell operating rights in other Canadian provinces and in the U.S. The IBAK systems are specially made for underwater survey & salvage operations, for studies of pipes & tubes.

Stations

50th ETV Station on Air: Educational TV reached a major benchmark last week. WFSU-TV (Ch. 11) Tallahassee began program tests Sept. 13, achieving the distinction of being the 50th non-commercial ETV outlet. It brings total number of U.S. TV stations operating—commercial & non-commercial—to 572 (483 vhf, 89 uhf).

Debut of the new station at the U. of Fla. is auspicious for another reason. It's Florida's 5th ETV station and will soon be the last link in an interconnected state network which is by far the most elaborate single-state ETV set-up in the U.S. (Vol. 15:3 p4).

The new station, with a 10-kw GE transmitter, GE antenna & 777-ft. Klein tower, is owned jointly by the Board in Control of Fla. and the Fla. State ETV Commission. It's headed by University Bcstg. Services dir. Roy Flynn, with Donald E. Wheeler as program dir., R. L. Puckett studio supervisor and W. E. Ragsdale chief engineer.

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Hurricane Donna damaged antenna of WFLA-TV Tampa, her high winds knocking out the north & south elements, but the station continued operating with reduced coverage. Other Fla. TV stations in the path of the hurricane have not reported any damage to FCC but some radio stations were not so fortunate. Knocked off-air by loss of antenna, water damage or power failure were: WRMF Titusville, WNOG Naples, WDBO Orlando, WMFJ Daytona Beach, WGMA Hollywood, WONN Lakeland, WDCL & WAZE Clearwater, WPIN St. Petersburg, WLBE & WBIL Leesburg, WJCM Sebring, WABR Winter Park, WHAN Haines City, WDBF Delray Beach, WPOM Pompano Beach, WSBD Homestead, WKAT Miami Beach, WAMR Venice, WKIZ Key West. Most of the stations returned to the air after a short time using temporary antennas & auxiliary power sources. Recently-built WINQ Tampa, due on the air shortly, lost all 3 of its towers. Other early reports had WGAI Elizabeth City, N.C. suffering loss of its antenna and WSAR Fall River, Mass. off the air as a result of the storm.

Fla. Defense FM Network performed brilliantly during Hurricane Donna's depredations, FCC reported in a special public notice. The network broadcast 150 bulletins daily in 3 languages for an average of 6 hours a day. The messages were rebroadcast by 25-30 AM stations. It was the network's first emergency test. Some 30 such state FM networks now operate, and there are plans to link all of those from Fla. to Me.—frequently a hurricane path.

NAB Editorializing Committee, meeting in Washington last week, came up with a 4-point program to help stations: (1) Compilation of examples of editorialization results. (2) Revision of NAB's *Editorializing on the Air* to show latest techniques. (3) Frequent mailings of case histories. (4) Compilation of problems. NAB staff was also told to look into the idea of a seminar. NAB research mgr. Richard M. Allerton reported on NAB's survey of the extent of radio editorializing which will be distributed to members in Oct. TIO Dir. Louis Hausman described a survey which showed that 30% of TIO members editorialized; the study will be sent to NAB members. Co-chairmen of the committee are Joseph E. Baudino, Westinghouse Stations, and Daniel W. Kops, radio WAVZ New Haven.

WFAA-TV Dallas may also identify itself with Ft. Worth under a waiver granted by the FCC.

Miami's Ch. 6 should go to drive-in theater operator South Fla. Amusement Co., according to an initial decision issued by FCC examiner Forest L. McClenning. Broadcast experience and strong degree of integration of ownership & management were the deciding factors against 2 competitors. Pres. of South Florida is Sherwin Grossman, who was also pres. of WBUF-TV (Ch. 17) Buffalo, N.Y. which he built and operated from Aug. 17, 1953 until Dec. 30, 1955 when the station was sold to NBC (Vol. 11:11 p3). Competitors were Publix TV Corp., headed by Miami attorney Charles Danton, and Coral TV Corp., whose pres. is ex-*Miami Beach Sun* publisher Leon McAskill.

NAB's new Freedom of Information Committee, appointed last week: Chmn. Frank P. Fogarty, Meredith stations; Campbell Arnoux, WTAR-TV Norfolk; John Charles Daly, ABC; Richard O. Dunning, KHQ-TV Spokane; John S. Hayes, *Washington Post* stations; Theodore F. Koop, CBS; William R. McAndrew, NBC; Stephen J. McCormick, MBS; August C. Meyer, WCIA Champaign, Ill.; Sig Mickelson, CBS; David C. Moore, Transcontinent stations; D. L. Provost, Hearst stations; Weston C. Pullen Jr., *Time* magazine stations; Robert M. Purcell, radio KFWB Los Angeles; Lewis W. Shollenberg, CBS; James W. Woodruff Jr., WRBL-TV Columbus, Ga.

Latest station to go single-rate is KOB-TV Albuquerque, following a growing trend among outlets to follow a Station Reps Assn. plan (Vol. 16:37 p12). In a notification to ad agencies of the rate-structure change, KOB-TV suggested that agencies should demand that "every station be honest with itself and take a firm stand on this vital issue."

Complaints against CHEK-TV (Ch. 6) Victoria, B.C. will be probed Sept. 15-16 by 5 BBG members in hearings in Vancouver. There have been public protests that the signals from the Victoria station have ruined reception of adjacent-channel stations in Seattle. The BBG also will air charges that CHEK-TV has violated an understanding not to solicit advertising in Vancouver.

Next Canadian license hearings will be held Sept. 26 in Ottawa. BBG will hear applications for a new CBC French-language TV outlet at Ste. Anne de la Pocatiere, Que., and for 6 privately owned satellites. Two applications have been filed for a satellite at North Battleford, Sask., and one each for Cameron Mt. & Edmundston, N.B.; Fox River, Que.; Pivot, Alta., and Lumby, B.C.

AMST Technical Committee, under Chmn. Henry E. Rhea, Triangle Stations, meets in Washington Sept. 22. The Association's board, headed by Jack Harris, KPRC-TV Houston, will hold a one-day session in Washington Oct. 18.

"Creative Selling" is theme of this year's Broadcasters Sales Seminar at the U. of Mo. Sept. 23. Three symposiums will present talks by 13 Mo. broadcasters, admen & reps.

Grant of Ch. 51 Louisville to Kentuckiana TV Inc. has been recommended by FCC examiner Annie Neal Huntting following consolidation of Kentuckiana and competitor United Electronics Labs Inc.

Addition of Ch. 9 to Redding or Susanville, Cal. has been made subject of FCC proposed rule-making. Either assignment would require the substitution of Ch. 13 for Ch. 9 in Alturas.

Major radio sales approved by FCC: WAKE Atlanta for $500,000 to WAKE Inc. and WYDE Birmingham for $525,000 to WYDE Inc.—both buyers headed by Ira Herbert; WQXI Atlanta for $1.6 million to *Esquire* magazine.

Canada's upcoming independent CFTO-TV Toronto hopes to begin operations Jan. 1 as the Dominion's first color station. Pres. Joel Aldred has also invited his CBC-TV competitor, CBLT, to help make Toronto a color city, has offered CBLT the use of CFTO-TV's still-building $4.5-million plant to train crews in color operations. Aldred plans 2-4 hours of color programming daily, subject to approval of the govt., which so far has prohibited color-casting. If CFTO-TV is unable to get the green light for color broadcasting, it will use its color facilities to produce commercials for U.S. telecasters.

Off-again-on-again grant of Ch. 3 Prince George, B.C. to CKPG-TV Ltd. (radio CKPG) was on again last week. BBG originally recommended the grant May 24 (Vol. 16:23 p6), then changed its mind July 5, deferring its recommendation pending a survey of northern British Columbia. Last week it said CKPG-TV should go ahead with the Prince George station and its plans for satellites to serve adjacent areas. The recommendation awaits govt. approval.

Educational KTCA-TV St. Paul-Minneapolis disputes the claim of newcomer KERA-TV Dallas that it is "the first ETV station equipped to broadcast in color" (Vol. 16:37 p8). KTCA-TV gen.-mgr. John C. Schwarzwalder counter-claims: "KTCA-TV has been an ETV station equipped to broadcast color since Sept. 1957 and has been broadcasting color since Sept. 1958."

Only radio WILD & WMEX remain with licenses unrenewed in FCC's consideration of Boston-area payola charges, after the recent renewal of licenses for WHIL, WTAO & WEZE. WORL had been renewed earlier (Vol. 16:31 p15). It's understood that FCC hasn't completed study of WILD & WMEX.

RCA has shipped TV tape recorders to WAVE-TV Louisville, WKJG-TV Fort Wayne, KOAM-TV Pittsburg, Kan.-Joplin, Mo., 2 to NBC in Washington, one to XET-TV Guadalajara. It also sent one color unit to TvB, N.Y., 2 color units to NBC in Burbank. One color camera was shipped to WOR-TV N.Y.

Two new pamphlets for candidates are being sent by NAB to member stations, extra copies available at 5¢ each: *Is Your Hat in the Ring?* for radio, *Campaigning on TV* for TV. They're designed to help candidates "present their views clearly & convincingly in best American tradition."

"New Developments in Video Recording" has been prepared by General Precision to describe & illustrate tape-to-film transfer, spot wobble, alternate synchronizing generator. The 4-page brochure is available from GP's GPL div., 63 Bedford Road, Pleasantville, N.Y.

NAB best seller is the 5th edition of *Engineering Handbook*, published by McGraw-Hill. As of late August, 1,316 copies had been sold at the bookstore price of $27.50. NAB itself bought 2,500 copies for free membership distribution, offered copies to new members at $16.50.

TV-radio observance of UN Day Oct. 24 will be urged by NAB in letters to all stations. NAB's cooperation in promoting objectives of the world organization was pledged by Policy Committee Chmn. Clair R. McCollough at a N.Y. meeting with the U.S. Committee for the United Nations.

"In Reference to Radio" is the cover title of a new NAB educational packet intended for distribution to educators & librarians by NAB radio members. Available from NAB at $1 per copy, the packet contains 9 sections covering everything from radio's history to NAB's Code.

Programming

Eddie Albert's Kaiser contract, to serve as a special advisor on cultural & theatrical projects to Kaiser Industries, triggered an argument between Albert and Bob Banner, exec. producer of the CBS-scheduled *Candid Camera* series. Although Albert holds a contract with the show for his services as host and has filmed at least one episode, Arthur Godfrey got the job. Banner said the situation was due to "contract complications." Albert, through his press agent, Arthur Jacobs, stated that he was "ready, willing & able" to go to work, and denied that his contract with industrialist Henry J. Kaiser was in conflict with his *Candid Camera* duties.

Computer-written Western, authored by an IBM computer at MIT, will be performed on CBS-TV Oct. 26 during the premiere of the new series of science specials which will be sponsored by American Machine & Foundry. The no-dialog Western (actually, a simplified vignette with such familiar ingredients as a bank-robber, a villain and a saloon) is being used to illustrate the near-human "thinking" abilities of complex computers. MIT technicians originally fed a basic Western plot into the machine, gave it some 50 plot variations to play with, and told the machine to start writing. It did, producing several all-action scripts with various endings (sheriff shoots bandit; bandit shoots sheriff; they shoot each other; etc.). CBS-TV picked the best script (happy ending), and filmed it with professional actors. Could the machine write Westerns with dialog too? Yes indeed, MIT informed CBS, but it would take a little longer.

TV premiere of theatrical film, Robert Raisbeck-produced "11th Commandment," will be telecast on WPIX N.Y. Sept. 23. Raisbeck has so far failed to find a national distributor for the 83-min. anti-Communist film and is hoping that TV publicity will provide "the perfect showcase." The movie, filmed in Hong Kong and Formosa, attempts to point out the evils of Soviet influence in Asia. By no coincidence, the one-shot telecast is scheduled to premiere while Khrushchev is at the UN.

Voice of America programs are being produced by U.S. radio stations in a series of local documentaries that are intended to tell grass-roots stories of American communities to overseas listeners. VOA dir. Henry Loomis reported that 18 stations (ranging geographically from KFRE Fresno to WNBF Binghamton) already are participating in the program and 9 more have lined up for VOA shows in the fall. Examples of on-the-scene community reports: "Fourth of July 1960" (WFIL Philadelphia), "Portrait of New England" (WBZ Boston), "Do Texans Brag?" (WBAP Ft. Worth), "Amana Story" (WMT Cedar Rapids).

End of a kiddie era will be marked Sept. 24 when 13-yr.-old *Howdy Doody* takes a final 60-min. TV bow. The first TV show to cater exclusively to kids, *Howdy Doody* was becoming an increasingly difficult problem for the sponsor. ("Kids just don't buy products," stated one adman to program creator Bob Smith; "we prefer shows that appeal to audiences aged 2 to 102 years.")

Public service idea: WOOD-TV Grand Rapids, Mich. and 8 colleges & universities will team up on a new educational series, *Ten O'Clock Scholar*, to be telecast 5 times weekly starting Sept. 19. The participating schools: U. of Mich., Mich. State U., Central Mich. U., Olivet College, Hope College, Calvin College, Aquinas College, Grand Rapids Junior College.

Film & Tape

Arnaz, Leeds Split: Desilu Productions Pres. Desi Arnaz and exec. vp Martin Leeds, once one of the most successful production combinations in Hollywood TV film, reached the parting of the ways last week after 7 years during which Desilu grew from a small company to a TV-film power.

Because attorneys for each were still working out the settlement of Leeds' contract, and Arnaz's buyout of Leeds' 35,000 shares of Desilu stock (worth $367,500 at the Sept. 16 closing price of 10½), the principals were sticking to a promise not to discuss reasons for the rift.

What precipitated the breach was no one act by either Arnaz or Leeds, but a growing difference and clash over policies. Our information is that Leeds felt he was handicapped by Arnaz's interference on policy, and that Arnaz resented what he considered a "too tough" attitude on Leeds' part in business negotiations. This probably triggered the breach, although there were other factors, such as Arnaz's prolonged absences from the studio.

Once the settlement is signed, Arnaz will undoubtedly take over many of Leeds' duties, with other chores being assigned to Bernard Weitzman, vp in charge of business affairs. Arnaz has already canceled a trip to South America he had planned for this week.

Leeds receives $135,019 a year salary, and his contract has approximately 3 years to run.

NEW YORK ROUNDUP

Automobiles are the "fastest-growing" category of advertisers in TV syndication market, according to a recent Ziv-UA study. Auto dealers account for 25% of advertising on Ziv syndicated shows at present as compared with 8% 3 years ago. The study concludes that automobiles "will emerge as the 4th most prolific user of syndication, by the end of this year" trailing only food, tobacco & brewing.

Freddie Fields Associates Ltd., a new company formed in N.Y. last week by former MCA vp and dir. Freddie Fields, will handle talent management & production for TV, motion pictures and theater. Fields plans to open a West Coast office soon.

UAA reported increasing sales of feature films as one-shot specials in individual markets last week: "Adventures of Mark Twain" (4 markets), "Olympic Cavalcade" (1), "The Jazz Singer" (1), "Yankee Doodle Dandy" (5) are among the properties sold.

MCA-TV began syndication sales on *M Squad*, formerly on NBC-TV, last week with 3 markets: WPIX N.Y., WGN-TV Chicago, and WBRE-TV Wilkes-Barre.

WNBC-TV N.Y., will dress up its month-long *Autumn Harvest* series of post-1950 foreign films with a colorful gimmick: Denise Darcel. She'll serve as hostess-narrator for the film festival, scheduled to begin Sept. 18. The films, from Italy, France & England, showcase such stars as Rosano Brazzi, Alec Guinness and Anna Magnani.

WOR-TV N.Y. will debut a package of renovated "Our Gang" comedies Sept. 19 under the name *Mischief Makers*. "Our Gang" shorts are also distributed by Interstate for Allied Artists and by MGM-TV (Vol. 16:37 p4).

Peter Cooper appointed Robert Lawrence Productions exec. producer . . . **Arthur Gloss** named UAA asst. gen. sales mgr.

HOLLYWOOD ROUNDUP

MGM-TV makes commercials and its commercial & industrial film dept. is "now far more active than at any time in the past," TV vp George T. Shupert told us last week. Under the direction of Tom Curtis, the MGM-TV dept. has been "steadily expanding both in terms of creative personnel and volume of business," and the commercial-industrial sales volume for 1960's first 8 months "has exceeded sales volume for the entire year of 1959," Shupert added. In our report on major movie studio TV activity last week (Vol. 16:37 p4) we referred to MGM's past commercial operations but omitted its present ones.

Universal-International exercised its "favored nation" clause with Screen Actors Guild, exchanging its original deal with SAG for the same one negotiated by the Assn. of Motion Picture Producers with the Guild. Thus UI escapes payment on post-1948 movies sold to TV. Instead it will give the Guild $350,792 as "past service payment." UI will pay 6% of total gross receipts from distribution of post-Jan. 31, 1960 movies to TV, after deduction of 40% for distribution expenses. If there are outright sales to TV, the deduction would be 10%. UI's original deal with SAG was signed last March 1, allowing the company to continue production when SAG struck movie majors March 7.

TV Producers Guild, formed by a group of Hollywood TV film producers, is weighing future steps following outright rejection of its request for negotiations with the Alliance of TV Film Producers. The Alliance told TPG it doesn't feel TPG is a labor organization within the interpretation of federal labor legislation, inasmuch as producers are so strongly associated with management. TPG had sought residuals plus screen credit.

Harman Productions Inc., Debbie Reynolds' TV company, has joined the Alliance of Television Film Producers. Harman plans 2 film series, in addition to the special Miss Reynolds recently taped for ABC-TV . . . **Revue Studios** is about to begin filming an action pilot, as yet untitled.

Paramount TV and producer Hal Hudson are developing 3 series to be co-produced by Paramount with Hudson's new independent company. Hudson plans 2 half-hour and one hour series, in drama, action & adventure formats.

National Academy of TV Arts & Sciences trustees will meet Sept. 24-25 in Scottsdale, Ariz., to discuss the awards structure and presentation plus the planned TV library and museum and an international TV festival.

People: Jack Forman, ex-CBS mgr. of film production administration, has become gen. mgr. of Samuel Goldwyn studios . . . **Lloyd Richards** will produce a segment of Desilu's *The Untouchables* . . . **George Polk,** BBDO vp in charge of program development and planning, is in Hollywood to see rough cuts of *The Tab Hunter Show* and *National Velvet*. Also here to see new product are **Bob Anderson** BBDO Detroit vp; **Jerry Souers,** General Mills executive from Minneapolis. . . . **Harold Goldman,** ex-NTA exec. vp, joined Famous Artists Associates, Beverly Hills, to develop an expansion program in all phases of entertainment, with emphasis on TV series and including an investigation of the possibilities of pay TV. . . . Producer **Herbert Coleman** is leaving Revue Studios, where he produced *Checkmate*, to form his own company for movie production. . . . **Charles E. Skinner** has resigned as business & industrial film div. vp at Filmaster Productions.

THE PRODUCTION PATTERN SOLIDIFIES: In the span of one decade, the era of the free-wheeling, small independent company in TV has come & virtually gone. Into its place has marched the big company, applying multi-million dollar operations to what was once a penny-ante business.

Three of the pioneer, once-small independents have survived & grown in the upheaval. Two of them—Revue Studios and Four Star Television—rate No. 1 & No. 2 in industry importance. The 3rd, Desilu Productions, hasn't nearly as much production, but it owns 3 studios which are rented to other companies.

But these are the exceptional successes. In the debris lie such trailblazers as Hal Roach Jr., McCadden Productions, Jerry Fairbanks (active only in TV commercials although he was one of the first to produce half-hour films), Jack Webb's Mark VII Ltd., Roland Reed, Louis Snader.

Among the one-series independents still dotting Hollywood are Don Fedderson Productions, Marterto Productions, Sharpe-Lewis Productions, Blake Edwards' Spartan Productions, Jack Chertok, Brennan-Westgate Productions, Stage 5 Productions, Toreto Enterprises and Filmaster Productions. But the vast bulk of production volume comes from the behemoths.

The reasons for the demise of so many pioneers are varied, but they boil down to the fact that if a company didn't join the trend toward bigness within the industry its chances of survival dimmed.

Gone But Not Forgotten

Ironically, Roach tried to expand but got into so many troubles in the attempt that he lost his studio.

When McCadden and Fairbanks lost their series they faded from entertainment-film scene.

Snader was a one-shot success, doing well with his 3-min. Telescriptions, but when these were finished, he couldn't repeat in other ventures, and vanished.

Even a veteran like Jack Webb never faintly approached, in other attempts, the success of his *Dragnet*. Today his TV operation is dormant.

Many a one-shot producer or promoter stumbled on the toe of ignorance in the 1950s, for much of what was done was trial-and-error. One producer filmed three 20-min. films, certain that this was to be the best length for telefilms. Another was just as sure that 45-min. films were the answer, but his financial advisers wisely counseled him not to go into production on that basis.

Through the 1950s, it was the consensus among those closest to the industry that TV film would follow the pattern of the movies, with a few companies to emerge dominant. That's the way it has turned out. In this growing trend to bigness, there are more & more alignments with TV's giants by one-series companies. (Examples: Producer Mike Meshekoff & Howard Duff made a co-production deal with Four Star on *Dante*. Chertok has a co-production deal with Revue on *Johnny Midnight*. Ann Sothern's independent company is in co-production deal with Desilu.)

There is every evidence that today's TV powers will continue to dominate the Hollywood picture now that the pattern has been established. Revue, one of the early film producers, paces the field with 17 series. Four Star, another veteran, is runner-up with 13. Next come 2 major movie studios' TV operations: Columbia Pictures' Screen Gems which has 9 series, and Warner Bros. with 7.

Of course, the answer does not lie entirely in mere size. Desilu learned this the hard way when it acquired RKO's 2 studios, which, with its Cahuenga studio, gave it 3 bases—and considerable overhead. Merely possessing physical facilities isn't enough, and because Desilu doesn't have enough series to take care of the overhead, it's been busily wooing other companies to rent its lots.

Revue, operating in reverse of this procedure, waited until it had sufficient series to warrant a studio, then acquired the Universal-International lot.

Four Star's alert Pres. Dick Powell, renting space at Republic, has been thinking of buying a studio, is waiting for a good buy. But last time he mentioned it to us, he remarked, "There's no good studio on the market now."

The matter of space is curious. Paramount Pictures, for example, has considerable, but, one of the last studios to get into TV-film production, it today has only one series. MGM, a huge lot, has only 2 series of its own. In these situations, the studios seek to compensate for lack of production by renting space to independents.

Bigness Kills Creativity?

Some contend that the trend to bigness has stifled creativity & cut the latitude of early TV-film days. While some large operations do resemble a factory assembly-line, it's doubtful that any intelligent studio executive would snuff out a creative spark.

The trend to the big did undoubtedly bring more competition, and that's all to the good. But although the on-screen results may evoke skepticism about this in the casual observer, mediocrity is not necessarily the result of the present physical setup in Hollywood. Current quality may be due to the shortage of good talent in Hollywood—a shortage no one denies. It may be the result of unrealistic ad-agency or sponsor restrictions in some instances. Or it could be budget.

In any event the industry pattern appears to be established—with the preponderance of production to be handled by a few large independents, a few major studios and the networks themselves.

More Network Feature Talks: Seven Arts Productions Ltd. is the latest distributor to join the act in discussing network-level deals for post-1948 Hollywood features. Although it is now launching syndication sales on a 40-title package culled from a 122-title group of post-1948 Warner Bros. features, network one-shot deals are definitely in the works. So we were told last week by 7 Arts Pres. David B. Stillman, who said that "at least one major color feature that will become available to us in Jan. 1961" is going to be put up for network grabs. No price was mentioned by Stillman, although another major post-1948 feature (MGM's "An American in Paris") is being offered to networks with a $1 million tag (Vol. 16:37 p6).

Among other 7 Arts activities announced by Stillman at a Sept. 12 meeting in N.Y.:

(1) Assembly & distribution of telefilm program packages, starting early next year.

(2) Diversified financing deals in motion pictures for theatrical release ("The Misfits," "Two for the Seesaw," "West Side Story," etc.), Broadway production ($1 million backing for a musical version of "Gone with the Wind"), land development, phono records, etc.

(3) Offices, largely to handle the station-level sales of the first Warner Bros. feature group, have been opened in N.Y., Chicago, Dallas and Los Angeles.

Seven Arts was until recently known as Creative Telefilm & Artists Ltd., and was organized by Stillman and financier Louis A. Chesler, ex-chmn. of AAP (now the feature-distributing subsidiary of United Artists, UAA). Chesler is chmn. of the parent Canadian firm. Eliot Hyman, who was pres. of AAP, is pres. of 7 Arts.

Television Digest

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Personals: Alfred R. Stern, NBC Enterprises vp, elected Cal. National Productions chmn., continuing as dir. of NBC international operations and chmn. of NBC International. He will also continue to supervise NBC's Enterprises div.

Campbell Arnoux, WTAR-TV & WTAR Norfolk, named chmn. of 8-member NAB TV Music Advisory Committee . . . Robert M. Purcell, head of Crowell-Collier's bcstg. stations (radios KFWB Los Angeles, KDWB Minneapolis-St. Paul, KEWB San Francisco-Oakland), elected a vp of the parent company . . . Macey I. (Mike) Schaffer, ex-WAVY-TV & WAVY Norfolk, named ad & promotion dir., WFIL-TV & WFIL Philadelphia, succeeding Donn Winther, resigned . . . Omar F. Elder Jr., ABC-TV vp-gen. counsel, appointed chmn. of NAB Copyright Committee . . . Tom Carnegie named sports dir., WFBM-TV & WFBM Indianapolis . . . Edgar Holtz, FCC associate general counsel, resigns to enter private practice with Hogan & Hartson.

Warren P. Williamson III, ex-public relations dir., named gen. mgr. of WKBN-TV & WKBN Youngstown; Richard G. Newcomer promoted to public relations dir.; Jack Hartley, ex-WEWS Cleveland, named sales promotion mgr . . . Lorie M. Molnar, formerly with late Frieda Hennock Simons, becomes an associate of Spear, Hill & Greeley, Washington TV-radio law firm . . . Henry Shur, ex-U.S. Patent Office examiner, joins Washington law firm of Dow, Lohnes & Albertson as patent, trademark & copyright counsel . . . Jack Van Volkenberg, son of former CBS-TV vp J. L. Van Volkenberg, named sales service mgr. of KNXT Los Angeles.

SMPTE's 1960 Journal Award was won by William F. Schreiber, Cristopher F. Knapp & Norman D. Kay for a paper, "Synthetic Highs—an Experimental TV Bandwidth Reduction System," describing their work on this program at Technicolor Corp. (Vol. 15:14 p3).

Anti-payola consent decree, prohibiting payments to disc jockeys, has been signed with FTC by record distributor Mangold Distributing Co. & Marshall Enterprises Inc., 638 W. Baltimore St., Baltimore.

Obituary

J. Cheever Cowdin, 71, former Universal Pictures chmn. for 13 years until 1949, died Sept. 15 of a heart attack in his office at the Pension Corp. of America, N.Y., where he was a vp. Surviving are his wife and a sister.

Meetings this week: La. Assn. of Bcstrs. convention (Sept. 18-20), Sheraton-Charles Hotel, New Orleans • Assn. Canadienne Radio TV Francaise annual meeting (18-21). Speakers include Dr. Andrew Stewart, Board of Bcst. Governors chmn.; Murray Brown, Canadian Assn. of Bcstrs. pres.; Alpine Inn, Ste. Marguerite, Que. • IRE national symposium on space electronics & telemetry (19-21), Shoreham Hotel, Washington • Atlantic Assn. of Bcstrs. annual meeting (20-21), Amherst, N.S., Canada • Ill. Bcstrs. Assn. annual meeting (22-23), Urbana-Lincoln Hotel, Urbana, Ill. • Advertising Federation of America 10th district convention (22-24), Little Rock, Ark. • Mich. Assn. of Bcstrs. fall convention (22-24), St. Clair Inn. St. Clair, Mich. • IRE Professional Group on Bcstg. 10th annual bcstg. symposium (23-24), Willard Hotel, Washington, D.C.

Meetings next week: Assn. of National Advertisers workshop on advertising management (Sept. 28), Ambassador Hotel, Chicago • ASCAP West Coast membership meeting (28), Beverly Hills Hotel, Beverly Hills, Cal. • CBS Radio Affiliates Assn. annual convention (28-29), Waldorf-Astoria Hotel, N.Y. • Ala. Bcstrs. Assn. annual fall meeting (29-Oct. 1). Rep. Oren Harris (D.-Ark.) & FCC Commissioner Robert E. Lee will speak, Stafford Hotel and U. of Ala. campus, Tuscaloosa • Minn. Bcstrs. Assn. annual convention (30), Leamington Hotel, Minneapolis.

Foreign

Castro completed seizure of all Cuban TV last week when his govt. officially took over the big 7-station CMQ-TV network along with its companion radio network, owned by Goar & Abel Mestre. The action was foreshadowed last spring when Castro froze the Mestres' personal bank accounts and seized the CMBF-TV network, which was 60% owned by CMQ (Vol. 16:15 p3). Goar Mestre recently has been headquartering in South America, where he has other TV interests. Official reason for Castro's long-delayed takeover of CMQ: The owners "abandoned" the plant and failed to keep it in proper working order.

VOA's new & powerful Liberian shortwave relay station near Monrovia will be designed by Page Communications Engineers under a contract awarded recently. The station will have six 250-kw and two 50-kw transmitters, and will relay programs to Africa, the Middle East & Central Europe. Power will be provided by two 1,750-kw diesel electric generators, and transmitter contracts are about to be let. Estimated cost of the entire project is $12,627,000.

German commercial TV hikes up to a new top rate of $4,500 per commercial minute next January. The new high will be collected by the Cologne station, a raise from its previous top of $4,000 per minute. Other raises next year will be posted by the Stuttgart, Munich and Frankfurt stations.

British admen are protesting the recent rise in commercial TV rates. Justification by ITV interests for the rate increase is that the TV audience has grown and broadcasters are merely maintaining the original cost-per-1000. The hike in rate sends the present $1,792 cost of the 15-sec. peak-time spot up to $2,356. Spots of 30 secs. rise from $2,576 to $3,080.

Northernmost broadcasting station in North America will be CBC's CHAK, at Invuk in the western Arctic. The 1-kw station will also be the first CBC station to broadcast regularly in the Eskimo language and CBC's first outlet inside the Arctic Circle.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

AD PRACTICES CODE FOR TV-RADIO-PHONO: Industry-wide crackdown on retailers who insist on making deceptive ad claims is in the works, under aegis of EIA.

It will be accomplished through an EIA-drafted advertising practices code for consumer electronics industry, patterned after code adopted last summer by the American Home Laundry Assn. Go-ahead signal was given at last week's EIA fall conference at French Lick, Ind., when consumer products div. exec. committee approved proposal by its chairman, Motorola exec. vp Edward R. Taylor.

Draft of proposed rules will be submitted to committee at EIA winter meeting beginning Nov. 30 in San Francisco. If they follow pattern set by AHLMA code for washer-dryer advertising, they'll deal with such practices as phony "list price" comparisons, "was-is" price advertising, use of the word "free," bait ads, product claims, warranties. Other areas presumably to be covered: screen sizes, stereo claims, etc.

Laundry equipment code gets its teeth through enforcement by manufacturers. It's too early to see how it's working, but member manufacturers have stated they'll withhold co-op ad funds from dealers who don't follow rules.

In another EIA consumer-product action, the division exec. committee revived idea for public relations campaign for "home-entertainment products"—replacing the individual TV & stereo campaigns which never got off ground this year. Special committee will draft plans and report at EIA winter meeting.

NEW JAPANESE ONSLAUGHT COMING? Don't be lulled by apparent leveling-off of electronics imports. Japanese can compete with U.S. manufacturers in virtually any electronics market they choose —and their next choice probably will be TV.

This sharp & grim warning was sounded to electronics manufacturers at the EIA fall conference last week by Mark Shepherd Jr., vp of transistor-making Texas Instruments, in behalf of EIA's electronics imports committee. Notes of optimism in his report were few.

Last year's transistor-radio flood was only "the initial onslaught on domestic markets which will be felt by every segment of the U.S. electronics industry," he said. "As I see it, the present period is nothing more or less than a short & shallow breathing-spell for the U.S. industry."

"I strongly believe that the Japanese electronics industry will reassert its production advantages again & again in U.S. markets of its own choosing," he added. Japanese-made TV sets—particularly portables and color sets—will be merchandised here "in the most aggressive manner," he predicted.

Simple economic fact of life is that Japan must export to live. Drive for new markets, Shepherd pointed out, is necessitated by near-saturation of Japanese home market for radios and high cost of TV sets which places them beyond reach of many Japanese wage-earners. Export of TV sets, he said, offers Japanese electronics manufacturers "their most immediate hope of escape" from domestic marketing problems.

Can Japanese achieve same success in other electronics exports as in transistor radios? Said Shepherd: "They have the capacity to envision, design & manufacture quality merchandise, and their capabilities in this respect are increasing with each passing month. [Their] production facilities are the counterpart of many modern U.S. plants."

In addition to TV, Japanese electronics industry is preparing for mass invasion of U.S. business in components and testing & measuring equipment, has already substantially increased its share of U.S. market for components and industrial & commercial electronic equipment, he said.

Little relief seems forthcoming from Washington. EIA's petition for investigation of possible injuries to defense readiness by imports of Japanese transistors is currently under OCDM investigation. Even main-

taining status quo in tariff field involves a fight—EIA is strongly opposing move to reduce U.S. electronic product tariffs in forthcoming GATT negotiations in Geneva.

Charge that Japanese manufacturers are "dumping" tubes in U.S. at lower than domestic Japanese prices was made by EIA last week in separate move which seeks to invoke protection of Anti-Dumping Act of 1921. EIA asked Treasury Dept. to investigate whether law is being violated, pointing out that average factory price of tubes in Japan reportedly was 60.6¢ in 1959, while average factory selling price of Japanese tubes to U.S. importers was 26.4¢ in 1959 and 28¢ during first half of 1960.

(For other highlights of EIA's fall meeting, see story below.)

TV-RADIO PRODUCTION: EIA statistics for the week ended Sept. 9 (36th week of 1960):

	Sept. 2-9	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	116,229	125,850	141,146	3,924,367	3,957,484
Total radio	293,802	314,846	313,098	11,054,831	9,627,704
auto radio	95,986	105,140	106,741	4,194,734	3,666,076

ELECTRONICS GROWTH SLOWDOWN: Military electronics manufacturers should expect to operate below capacity for the next 3-4 years. The "phenomenal yearly expansions" of this segment of the industry since the end of the Korean War are now over, and manufacturers should "adjust" to growth rates comparable with other parts of the industry.

So said RCA defense planning mgr. L. H. Orpin, chairman of EIA's military marketing data committee, in reporting to the EIA board on a survey of more than 50 military electronics marketing experts at the closing session of the manufacturer group's fall conference in French Lick, Ind.

Since the close of the Korean War, he said, demand for military electronic equipment has increased 15-25% a year. For the next 5-10 years, however, he said the increase will only be about 5-10%. Reasons: reduction in military aircraft, the nearly-complete status of air-defense systems, govt.'s concentration on relatively few electronic systems as it abandons practice of introducing many different types.

He cited these "promising areas" in which military electronics firms should concentrate during the relative lull: ballistic missile defense, development of "exotic weapons" ("death rays," etc.), new combat & military intelligence communications systems, electronics for civil defense (disaster control communications, radiation-detection instruments, civilian warning devices).

The military electronics industry, he said, may now have as much as 25% more capacity than it needs. For the current year, he stated, the electronics portion of the defense budget is about $5 billion, of NASA's budget $100 million, of FAA's budget $700 million.

* * *

In other developments at EIA's fall meeting:

Dr. Philip Lewis, of the Chicago school system, urged manufacturers to sell schools complete systems, instead of just TV equipment. The author of EIA's forthcoming *Educational TV Guidebook* stated that manufacturers should develop specialized TV sets for schools, since home entertainment sets don't meet school-TV requirements.

As for the future, he saw an educational market for a complete audio-visual instruction center—a classroom TV receiver, film & slide projector all combined in a single unit. He predicted a "very real future" for electronic teaching machines and for TV systems which permit library research by remote control—even including book page-turning mechanisms.

Five new EIA directors were elected: Representing tube & semiconductor div., Parker Q. North (pres., Pacific Semiconductors), J. F. Battey (gen. mgr., Clevite transistor div.), Marion E. Pettegrew (senior vp, Sylvania). Representing military products div., Dr. A. A. Farrar (asst. vp, Raytheon). Representing parts div., Edward Butler (sales mgr., Speer Carbon).

■

July radio retail sales, as given in our monthly table in last week's issue (Vol. 16:37 p16), were incorrect due to a transmission error. This is the radio production & sales table, Jan. through July, as corrected:

RADIO

Month	Total Production 1960	Total Production 1959	Auto Radio Production 1960	Auto Radio Production 1959	Retail Sales (excl. auto) 1960	Retail Sales (excl. auto) 1959
January	1,355,788	1,124,737	632,461	420,052	803,388	700,490
February	1,442,368	1,125,385	596,872	432,551	611,479	474,888
March	1,667,550	1,347,554	633,761	511,219	664,441	515,563
April	1,230,323	1,040,183	399,963	422,346	547,839	388,863
May	1,277,040	1,039,562	463,165	476,222	548,322	400,882
June	1,551,451	1,430,165	596,870	637,806	702,889	678,195
July	890,359	829,035	328,009	254,725	573,363	526,827
TOTAL	9,414,879	7,936,621	3,651,101	3,154,921	4,451,721	3,685,708

President Eisenhower has signed into law, effective Jan. 1, 1961, the excise-clarification bill (HR-12536) which adjusts tax rates charged to manufacturers whose price structure is based partly on local advertising charges (Vol. 16:36 p14). The new law permits manufacturers to deduct for tax purposes portions of the sales price represented by contributions to co-op ad funds—not exceeding 5% of the price.

Madison Ave. showroom for Magnavox is scheduled to open Sept. 19 on the ground floor of the new Union Carbide Bldg. The no-retail-sales showcase will offer the public a look at the complete Magnavox line. Location of the center came after a 3-year study of "traffic patterns as related to potential Magnavox customers," Pres. Frank Freimann stated. Magnavox thus joins such other manufacturers as RCA, Zenith, Emerson-Du Mont and Grundig-Majestic with public showrooms in midtown Manhattan.

"Radios—U.S. Production & Foreign Trade, 1949-59" is a new statistical study by the electronics div. of Commerce Dept.'s Business & Defense Services Administration. It's available for 5¢ from U.S. Govt. Printing Office and Commerce Dept. field offices.

STEREO SALES GAINS CONTINUE: Retail phono sales continued to soar high above 1959 levels in July, EIA figures show. In number of units, July 1960's sales were 15% ahead of those of July 1959.

Unit sales tell only part of the story, though. For the 7-month period Jan.-July 1960, more than 76% of phonos sold at retail were stereo units, as opposed to 51% in the same 1959 period. So, while 7-month unit sales this year were 21% ahead of last year, the retail dollar volume is somewhere between 33 & 40% higher than last year, because of the higher average price of stereo units. Retail sales of stereo phonos for the 7 months were nearly 90% higher this year than last.

Factory sales increased over 1959 in about the same proportion as retail sales, the figures show. The EIA figures below supersede all previous tables published in TELEVISION DIGEST; they contain revisions made by EIA after receipt of retroactive data from contributing firms:

PHONO FACTORY SALES

	1960			1959		
Month	Mono	Stereo	Total	Mono	Stereo	Total
January	118,400	341,329	459,729	184,147	177,336	361,483
February	92,649	324,666	417,315	164,873	188,750	353,623
March	63,264	242,523	305,787	119,075	168,117	287,192
April	30,962	142,409	173,371	47,153	125,111	172,264
May	36,793	146,176	182,962	33,356	89,827	123,183
June	69,293	198,407	267,700	44,976	152,900	197,876
July	70,992	222,559	293,551	44,591	158,668	203,259
TOTAL	482,353	1,618,069	2,100,419	638,717	1,060,709	1,698,880

PHONO RETAIL SALES

	1960			1959		
Month	Mono	Stereo	Total	Mono	Stereo	Total
January	150,688	368,964	449,923	231,429	159,214	390,643
February	102,063	347,860	448,128	171,127	156,477	327,604
March	61,249	249,497	310,746	139,577	140,075	279,652
April	41,503	152,141	193,644	94,226	118,197	212,423
May	39,734	141,080	180,814	70,228	82,765	152,993
June	44,925	165,339	210,264	66,979	100,982	167,961
July	58,787	180,949	239,736	82,742	124,979	207,721
TOTAL	498,949	1,605,830	2,104,779	856,308	882,689	1,738,997

RCA stereo show for public in Cleveland last week attracted more than 2,000 to displays & demonstrations at the Pick-Carter Hotel, was hailed a success by RCA & distributor Main Line-Cleveland. The public demonstration followed by one day an identical showing for some 1,000 dealers. The event marked RCA's first joint dealer-public introduction of home instruments, was conceived by Main Line-Cleveland Pres. William Shipley, and may prove the forerunner of similar RCA-distributor showings throughout the country.

"Stereo ousting TV in U.S. living rooms," reports London-published *Wireless & Electrical Trader*, adding: "There is in America a noticeable social trend in TV's location. It seems that the 'animated eye' is losing favor as a living-room unit and is being banished—or promoted; it depends on the life you lead—to recreation rooms, the den, the study or the bedroom. Its ubiquity is being reflected in the climbing sales of portable sets & the great attention being focused on the new 19-in. portables being introduced in the 1960-61 lines. Meanwhile, where once stood the 'telly' now stands the stereo. This has evolved into a definite living-room item, and this fact is reflected in the tremendous efforts being made to create sets which are fully furniture-styled to blend with room decor."

West German TV set production last year totaled 1,850,000 units, 20% higher than 1958. France's production was 500,000, up 33% from 1958.

3 More Add Reverb: Admiral, GE and Stromberg-Carlson made it virtually unanimous last week. This fall you'll be able to buy just about any make of stereo with reverberation. The 3 manufacturers all use different approaches: Admiral dropped in 2 top-of-the-line stereo consoles with reverb; GE added the device to its existing top-end units; Stromberg will offer reverb as an accessory for any of its stereo consoles.

Admiral's 2 reverb stereo consoles highlighted a drop-in line of 3 stereo units and one stereo theater TV-radio-phono. The reverb consoles, including FM-AM tuner, list at $575 & $625. The stereo theater, with 23-in. TV, is priced at $625. The non-reverb stereo drop-in, with AM-FM, is $219.95.

Reverb—or "Resonant Stereo" as GE tradenames it—is one of 2 new features being added to GE's stereo phonos. The reverb feature is now included in GE's Mt. Vernon & Canterbury series, which also have "VacuMagic" vacuum cleaning of records. Another new feature incorporated in all GE consoles and 2 portables is "Record Saver," a cushioned groove along the front end of the phono cabinet which holds the record while the album jacket is being removed, preventing dust-attracting fingerprints.

Stromberg-Carlson's reverb accessory will be available late this fall at a "competitive" price, the company announced. It also announced a million-dollar ad & promotion drive paced by ads in general & hobby magazines.

* * *

Zenith added 4 TVs to its line last week—19-in. "compact" consolettes which will retail at $239.95-to-249.95. Sales Corp. Pres. L. C. Truesdell noted that the new "compacts" are styled for apartments & small homes and "occupy less space in the room arrangement than an armchair." The sets are 14-in. deep, use a 114° kinescope with safety glass.

Andrea's 1961 TV line will be backed by the company's heaviest ad campaign in its history, the N.Y. firm announced. Included will be full-page ads for 11 consecutive weeks in *New York Times* and *World Telegram* and 13 weeks participation on radio WOR's daily *Dorothy & Dick* breakfast program.

Realigning its field sales force, GE TV receiver dept. has doubled its national sales districts and will increase from 6 to 12 the number of district sales representatives serving its distributor organization. The sales team will be responsible for guidance of distributors in the presentation of a full-line concept—both TV and stereo console phonos—to dealers.

Emerson will market an air purifier under the Emerson Ionator trade name, later this month. Granco Products, whose merchandising activities are handled by Emerson, had previously announced its entry into the field. The Emerson appliance will be priced at less than $100.

Standard Kollsman Industries has formed subsidiary Kollstan Semiconductor Elements to manufacture crystal element subassemblies for the semiconductor industry. Standard Kollsman Pres. James O. Burke emphasized that the subsidiary is not producing transistors or diodes, "the field being far too competitive at this time. Rather, we are producing basic material forms—active elements used in the manufacture of transistors, diodes, rectifiers and other semiconductor devices." Kollstan Semiconductor Elements has its hq & production plant at Golden, Colo. Norman J. Egli is gen. mgr., Lee Droege, works mgr.

Trade Personals: **Julius D. Winer**, Capehart vp & dir. and pres. of its Dynamic Electronics div. (military & industrial electronics), elected president of Capehart, succeeding his brother, Jack M. Winer, who died Aug. 30 (Vol. 16:36 p14) . . . **Charles A. Gustafson** appointed sales mgr., GE radio receiver dept., Utica, succeeding **Norman Langenfeld**, who has been named mktg. mgr. of the portable appliance dept., headquartering in Bridgeport; Gustafson was formerly GE radio field sales representative in San Francisco . . . **C. Graydon Lloyd** will head GE's new rectifier components dept., headquartered in Auburn, N.Y.

Walter H. Eichelberger named merchandise mgr., Philco radio & hi-fi dept. . . . **Harold Dittenhoefer** named gen. mgr., Symphonic Electronic Corp. contract div. . . . **Andrew J. Chitiea** named asst. to Stromberg-Carlson vp-gen. mgr. **Allan R. Shilts** . . . **Herbert Rosen**, former asst. dir. of NASA for educational programs and onetime chief of *Electronic Week's* Washington bureau, appointed PR dir., Hoffman Electronics, succeeding **Edward E. Ferrey**, now mgr. of Western Electronic Mfrs. Assn. (WEMA).

Norman A. Adler appointed exec. vp, Columbia Records . . . **M. E. Karns** named RCA international div. license operations vp . . . **Ted Westfall** named to new post of area gen. mgr.—Latin America, and a vp, ITT; **Ward B. Stevenson**, ex-Benton & Bowles subsidiary General Public Relations, named PR vp, ITT . . . **Patrick McFaull**, ex-Nortronics div. of Northrop Corp., named National Co. vp-mktg. dir. . . . **Dr. Zvi Prihar**, ex-U. of Wichita professor of electrical engineering and 1948-51 dir. gen. & chief engineer for Israel, named Page Communications Engineers asst. dir. of telecommunications . . . **Stanley S. Sievers** named marketing vp of Pelco Sales Inc., Gardena, Cal., manufacturer and sales outlet for closed circuit TV accessories.

John Harlan Kerr will succeed **Eben H. Jones** on his retirement Nov. 1 as vp-gen. counsel, Thompson Ramo Wooldridge; **Eugene E. Ford** named asst. gen. counsel; **Paul W. Schuette** succeeds Kerr as secy.; **George W. Fenimore**, gen. mgr. of TRW international div., **Warren B. Hayes**, gen. mgr. of the electronic components group, and **John H. Shaffer**, Tapco group sales dir., all named vps. . . . **John E. Johnson** appointed commercial vp, Itek Corp. . . . **Burl S. Bishop** named mfg. vp, Transval Electronics . . . **Arthur S. Kester** named mfg. mgr., Rauland-Borg Corp. . . . **Richard A. Stonesifer** promoted from special sales rep for govt. sales to product sales mgr., Sylvania Electronic Tubes special tube operations . . . **Harold M. Emlein** named operations mgr. of RCA's new data processing div. plant being constructed in Palm Beach Gardens, Fla. . . . **Trevor Clark**, Westinghouse, named chmn., EIA military equipment panel; **Dr. A. L. Floyd**, Hoffman, named chmn., military components engineering coordination (M-1) committee; **H. R. Dyson**, RCA, appointed chmn., military equipment specifications (M-4) committee; **David Flower Jr.**, Raytheon, named chmn., tax committee.

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Three picture-tube rebuilders are targets of FTC complaints charging them with failing to make adequate disclosure of the fact that their tubes are reactivated, reconditioned or rebuilt: Wells Electronics Co. Inc. (Sam Bluman), 208 Rockaway Turnpike, Cedarhurst, Long Island, N.Y.; Ultravision Mfg. Corp. (Carmine Cifaldi), 185 Goffle Rd., Hawthorne, N.J.; American Standard TV Tube Corp. and its sales agent A.S.T. Sales Corp. (Jack Cherches & Alan H. Shindel), 94-50 158th St., Jamaica, N.Y.

Babcock Radio Engineering has changed its corporate name to Babcock Electronics Corp.

Finance

Ampex anticipates a sharp profit rise in fiscal 1961 (ending next April 30), stemming from improving military sales and "firming of major markets." Pres. George I. Long Jr. forecasts earnings of 62¢ a share, vs. 55¢ in fiscal 1960, on a sales rise to $75 to 80 million from $68.1 million. However, Ampex does not expect that its first-half earnings will equal the $1.7 million on $30-million sales posted in May-Oct. 1959. First-quarter profit also was down, despite a sales rise (Vol. 16:35 p16). The proposed merger of Ampex and Telemeter Magnetics (Vol. 16:35 p15) last week received the blessings of the boards of both concerns. Subject to stockholder approval, the amalgamation terms provide for surviving Ampex (7,270,000 common shares outstanding) to exchange 1 share for each 2 of Telemeter Magnetics (852,344 outstanding). Although the merger will involve the exchange of 426,172 Ampex shares, Long commented that he does not "anticipate a dilution in earnings." Paramount Pictures holds about 75% of Telemeter's outstanding common shares.

Automatic Radio Mfg. Co. seeks registration of 623,750 shares of common stock, filing a statement with the SEC (File 2-17020) noting that 150,000 of the shares would be sold by the company, the balance of 473,750 (now outstanding) to be sold by the holders. Paine, Webber, Jackson & Curtis is the principal underwriter. Price & terms are to be supplied by an amendment. The company plans to use $1 million of the proceeds to buy tools & equipment, for working capital and possibly for the purchase of "other businesses compatible with its own." There are 1,860,015 common shares outstanding, of which Pres. David Housman owns 1,186,965 and proposes to sell 420,000.

Collins Radio earnings in fiscal 1961 (ending July 31) "should be as good as those of last year . . . may be as much as 10% better," finance exec. vp Robert S. Gates forecast last week before the N.Y. Society of Security Analysts. He predicted a sales rise to $205 million from fiscal 1960's near-$190-million volume, which produced profits of about $6.5 million (Vol. 16:37 p19). Gains in sales of microwave and data-handling equipment, he said, "should mean an increase in the proportion of non-military business and should indicate an improvement in profits in those areas."

Daystrom has filed with SEC a proposed offering of $10 million of sinking fund debentures due Oct. 1, 1980. Goldman, Sachs & Co. and R. W. Pressprich & Co. head a group of underwriters planning to offer the securities.

Gotham Bcstg. Co. (KTVR Denver, KTVW Seattle-Tacoma, radio WINS N.Y., 50% of radio KELA Centralia, Wash.) has acquired Tarc Electronics, Westbury, N.Y. manufacturer of TV broadcast & test equipment. The acquisition terms were not disclosed.

Electronics Capital Corp. has purchased $400,000 of 8% convertible debentures in Alloyd Electronics Corp., Cambridge, Mass., convertible into 45% of Alloyd's common stock. The 12th purchase by the small-business investment company, Alloyd makes electron beam eqiupment for use in welding & fabricating tiny electronic circuit elements and for other uses.

Reports & comments available: **Magnavox**, report, Parrish & Co., 40 Wall St., N.Y. 5 • **Rollins Bcstg.**, prospectus, F. Eberstadt & Co., 65 Broadway, N.Y. 6 • **Decca** and **Crowell-Collier**, comments, J. R. Williston & Beane, 2 Broadway, N.Y. 4.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
American Electronics	1960—6 mo. to June 30	$13,416,022	—	$264,991[1]	$0.30	877,708
	1959—6 mo. to June 30	8,672,693	—	226,406	.26	873,572
Famous Players Canadian	1960—6 mo. to July 2	—	—	914,764	.53	—
	1959—6 mo. to July 2	—	—	1,104,906	.63	—
Litton Industries	1960—year to July 31	185,000,000	—	7,450,000	1.75[4]	4,158,602
	1959—year to July 31	125,525,561	—	5,975,031[9]	1.62[4]	3,512,408[10]
Perkin-Elmer	1960—year to July 31	22,125,000	$2,686,000	1,208,000	1.05	1,147,136
	1959—year to July 31	17,514,097	1,931,800	900,779	.80	1,130,920
Seeburg	1960—9 mo. to July 31	19,901,418[2]	—	1,675,434	1.31[3]	1,282,234
	1959—9 mo. to July 31	16,702,487	—	1,607,869	1.25[3]	1,179,946
Servel	1960—9 mo. to July 31	—	—	1,978,715	.96[4]	1,922,345
	1959—9 mo. to July 31	—	—	1,609,500[5]	.83[4]	1,766,345
Sprague Electric	1960—6 mo. to June 30	32,283,457	4,143,733	2,077,821	1.49	1,398,795
	1959—6 mo. to June 30	27,352,408	3,618,179	1,839,207	1.40	1,311,412
Times-Mirror	1960—28 wks. to July 10	57,471,652	—	2,578,666	.64	4,019,109
	1959—28 wks. to July 10	50,036,198	—	2,336,517	.65	3,593,940[6]
Transitron	1960—year to June 25	47,753,064	17,095,641	8,110,641	1.08[7]	7,502,500
	1959—year to June 25	30,913,376	13,901,138	6,456,138	.86[7]	7,502,500
United Artists	1960—6 mo. to July 2	51,426,000	—	1,678,000	1.01	1,664,218
	1959—6 mo. to July 2	44,844,000	—	1,597,000	.96	1,664,218
Universal Pictures	1960—39 wks. to July 30	—	10,484,224	5,204,224[8]	5.71[4]	889,390
	1959—39 wks. to July 30	—	554,647	104,647[8]	—	899,802
	1960—13 wks. to July 30	—	—	1,509,030	1.67	889,390
	1959—13 wks. to July 30	—	—	637,915	.65	899,802

Notes: [1] Excludes non-recurring gain of about $152,000 (18¢ a share) on sale of real estate. [2] Record. [3] Based on 1,282,234 capital shares outstanding July 31, 1960. [4] After preferred dividends. [5] Excludes non-recurring income of $692,436. [6] Adjusted for Jan.-1960 4% stock dividend and April-1960 3-for-1 split. [7] Based on 7,502,500 shares outstanding June 25, 1960. [8] Excludes gain of $3,667,387 ($4.04) on sale of studio. [9] Includes more than $1 million in special income credits. [10] Adjusted for Dec.-1959 2-for-1 split.

Lab for Electronics stockholders have approved an increase in authorized common stock to 1,250,000 shares from 750,000 (Vol. 16:35 p15). Pres. Henry W. Harding indicated a probable need for additional shares to be issued in connection with further expansion. Questioned by stockholders about possible mergers, Harding said he would like to find companies producing civilian items, but "we don't want to dilute our stock by acquiring some company that's priced in never-never land. Somewhere along the line I am sure we will find the right companies for us." He predicted record sales & earnings for fiscal 1961, ending April 30.

Transitron has filed with SEC a secondary offering of 1,250,000 common shares for public sale through an underwriting group headed by Merrill Lynch, Pierce, Fenner & Smith. The selling stockholders: Pres. David Bakalar, who proposes to dispose of 625,000 of his 3,176,325 shares; Chmn. Leo Bakalar, 587,500 of 3,221,375; Leo Bakalar's trust for his children, 37,500 of 75,000.

Solitron Devices Inc., 67 S. Lexington Ave., White Plains, N.Y., has filed a statement with SEC (File 2-17-26) seeking registration of $400,000 of 6% subordinated convertible debentures due 1967, to be offered publicly through Casper Rogers & Co. Solitron was organized in March 1959 for the development of solid state devices.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
GE	Q	$0.50	Oct. 25	Sep. 16
ITT	Q	.25	Oct. 15	Sep. 23
MPO Videotronics "A".	—	.10	Oct. 14	Sep. 30
Howard W. Sams	Q	.15	Oct. 25	Oct. 11
Western Electric	Q	.90	Sep. 30	Sep. 20

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Sept. 15, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	25	28¼
Aerovox	9¾	10¾
Allied Radio	22¾	24⅝
Astron Corp.	2⅛	2⅝
Baird Atomic	30½	32¾
British Industries	19½	21½
CGS Labs	9½	11½
Control Data Corp.	41	44
Cook Elec.	15⅝	16⅞
Craig Systems	16	17½
Dictaphone	43¾	43¾
Digitronics	22¼	24⅜
Eastern Ind.	13¼	14⅜
Eitel-McCullough	24⅝	28⅜
Elco Corp.	15¾	32½
Electro Instruments	32	35⅝
Electro Voice	12¼	13⅝
Erie Resistor	8⅜	9¼
Executone	32	35⅝
Farrington Mfg.	38	40⅞
Fischer & Porter	20½	22½
FXR	42	46⅛
General Devices	12¾	14⅛
G-L Electronics	10	11¼
Granco Products	4⅜	5⅛
Gross Telecasting	18¼	20⅛
Haydu	⅛	⅜
Hewlett-Packard	26½	28¼
High Voltage Eng.	145	157
Infrared Industries	20½	22¼
International Rectifier	22¼	24⅛
Interstate Engineering	24¾	26¾
Itek	59	63½
Jerrold	9	9⅞
Lab for Electronics	46	49¼
Lel Inc.	5½	6⅜
LFE Inc.	11½	—
Ling Altec Electr.	28¾	30⅞
Magna Theater	3¼	3¾
Magnetics Inc.	9¾	11
Maxson (W.L.)	9⅛	10⅛
Meredith Pub.	42	45½
Metropolitan Bcstg.	18	19⅜
Milgo Electronics	21½	24⅛
MPO Videotronics	7⅜	8¼
Narda Microwave	5	6
National Co.	30¾	33
Nuclear of Chicago	30	33
Official Films	1-15/16	2¼
Pacific Automation	7¼	8⅛
Pacific Mercury	7¾	8½
Perkin-Elmer	43¼	46⅛
Philips Lamp	159	164¾
Pyramid Electric	3	3½
Radiation Inc.	22½	24⅝
Howard W. Sams	43½	47½
Sanders Associates	50	54½
Silicon Transistor	6⅛	7
Soroban Engineering	24	25¾
Soundscriber	12¾	14½
Speer Carbon	22½	24⅜
Sprague Electric	22½	24⅜
Taft Bcstg.	12½	13⅞
Taylor Instrument	38	40¾
Technology Inst.	11½	12⅝
Tele-Broadcasters	½	1-1/16
Telechrome	12½	13⅞
Telecomputing	8	8¾
Telemeter	13¼	14¾
Time Inc.	64	67½
Tracerlab	10½	12
United Artists	7	7¾
United Control	22¼	24⅜
Universal Trans.	1⅝	2¼
Vitro	12¼	13¼
Vocaline	3	3½
Wells-Gardner	10	11

WEEKLY **Television Digest**

SEP 26 1960

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The authoritative service for executives engaged in all branches of the television arts & industries

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GOV. COLLINS A TOP CANDIDATE FOR NAB CHIEF: Florida's Democratic Gov. LeRoy Collins, who mightily enhanced his excellent reputation by his fair & skillful handling of Democratic National Convention as presiding officer, is understood to be one of 2 men from whom NAB's next president will be chosen.

We understand that NAB's selection committee (headed by C. Howard Lane, KOIN-TV Portland, Ore.), which met in Washington's Statler Hotel Sept. 22, discussed the position with Gov. Collins at some length, and that the group goes to N.Y. for Sept. 26 session with the other man. Though some industry factions have urged that selection be delayed until Presidential election, committee now hopes to pick its man within 2-to-3 weeks. We hear salary figures running up to $100,000; late Pres. Harold Fellows received about $75,000.

Collins was chosen to preside over Convention, you'll recall, because of his acceptability to virtually all mutually antagonistic factions within Democratic party. His performance not only satisfied Democrats but impressed Republicans as well.

Though Collins' success in Los Angeles, amplified many-fold by TV, is responsible to a substantial degree for his being sought for NAB job, he was actually under consideration before that, as we reported (Vol. 16:23 p6). He's 51, became governor of Fla. in 1955.

National Community TV Assn. is also seeking a paid pres., and its selection committee interviewed 11 prospects in Washington Sept. 15 & 16. Man hasn't been picked yet, but there's hope of making final choice at Oct. 20 board meeting in Denver. Salary is mentioned in $30,000-$50,000 range. Co-chairmen of committee are Bill Daniels, Denver, & Larry Boggs, Oklahoma City.

FORD PRESSES FOR ALL-CHANNEL SETS: FCC Chmn. Ford has constantly insisted, ever since he became chairman, that biggest job facing Commission is allocations—the key to TV expansion, competition & service. Now that payola & influence business is well in hand, and now that OCDM has said "no soap" on more vhf spectrum for TV, he's pushing mightily for solution.

In talk before Radio-TV Executives Society in N.Y. last week, he stepped up his efforts to get what he considers indispensable first major step: Production, henceforth, of nothing but all-channel sets that can get all vhf & uhf stations. "It's the key to any solution of the problem," he said. The 12 vhf channels aren't enough, he stated. Expansion can't be achieved with the 12 channels, he said, "unless mileage separation between stations is drastically cut which will result in station coverage of vhf below that presently achieved by uhf."

A bill to require that set makers produce nothing but all-channel receivers was introduced in last session of Congress at urging of Commission, but, Ford said last week: "I would much prefer no legislation of this type if the same result can be accomplished voluntarily, but as of this time there is no indication that this can or will be done. Therefore, if this industry is to grow & expand, narrow legislation of this type is essential." He thus acknowledges industry's steady opposition to the idea; manufacturers oppose the concept with the argument that public shouldn't be forced to pay extra for a device it won't necessarily use.

Ford said FCC "must now turn its attention intensively" to the allocation problem and he expressed hope it will be ready to give Congress its recommendations when it convenes in Jan.

Turning briefly to programming, Ford said: "The Commission & the industry have been beset on all sides for real & imaginary evils. Most of the real ones have been corrected and the imaginary ones dispelled, I hope . . . I was asked the other day if I believe that the TV industry could police itself, and I answered unequivocally & positively that it not only can, but will, and in fact, is making much progress in that area." He also noted hopefully that "it would appear from advance reports that there will be some lessening of crime & violence in the coming season."

Ford stressed all-channel idea later in week when attorneys for fallow uhf CP-holders argued that their grants shouldn't be canceled. Lawyers insisted that it's unfair to cancel grants, for failure to build, when Commission itself doesn't know what it's going to do about allocations. By their questions & comments, Commissioners ranged from sympathetic to cynical. Some seemed to appreciate time, money & effort that grantees put into acquiring CPs—but not as much as they appreciate losses of uhf operators who build, telecast & succumb. Several Commissioners asked point-blank whether the grantees wanted to hold their CPs as a "leg-up" on vhf drop-ins, when & if they come.

PROBABLE SHAPE OF PAY-TV HEARING: Reason FCC deferred action on its proposal to order a hearing on RKO-Zenith's Hartford toll-TV test (Vol. 16:38 p2), is that Chmn. Ford & Comr. Lee were absent when subject came up in Sept. 20 meeting, and colleagues decided to wait until they were present. Final word is expected this week.

Exact nature of hearing won't be known until Commission announces decision, but it's still expected to be much as indicated last week—5 days, before all Commissioners, limited cross-examination. Here are some of the issues Commission is expected to explore:

(1) Would the test "black out" free TV in Hartford area?

(2) Does RKO-Zenith application meet all conditions specified by FCC?

(3) Would competition among stations be reduced?

(4) Will viewers be charged fair prices?

(5) Will station licensee retain full control of programming?

One thing certain at Commission is that it won't authorize even a test such as that proposed for Hartford if it becomes convinced that free TV will be killed or badly maimed.

Commission is still thinking about a "403 hearing"—i.e., the type authorized by Sec. 403 of Communications Act—rather than the adjudicatory hearing required by Sec. 309(b) of the Act. Former would not only be faster but would also permit FCC to use whole staff in reaching decision—including Offices of General Counsel, Broadcast Bureau & Chief Engineer—instead of only the Office of Opinions & Review.

Plans for hearing are said to include: One spokesman per party, if possible; filing of written statements by those who don't testify; considerable time allotted to main witnesses, but only 10 min. for minor spokesmen; cross-examination only by FCC & attorneys for major parties.

Commission intends to hold tight rein on proceeding—excluding or compressing testimony of those whom it believes have little to add.

4 HEADACHES FOR 3 NETWORKS: It was no fun being a network president last week. A quartet of delicate problems confronted all 3 networks, and although the problems were tackled, there was no fast, Fast, FAST relief! The lineup:

(1) Political headache: In wake of new-found freedom to seek major political candidates as TV network guests, ABC, CBS and NBC have all granted TV exposure with lavish hand. One result: Democratic & Republican ad strategists, taking realistic view of "why buy what you can get for free?" are now keeping paid-political network telecasts to bare minimum, and, in some cases, curtailing (see p. 8).

(2) Diplomatic headache: A mail-order catalog of unpopular international visitors, led by Russia's Khrushchev & Cuba's Castro, descended on N.Y. and the UN last week. Network newsmen, thanks to a basically unnecessary warning by State Dept., found themselves in the sticky position of constantly trying to guess where news coverage, as a public responsibility to viewers, left off and propaganda for Red visitors began. Everybody ad-libbed and hoped for the best.

(3) Labor headache: Contracts covering network technicians represented by IBEW & NABET are due to expire simultaneously at all 3 networks on Jan. 31. By all advance indications, there's going to be some hard bargaining and much soul-searching before new contracts are hammered out. Networks are using more film shows than ever, need fewer live-TV & tape technicians, and want to reduce labor overhead (CBS has already put a large group of N.Y. IBEW men on layoff). Unions are fighting to hold their ground. Last week IBEW & NABET held joint strategy meeting in N.Y. to "coordinate" contract-renewal aims, and all 3 networks dusted off blueprints for emergency operation of systems by non-union help. Network agreements with AFTRA are also expiring soon (Nov. 15), and the first round of network-AFTRA meetings concerning live-&-tape talent is scheduled to start Sept. 28.

(4) Option-time headache: Ruling by FCC on option time (Vol. 16:38 p1) triggered a round of station-relations meetings at networks which produced a crop of "no comment" answers. Concensus of what could be gleaned privately from top network executives: FCC ruling wasn't a defeat, but it wasn't a victory, either. "Good programs will always act as their own best agents in clearing time on stations," station-relations vp Jules Barnathan of ABC told us. "Most of our network schedule would command lineups now achieved whether in or out of network option time. That isn't the point. Option time is a necessity for a network. Otherwise, how is a network going to commit for millions of dollars worth of programming—particularly of a cultural nature—and for millions in advertiser billings—if it can't deliver stations?" At week's end, nobody knew the answer, or just how the new FCC rules would be applied.

NEW FACTBOOK—75 DIRECTORIES IN ONE: The new fall-winter Television Factbook, updated & enlarged, is now in the mail to all full-service & full-TV-service subscribers as part of their regular subscriptions to Television Digest.

The standard reference volume of the TV industry, new 506-page Factbook—biggest ever—contains the 75 most-wanted directories & listings of TV data. It's 31st in our series of semi-annual books of up-to-date data of vital use to everyone in telecasting, advertising, film, consumer electronics and related industries.

Of special interest in new Factbook are expanded market-data and TV-set census sections—the latter directly comparing latest ARB & Nielsen county-by-county data for U.S., and BBM & Nielsen province, county & subdivision data for Canada.

Factbook's biggest section, 165-page Station Directory, lists personnel, rate digests, ownership & technical data of every TV station now on air as well as those slated to start this fall. In addition, there are direc-

tories of translator stations, foreign stations, TV station applications, communications attorneys & engineers, FCC, program suppliers, station equipment manufacturers.

Community-antenna system directory has been enlarged, now lists rates charged by most systems, group CATV ownership, stations whose programs are carried by CATV systems and estimated potential added viewers for each.

Consumer electronics features in book are directories of manufacturers of TV sets, radios, phonos, recorders, picture & receiving tubes, transistors, together with industry statistical tables on TV-radio-phono sales, production, etc.

Included with each Factbook is new Map of TV Stations & Network Routes, 23 x 25 in., suitable for wall hanging or framing.

Not only is Factbook the only industry reference devoted exclusively to TV, it's only broadcasting data book which is revised & updated twice yearly to keep pace with fast-growing TV industry. Subscribers to our full services receive the 2 Factbooks yearly, plus weekly addenda to the Applications & Station Directory sections. For newsletter-only subscribers, Factbook is priced at $5, or $3.50 in quantities of 5 or more.

The FCC

FCC CAUTIONS ON NEW LAW: FCC directed the industry's attention to the fact that most sections of S-1898 became the law of the land on Sept. 13 and are now in effect. All existing Commission rules & interpretations inconsistent with the amended law are superseded, it said, even though new rules are still to be proposed & adopted to conform with the amendments.

Particular attention was drawn to the anti-payola law. Until new rules are issued, FCC said, it will interpret the law in light of the House Commerce Committee's report accompanying S-1898. In the report are 27 examples to illustrate when a station must announce that something has been given to it by outsiders. The Commission made a point of quoting Sec. 317(a) (1) of the Act, which, among other things, relieves broadcasters of their previous problems in the routine use of free records:

"Provided, that 'service or other valuable consideration' shall not include any service or property furnished without charge or at a nominal charge for use on, or in connection with, a broadcast unless it is to be furnished in consideration for an identification in a broadcast of any person, product, service, trademark, or brand name beyond an identification which is reasonably related to the use of such service or property on the broadcast."

Here are some examples from the House report:

"A record distributor furnishes copies of records to a broadcast station or a disc jockey for broadcast purposes. No announcement is required unless the supplier furnished more copies of a particular recording than are needed for broadcast purposes. Thus, should the record supplier furnish 50 or 100 copies of the same release, with an agreement by the station, express or implied, that the record will be used on a broadcast, an announcement would be required because consideration beyond the matter used on the broadcast was received."

*

"Free books or theater tickets are furnished to a book or dramatic critic of a station. The books or plays are reviewed on the air. No announcement is required. On the other hand, if 40 tickets are given to the station with the understanding, express or implied, that the play would be reviewed on the air, an announcement would be required because there has been a payment beyond the furnishing of a property or service for use on or in connection with a broadcast."

*

"A refrigerator is furnished by X with the understanding that it will be used in a kitchen scene on a dramatic show and that the brand name will be mentioned. During the course of the program the actress says: 'Donald go get the meat from my new X refrigerator.' An announcement is required because the identification by brand name is not reasonably related to the particular use of such refrigerator in this dramatic program."

*

"(a) An airplane manufacturer furnishes free transportation to a cast on its new jet model, to a remote site, and the arrival of the cast at the site is shown as part of the program. The name of the manufacturer is identifiable on the fuselage of the plane in the shots taken. No announcement is required because in this instance such identification is reasonably related to the use of the service on the program."

"(b) Same situation as in (a), except that after the cameraman has made the foregoing shots, he takes an extra closeup of the identification insignia. An announcement is required because the closeup is not reasonably related to the use of the service on the program."

*

"A department store owner pays an employe of a producer to cause to be mentioned on a program the name of the department store. An announcement is required."

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"My first 30 days on the FCC" was the title of FCC Comr. Charles King's maiden speech as a Commissioner, speaking to the convention of the Mich. Assn. of Bcstrs. in St. Clair Sept. 22. His big problem, he said, is finding what the "public interest" is. He said he can't find a definition anywhere and that FCC interprets it "off the cuff." Sooner or later, he asserted, the phrase will have to be reduced from "something indefinite" to "a specific thing." Then, he indicated, the industry will know the score and will be able to comply. He stated that he doesn't believe that Commissioners' personal program preferences should influence decisions as to what's good for the public. FCC censors indirectly, he claimed, "because stations follow what they think the FCC wants."

FCC'S UHF ADVISORS: Anyone with a "legitimate interest" may serve on FCC's General Industry Advisory Committee for its N.Y. uhf project (Vol. 16:31 p3), the Commission says. And "other committees will be staffed with specialists who are experts in specific fields." The committees change constantly, project chief Arnold Skrivseth said, but here is the lineup compiled by the Commission as of Sept. 7:

General Industry Advisory Committee (GIAC): E. W. Allen, FCC, chmn.; Harold C. Anderson, Litton Industries, College Park, Md.; Stuart L. Bailey, consultant, Washington; John H. Battison, consultant, Washington; Joseph Baudino, Westinghouse Bcstg. Co., Washington; Richard K. Blackburn, Rochester, N.Y.; Isaac S. Blonder, Blonder-Tongue Labs, Newark, N.J.; Cyril M. Braum, JCET, Washington; Jules Cohen, consultant, Washington; Monte Cohen, General Instrument, Newark; John Creutz, consultant, Washington; A. Earl Cullum Jr., consultant, Dallas (alternate, Thomas A. Wright Jr.); L. B. Davis, ElA, Washington; Charles A. Dukes Jr., attorney, Washington; Joseph B. Epperson, WEWS Cleveland; Dorman D. Israel, Emerson Radio, Jersey City; F. R. Lack, ElA, Southport, Conn.; Harold Leach, Alford Mfg., Boston; Wm. B. Lodge, CBS, N.Y.; Edward F. Lorentz, consultant, Washington (alt., Everett L. Dillard); H. Moody McElveen Jr., WNOK-TV Columbia, S.C.; James C. McNary, consultant, Washington; Frank L. Marx, ABC, N.Y. (alt., Clure H. Owen); John A. Moffett, consultant, Washington; W. C. Morrison, RCA, Camden; Carl G. Nopper, WMAR-TV Baltimore; Jack Poppele, WAUB, Auburn, N.Y.; Carl E. Smith, Smith Electronics, Breckville, O.; Charles Tower, NAB, Washington; George Town, Iowa State U., Ames, Ia.; Orrin W. Towner, WHAS-TV Louisville; George R. Townsend, WWLP Springfield, Mass.; Glenn H. Vought, Lenkurt Electric, Washington; A. Prose Walker, NAB, Washington; W. T. Wintringham, Bell Labs, Murray Hill, N.J.; Frank Roberson, FCBA, Washington.

Transmitting Industry Advisory Committee (TIAC): Sydney R. Lines, FCC, chmn.; Frank J. Bias, GE, Syracuse; Richard K. Blackburn, Rochester, N.Y.; L. A. Bondon, Prodelin, Kearny, N.J.; Glenn G. Roundy, Storer Bcstg. Co., Miami Beach; Warren L. Braun, WSVA-TV Harrisonburg, Va.; J. S. Brown, Andrew Corp., Chicago; Kenneth R. Cooke, WDAU-TV Scranton; John A. Fergie, Northfield, Mass.; Ronnie Fisk, GE, Syracuse; Otis Freeman, WPIX N.Y.; Ralph N. Harmon, Westinghouse Bcstg. Co., N.Y.; Thomas E. Howard, WBTV Charlotte, N.C.; Frank Kear, consultant, Washington; Stephen W. Kershner, consultant, Washington; Phillip B. Laeser, WTMJ-TV Milwaukee; Harold Leach, Alford Mfg., Boston; R. Wayne Masters, Melpar, Falls Church, Va.; Robert Morris, ABC, N.Y.; James D. Parker, CBS, N.Y.; Roswell J. Parker, WNEP-TV Scranton; Charles Sakoski Sr., WBRE-TV Wilkes-Barre, Pa.; Wilson B. Scofield, Edwards & Hjorth, N.Y.; Robert M. Silliman, consultant, Washington; Carl E. Smith, Smith Electronics, Breckville, O.; David L. Steel Sr., consultant, Washington (alt., John Creutz); J. E. Young, RCA, Camden.

Receiving Industry Advisory Committee (RIAC): Jules Deitz, FCC, chmn.; John Achenbach, RCA, Cherry Hill, N.J.; Jack Beever, Jerrold Electronics, Philadelphia (alt., Robert Vendeland); Harold C. Anderson, Litton Industries, College Park, Md.; Isaac S. Blonder, Blonder-Tongue Labs, Newark; J. E. Brown, Zenith, Chicago; Lewis B. Davis, GE, Owenshoro, Ky.; Jack Greene, Airborne Instrument Lahs, Melville, Long Island, N.Y.; Harry Greenberg, Channel Master, Ellenville, N.Y.; Garth Heisig, Motorola, Chicago; Fred J. Kitty, General Instrument, Chicopee, Mass.; Frank H. McIntosh, consultant, Bethesda, Md. (alt., Sidney A. Corderman); Charles G. McMullen, Bendix, Baltimore; Robert E. Moe, GE, Owenshoro, Ky.; Joseph Senko, Hoffman Electronics, Washington; David Sillman, Westinghouse, Metuchen, N.J.; Daniel H. Smith, WTEN Albany, N.Y.; Wm. O. Swinyard, Hazeltine, Chicago; R. R. Thalner, Sylvania, Batavia, N.Y.; George R. Townsend, WWLP Springfield, Mass.; W. C. Trautman, Liherty Mfg., Youngstown; Glenn H. Vought, Lenkurt Electric, Washington; Harris O. Wood, Philco, Philadelphia.

Observations & Measurements Industry Advisory Committee (OMIAC): Daniel B. Hutton, FCC, chmn.; George Bartlett, NAB, Washington; Jack Beever, Jerrold, Philadelphia; Cyril M. Braum, JCET, Washington; Wm. P. Duttera, NBC, N.Y.; Christian L. Engleman, Engleman & Co., Washington; R. J. Farber, Hazeltine, Little Neck, N.Y.; Clyde G. Haehnle, Crosley Bcstg., Cincinnati; (alt., James Rockwell); Clifford V. Hall, Nems-Clarke, Co., Silver Spring, Md.; M. T. Harges, Empire Devices, Amsterdam, N.Y.; Howard T. Head, consultant, Washington; Wm. L. Hughes, Iowa State U.; Stanley Lapin, Adler Electronics, New Rochelle, N.Y.; Clure H. Owen, ABC, N.Y.; James D. Parker, CBS, N.Y.; Raymen E. Rohrer, consultant, Washington (alt., Robert M. Silliman); Joseph Senko, Hoffman Electronics, Washington; John A. Shay, WTVJ Miami; Carl E. Smith, Smith Electronics, Breckville, O.; Matthew Soja, Westinghouse, Metuchen, N.J.; David L. Steel Sr., consultant, Washington (alt., Carl T. Jones); George R. Townsend, WWLP Springfield; F. R. Weller, GE, Syracuse.

Analysis Industry Advisory Committee (ANIAC): George V. Waldo, FCC, chmn.; Harold C. Anderson, Litton Industries, College Park, Md.; Warren L. Braun, WSVA Harrisonburg, Va.; George C. Davis, consultant, Washington (alt., Ralph E. Dippell Jr.); A. James Ebel, KOLN-TV Lincoln, Neh.; R. J. Farber, Hazeltine, Little Neck, N.Y.; Paul F. Godley Jr., consultant, Upper Montclair, N.J. (alt., Paul F. Godley); Clyde M. Hunt, WTOP-TV Washington; Stanley Lapin, Adler Electronics, New Rochelle, N.Y.; Stanley Mazur, Westinghouse, Metuchen, N.J.; James D. Parker, CBS; D. W. Peterson, RCA Lahs, Princeton, N.J.; Ilenry E. Rhea, WFIL-TV Philadelphia; Joseph Senko, Hoffman Electronics, Washington; George R. Townsend, WWLP Springfield, Mass.; A. Prose Walker, NAB, Washington; John T. Wilner, WBAL-TV Baltimore.

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Allocations petitions: Texas-Longhorn Bcstg. Corp. of Houston is seeking assignment of Ch. 67 to Austin • Delta College and WSWM-FM of E. Lansing, Mich. want Ch. 19 assigned to Bay City.

Storer Pushes Mileage Cuts: Co-channel spacings as short as 115 miles, using directional antennas, to add a 3rd or 4th channel to 25 of the 100 top markets, are advocated by Storer Bcstg. Co. in comments filed with FCC in advance of the Sept. 30 deadline in the general allocations rule-making case (Vol. 16:2 p1).

Storer said the FCC should proceed on an overall basis rather than piecemeal, so that "nationwide priorities" can be achieved. Though FCC has proposed to allow adjacent-channel reductions from 60 to 40 miles, Storer urged that 60 miles be maintained.

Under Storer's proposal, the following markets would get 2 more assignments: Binghamton, Austin, Topeka, Macon. And the following would receive one: Hartford, Kalamazoo-Grand Rapids, Birmingham, Charlotte, Louisville, Dayton, Providence, Syracuse, Toledo, Rochester, Shreveport, Altoona-Johnstown, Baton Rouge, Jacksonville, Terre Haute, Jackson, Miss., Quincy-Hannibal, Sioux City, Springfield, Mo., Harlingen, Tex., Erie.

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Tall Tower Tiff: Telecasting industry still doesn't know whether FAA is claiming final jurisdiction over tall towers, substituting itself for FCC. Broadcast attorneys, after reading FAA's reply comments last week in Doc. 13384, say that the aviation agency is as "coy" as it was in its proposed rule-making which seemed to assert it has the final word but wasn't definite (Vol. 16:38 p5). In its comments, FAA merely asked FCC to amend its rules to agree with its proposed rules.

The Air Transport Assn. remains the only organization flatly stating that FAA must take over under the Federal Aviation Act. It said FCC should change its rules to "make clear that the Commission will be bound" by the FAA tall tower determinations.

TV industry filings urged the Commission to keep jurisdiction. Some analyzed at length the provisions, legislative history & genesis of the Federal Aviation Act which established FAA, concluding that nothing can be found to justify taking the final say from FCC. On the contrary, they assert, the Communications Act gives FCC explicit authority to rule on towers. Among those filing were: NAB, AMST, NBC, Storer, WHAS-TV Louisville, consultants A. Earl Cullum Jr. & C. M. Daniell.

■

Renewal of radio WHRW Bowling Green, O., owned by Howard R. Ward, is being held up by FCC on 2 complaints: (1) Northern Ohio Telephone Co. stated it had cut off the station's phone service because of non-payment and the station had then broadcast an appeal urging listeners to make calls designed to overload the company's facilities—which they did. (2) The city's Chamber of Commerce charged that WHRW carried spots opposing a bond issue, labeling them "paid announcements," but refusing to identify the sponsor. The Commission informed Ward it appears that a hearing is necessary. Comr. King dissented.

Licensees with renewals due in 1961 were told by the FCC to use the program logs of the following days for compiling their "composite week" for the renewal forms: Sun. Aug. 30, 1959; Mon. Oct. 19, 1959; Tue. Dec. 1, 1959; Wed. Feb. 10, 1960 Thu. April 21, 1960; Fri. June 17, 1960; Sat. Sept. 10, 1960.

Federal Communications Bar Assn. annual outing—golf, FCC-FCBA baseball game, tennis, badminton, horse shoes, free beer, a chance to rub shoulders with FCC members & other govt. officials—is scheduled for Oct. 10 at the Manor Country Club near Washington.

Film & Tape

FCC READIES HOLLYWOOD HEARING: FCC's 2 top network study attorneys, Ashbrook Bryant & James Tierney, were scheduled to leave for the West Coast last weekend to prepare for the film-producer phase of their long investigation of network practices. The hearing is due to start Oct. 10, before Commission's chief examiner James Cunningham, in Los Angeles's U.S. District Court House. Purpose of the hearing is to examine producer-network relationships.

Bryant said the hearing would run a week or two. A witness list isn't available yet, he said, "but we will include large, medium & small organizations, just as we did in other phases of the study—such as the ad agency phase."

Meanwhile, in Hollywood, we learned that a number of TV-film executives last week had been requested by FCC to appear for its hearing.

Four Star Television Pres. Dick Powell meets with Bryant and Tierney this week (Sept. 28) in a pre-hearing session. He will also represent his company at the open hearing. Revue Studio Pres. Taft Schreiber will testify for his firm if he's in town. Rudy Petersdorf, attorney in charge of labor relations for Desilu Productions, will testify for that company. Exec. TV producer William T. Orr will most likely testify for Warner Bros. There will be others, for FCC is still lining up its "talent."

Hollywood executives told us FCC had not yet indicated in detail the nature of its quizzing. Said one who had not yet had word: "I hope I'm not called." His remark was echoed by a number of others. They said they thought it unfair to ask them to blow the whistle on the networks with whom they do business.

Is or Isn't There a Blacklist? Producer-writer Rod Serling last week proposed to the Academy of Television Arts & Sciences that it establish a committee to investigate blacklists in TV film. He said he was activated by ad-agency bans on actors he wanted for *Twilight Zone*.

Serling's accusation, made at an Academy meeting, brought prompt denials that any blacklist exists, from Y&R, McCann-Erickson, and FCB, the agencies connected with his show. Serling insists, however, that they do. "The blacklist situation has improved," he told us, "but they want to do it like desegregation—make it an evolutionary process."

No agency, sponsor or network executive has been known to admit the existence of the lists, but that they do exist seems to be no trade secret. Usually persons get on such lists because of suspected political leanings, but nobody ever advances the reasons.

At the same Academy meeting, Raymond (*Perry Mason*) Burr defended William Talman, who had been fired from the district attorney role in the series after being arrested in a police raid at an alleged narcotics party in Hollywood. Talman, released by CBS-TV, was later found innocent. Burr argued that 99% of the mail has favored Talman, and he pointed out he was exonerated in court. (After much trouble finding work as a result of the incident, Talman recently got a job in 2 *Have Gun—Will Travel* segments.)

NBC-TV is negotiating for a 60-min. series, *K-9 Patrol*, produced by Sharpe-Lewis. SL made a 30-min. pilot last year in which CBS-TV was interested, then the network decided it did not want a crime or police show.

FCC-Producer Payola Confab: FCC & its staff frankly admit they have much to learn about film production, as they start writing anti-payola rules to conform with the new law. They made a start last week by conferring in Washington with a group of top industry men.

The Commission has discretion under the law, and it seeks to be fair & reasonable in applying new rules to producers whom it previously couldn't touch. The Commission staff was aware of some problems but it learned of many more—traditional film-industry practices technically outlawed by the new statute. FCC faces problems such as this: TV is using movies many years old. Plenty of producers received cars, or what have you, for using them in the pictures. The Commission is expected to kiss such things off.

No additional meetings are planned, but producers will supply the Commission with information from time to time, as requested.

Coordinator of the industry group was MPAA's TV chief, Edward Cooper. Attending for FCC: Harold Cowgill, broadcast bureau chief; Joseph Nelson, renewal & transfer div. chief; Louis Stephens & Robert Greenburg, rules & standards div. attorneys; Dee Pincock & Gerard Cahill, of the general counsel's office; H. H. Goldin, economics div. chief.

For the industry (MPAA group): Gordon Stulberg & Russell Karp, Screen Gems; Donn B. Tatum, Walt Disney; Saul Rittenberg, MGM; Bernard Donnenfeld, Paramount; Herbert Golden, United Artists; Harold J. Berkowitz, Warner Bros. Representing the Alliance of TV Film Producers: Richard Jencks, pres.; Harry Plotkin, counsel; Frank Reel, Ziv; Anthony Frederick, Revue Productions.

NTA's Bullish View: Now severing their financial link to National Theatres (Vol. 16:12 p23 et seq.), NTA executives admitted last week that things hadn't been going so well lately. The loss in the fiscal year ending Sept. 30, according to Pres. Oliver Unger will be over $4 million, and in the first half of the fiscal year (ending March 29), NTA lost $2.7 million (see financial table, p. 19). However, NTA expects to be in "profitable operation" in the coming fiscal year, said Unger. NTA's main troubles, he added, have come from a tight telefilm market, slow sales, high depreciation costs and interest rates on loans.

NTA's future hopes are based on a combination of belt-tightening (a refinancing program on money owed to National Theatres, cutbacks in NTA overhead, etc.) and a flock of new plans:

Syndication: Now that FCC has ordered a cutback in network option time (see p. 3), NTA visualizes a broader market for local-level sales of syndicated product. According to Unger, NTA intends to make a specialty of syndicating pre-taped shows (*Play of the Week*, etc.) and post-1948 movies, which would be released in new groups twice annually in distribution deals with 20th Century-Fox & independents.

Stations: WNTA-TV N.Y., which has had lots of press clippings but not much black ink on its books, will finally show a profit this season, NTA Chmn. Ely Landau revealed. He also stated that NTA had hoped to acquire other stations under its deal with National Theatres, but nothing had ever been resolved. Now, NTA will be back in the market actively scouting station properties, said Landau.

Advertising: A fall sales drive featuring "the largest advertising & promotion campaign in its history" is being launched by NTA, said Pres. Unger, using "virtually every publication in the advertising & broadcasting trade-press field." Moss Associates—in which Ely Landau once worked as TV-radio director—is the ad agency. The campaign calls for a total of 97 pages of ad space over a 2½ month period for its tape & film syndication properties, post-1948 and pre-1948 film packages, and NTA's tape commercials.

HOLLYWOOD ROUNDUP

California Studio for Sale: A syndicate of businessmen, headed by Los Angeles economist-financier Fred Jordan, is negotiating for acquisition of California Studios. With the group is producer-writer Phil Rapp, who told us that they plan to produce TV & theatrical films at California. Reported price: $2 million.

Philip Krasne, pres. & sole owner of California, has confirmed the fact that discussions are taking place. He & Jack Gross bought California studios 9 years ago, but Krasne bought out Gross's interest in July 1959. Krasne is not currently producing, but rents space to Filmaster Productions, Stanley Kramer, Roland Reed and Jack Harris.

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Petitions demanding recall election of the TV-radio board of Writers Guild of America West are to be presented to WGAW this week (Sept. 26). The Guild is then expected to hold a referendum and membership meeting on the recall. Petitioners have long been dissatisfied with the members of the TV-radio board on the grounds that they have consistently voted against the will of the membership. Latest example: The membership, at a meeting, overwhelmingly recommended that writer Sam Newman be made the Guild's fulltime, paid representative on the industry fact-finding committee to establish a royalty plan. The TV-radio board, which had opposed this, passed the issue to the council, which voted for a fulltime, paid member to the committee, but specifically ruled out any writer, thus eliminating Newman. The Guild council has not yet named a committee to pick its representative on the industry committee.

Protest against cutting of movies to fit TV time slots was lodged last week by Directors Guild of America with Assn. of Motion Picture Producers Pres. Eric Johnston. Making specific reference to the post-1948 movies now headed for TV from the major studios, DGA charged that such editing would yield "tortured facsimiles" of the films, thus "defrauding" the public. Having lost out on the economic level, said DGA, it didn't want to lose on the artistic level.

Hollywood movie tycoon Jack L. Warner said last week that TV is now an equal partner within the motion picture industry. This remark would have been considered rank heresy a few years ago, coming from such a cinema pillar as Warner. "The period of pioneering & uneasy adjustment is over," commented the president of Warner Bros., which now has 7 TV series.

Desilu Productions exec. vp Martin Leeds' contract with the company is near settlement. He reportedly will receive approximately $650,000 for his contract and his 35,000 shares of Desilu stock. Leeds and Desilu Pres. Desi Arnaz had decided to part because of increasing policy differences (Vol. 16:38 p13).

Revue Studios will complete its 2 new stages about Dec. 1, for a total of 26. When MCA acquired the studio from Universal-International nearly 2 years ago, U-I had 19 stages, but Revue has been expanding since.

Screen Gems plans production of a pilot, *Riviera*, in October, with Mike Connors in the lead. Producers are Clarence Greene & Russell Rouse.

20th Century-Fox is filming *3 Wishes*, a March of Dimes TV show starring Debbie Reynolds & Stubby Kaye.

People: Warner Bros. has assigned Mack David to produce 2 of its *The Roaring 20s* . . . Franklin Rohner of CBS-TV's talent & contract properties dept. in Hollywood has shifted to program-development staff as program associate . . . Warner Bros. is lending Efrem (*77 Sunset Strip)* Zimbalist Jr. to United Artists to star with Lana Turner in the movie "By Love Possessed." . . . Dick Brill, ex-CBS-TV producer, has been signed by ABC-TV's Selmur Productions as staff producer, and he will develop film & tape shows. His first assignment is as associate producer on the new daytime show, *Morning Court* . . . 20th Century-Fox renewed the contract of Gardner (*Adventures in Paradise*) McKay . . . Valentine Davies, first vp of the Academy of Motion Picture Arts & Sciences, became pres. of the Academy following the death of its pres., B. B. Kahane (see below). Second vp Wendell Corey became first vp.

NEW YORK ROUNDUP

Cal. National Productions' new adventure-drama series, *The Blue Angels*, sold in 104 markets, may also reach the network level in 1961. A CNP promotion effort is under way for a 60-min. taped *Blue Angels* episode starring Ernest Borgnine, who will introduce actual Blue Angel skippers in a capsule history. NBC is considering it as a salute to U.S. naval aviation on its 50th anniversary.

ABC Films will distribute its complete films-for-TV catalog in major European markets through Robin International Films, Ltd. of London. The latter firm will maintain a sales force in the United Kingdom, France, Belgium, Germany, Italy, Spain and the Scandinavian countries. Series will be dubbed into German, French, Spanish, Italian.

Official Films has sold first-run "Greatest Headlines of the Century" to the Armed Forces TV Service for distribution to 25 overseas bases . . . Screen Gems has sold *Two Faces West* to debut in October in 146 markets, and *Manhunt* in 160 markets for its second year of first-run.

Audio Techniques Inc., a film & tape sound recording service has been formed in N.Y. (247 W. 46th St.) by John H. Beaumont, formerly with Ampex Audio's United Stereo Tapes div., Lawrence J. Kreeger, ex-Transfilm-Caravel, and Howard M. Lawrence, ex-Robert Lawrence Productions.

Freddie Fields Associates, newly formed talent agency & production company (Vol. 16:38 p13), has signed Phil Silvers. It will also handle Tranen Corp., Patrick Productions and Silvers Enterprises for Silvers and his associates.

People: William Andrews has been named ITC gen. sales mgr. . . . Carl H. Goldstein has been appointed Screen Gems sales rep in San Juan, P.R. . . . Oliver Unger, NTA pres., has left for Europe to survey the TV market.

Obituary

B. B. Kahane, 68, Columbia Pictures vp and pres. of the Academy of Motion Picture Arts & Sciences, died Sept. 18 in Las Vegas, Nev., of a heart attack. Before joining Columbia in 1936, he had been pres. of RKO Studios and RKO Pathe, and for a time was also production head of RKO. In recent years he had been one of the movie industry's principal labor negotiators, and played an active role in the critical talent-guild negotiations last spring. He is survived by his widow, a daughter, a son and 2 brothers.

Networks

More about

SEC. 315 EXIT PROVES COSTLY: Lifting of Sec. 315 by Congress was a tactical victory for network management & publicists, but lately it's been causing little joy in network sales offices. Never have political candidates had so much free time—and never have there been so few orders in the house for paid network political telecasts (see p. 3).

Most networks had counted on election-year political revenues, and time periods for political telecasts were to be sold at rates allowing less discount than that given regular advertisers. Both Democrats & Republicans, at network urging, had begun making reservations as far back as January. Networks warned sponsors that there would be political pre-emptions in the fall, for which advertisers would not be reimbursed, and most sales contracts were thus worded.

But with Sec. 315 suspension has come a bumper crop of for-free political TV exposures: The 4 upcoming debate shows on all 3 networks, the multi-program *Presidential Countdown* series on CBS-TV, the 60-min. *The Candidates & the Campaign* series on NBC-TV, plus Kennedy-Nixon appearances on Walter Winchell's new ABC-TV show, *Person-to-Person*, and *Face the Nation*. ("Don't be surprised if they pop up as 'mystery guests' on *What's My Line*," cracked a CBS executive last week.) Nobody can guess how many millions in free TV time will be given to the major parties before the election—although, of course, many of the shows featuring the candidates have sponsors.

Here's the lineup, as reported to us last week by network officials in charge of political time sales:

ABC-TV: The Democrats used a paid-for 30-min. segment on ABC Sept. 20, and still have a half-dozen 5-min. segments, ordered months ago, and a regional N.Y. state one-shot. The Republicans have a sprinkling of 5-min. ABC orders, but no major time orders. And that's it.

CBS-TV: Both parties have reserved 60-min. segments between 10 p.m. & midnight on election eve, and also have 30-min. segments scheduled for Oct. 3 (Republicans) and Oct. 5 (Democrats), plus a few 5-min., within-program segments. Admitted William J. Fagan, mgr. network sales: "It's all very vague this year. In 1956, we were buttoned up tight on political sales right after the conventions, and the 2 parties had 14 major program segments between them. This year, they've got 4, and we're not sure about *them*."

NBC-TV: The Democrats have already canceled two 30-min. segments ordered on NBC (one of which was for Sept. 29), are holding orders for "several" 5-min. periods, but have no other pre-election commitments for major time periods. The Republicans are following a similar course, holding onto some short time periods but avoiding any firm NBC deals for longer-length segments. "The Republicans may order some after their Sept. 29 fund-raising dinners in major cities, but we don't expect them to buy too much," said vp William Hedges.

All 3 networks agreed on these points: If the political parties feel that the "publicity exposure" is enough, even though they do not control program formats, the situation won't change much before election. But if political strategists decide that the controlled, do-it-yourself atmosphere of paid telecasts is necessary to get special points across to the electorate, there may be a last-minute rush to buy network time. Meanwhile, the political parties are having an unprecedented free ride.

More about

DEBATE ON TV DEBATES: An attempt by Kennedy's press secretary, Pierre Salinger, to make last-minute changes in ground rules for the forthcoming Nixon-Kennedy TV debates drew a sharp, joint reply from the networks. News chiefs (John Daly, ABC; Sig Mickelson, CBS; Joseph Keating, MBS; William McAndrew, NBC) were obviously annoyed that Salinger wanted to revamp the Nixon-Kennedy panel shows, particularly since the candidates' representatives had originally insisted on modifying the original network concept of face-to-face argument to one of panels.

On Sept. 19, Salinger phoned CBS News Pres. Mickelson to demand print-media representation on each Nixon-Kennedy show, and to say that the lineup of correspondent-panelists named by the networks for the first show was "unsatisfactory." Then he released the contents of a follow-up telegram which said essentially the same thing.

Replied the network news chiefs in their joint statement: "It is the opinion of the networks that the composition of the panels participating in the 4 programs does not fall within the jurisdiction or purview of the candidates or their representatives." Since the first air date of the debates was to come up this week (Sept. 26), this was no time to start monkeying with basic formats & personnel, the TV newsmen indicated. Said they: "The networks must ask immediate confirmation by telegram that the programs will be presented on the basis of the discussions held in Washington . . . in view of the urgent demands of time . . ."

On Sept. 21, Salinger changed his mind—at least for the moment. He informed the networks that the Sept. 26 show would go on as planned, but asked for a meeting to discuss possible changes in later shows.

When we asked ABC-TV news & public affairs vp John Daly whether he felt any changes would be made, he replied: "Not if we can help it. As far as we're concerned it's a closed issue." As things stand now, the opening show & the 4th show in the debate series will feature network newsmen as panelists. The 2nd & 3rd shows will have a combination of network & print newsmen.

For the opening debate, the panel selection decided last week was: Sander Vanocur, NBC; Robert Fleming, chief of ABC's Washington bureau; Stuart Novins, CBS News, who also serves as moderator of *Face the Nation*; and Charles Warren, head of MBS's Washington bureau. Final details were worked out simultaneously in Washington, N.Y. and Chicago by a committee representing the networks & the candidates.

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On related debate fronts, 2 other events were scheduled meanwhile. In Hopewell, N.J., pollster George Gallup had set up a 60-person test panel to provide a minute-by-minute viewing reaction to the Nixon-Kennedy clash as part of his continuing poll of pre-election public attitudes. In Washington, the White House announced that President Eisenhower would make his first political speech of the 1960 campaign at a Sept. 29 fund-raising dinner to be closed-circuited to 36 cities by TNT.

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More than 100 news & public-affairs specials will be seen on NBC-TV in the 1960-61 season. The new schedule is an increase of 35% over last season and 100% more than in 1958-59. It is under the supervision of News vp William R. McAndrew, dir. news & public affairs Julian Goodman and exec. producer Irving Gitlin.

NBC-TV Buying 20th-Fox Movies: A network feature deal—the first to promise post-1948 Hollywood-made features to network audiences—is in the final stages between NBC-TV & 20th Century-Fox (Vol. 16:37 p6). As blueprinted between NBC programs & talent vp David Levy and his onetime Young & Rubicam boss, TCF-TV Pres. Peter Levathes, the plan calls for the use of major features on NBC Sat. 9:30-11 p.m., starting in Jan.

To complete the circle, Y&R itself is said to be first in line to buy the series on behalf of several agency clients. There are no details yet on titles, but the pictures will be late-post-1948s (*circa* 1955 or newer). The deal is not in conflict with release of postwar 20th-Fox features via NTA. The group of features recently assigned to NTA are all from the early-post-1948 period.

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CBS-TV public-affairs & news specials have been bought by the Australian Bcstg. Commission for 1961 telecasting. The sale, through CBS Films, included: *CBS Reports*; *Eyewitness to History*; *20th Century*; *Tomorrow.*

NETWORK SALES ACTIVITY

ABC-TV

Walt Disney Presents, Sun. 6:30-7:30 p.m., part. eff. Sept.
Peter Paul (Dancer-Fitzgerald-Sample)
Amer. Chicle (Dancer-Fitzgerald-Sample)

Sugarfoot-Bronco, Tue. 7:30-8:30 p.m., part. eff. Sept.
Peter Paul (Dancer-Fitzgerald-Sample)
American Chicle (D-F-S)

American Bandstand, Mon.-Fri. 4-5:30 p.m., part. eff. Sept.
Beech-Nut Life Savers (Young & Rubicam)

Action cartoon series, Mon., Tue., Thu. 5:30-6 p.m., participations eff. Sept.
Sweets Co. of America (Henry Eisen)

Daytime programming, Mon.-Fri., part. eff. fall 1960.
General Foods (Young & Rubicam)
Cracker Jack (Leo Burnett)
Noxema Chemical (Sullivan, Stauffer, Colwell & Bayles)
Pan-American Coffee Bureau (BBDO)

CBS-TV

Christmas Startime, Dec. 25, 5-6 p.m., full sponsorship one-time special.
Ford Motor Co. (J. Walter Thompson)

Sunday Sports Spectacular, 13 Sun. afts., co-sponsorship eff. Jan. 8.
Joseph Schlitz Brewing (J. W. Thompson)

Rawhide, Fri. 7:30-8:30 p.m., participations eff. Oct.
Colgate-Palmolive (Lennen & Newell)

My Sister Eileen, Wed. 9-9:30 p.m., co-sponsorship eff. Oct.
Pillsbury Mills (Campbell-Mithun)

Daytime programming, Mon.-Fri. participations eff. Oct.
Remington Rand (Young & Rubicam)
Quaker Oats (J. Walter Thompson)
American Home Products (Ted Bates)

NBC-TV

Riverboat, Mon. 7:30-8:30 p.m.; **Outlaws**, 7:30-8:30 p.m.; **Dan Raven**, Fri. 7:30-8:30 p.m.; **Westerner**, Fri. 8:30-9 p.m.; **Daytime programming**, Mon.-Fri. participations all eff. fall 1960.
Mogen David Wine (Edward H. Weiss)

The Lone Ranger, Sat. 11:30 a.m.-12 noon, GM co-sponsorship eff. Oct. 1; BNLS eff. Jan. 1961.
General Mills (D-F-S).
Beach-Nut Life Savers (Y&R)

Licensing of networks will be considered seriously by the next Congress, Rep. Mack (D-Ill.) told the fall meeting of Ill. Bcstrs. Assn. in Urbana last week. Said he: "The present over-indulgence in escapist programming, of which Westerns, whodunits & rock-&-roll are all too familiar examples, does not meet the broad range of listener demands. Many members of Congress, including myself, are convinced that the Communications Act, in focusing exclusively on the station licensees, does not subject to regulation those organizations which are responsible for the bulk of programs seen & heard by the American public." He also said he favored giving FCC authority to suspend licenses, stating that "responsible broadcasters have nothing to fear" from it. In the last session of Congress, the House passed a bill including suspension authority, but the Senate rejected the provision, and it was excluded from final law.

ABC's latest South American deal is between the network's international div. and Primera Television Ecuatoriana, S.A. of Guayaquil, Ecuador. Joint announcement of a working agreement was to be made Sept. 26 by PTE gen. mgr. Jose Rosembaum and AB-PT international div. vp Donald W. Coyle. ABC will furnish the Ecuadorian station, a vhf outlet (Ch. 4) located in the country's largest city & leading seaport, with "engineering, technical, programming and sales assistance, as well as financial aid." ABC, which has been active on the international scene in recent months, also has overseas agreements with the 5-country Central American TV network, and with broadcasting concerns in Caracas, Venezuela and Beirut, Lebanon. ABC also holds a minority interest in the News Ltd. of Australia. PTE's initial schedule, due to start in a few weeks, calls for 20 hrs. weekly of programming, of which 75% will be film.

Profit for NBC Radio in the first quarter of 1961 is now assured by "net sales of over $1,250,000 during the last 3 weeks," said William E. McDaniel, NBC Radio network vp, last week. "This," he added, "assures NBC Radio affiliates of substantially higher level of compensation during the first quarter of 1961 than was paid them in the first quarter of this year." Currently, NBC Radio is in the black for "the first full year since the early fifties," he pointed out, giving credit to NBC's revamped (news, commentary, music, no entertainment frills, no soapers) network format and the cooperation of "our full 200-station affiliate body." By coincidence, in N.Y. CBS Radio was making plans last week for a Sept. 28 press conference at which time an NBC-type revision of CBS Radio programming (10-min. news on the hour, 5-min. news on the half-hour, no soap operas, etc.) was to be announced. Affiliate compensation will be curtailed.

N.Y.-to-London newsfilm feed was achieved Sept. 21 by NBC, marking the first time that the BBC-TV's Transatlantic cablefilm process had been sent directly from N.Y. The feed was a 30-sec. clip of film showing Soviet Premier Khrushchev at the UN looking at a magazine caricature of himself. It was originally recorded on tape by NBC, then kinescoped & fed into the cablefilm equipment. On Sept. 22, NBC repeated the experiment, feeding a 1-min. clip of President Eisenhower's address at the UN for same-day telecasting in Britain & Western Europe. The latter transmission—for the first time—was also relayed in Europe by Intervision, which reaches Warsaw, Prague, Belgrade and other cities behind the Iron Curtain. Running time on the cable for the Eisenhower footage was 100 mins. The equipment used was built by BBC, but is owned by NBC and installed in its N.Y. studios. The system has been used for London-Montreal-N.Y. transmissions, with BBC originating the feeds (Vol. 15:6 p5 *et seq.*).

Stations

NEW & UPCOMING STATIONS: CFCN-TV (Ch. 4) Calgary, Alta. moved up its target and began regular programming Sept. 10, using a temporary 100-ft. tower & temporary studio-transmitter building. It plans to be in operation with full 55-kw ERP and permanent facilities by next March 1. It has a 5-kw Canadian GE transmitter. Wind Turbine Co., which installed the 100-ft. tower, will replace it in November with a 344-ft. structure, topped by 8-slot directional antenna. Construction on permanent studio-transmitter housing began Sept. 1. Ownership interlocks with radio CFCN. CFCN-TV officers are H. Gordon Love, chmn.; James A. Love, pres.; Gordon L. Carter, exec. vp; and Robert W. Lamb, vp, engineering. Key personnel include Hugh Edmunds, ex-CFQC-TV Saskatoon, program mgr.; William N. Love, news dir.; Mrs. Jean Bown, ex-radio CFCN, traffic mgr. Base hour is $240. Reps are Young Canadian and Television Representatives Ltd. CFCN-TV is Canada's 71st TV outlet.

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In our continuing survey of upcoming stations, these are the latest reports received from principals:

KEZI-TV (Ch. 9) Eugene, Ore. has a 35-kw GE transmitter due Oct. 15 and plans to start with ABC-TV between Nov. 10 & 15, writes mgr. Marvin A. Krenk, ex-KVAL-TV Eugene, Ore. Walls are up for studios at 2225 Coburg Rd. Foundation is in for transmitter house in Coburg Hills. It will use 200-ft. tower furnished by Tower Sales Erecting Co. Leo Reetz, ex-KOAC-TV Corvallis, Ore. will be chief engineer. Base hour will be $395. Rep will be Meeker.

CBUAT (Ch. 11) Trail, B.C. planned by CBC to be satellite of CBUT (Ch. 2) Vancouver, plans to begin programming Nov. 1, following Oct. 15 tests. Canadian GE 150-watt transmitter is on hand. It will be automatic unattended repeater unit, included as bonus to CBUT, which has $680 hourly rate.

CBUAT-1 (Ch. 9) Nelson, B.C., also planned by CBC to be satellite of CBUT Vancouver, has Dec. 1 target. It will use 150-watt Canadian GE transmitter, will have antenna on existing 67-ft. telephone company tower. It also will be automatic unattended repeater, as bonus to CBUT.

CBC's Sturgeon Falls, Ont. Ch. 7 French-language outlet has a Jan. 1961 target. Tenders are out for equipment & for building construction. Call letters not chosen.

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RCA shipped a 2-kw transmitter Aug. 25 to upcoming KCND-TV (Ch. 12) Pembina, N.D., due this fall. TV tape recorders shipped in the week of Sept. 5: Single monochrome units to KHQ-TV Spokane, Wash.; U. of Indiana, Bloomington; and TV Tapatia, Monterey, Mexico. Also a color unit to WBRE-TV Wilkes-Barre, Pa. TV tape recorders shipped in the week of Sept. 12: Single monochrome units to WTVD Durham-Raleigh, WTEN Albany, N.Y., and WAFB-TV Baton Rouge. Also a color unit to Walter Reed Hospital, Washington, D.C. Week of Sept. 19: 50-kw transmitter to WLBW-TV (Ch. 10) Miami and monochrome TV tape recorder to Brigham Young U., Provo.

New promotion stunt is planned by WNTA-TV New York on behalf of its 20th Century-Fox post-1948 package. A movie quiz on Mondays 6:30-7:30 p.m. will show selected trailers from new features, followed by random phone calls from the station asking viewers to identify the films from their trailers. The prize for a correct identification is $13.

NAB's Atlanta Agenda: "People & Profits" and "Broadcasters & Politics" will be the themes of the 2 joint TV-radio sessions during the first day of NAB's first fall conference—in Atlanta's Biltmore Hotel Oct. 13-14. The 2nd day will be split into simultaneous TV-only & radio-only meetings.

"Politics," said acting administrator & secy.-treas. Everett E. Revercomb, "is the most important problem facing broadcasters today and will be the subject of a study in depth in all its phases."

First-day luncheon speaker, Policy Committee member G. Richard Shafto, WIS-TV Columbia, S.C., will cover Committee's handling of NAB affairs since Pres. Harold Fellows' death. Oct. 14 speaker will be Noah Langdale Jr., pres. of Georgia State College of Business Administration.

The 2 open-day topics will be covered through speeches, discussion and round tables. The morning session will be led by Howard H. Bell, industry affairs vp; the afternoon by govt. affairs vp Vincent T. Wasilewski.

On the 2nd day, TV vp Charles H. Tower will preside over a session including presentations by spokesmen for TvB, Code Review Board, Ft. Wayne department-store study & TIO. Tower will discuss pay TV & allocations, among other topics.

Radio vp John F. Meagher will lead the radio session covering Radio Code, engineering, stereo, public relations. Included is a speech by C. L. (Chet) Thomas, KXOK St. Louis, who will draw on his 32 years in the industry in "observations of a practitioner."

The remaining conferences: Dallas Oct. 18-19, San Francisco Oct. 20-21, Denver Oct. 24-25, Omaha Oct. 27-28, Washington Nov. 14-15, Chicago Nov. 21-22, New York Nov. 28-29.

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NAB Convention Committee met in Washington last week, began discussion of the program for its 1961 convention in Washington May 7-11, and reaffirmed its registration & exhibition policies. Registration is open to all NAB members & those ineligible for membership, but attendance at some management-ownership conferences is limited to active members. Only manufacturers of technical equipment may exhibit, but all registrants may maintain hospitality suites. Co-chmn. of the committee are Merrill Lindsay, radio WSOY Decatur, Ill. and Dwight W. Martin, WAFB-TV Baton Rouge.

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Reception of KING-TV (Ch. 5) Seattle programs in lower B.C. & Vancouver Island has been disrupted by boost to 100 kw by CHEK-TV (Ch. 6) Victoria, B.C. and was the subject of a special hearing held this month in Vancouver by BBG. Ruling is expected early in October on whether or not to cut back CHEK-TV power to allow U.S. reception.

New facilities: KFDM-TV Beaumont, Tex. has a Jan. 1 target for its move to the new 16,000-sq.-ft. building now under construction at 2955 Freeway West • WTIC-TV Hartford, Conn. has completed the basement and begun work above ground on its $2-million, 4-story Broadcast House in the city's new Constitution Plaza. It's due for completion in spring 1961.

"Radio Station Management," by J. Leonard Reinsch & Elmo I. Ellis, will be published Sept. 28 by Harper & Bros., 49 E. 33rd St., N.Y. Reinsch, exec. dir. of WSB-TV & WSB Atlanta, is Sen. Kennedy's communications consultant, was exec. dir. of the last 2 Democratic national conventions. Ellis, mgr. of WSB programming, production & news depts., assisted Reinsch at the conventions.

WPST-TV Miami Gets Breather: Sept. 30 "execution date" for WPST-TV (Ch. 10) Miami—the date FCC ordered it to quit in the celebrated "influence" case (Vol. 16:29 p1) —was postponed by the Commission last week.

FCC took the action after WPST-TV complained bitterly to the Court of Appeals that the Commission was ordering it off the air without giving the Court a chance to consider WPST-TV's challenge of the decision (Vol. 16:33 p5). FCC thought this over, told the station it could keep going until 15 days after the Court acts. The Court can act on the basis of the papers before it or it can order an argument. There's no telling when it will decide.

WPST-TV's latest filing asserted that if it went dark Sept. 30 and the Court later reversed the Commission, both it & the public would suffer irreparable injury.

Elzey Roberts' efforts to get a crack at Ch. 10 (Vol. 16:34 p9) is due to be rejected, FCC said, reporting that it had instructed its staff to draft a decision to that effect.

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NBC & KTVU San Francisco wound up a round last week in the San Francisco U.S. District Court when Judge Harris granted their request for a stay in the anti-trust suit filed by KRON-TV San Francisco. The Judge said the suit would stand still until FCC ruled on NBC's purchase of KTVU. He added, however, that any time KRON-TV thought it was about to be hurt—i.e., lose its NBC-TV affliation—it was always free to request an injunction against NBC. KRON-TV's NBC affiliation expires June 30, 1961. If the contract is standard, and there's no reason to believe it isn't, the affiliation is cancellable by either party on 6 months' notice. Therefore, if NBC intends to pull out, it would have to notify KRON-TV by Jan. 1.

Sale of WBIR-TV (Ch. 10) Knoxville & WBIR for $3.25 million to the owners of WFBC-TV (Ch. 4) Greenville, S.C. (WMRC Inc.) by Taft Bcstg. Co. has been negotiated. The buyer is controlled by the *Greenville News-Piedmont*, which also publishes the *Asheville Citizen-Times* and owns radio WWNC Asheville. WMRC Inc. also owns radio WORD Spartanburg, S.C.

Sale of WKST-TV (Ch. 33) Youngstown, O. & radio WKST for $1.4 million by Samuel Townsend to Ted Estabrook & John T. Valdes, owners of WCUE Akron, has been announced. The purchasers are buying 81.2% of the station for $975,000. They hold option on the remaining 18.8%, for which they will pay $225,000. The deal also includes a $200,000 consulting agreement with Townsend.

KBLR-TV (Ch. 10) Goodland, Kan. has been sold to Standard Electronics div. of Reeves Instrument Corp. through bankruptcy proceedings, for assumption of approximately $200,000 in liabilities. Radio KBLR has also been sold—to the owners of KAYS-TV (Ch. 7) Hays, Kan. for $50,000.

Storer's radio WWVA Wheeling, W.Va. has been sold for $1.3 million cash to a group headed by Ira Herbert in a transaction negotiated by broker Edwin Tornberg & Co. The buying group includes admen Emil Mogul & Milton Biow. The deal is contingent on FCC approval of Storer's purchase of WINS N.Y. for $10 million (Vol. 16:31 p9).

WMGM N.Y. isn't for sale, said Loew's Theatres Chmn. Lawrence A. Tisch last week. He stated he wished to put an end to rumors that the independent radio outlet was on the block, and said the theater chain (which took the station over in 1959 from movie-making MGM) had "no intention of disposing of WMGM at any price . . . It is an extremely important asset to the company."

Injunction prohibiting payola was issued in Philadelphia last week against 11 record distributors & 28 disc jockeys after the distributors and 14 of the disc jockeys had signed consent decrees, with District Attorney Victor H. Blanc, which gives them immunity from prosecution for payola activities before March 1, 1960. The injunction was issued by Common Pleas Court Judge David L. Ullman. The djs who haven't signed consent decrees, many of them out of town, have until Oct. 10 to sign. Blanc said he was unable to proceed against the parties with criminal indictments because they refused to testify. In N.Y., he noted, the district attorney can issue subpoenas to the parties, grant immunity to the distributors and thus develop a criminal case. Under Pennsylvania law, district attorneys have neither subpeona nor immunity-granting power. Blanc therefore took action in a civil proceeding. The distributors involved are: Universal Record Distributing Corp., Jamie Record Co., Sparks Music Distributors, Edward S. Barsky Inc., Marnel Distributor Corp., Main Line Distributors Inc., David Rosen Inc., Lesco Distributors, Bernard Lowe Enterprises, Chips Distributing Co., Raymond Rosen & Co., Inc.

Two anti-payola consent decrees were approved by FTC last week, signed by Pacific Record Distributors, 2663 W. Pico Blvd., Los Angeles, and Fiesta Record Co., 1619 Broadway, N.Y.

Triangle stations last week obtained a temporary stay by agreement of defendant in N.Y. Supreme Court to restrain Seven Arts Associated Corp. from selling the post-1949 Warner Bros. pictures in Triangle's markets (WFIL-TV Philadelphia; WNBF-TV Binghamton, N.Y.; WLYH-TV Lebanon, Pa.; WFBG-TV Altoona-Johnstown, Pa.; WNHC-TV New Haven, and KFRE-TV Fresno). Triangle charges that its purchase of 750 Warner Bros. movies in 1957 from Associated Artists Productions included an option for exclusive market rights to all post-1949 Warner pictures at $4,000 a feature, subject to escalation. The suit seeks to restrain AAP, and its successor P.R.M.—and 7 Arts. Triangle claims that the last named company (which is presently marketing the films at $15,000 per feature plus 15% more for color) was organized to avoid the Triangle option and that the principal in both firms is Eliot Hyman.

N.Y. Daily News (owner of WPIX, N.Y.) has bought an interest in WNCN N.Y., FM outlet of the Concert Network. The newspaper & the network will be partners in the ownership & management of the station. The management of WPIX will represent the *News* in the operation of WNCN, with H. Stilwell Brown as gen. mgr. WNCN operates on 104.3 megacycles, transmitter on Hotel Pierre.

Sale of radio KFOX Long Beach, Cal. for $850,000 by Kenyon Brown, Bing Crosby & Kevin Sweeney to Washington businessman Robert Symonds and TV-radio performer Max Resnick has been negotiated. Resnick also owns WYOU Norfolk, Va. Broker was Blackburn & Co. The Brown group bought KFOX 2 years ago for $750,000.

KHJ-TV Los Angeles promoted its newly acquired feature movies to Eastern advertisers & agencies last week aboard a small yacht, sailing twice daily out of the N.Y. Yacht Basin. More than 200 people were entertained at a shipboard luncheon or cocktail party, saw a montage of the movies before sailing.

WOW-TV Omaha is using a "Canadian Mountie" to promote its syndicated series *R.C.M.P.* The costumed horseman patrols the co-sponsoring grocery chain's parking lots, passing out descriptive leaflets on the program.

Advertising

TV & Print To Be Measured: To aid advertiser selection of national TV-print combinations, A. C. Nielsen Co. will soon—through Nielsen Media Service—furnish admen with data on 12 major consumer magazines & all sponsored network TV programming, by measuring audiences in the same national panel. The magazines (including 3 supplements) are: *Life, Look, McCall's, Reader's Digest, SatEvePost, American Weekly, Better Homes & Gardens, Good Housekeeping, Ladies Home Journal, Parade, This Week* and *True Story*—and more may be added later.

NMS clients (*Life*, Chrysler, J. Walter Thompson, Westinghouse Electric and Maxon Agency to date) will receive (beginning in February) 3 categories of information: (1) A yearly report on total audiences of 12 magazines. (2) Complete Nielsen TV index data. (3) Special reports on audience reached by magazine & TV combos.

The new Nielsen project aims to save the adman the task of guessing at the comparative sizes of magazine & TV program audiences. Instead, he may compare similar data on "issue" audiences & program audiences. "This is vital to national advertisers, since broadcast & print are so often combined in schedules," said project consultant Dr. Darrell B. Lucas last week.

Magazine & TV tests will be conducted, in part, in the same homes. Samples will be chosen by age, sex, income-level, education, size of family, geographic location.

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Ted Bates invades Canada with its latest international tieup. It has signed a merger agreement with Spitzer & Mills, a major Canadian agency. The new agency (Spitzer, Mills & Bates), operating in Toronto & Montreal, "will maintain full autonomy" and "Canadians will continue to run the business." Bates, which made a tieup last year with Britain's Hobson Agency (now Hobson, Bates & Partners), currently claims to be the 5th largest agency in the world. Combined billings for its New York, Hollywood, London, Toronto & Montreal operations are now above $150 million annually, and personnel exceeds 1,100. Current billings for Spitzer & Mills in Canada, for more than 30 clients, is nearly $7 million. TV-oriented Bates is expected to exchange teams of creative personnel in the near future with its new Canadian partner.

Crest retail sales rose 60% during August over July, reports Sindlinger & Co. The P&G toothpaste which won ADA endorsement last month (Vol. 16:32 p6) increased its share of the market from 12.2% in July to 19.2% in August —a 39% increase. According to Sindlinger's survey, 66% of Crest's August purchasers were former Crest users; 34% were brand switchers—13% from Gleem (P&G's own competing brand), 6% from Pepsodent, 5% from Ipana, 10% from all others.

Advertising Federation of America moved hq Sept. 20 to 655 Madison Ave., New York 21, and changed telephone to Templeton 8-0325.

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Ad People: David C. Stewart promoted from exec. vp to pres. Kenyon & Eckhart; **William B. Lewis** elected chmn.; **Edwin Cox** named exec. committee chmn. . . . **Gertrude Brooks, Paul Gioni, Otis Winegar, Stanley Baum** elected vps, Dancer-Fitzgerald-Sample . . . **Eleanor Accles**, ex-Adams & Keyes, named Cunningham & Walsh media-services supervisor.

Gas, Tobacco, Beer Up In Billings: Gross time billings for gasoline, tobacco and beer accounts in national spot & network TV for 1960's first half showed "a marked increase" compared to the like period in 1959, reports TvB.

Gasoline companies expanded their TV ad dollars to $21.3 million, a 45% increase over the $14.7 million last year. Spot TV got the bulk of the increase, according to TvB, because of its "regional flexibility." Top advertisers (with total billings): Texaco, $6,393,830; Esso Standard Oil, $1,508,100; Mobil Oil, $1,439,000.

Tobacco advertising on network & spot TV was TvB-measured for an 11.5% increase over the first half of 1959. Billings this year: $58.9 million, against $52.8 million a year ago. Network TV got the bigger share. Leading advertisers and their billings: R. J. Reynolds, $10,446,-396; Brown & Williamson, $9,090,871; P. Lorillard, $8,-616,457; American Tobacco, $8,610,591.

Brewing companies boosted their TV ad billings from $24.5 million in 1959 to $26.3 million for the first half of this year. Of the total, $22.9 million was for spot TV, TvB reported, with only $3.4 million going for network. The leading brewery TV advertiser was Anheuser-Busch with $2,334,241. Other major spenders: Schlitz, $2,220,-906; Falstaff, $1,794,476; Carling, $1,770,910.

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Alfred Hitchcock's gentle gibes at his TV sponsors' commercials will be continued this fall, even though his new sponsor is Lincoln-Mercury div. of Ford, and auto firms are notoriously humorless about having their ad copy teased. That was the word from the rotund host-producer of *Alfred Hitchcock Presents* (now switched from CBS-TV to NBC-TV) as he tackled a Hitchcock-scaled supper (goulash, roast ham, veal pie, French pastry) at Luchow's. He won't give Ford the treatment all at once, however. "We will start off by being benevolent in our approach to their motor-car commercials," he told us, adding, "but it won't last." Hitchcock can afford an independent attitude —his no-salary, share-of-the-gross cinema deal on "Psycho" will bring him (before taxes) about $5 million

Roman-numeral TV channels caused a minor crisis at WNTA-TV N.Y. last week. As a promotion stunt for its *Play of The Week* opener, Shakespeare's "Henry IV," the station had planned the logo of its tune-in ads to read "Channel XIII." Then came the uncertainty: Do New Yorkers dig Roman numerals? Outcome: WNTA decided that the *N.Y. Times* and *Herald-Tribune* would carry the Roman-numeral designation as planned. But ads appearing in the *News* and other papers (whose readers, presumably, don't know that II and II make IV) were scheduled to carry the good old fashioned "Channel 13."

No anti-liquor complaints have been received by WPIX N.Y. concerning the station's schedule of 150 spot announcements currently running for Holland House. The firm manufactures a line of "cocktail mixes" which require addition of hard liquor. The spots, which demonstrate the mixing of drinks and use the word " liquor" several times, are being tested in the N.Y. market by Erwin, Wasey, Ruthrauff & Ryan, and will be expanded to other areas "if no further problems arise," said the agency.

Automobiles, food and gasoline are among major products making "successful use of both in & out-of-home radio," stated a Sept. 16 *Sales Management* article. The feature, discussing several multi-product advertisers who are buying spot radio for heavy-frequency, around-the-clock airing, reported marked sales boosts for Mennen, John Morrell & Co. (Red Heart dog food) and several cars.

Programming

Equal play to national & regional-local news is given by most stations in TV-radio newscasts, said the Associated Press last week. Its survey showed that 65% of stations said they balanced news equally between national & non-national news, and 31% said they put greater emphasis on regional & local items. Only 4% said they gave primary emphasis to national news. The survey was conducted by an AP TV-Radio Assn. subcommittee headed by WBBM-TV Chicago news dir. William G. Garry. A total of 823 radio and 85 TV stations were checked. Details of the study are scheduled to be given to the annual meeting of the APRTA board this week (Sept. 26) in N.Y.

Add public-service ideas: N.Y. stations WOR-TV and WNTA-TV will launch educational series for the coming season. Documentary programs on the history of dentistry will be produced by WOR-TV in cooperation with N.Y.U. College of Dentistry for presentation on a closed-circuit TV system. The system was a gift to the college by RKO General and WOR-TV and programs will be made available to commercial & ETV stations as a public service. WNTA-TV will introduce a series of weekly seminars, *New Nations*, starting Sept. 24. Produced by Fairleigh Dickinson U., they'll feature guest representatives from new countries throughout the world.

"Silents Please," which has been something of a surprise hit as a Thu.-night sustainer on ABC-TV, may be continued in the fall. The show, produced by Paul Killiam & Saul Turrell and featuring 30-min. condensations of such quiet oldies as "Son of the Sheik," is being considered by ABC for slotting in the Sun. 11:15-11:45 p.m. period, following Walter Winchell's 15 min. An ABC-TV vp told us last week: "*Silents Please* pulled more press comment & more unsolicited mail than any other show we had on this summer."

Red Skelton will salute the UN's 15th anniversary with his first fall telecast on CBS-TV this week (Sept. 27). Skelton has been invited by the U.S. Committee for the UN to do the kickoff special ("Laughter—The Universal Language") live from N.Y. The show, Skelton's first Eastern effort in many years, will include 4 pantomime skits. The UN delegates are expected to attend as guests of honor. Whether Russia's Khrushchev, Cuba's Castro, Yugoslavia's Tito, *et al.* would attend wasn't known.

National defense is subject of a new NBC-TV public affairs series, *Victory*, now in production for fall 1961 under NBC news & public affairs exec. producer Irving Gitlin. *Victory* will be filmed with cooperation of the U.S. Dept. of Defense, announced Gitlin last week. The series is among several new Gitlin undertakings since he joined the network; others include this season's *White Papers*, NBC women's specials and *The Nation's Future*.

Fla. Assn. of Bcstrs. is urging its members to editorialize regularly, Pres. Lee Ruwitch (WTVJ Miami) announced following the Assn.'s recent meeting. A kit including TV-radio editorial samples is going to members.

KDKA-TV Pittsburgh is syndicating to WSAZ-TV Huntington-Charleston, W. Va. a daily physical-exercise program conducted by its health dir. John Mills. This is the 2nd KDKA-TV show to go into syndication this year.

Public service: KPHO-TV (Ch. 5) Phoenix, Ariz., is telecasting a daily 30-min. high-school credit course. Required viewing for all American govt. classes at Phoenix Union High Schools, the course is viewed in the classrooms.

Television Digest

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Personals: James T. Aubrey Jr., CBS-TV pres., named Brand Names Week planning committee chmn. . . . Thomas Chauncey, pres. of KOOL-TV Phoenix, named a member of President Eisenhower's delegation, headed by N.Y. Gov. Rockefeller, attending Nigerian independence celebration ceremonies this week . . . Pieter E. van Beek elected pres. of Teco Inc., company formed by Zenith to operate Phonevision pay TV, succeeding S. I. Marks, who continues as treas. Van Beek also continues as Zenith asst. to pres.

Earle B. Harris named production mgr., International Telemeter (Paramount Pictures). . . . Everett L. Dillard, WASH Washington, designated chmn. of NAB FM Radio Committee . . . Mrs. Frederick A. Kugel succeeds her late husband (Vol. 16:37 p13) as pres. of Frederick Kugel Co., *Television* magazine publisher; John A. Thayer Jr. elected publisher; Kenneth Schwartz named editor.

P. A. Newton named A. C.Nielsen vp and mgr. of new Tokyo branch . . . Dr. Arthur D. Kirsch named to new post of research mgr., ARB . . . Orion Samuelson, ex-WBAY-TV & WBAY Green Bay, Wis., named farm service dir., WGN-TV & WGN Chicago.

Max D. Price promoted to sales vp of Fred A. Niles productions, succeeding Fred Foster . . . George L. Pierce named sales service mgr. of KABC-TV Los Angeles.

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Newly-named Fellows of the SMPTE: Robert C. Rheineck, chief engineer, CBS News film production dept., N.Y.; Sigmund J. Jacobs, Naval Ordnance Lab; Edward P. Ancona Jr., color coordinator, color TV films, NBC-TV, Burbank, Cal.; George C. Higgins, assoc. head of physics dept., Eastman Kodak; Fred J. Scobey, technical dir., General Film Labs, Hollywood; Eldon Moyer, retired senior development engineer, Eastman Kodak; Morton Sultanoff, Aberdeen Proving Ground, Md.; John R. Turner, color technology div., Eastman Kodak; Richard S. O'Brien, dir., audio & video engineering, CBS-TV, N.Y.; Neal G. Keehn, vp, General Film Labs, Kansas City; Hubert Schardin, dir., German-French Research Institute, France; Jerome C. Diebold, exec. producer, Wilding Inc., Chicago; Richard E. Putman, mgr., studio & industrial TV engineering, GE, Syracuse; Charles W. Wyckoff, research engineer, Edgerton, Germeshausen & Grier Inc., Needham, Mass.

Meetings next week: Radio-TV News Directors Assn. convention (5-8), Queen Elizabeth, Montreal • NAB Bcst. Engineering Conference Committee mtg. (6), Washington.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TV SALES DROP—DISASTER OR READJUSTMENT? Storm clouds were first observed last May—a slight softening of the TV market (Vol. 16:28 p15). The thunderhead broke wide open in August.

Here's the picture in statistics: Distributor sales of TV sets to dealers in Aug. down 26% from Aug. 1959; Sept. sales to date even more dismal—more than a 30% drop from 1959, dissipating all of this year's increase over last. Retail sales in Aug. down nearly 10% from year ago, according to preliminary estimates —the first 1960 month they were lower than the corresponding 1959 month. End-of-Aug. inventories dangerously high in relation to sales pace and loaded with "obsolete" 17- & 21-in. sets.

What are the causes & what does it portend? From our conversations with industry leaders (some of whose most forthright views are quoted in story on p. 15), here are the plain facts:

Momentum of sales to dealers has been broken. Distributor sales this year probably will be slightly below last year's 6-million mark. Retail sales may total 6-6.2 million. Production schedules have been trimmed—but not fast enough to prevent excessive inventory build-up.

Industry production planning had been based on hot first half year when retail sales were 17% above 1959, running at 6.5-million pace. When market began softening, production brakes weren't applied fast enough or hard enough.

Industry changeover to 19- & 23-in. screens found distribution channels still glutted with 17- & 21-in. models, and many manufacturers still producing old sizes to use up parts ordered ahead. At factory & distributor levels right now there are enough 21-in. consoles to take care of entire console market for rest of year at present sales rate—a 20-week supply.

Inventories of consoles stood this way at end of July: Factory & distributor levels, 23-in. sets outnumbered 21-in. only 3-to-2; retail level, 21-in. outnumbered 23-in. by 3-to-1. In tables & portables, factories had slightly more 19s than 17s, but at distributor level, 17-in. inventories were 3-to-1 over 19-in. sets, and at dealers' the ratio was even higher.

On paper, total inventories hadn't risen phenomenally—numerically. But in proportion to sales rate, and in "mix," they caused some industry leaders to fear far worse dumps & liquidations than those already in progress if buildup continues. Factory & distributor inventories totaled 1,375,000 at end of Aug., nearly 100,000 over year-ago figure.

During year's first 7 months, dealers were loaded with 17- & 21-in. sets via dumps & package deals, and are now trying to digest these deals. Since retail sales slowed down, digestive process took longer than expected. Hence, dealers just stopped buying in Aug. & Sept. Already loaded with slow-moving appliances, many dealers are especially fearful of getting over their heads in TV inventories. And some are still holding out for real distress prices in TV.

Indicative of dealer buying strike is fact that retail inventories actually dropped 20,000 from end of July to end of Aug. despite retail sales slowdown, at a time of year when they normally would be increasing.

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Why the slowdown at retail? All sorts of reasons are given—all of them probably valid: (1) Public uncertainty about state of economy, largely as result of economic "gloom" talk. (2) Wait-till-election attitude of some buyers. (3) Late introduction of new models this year, and lack of real promotion of advantages of 19- & 23-in. sets to date. (4) Dealers' concentration of selling efforts on unloading air conditioners—particularly during Aug., which was only warm period this summer in many areas.

Radio situation is essentially similar to TV. Unlike TV, sales to dealers are still ahead of last year—but recently they've been down noticeably. Inventories are double those of last year at this time.

In face of all these facts, there's feeling of what might be called grim optimism pervading industry. Here are the arguments & forecasts: (1) Aug. retail sales still represented annual rate of about 6 million sets—better than last year's total 5.75 million and 1958's 5.14 million. Aug. 1959, used as comparison, was exceptional month, with sales at 6.7-million rate. (2) Personal incomes are at all-time high and recent surveys show slightly more disposition to buy consumer products in coming months. (3) Big ad-promotion campaigns for new screen sizes are just about to begin. (4) Fragmentary reports from field indicate good retail movement for Sept. in many areas. (5) Color set sales are up sharply.

Stereo sales are bright spot in picture. They haven't followed TV's recent pattern at all. Every manufacturer with whom we talked characterized movement of console & portable phonos as excellent. This is taken, too, as evidence that public can be made to buy—and to buy expensive products. Most forecasts for Oct.-Nov.-Dec. still envision return to better TV sales picture.

Rx—CUT PRODUCTION, BOOST SALES EFFORT: "The industry had better wake up and take action now instead of November. If manufacturers don't watch their production schedules, we could see some of the worst dumps & liquidations in the history of our industry."

That was the mince-no-words warning of Zenith Sales Corp. Pres. Leonard C. Truesdell, one of industry's most astute & respected merchandising experts. The always-forthright Truesdell, speaking from his vantage-point as consumer-products chief of TV's sales leader, was the most outspoken of the industry chiefs we asked for comment on the current TV sales picture (see story above).

TV market is "in state of collapse" as distributor level, he said—pointing to Aug. & Sept. sales to dealers—as result of topheavy inventories, particularly of 17- & 21-in. sets. He sternly cautioned against "wait & see" policies, urging far sharper production cutbacks to match sales. Recent drops in set output, he stated, haven't been enough. Pointing out that some 21-in. consoles are already being unloaded for the price of 19-in. table models, he said situation could become far worse by Jan.

"Manufacturers are just not using judgment in controlling inventory," said Truesdell. "This is further proof that our industry is loaded with people who are making sales far in excess of what they can realistically hope to sell. Dealers are loaded with junk already. It's no time to try for sales records just for the sake of setting records."

More-than-seasonal improvement in set movement was forecast by Truesdell for last 3 months of 1960. "I don't think Aug. & Sept. will set the pattern," he said.

As for Zenith, Sept. sales to dealers are running slightly ahead of last year—"but not the increase we had expected." Nevertheless, he predicted, Zenith again will sell more than a million sets this year, increasing its share of total industry sales. He added: "Our inventory position & production are in good shape and we're watching it like a hawk."

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"We have to put on our track shoes & start running. This is a selling academy." More aggressive selling—that's prescription of Westinghouse TV-radio's dynamic young TV-radio div. mktg. mgr. C. J. Urban.

Conceding that TV sales situation is "very alarming," he said he's still optimistic about rest of year at retail. I'm certain we can get it straight—it's just that the job's a little tougher than we anticipated."

"The industry was spoiled by that good first half. We got complacent. The transition from the 21-in. to the 23 has the public & the dealers puzzled. We obsoleted ourselves, and we haven't yet fully exposed our new product & its advantages."

"Anyone who ignores the situation is making a mistake," said Urban. Without real attention to selling and control over production, inventories could be tremedous next year, he added.

"The public has a record income, but there's only so much to go around," he said. "We're competing with all sorts of other products for the consumer's dollar." The big ad push for 19- & 23-in. sets is just beginning, he added. He said he expects retailers to cooperate. To some of them, it's question of sink or swim. Appliance & air-conditioner business has been so poor this year that "some dealers will have to close their doors unless they push the electronics business."

Initial reports from dealers show good TV sales in Sept., he said, predicting 1960 retail sales of a little more than 6 million. "Westinghouse will express its confidence by adding new 19- & 23-in. models—not replacements—to our line Oct. 17."

Promotion of new screen sizes should end doldrums, in opinion of RCA Sales Corp. sales vp R. W. Saxon. "While there has been a general softening of the TV market in the past few weeks," he said, "sales of RCA Victor merchandise are continuing to run ahead of last year." July-Aug. color set sales, he said, were more than double in the same 1959 months.

"We confidently expect the sales rate to improve even further as dealer advertising & promotion of the new merchandise is stepped up when the new TV season gets under way later this month," Saxon added. "We expect this to be a factor especially in color TV, with the big increase in scheduled colorcasts."

"We don't intend to get worried or excited unless this condition carries over until the end of Sept.," added another RCA spokesman.

An Admiral spokesman said his company had anticipated inventory buildup & market softness, particularly "in light of the appliance drop-offs & the general business situation." He said Admiral's distributor-to-dealer sales are still higher than last year and expressed optimism over the balance of the year.

"In Philco's case," said consumer products mktg. mgr. Robert G. Urban, "the number of week's supply of TV sets in distributors' hands is below last year's inventory level, which indicates Philco TV is realizing good movement from factory to consumer."

PRESIDENTIAL ELECTIONS & TV SALES: Despite all the hoopla about TV's influence on elections, it is difficult to determine just how much influence Presidential campaigns have on TV-set sales. In TV's short history, one Presidential campaign period showed higher-than-normal TV sales; the other, lower-than-normal.

Historically, there's no pattern at all. There have been 2 Presidential elections (1952 & 1956) since EIA started collecting monthly retail-sales statistics. Normally, sales for Sept. & Oct. total 22.6% of full year's sales (Sept. 12.4%, Oct. 10.2%). In 1952, Sept.-Oct. set sales were 27.8% of the year's total (Sept. 14%, Oct. 13.8%). The next Presidential year, 1956, saw sales sag during campaign months—to a lower-than-normal 21.3% (Sept. 11.3%, Oct. 10%).

There's no doubt that election campaign stimulated set buying in 1952, when many purchasers were buying their first TV sets. How much the campaign, in itself, stimulates replacement purchases is open to doubt. There is no doubt, however, that excitement about upcoming Nixon-Kennedy TV debates and election telecasts can provide another reason to buy now instead of later—given proper promotion. But there's no reason to believe that campaign & election telecasts will be anything more than a small plus this fall.

TV-RADIO PRODUCTION: EIA statistics for the week ended Sept. 16 (37th week of 1960):

	Sept. 9-16	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV	138,092	116,229	166,118	4,062,459	4,120,768
Total radio	385,823	293,802	421,143	11,440,654	10,048,526
auto radio	147,804	95,986	155,338	4,342,538	3,821,349

Admiral will appeal the federal court ruling that it infringed Zenith patents on TV remote-control and "Fringelock" circuits & designs (Vol. 16:36 p12). Admiral filed notice of appeal in Oklahoma City U.S. District Court, which stayed the injunction against it pending a ruling on the appeal in U.S. Appeals Court, Denver.

Philco International Corp., Philco subsidiary, reported a 34% increase in unit exports during first-half 1959. Increases in sales were reported in Belgium, Portugal, Sweden, Iran, Lebanon, Hong Kong, Pakistan, French West Africa, Bermuda, Jamaica, Costa Rica & Panama.

Pilot production of transistors has begun at RCA's new Mountaintop, Pa. plant. The facility is "being geared for full-scale operation," RCA announced.

First Capehart TV portables are due to be delivered to dealers next month. The 2 models, both with 19-in. 114-degree tubes, are 12-in. deep with front speaker & telescoping antenna. List prices are $119.50 (no carrying handle) & $209.50 (different finishes, handle).

"Electronic voice" for the voiceless will be sold on a non-profit basis ($45) by the Bell Telephone companies to those without power of speech due to paralysis or surgical removal of the larynx. Resembling an electric shaver, the electronic larynx is held against the outside of the throat and transmits sound waves into the throat cavity. Unlike previous similar devices, the Bell larynx has a finger control, enabling the user to vary the pitch of his voice over a half-octave range for more natural inflections. Male & female models are offered—differing in pitch. The device is transistorized, uses mercury radio batteries.

Entry into the home intercom business was formally announced last week by the Bell Telephone System. Beginning next year, the phone company will offer nationally an intercom system for room-to-room, front-door-to-phone and baby-sitting uses. Telephones with separate loudspeakers will be used.

German kinescope manufacturer Blaupunkt has started production of 23-in. picture tubes.

TV-RADIO EXPORTS & IMPORTS: Exports of U.S. TV sets dropped in June to 6,653 units (from May's 10,526), while shipments of TV chassis rose sharply to 7,634 (from 577), according to latest Census figures.

The dollar volume of June TV set exports totaled $918,171, TV chassis shipments $291,195. As usual, Latin America was the biggest market for complete TV sets. Peru received 1,450, Venezuela 1,216, Costa Rica 933. Other relatively large-volume customers: Canada 790, Panama 587.

TV chassis shipments went to 4 countries: Italy 3,550, Argentina 2,000, Canada 1,482, Mexico 600.

Other TV-electronics exports in June:

Home radios, 6,376 at $202,514. Italy was biggest purchaser, receiving 1,209 sets at $22,077, although dollar volume from Venezuela ($51,286) was greater for 910 sets. Of 1,306 radio chassis shipped ($89,449), Mexico got 1,000.

Auto radios, 3,596 at $99,261, only volume market being Canada (2,471).

Radio-phono combinations, 229 at $27,768. Receiving tubes, 1,290,405 at $1,048,200, with Canada, Italy and Latin American countries taking the heavy share. TV picture tubes, 72,575 at $1,504,058, Argentina taking 30,312, and West Germany, Sweden, Denmark, Italy, Belgium, Switzerland & France the next best markets, in that order.

* * *

Imports exceeded exports in every home-electronics end-equipment category except TV. Here are the Census highlights for June:

Transistor radios, 518,696 at $4,828,582, of which 510,732 were from Japan and 6,489 from West Germany. Other portable radios, 40,935 at $212,625, of which 39,922 were from Japan. Other radios, 56,007 at $655,040, with 40,492 from Japan, 8,687 from West Germany, 3,432 from Netherlands, 2,337 from Italy.

Radio-phono combinations, 4,175 at $343,359, West Germany supplying 2,959 ($273,848) and Japan 2,143 ($61,255). Phonos, 2,366 at $53,553, Japan supplying 1,056, U.K. 800, West Germany 467.

Tubes, 1,589,334 at $718,673, Japan ranking 3rd in number of units (following U.K. & Netherlands) and 4th in dollar volume (West Germany being 3rd).

———■———

Retailers expect all-time sales record this year—but lower profits than in 1959. That's the consensus of 367 heads of dept., specialty & general merchandise stores surveyed by National Retail Merchants Assn. Some 46% predicted a profit gain for 2nd half 1960 over 1959, and only 42% saw gain in profit for full year. Very few stores mentioned TV, appliances or stereo as holding hope for high volume improvement this fall.

Factory sales of transistors dropped in July to the lowest monthly figure so far this year—slightly over 7 million units at about $18 million. However, the July sales still exceeded July 1959's sales by a million units and nearly $3.5 million. The EIA's monthly figures on factory sales of transistors:

	1960		1959	
	Units	Dollars	Units	Dollars
January	9,606,630	$24,714,580	5,195,317	$13,243,224
February	9,527,662	24,831,570	5,393,377	14,550,056
March	12,021,506	28,700,129	6,310,286	18,117,560
April	9,891,236	23,198,576	5,906,736	16,864,049
May	9,046,237	24,714,580	6,358,097	19,007,293
June	10,392,412	27,341,733	6,934,213	18,031,593
July	7,070,884	18,083,802	6,030,265	15,618,315
TOTAL	67,556,567	$171,017,763	42,128,291	$115,432,090

Trade Personals: Larry L. Malin promoted from field merchandising mgr. to commercial electronics div. vp, Admiral Sales Corp.; **Bruno Beale** named technical operations mgr.

Leonard Gross, ex-Philco radio & hi-fi merchandise mgr., named to new post of vending sales vp, Seeburg Corp. . . . **Richard J. Hall** named mgr. of RCA's consumer semiconductor plant in Findlay, Ohio, succeeding **John M. Spooner**, who is joining RCA International, headquartering in Rome . . . **Lloyd R. Day** promoted from planning mgr. to new post of new business development mgr., RCA Electron Tube div. . . . **Robert G. Lynch** named equipment sales mgr., Sylvania Electronic Tubes . . . **Cornelius Keating** and **Albert Simonson** named Columbia Record vps . . . **David R. Hull**, Hoffman exec. vp and ex-pres. of EIA, named chmn. of EIA legislative policy committee, succeeding **Max F. Balcom**, Sylvania . . . Dr. **Donald G. Wilson** named research vp, P. R. Mallory . . . **R. F. Meinicke** promoted from sales mgr. to sales vp, Amphenol Distributor div. . . . **Arthur L. Adamson** named chmn. & chief financial officer, Electronics Associates, succeeding **Lloyd E. Christianson** as chmn. Christianson continues as pres. & chief exec. officer.

———■———

Suit against Webcor Chmn.-Pres. **Titus Haffa** and the company's other officers & directors has been filed in Chicago U.S. District Court by stockholders James J. Duane Jr. & Margaret W. Duane, charging that the Haffa group drained assets of Webcor to other Haffa-controlled companies through sales at inadequate prices and purchases at excessive prices. Haffa and his family own about 20% of Webcor's stock. Among Duane's charges: (1) That Webcor sold a 45-acre tract 15 miles from Chicago in 1955 to Haffa's sisters, who transferred it to Dormeyer Corp. (controlled by Haffa and his family), which sold it back to Webcor in 1958 for $725,000, when "the fair market value . . . did not exceed $180,000." (2) That from 1956 through 1959, Webcor purchased materials, services & equipment totaling $3,678,000 "at excessive prices [from] corporations owned & controlled by the Haffa family." (3) That during the same period, "Webcor sold to Dormeyer and other corporations owned & controlled by Haffa and his family" materials & equipment totaling $1,885,000 "at inadequate prices." The suit asks that the defendants be required to account to Webcor "for their profits and its damages" and that Webcor's purchase of the Illinois property be rescinded.

N.Y. state picture-tube law, which takes effect Oct. 1, requires the marking of tubes & tube cartons to indicate whether they contain used parts. A tube cannot be labeled "new" unless it is built from all new parts, including bulb.

New York 'Consumer Electronics' Office

To provide added coverage of the electronics field, an editorial specialist in consumer electronics will be assigned to our New York office beginning Oct. 3. Associate Editor David Lachenbruch, in charge of the Consumer Electronics department of TELEVISION DIGEST, will make his headquarters at our New York bureau, 625 Madison Ave. (Plaza 2-0195), for the major part of each week, while the remainder of the Consumer Electronics staff will continue to headquarter at our main editorial office in Radnor, Pa. Communications for the Consumer Electronics department should still be addressed to the Radnor headquarters—but for prompt attention, we'd appreciate duplicate copies of all form letters, press releases, etc., at the New York office.

Finance

Move into international electronics investment field has been undertaken by the group headed by San Diego's Charles E. Salik, who pioneered in the domestic field. The latest venture, authorized last week by SEC, is Electronics International Capital Ltd., Hamilton, Bermuda, formed for the purpose of investing in securities of foreign electronics companies. It is permitted to offer 2.5 million shares at $10 per share, through underwriters headed by Bear, Stearns & Co., who will receive $1 per share commission. The company will invest in firms whose stocks are traded on exchanges in Toronto, Montreal, London, Amsterdam, Frankfurt, Paris, Johannesburg and other cities. Salik is pres. & chmn. He's also chmn. & 81% stockholder of the company's advisor, Electronics International Management Ltd. He's pres. & chmn. of Electronic Investment Corp., the open-end mutual fund which has assets of more than $37 million, and of Electronics Capital Corp., the $16.5 million small-business investment firm.

Ling-Temco Electronics expects 1960 sales & earnings to be at least as good as last year's combined results of Ling-Altec Electronics and Temco Aircraft Corp. Pres. James J. Ling of the recently merged firms told a group of security analysts in Dallas last week that total sales this year will be $145-$155 million, and earnings after taxes will probably be 3.5-4.5% of sales. Last year's combined earnings of the 2 companies totaled $2,968,000 ($1.22 a share) on sales of $148,724,000. He predicted sales of $190-$200 million in 1961 and $350-$400 million a year "in the next 3 or 4 years."

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Sept. 22, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	23	25⅝
Aerovox	9½	10½
Allied Radio	21½	23
Astron Corp.	2⅛	2⅝
Baird Atomic	39⅛	32⅜
British Industries	17¾	19⅜
CGS Labs	8½	10½
Control Data Corp.	40¼	43
Cook Elec.	15	16¼
Craig Systems	15	16¾
Dictaphone	38	41⅜
Digitronics	19¾	22
Eastern Ind.	13½	14½
Eitel-McCullough	23	24⅞
Elco Corp.	15½	17¼
Electro Instruments	31	34½
Electro Voice	11½	12⅞
Electronic Associates	29¼	31¾
Erie Resistor	8	8⅞
Executone	31	34⅝
Farrington Mfg.	36	38¾
Fischer & Porter	18	19⅞
FXR	42	46¼
General Devices	12¼	13⅝
G-L Electronics	9½	11
Granco Products	4⅛	4¾
Gross Telecasting	18¼	20⅛
Haydu	⅛	5/16
Hewlett-Packard	25	26¾
High Voltage Eng.	136	146
Infrared Industries	19½	21¼
International Rectifier	21	22¾
Interstate Engineering	24	25⅝
Itek	55½	60
Jerrold	8¾	9¾
Lab for Electronics	41	44
Lel Inc.	5¼	6¼
LFE Inc.	13	—
Ling Temco	27	28¾

Stock	Bid	Asked
Magna Theater	3¼	3¾
Magnetics Inc.	8¾	10
Maxson (W.L.)	9	9⅞
Meredith Pub.	42	45⅛
Metropolitan Bcstg.	16¼	17½
Milgo Electronics	21	23⅝
MPO Videotronics	7⅛	7⅞
Narda Microwave	5	6
National Co.	29¾	32
Nuclear of Chicago	30	32¼
Official Films	2	2-5/16
Pacific Automation	7¼	8
Pacific Mercury	7	7¾
Perkin-Elmer	39	41⅝
Philips Lamp	161¼	167
Pyramid Electric	2⅞	3½
Radiation Inc.	20½	22½
Howard W. Sams	41½	45⅜
Sanders Associates	54	58½
Silicon Transistor	5¾	6⅝
Soroban Engineering	24	26½
Soundscriber	12	13⅝
Speer Carbon	24	25⅞
Sprague Electric	46½	49⅞
Taft Bcstg.	12½	14⅛
Taylor Instrument	36	38¾
Tcehnology Inst.	10¼	11⅞
Telechrome	11½	12⅞
Telecomputing	7¼	8¼
Telemeter	12½	14¼
Time, Inc.	63½	67
Tracerlab	10	11¼
United Artists	7	7¾
United Control	21¾	23⅞
Universal Trans.	1½	2⅛
Vitro	11⅞	13
Vocaline	2⅞	3⅜
Wells-Gardner	15½	16¾

Merger of British Industries Inc. into Avnet Electronics has been approved by the directors of both companies and will be submitted to stockholders at separate meetings in November. British Industries, marketer of imported hi-fi components (Garrard changers, Wharfedale speakers, etc.), would be operated as a subsidiary of Avnet, which distributes a wide variety of components, resistors, special tubes, semiconductors—and assembles electrical connectors. For each share of British Industries stock, holders would receive one Avnet share and a 90-day warrant to purchase an additional 2 Avnet shares for each 5 British Industries shares. In other merger news last week, General Tire's Aerojet-General Corp. purchased controlling interest in Space Electronics Corp., Glendale, Cal., for an undisclosed amount. Space Electronics is partially owned by Pacific Automation Products Inc.

Muter Co. earnings will drop sharply to 10-12¢ a share for the first 9 months of 1960 from 30¢ in the same 1959 period, according to Pres. Leslie F. Muter. However, in the 4th quarter, the firm should do as well as last year's 19¢ "and could do substantially better," he said. Sales for the year are expected to approximate last year's $13.8 million. He said Muter is discussing 2 possible mergers, including one which would involve the sale of the company for stock of a larger firm.

Space Electronics Systems Inc., 1200 First St., Alexandria, Va., is a new firm started by pres. A. C. Angelos & exec. vp H. S. Shaw, both ex-Melpar. It plans to handle both military & commercial manufacturing contracts, expects to develop its own line of electronic & automation devices. Greater Washington Industrial Investments Inc. will supply initial working capital of $175,000 in the form of a 5-year 8% loan secured by a first deed on SES's plant. GWII also obtains a 5-year option to buy up to 12% of SES's stock "at a favorable price."

International Resistance will set sales & earning records this year, Pres. Walter W. Slocum told the N.Y. Society of Security Analysts last week. Net sales should be more than $22 million, with earnings $1.40-$1.50 a share, he predicted. This compares with 1959's previous records of $19.8 million sales & $1.29 per share earnings. He forecast a sales increase of more than 250% within the next 5 years, "predicated largely on conservative market evaluations of our new-product programs."

Reeves Bcstg. & Development Co. stock was traded on the American Stock Exchange for the first time Wed. Sept. 14. Symbol: RBT.

Reports & comments available: CBS, review, Auchincloss, Parker & Redpath, 2 Broadway, N.Y. 4 • Lafayette Radio Electronics, analysis, Reimer & Co., 52 Wall St., N.Y. 5 • Terminal Electronics, prospectus, J. A. Winston & Co., 11 Broadway, N.Y. 4 • Lab for Electronics, review, Schirmer, Atherton & Co., 50 Congress St., Boston 9 • Western Union, review, Sartorius & Co., 39 Broadway, N.Y. 6 • Paramount Pictures, comments, H. Hentz & Co., 72 Wall St., N.Y. 5.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Canadian Westinghouse.	Q	$0.25	Oct. 1	Sept. 26
Daystrom Inc.	Q	.30	Nov. 15	Oct. 27
EMI Ltd.	Final	12½%	—	—
General Dynamics	Q	.25	Nov. 10	Oct. 7
Sanders Associates	Ann.	.04	Oct. 19	Sept. 29
Sanders Associates	Stk.	100%	Oct. 19	Sept. 29

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Acme Electric Corp.	1960—year to June 30	$11,261,815	$1,041,539	$505,867	$1.91	260,000
	1959—year to June 30	9,381,755	793,479	386,356	1.45	260,000
National Theatres & TV[1] Story on p. 6	1960—39 wks. to June 28	34,392,901	——	428,726[2]	.15	2,816,247
	1959—39 wks. to June 28	39,648,287	——	1,431,060	.53	2,700,283
National Video Corp.	1960—qtr. to Aug. 31	5,529,743	——	408,327	.66	——
	1959—qtr. to Aug. 31	3,737,215	——	180,967	.29	——
Western Union[3]	1960—7 mo. to July 31	157,901,392	——	6,016,485	.94	6,394,616
	1959—7 mo. to July 31	160,509,964	——	8,589,189	1.35	6,352,693

Notes: [1] Excludes operations of NTA. [2] Excludes loss of $3.5 million on investment in NTA; also excludes approximately $3 million profit from sale of WDAF-TV & WDAF Kansas City, which will be included in current-quarter earnings. [3] From report to FCC.

Rollins Bcstg. Co., owner & operator of 2 TV & 6 radio stations, is currently offering the public 10,500 shares of its common stock (at $8 each) through F. Eberstadt & Co. and associates. The underwriters also offered 24,500 shares put up for sale by stockholder John Rollins, who reduced his common stock holdings to 23.2% of the total by selling 9,000 shares privately to F. Eberstadt and 1,500 shares to an officer of Rollins Bcstg. at the offering price. Pres. O. Wayne Rollins holds 64.9% of the company's 110,000 shares of common and 815,000 shares of Class B common. Rollins Bcstg.'s stations: WEAR-TV Pensacola and WPTZ Plattsburgh, N.Y.; radios WAMS, Wilmington, Del.; WJWL Georgetown, Del.; WRAP Norfolk; WNJR Newark; WBEE Harvey, Ill.; WGEE Indianapolis.

Gremar Mfg. Co., 7 North Ave., Wakefield, Mass., maker of RF cable connectors & fittings, has filed a statement with SEC (File 2-17-70) proposing to make a public offering of 100,000 shares through underwriters headed by Milton D. Blauner & Co. and M. L. Lee & Co. Of net proceeds, $153,700 is to go for payment of a note to former Pres. Lawrence Stone in connection with purchase of his 50% stock interest, $50,000 for equipment, $50,000 to reduce bank loans, $40,000 for raw materials. Of 325,000 shares outstanding, Pres. Carlton G. Marie owns 317,500.

General Instrument, which recently acquired General Transistor (Vol. 16:36 p15), expects its profit for the year ending next Feb. 28 to be about 20% higher than the total $1.23 a share earned by both the merged firms. Pres. Moses Shapiro said earnings should also increase 20% to around $80 million from $66 million. He said the firm expects to maintain a conservative dividend policy in order to save capital for growth. Semiconductors will account for about 35% of the company's volume this fiscal year, he stated.

Dorsett Electronics Labs, Box 862, Norman, Okla. (data-handling equipment, etc.), proposes to offer 50,000 common shares to the public, according to a statement filed with SEC (File 2-17048). Price, terms & underwriters will be specified by an amendment. Proceeds will be used for working capital & reduction of debt. Chmn.-Pres. Loyd G. Dorsett owns 26.3% of the 292,946 shares outstanding.

Texas Instruments sales will set a record this year, according to a company estimate, but the predicted volume has been cut to between $235 & $240 million from the earlier prediction of $240-$250 million. Last year's volume was $193.2 million.

Robosonics Inc., 22 W. 48th St., N.Y. has filed with the SEC (File-17046) for the registration of 180,000 common shares to be offered publicly at $5 a share through Mandell & Kahn Inc. The firm is developing devices in the fields of automatic telephone answering, magnetic & video-tape recording. There are 311,614 shares outstanding, of which Pres. Sidney Ostrager holds 131,500 (42.1%).

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Educational Television

Operation Airborne, the educational stratovision project which is due to get off the ground during mid-winter (Vol. 15:42 p3 et seq.), will have some of its programs provided by educational WCET (Ch. 48) Cincinnati. The station has been contracted by the Midwest Council on Airborne TV Instruction (MCATI) to produce 256 twenty-min. creative art & mathematics lessons on tape and 85 half-hour tapes on biology.

First Armed Forces Educational TV Conference, being held this week, Sept. 26-30 at the Pentagon, makes heavy use of video tape to show how the military uses TV for training. More than 200 representatives of military & civilian ETV organizations were scheduled to attend the conference, sponsored by the chief signal officer and presided over by Dr. Joseph H. Kanner, chief of the Audio-Visual Applications Office.

Technology

Underground TV is used by Washington Gas Light Co. crews to guard against gas leaks in mains under the route of the inaugural parade to the White House next Jan. A TV camera is pulled through the 24-in. mains on a cable to spot cracks which are noted by crewmen watching a screen aboveground. Sealing liquid is then used to plug leaks.

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Auxiliary Services

Protest by a CATV system against a uhf translator operator was granted by FCC last week—an unusual twist. Rhinelander TV Cable Co., Rhinelander, Wis., had objected to the grant of 2 new translators to J. R. Karban, who already operates 2 serving the community. The dispute was set for hearing, but the new grants were not rescinded.

Protest against CATV microwave to serve systems in Ft. Pierce, Fla. & other communities has been granted by FCC against Southern Transmission Corp. The protest had been filed by uhf grantee WTVI (Ch. 19) Ft. Pierce. Construction of the microwave will be held up pending a hearing. Comrs. Cross & King dissented.

Citizens of Little Price, Utah are certainly going to be well served with TV: (1) Vetere Motor & TV Inc. has had a CATV system there since 1953. (2) Three unauthorized vhf boosters have been operating for some time; they recently filed applications with FCC under its new rules. (3) Vetere on Aug. 27 filed for 3 uhf translators.

First 29 vhf translator grants were authorized by the FCC last week, as applications filed accelerated. All existing operators are required to ask for STAs by Oct. 31. For new applications, see TV addenda 31-D herewith.

Translator starts: K79AM Manson, Wash. began Aug. 11 repeating KHQ-TV Spokane • K78AQ Seaside, Ore. began in September with KPTV Portland, Ore. • K76BC Walker, Minn. began tests Sept. 8, repeating WDSM-TV Duluth via pickup from K82AF Cass Lake, Minn.

Foreign

British commercial TV audience now numbers slightly more than 10 million homes, a 50-fold increase over the level with which the ITV channels began in the fall of 1955, Britain's TV Audience Measurement Ltd. reported in London. In terms of people, maximum potential audience for commercial British TV shows is 23,700,000. Latest estimate for total annual TV commercial ad spending in Britain: $224 million annually, up about 30% from 1959.

Britain's first battery portable TV, introduced by Pye, is a transistorized 14-in. model with a price tag of approximately $280, reports *Wireless and Electrical Trader*. It weighs about 38 pounds, has 26 transistors, 11 germanium diodes, 3 silicon diodes and a thermionic diode. It has a built-in rechargeable "non-acid" battery, also operates on AC and/or 12-volt auto or boat batteries.

European uhf TV allocation table, companion to its vhf, may come out of the next European Broadcasting Region conference in Stockholm in May 1961. The goal of many in Europe is to use uhf & color as an umbrella to bring the jumble of incompatible systems under a new single set of technical standards.

Recife, Brazil, TV station on Ch. 2 has increased its ERP to 110 kw, installing about $700,000 worth of Marconi equipment. Owned by Empresa Jornal do Comercio S.A., it has a new 18-kw transmitter, seven 4½-in. image-orthicon cameras and a 3-camera remote truck with microwave.

Televicentro de Guadalajara has been opened in Mexico's 2nd biggest city by Telesistema Mexicano. Although Telesistema currently has only one channel in Guadalajara, its studios are big enough to accommodate future stations.

West Germany's licensed TVs had increased to 4,075,536 by the end of first-half 1960; radios, 15,706,000.

OCT 3 1960

WEEKLY **Television Digest**

OCTOBER 3, 1960 © 1960 TRIANGLE PUBLICATIONS, INC. NAB LIBRARY VOL. 16: No. 40

The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Stations

GOV. COLLINS NEARS NAB PRESIDENCY. Board scheduled to pass on his nomination & contract in special Oct. 10 Washington meeting (p. 1).

BUMPER CROP OF NEW STARTERS announced this week consists of 3 new U.S. outlets (including one educational uhf) and 2 Canadian stations (p. 9).

SPOT GAINS 9.7% in 1960's 2nd quarter as spending rises to $160.6 million, reports TvB. Top 100 spot advertisers (p. 10).

COCKTAILS VS. CODE is major topic on agenda of NAB Code Review Board, as WPIX N.Y. agrees to delay Holland House spots, pending board study (p. 10).

CANADA REJECTS COLOR, BBG ruling that "time has not yet come," in view of slow progress in U.S. (p. 11).

FCC

"KEEP FCC TIGHT REIN ON DROP-INS," industry tells FCC in comments on short-spaced "interim plan" for major markets (pp. 2 & 4).

GROUND RULES FOR OCT. 24-28 PAY-TV HEARING are laid down by FCC. Parties urged to condense presentations (pp. 3 & 5).

SHORT-HAUL LICENSES, less than 3 years, permitted under new rules. Effect is to publicize stations' "probationary" status (p. 5).

Programming

GREAT DEBATE proves a great TV victory; draws 75 million audience for Nixon-Kennedy clash (pp. 2 & 6).

Auxiliary Services

REDIFFUSION PLANS CANADIAN PAY-TV, according to sources in Sault Ste. Marie, Ont., site of proposed 9-channel combination of CATV & pay-TV (p. 3).

Consumer Electronics

TV-RADIO IMPORTER directory lists 65 principal importers & distributors of Japanese transistor radios & TV (pp. 14 & 16).

TV SALES OF 6.2 MILLION at retail still strong possibility—down from last spring's predictions, but healthy improvement over 1959 (p. 14).

JAPANESE TV MARKET-TEST due this week as Liberty Music begins N.Y. promotion on Delmonico sets at $159.95. Gimbel's sells out 8-in. sets at $99, wants more (p. 15).

A JAPANESE LOOKS AT COLOR TV, notes prices & quantities of local production, forecasts export of color chassis because of "low labor cost" (p. 17).

Film & Tape

FCC HOLDING PRE-HEARING conferences in Hollywood. Witness list announced for study of network operations (p. 8).

Advertising

JULY NATIONAL AD VOLUME increased 6% over July 1959, paced by way-out gains of network radio (27%) & network TV (21%) (p. 12).

Finance

AB-PT SEES RECORD sales & earnings for 1960, with 40% profit increase in 3rd quarter. Goldenson predicts network gross will double in 5 years (p. 19).

Other Departments

FOREIGN (p. 11). **EDUCATIONAL TV** (p. 12). **PERSONALS** (p. 13). **TECHNOLOGY** (p. 13). **AUXILIARY SERVICES** (p. 13).

GOV. COLLINS NEARS NAB PRESIDENCY: Fla. Gov. LeRoy Collins is set to become next pres. of NAB (Vol. 16:39 p1) unless serious opposition suddenly develops—but none is in sight. It's understood that special board meeting in Washington Oct. 10 has been called to act on Selection Committee's choice.

Committee finally confirmed that "it has completed tentative arrangements for the employment of a successor to the late NAB Pres. Harold E. Fellows." However, the group, headed by C. Howard Lane, KOIN-TV Portland, Ore., said it wouldn't disclose selectee's identity "until after a contract is negotiated and until after the board of directors is called into a special meeting to pass on the nomination & the contract."

Collins would be available for job after Jan. 3 when his term expires. Under Fla. law, he is prohibited against succeeding himself. He has plenty of big-salaried private-industry offers, wouldn't suffer if by some chance NAB position falls through.

Collins is a lawyer, received LL.B. from Cumberland U. in 1931, served in Fla. legislature 1934-40, in Fla. Senate 1940-54, has been Governor since 1955. After predecessor died in office, he was elected to fill the unexpired term, re-elected in 1956. During World War II, he served as a Navy lieut. He belongs to Masons, Elks, Odd Fellows, Woodmen of the World. He has one son, 3 daughters: LeRoy Jr., 26, Naval Academy graduate now a lieut. j.g. on active duty; Jane, 22; Mary Call, 18; Darby, 10.

'KEEP TIGHT REIN ON DROP-INS,' INDUSTRY TELLS FCC: Major comments on FCC's proposed "interim plan" for short-spaced vhf drop-ins to add 3rd channel to important markets (Vol. 16:2 p1) go along with Commission's ideas—but virtually all fear letting it get out of hand.

There's substantial agreement that dozen or so top markets need at least another channel (for details, see p. 4), but there's almost complete agreement at holding line on those specific markets. Many of those filing identified the markets, and most selected same ones.

Very few went for those proposed changes in rules & standards not needed for the "interim plan." They couldn't see why Commission included new propagation curves, changes in coverage definitions, etc. in the same proceeding. There were strenuous objections, particularly, to proposal to cut adjacent-channel spacings from 60 to 40 miles and to allow 20-db suppression for directionals. Keep 60 miles, they said, and limit DAs to 15 db.

Commission staff now digs into mound of documents, will take weeks if not months to digest it.

'GREAT DEBATE' PROVES A GREAT TV VICTORY: Technique of Presidential politicking may have been permanently altered Sept. 26 with a single 60-min. telecast—the 3-network TV-radio debate between Vice President Richard Nixon & Sen. John Kennedy. Debate was a success, and we'll see more.

Newspapers generally dislike crediting TV with generating national news, apart from star hassles & quiz scandals. But newspapers universally devoted front pages to coverage, plus many inside columns of analysis. Politicians everywhere, of all ranks, were aware that new force was at work. And so was U.S. TV-watching population.

Huge audience of 30 million homes was estimated by American Research Bureau, on basis of its 7-times-yearly special "National Arbitron" panel (Arbitron homes in 7 cities plus phone survey in other areas). Show reached nearly 75 million viewers, plus radio's listeners.

Networks didn't split the audience evenly, although identical show was being carried. Final ARB results for 9:30-10:30 p.m. debate period gave audience-share edge to CBS, then NBC and ABC. The figures: CBS—39.7% share, 12.3 million homes. NBC—34.9% share, 10.8 million homes. ABC—20.6% share, 6.1 million. Some of CBS-TV's lead may have been due to fact that it had scheduled to follow, immediately after the debate, more politics—Westinghouse-sponsored Presidential Countdown show with Lyndon B. Johnson as guest. This pulled 18.1 Arbitron national rating and 35.7% share to out-rate Jackpot Bowling on NBC (11.2 rating; 21.5% share) and Amateur Hour on ABC (6.3 rating; 11.9% share). Countdown, originally something of a giveaway to Westinghouse by CBS, has proved a real audience attraction since lifting of Sec. 315.

Set usage was boosted sharply by the debate. As clocked by Nielsen Instantaneous Audimeter Panel in N.Y., percentage of homes then using TV in country's biggest TV market was 72, as compared with 52 for previous week—a 20-point jump which Nielsen called "quite unusual." Viewers also tended to stick to the show, once they'd tuned in. Average N.Y. family watching the debate tuned for 53 min. to the 60-min. show.

Not everybody, of course, watched Nixon-Kennedy duel. In N.Y., with 3 channels airing debate and 4 independents going their own way, network o&o's bagged 76% of available audience, independents got 24%. (WNEW-TV, however, carried debate the following afternoon for those who missed it, and radio WMGM was the first independent outlet to ask the networks for a Mon.-night feed.)

Almost everyone had something to say about the debates, and most said it, often in print (see p. 6). As expected, network leaders hailed debate as major broadcasting milestone. Columnists & pundits held various views re long-range effect on election & future campaigns. Viewing public, as sampled in surveys, indicated it liked the show, wanted more.

Second TV-radio debate will be staged Fri., Oct. 7 on all networks. It'll be news panel interview by 4 reporters (2 TV-radio; 2 print) with NBC's Frank McGee as moderator. Interestingly, rival Presidential running mates, Johnson & Lodge, are now scheduled for a TV conflict—of networks. Sen. Lyndon Johnson will be interviewed on Meet the Press Oct. 9 (NBC-TV, 6-6:30 p.m.) at same moment Henry Cabot Lodge faces CBS-TV cameras on Face the Nation.

Latest estimate of what 4 debate shows will cost 3 networks in terms of pre-empted time, production costs, travel expenses & facilities for newsmen: $2,500,000.

GROUND RULES FOR OCT. 24-28 PAY-TV HEARING: FCC's plans for a hearing on proposed RKO-Zenith Hartford 3-year pay-TV test were finally announced last week. They were much as reported (Vol. 16:39 p2), except that Commission decided to label it a "Sec. 309" proceeding. This is designed to preclude a subsequent protest, which could mean a much longer hearing. Actually, lawyers argue both ways on whether a protest will stand up.

It will be a 5-day affair Oct. 24-28, FCC said. At least, that's its intention—and parties will reap much ill will from the Commission if they try to drag it on much beyond that. All 7 Commissioners will hear it. FCC counsel will be Louis C. Stephens, asst. chief of Rules & Standards Div. The issues are as previously reported, with full text on p. 5.

FCC's order specifically allows "full participation" to RKO-Zenith & its opponents—Conn. Committee Against Pay TV and 5 Hartford area theater owners. Commission rejected Joint Committee Against Toll TV, noting that area's exhibitors have already been allowed in. It will open door, it said, to anyone else who can show that his interests would be "directly & substantially" affected by the test. Throughout its report, however, Commission urged all parties with similar interests to consolidate their cases.

All parties who want to join hearing must notify Commission by Oct. 10. Cross-examination will be allowed "by counsel for persons or groups of persons found to have standing, as of right, to be heard . . ."

FCC summarized reasons for ordering hearing as follows: "The Commission shares the awareness of the television industry, the Congress and the public, of the great importance of the basic issues raised by proposals that a charge be imposed on the general public for the reception of television programs. At each stage of our consideration of the matter great care has been taken to assay the claims, on the one hand, that subscription television would significantly enhance the selection of program matter available to the public under the present system and on the other hand, the fears of opponents that a subscription television service would not significantly supplement, but rather would impair the 'free' service now available. In no circumstances would the Commission consider approval of subscription television on a trial basis or any other basis if it were shown that the rendition of subscription television services would—as has been asserted by opponents—black out free television or reduce it to a negligible service. As heretofore in the course of our 8-year-long examination of the proposals for subscription television service, we desire to give the closest scrutiny to any possibility that any subscription television authorization might have this or any other substantially adverse effect upon the public interest."

In Hartford, Zenith public relations chief Ted Leitzell told Sept. 26 Rotary Club meeting: "We don't believe subscription TV will put [movie exhibitors] out of business." Only a test will determine impact, he said. He said that program fare would include movies such as "Spartacus," "Ice Palace," and "From the Terrace"—plus "hit Broadway plays, presented while they are still new & fresh, complete & uncut and with the original cast; full-length grand opera, ballet, symphony concerts with the full orchestra; and sports events such as the recent Patterson & Johannson fight which was not even available here in Hartford theaters." And, he stressed, "without commercials."

REDIFFUSION PLANS CANADIAN PAY TV: A fed-from-U.S. pay-TV system is on horizon for small border town of Sault Ste. Marie, Ont. According to local sources there, owner of new system—which plans to combine pay TV and CATV in a 9-channel service—is Britain's Rediffusion, the worldwide concern active in wired radio, CATV and program production for British commercial channels.

Cable has already been strung from U.S. into the town, we've learned. However, plan for new system wasn't Rediffusion's from start. The British concern came in as late starter as result of neat promotion stunt by Toronto businessman Ray Harnett. Harnett took a full-page ad in Sault Ste. Marie "Daily Star" Sept. 17 to announce that town would soon receive 3-channel pay-TV service called Charge-a-Vision.

Ad promised that new system would operate much like Famous Players-Telemeter in Toronto, but with meter attachment & monthly bill rather than coin-in-slot. Ad gave address (Harnett's) in Toronto as "1600 Islington Ave. North, Rexdale, Toronto." (When we checked, Toronto operator reported no phone for Charge-a-Vision at that address.) Harnett sent glossy copies of ad to "several" concerns interested in pay TV, including Telemeter (which ignored it) and Rediffusion—which moved in to make the deal with Charge-a-Vision. Among Harnett's previous activities has been a drive-in movie called "Atomic Theater."

Rediffusion has expanded original plan to add CATV service as well from U.S. and Canadian free-TV sources. Currently, Sault Ste. Marie is served only by CJIC-TV, which relies on CBC & CBC-relayed U.S. shows. CJIC-TV mgr. R. H. Ramsay told us that he'd written, out of curiosity, to Charge-a-Vision's Toronto address, but received no answer.

ADMAN BITES MAD. (Ave.) DOG: Network programming is falling into mediocre formula patterns because major ad agencies are too busy playing the rating-numbers game and giving little thought to the quality of what's attracting the audience. So charged senior TV-radio vp Arthur E. Duram of Fuller & Smith & Ross agency (1960 billings: about $45 million) last week, nipping neatly at pet program theories long held by many of his agency contemporaries. FSR's only TV show is Alcoa Presents.

Although nighttime shows are originally bought more by networks than by agencies, it is agency viewpoints that cause many shows to be "forced down the throats of sponsors & the nation's viewers by the giant TV ad agencies," declared Duram. "The TV establishment has pursued the safe-at-any-price approach to TV and, through its deadly adherence to programming for noses instead of people, has created an image which engulfs us all." Shows Duram likes, in which agencies played no creative role, include Wide Wide World, CBS Reports, Playhouse 90, Omnibus, 20th Century.

Duram's own agency doesn't want to run with the cost-per-1,000 pack, but is seeking "an individual concept of programming providing quality, showmanship and originality" with which to win audiences away from stereotyped fare. Added Duram: "The differences between a show with a high rating & one with an average rating tend to diminish over any 13-week period." (Further views on image-vs.-rating, Vol. 16:38 p3.)

JAN.-SEPT. INDEX DUE: Third edition of our new quarterly index is in final preparation and slated for distribution next week with Vol. 16:41 (Oct. 10) issue of Television Digest. New up-to-minute index supplants previous quarterlies, itemizes 1960 issues 1-through-39 of Television Digest, chronicles all major happenings in broadcast, TV-film and electronics industries during 1960's first 3 quarters.

The FCC

More about

INDUSTRY'S ALLOCATION IDEAS: Engineers & attorneys unloaded a huge volume of material on FCC as they filed comments on the Commission's proposed vhf drop-in plan (see p. 2). It will take the staff many weeks to digest it. Many comments were filed at the last minute, Fri. Sept. 30, and some weren't available yet for our scanning. However, many of the major filings could be inspected & are summarized herewith:

ABC proposed the addition of vhf channels to 14 specific markets, in most cases requiring substandard spacings and/or channel shifts of existing stations: Grand Rapids-Kalamazoo, Ch. 13 or Ch. 11. Louisville, Ch. 6 or Ch. 7. Syracuse, Ch. 12. Johnstown-Altoona, Ch. 8. Rochester, Ch. 13. Birmingham, Ch. 4 or Ch. 8. Raleigh-Durham, Ch. 9. Charlotte, Ch. 6. Providence, Ch. 6. Jacksonville, Ch. 5 or Ch. 10, Wheeling-Steubenville, Ch. 12. Baton Rouge, Ch. 11. Knoxville, Ch. 8. Dayton, Ch. 11.

ABC is much concerned lest litigation over the new channels tie them up for as much as 5 to 8 years, and it suggested procedures designed to preclude legal delays. Among these is a program of "conditional grants," awarding the channels temporarily pending comparative hearings among competitors. If competitors can't agree on a trusteeship, ABC said, existing uhf operators or uhf CP-holders should be given temporary authority to operate. If there are no uhf grantees around, ABC said, the Commission should grant "that proposal which appears least likely to affect the later comparative determination . . ."

ABC went along, generally, with the rest of FCC's proposals—provided that some flexibility is retained to avoid site-selection difficulties and that the adjacent-channel minimum is cut from 60 to 40 miles only for the "interim plan."

Assn. of Maximum Service Telecasters argued that no changes should be made in the existing system. However, it said, if the Commission still believes that short-spaced vhf drop-ins should be authorized, all mileage-cut proposals should be considered simultaneously in a "market preplanning case"—not on a case-by-case basis. Thus, it said, the Commission could open the door and then lock it while it weighs the impact on a national basis.

MST's fundamental argument is that mileage cuts will destroy or degrade rural service without providing a replacement service. MST noted that FCC proposes to require dropped-in stations to protect existing stations to the same degree they'd be protected if both the new & old stations operated at present minimum separations. There's a fallacy in this, MST asserted, because most actual separations are well above the minimum. In Zone I, for example, it said, typical separations are 200 miles instead of the 170 minimum—and this provides rural service that drop-ins would destroy or degrade.

MST also said that there's really no need for the drop-ins because 98% of all TV homes get at least 2 stations, 94% at least 3, 81% at least 4. If directional antennas are allowed, it said, they should be limited to 15-db suppression, rather than the 20-db FCC proposes. It also argued against any change in adjacent-channel separations, principal-city signal requirements, concept of grade A & B coverage, propagation curves.

NBC said that another vhf channel should be dropped into 11 specific markets, each with more than 400,000 population, as follows: Hartford-New Haven-New Britain-Bristol, Ch. 10 & 12 "translators" of about 1-kw & 500 ft.

for the 2 Hartford uhf stations, to serve the southern portion of their market. Providence, Ch. 6. Louisville, Ch. 7. Dayton, Ch. 11. Birmingham, Ch. 8. Rochester, Ch. 13. Syracuse, Ch. 9 & 11, deleting Ch. 8. Grand Rapids-Kalamazoo, Ch. 13. Toledo, Ch. 5. Jacksonville, Ch. 10. Johnstown-Altoona, Ch. 3. No co-channel spacings would be less than 125 miles—except for the "translators."

NBC urged that the foregoing proposals be incorporated in the current allocation proceeding and that the Commission not "establish some general set of conditions which will govern future applications for short-spaced assignments." It said it feared a gradual erosion of the national service if the door is left open.

NBC said that the Hartford uhf stations would be helped by the vhf translators. In Johnstown, it stated, uhf Ward-TV should be given the dropped-in vhf. And, as did ABC, it urged that a "trusteeship" system be worked out to get service going quickly on the new assignments—pending decisions on comparative hearings for them.

The network opposed all other rules changes proposed by the FCC, saying they could produce "lower standards."

Time Inc. stations plumped for maintainance of present adjacent-channel separations—or the equivalent in DA protection—and said that 20-db DA suppression is too great.

WCCO-TV Minneapolis said that adjacent-channel spacing should be increased from 60 to 90 miles, rather than reduced to 40.

CBS Proposes Zone I Changes

CBS said that all markets with more than 70,000 homes should have 3 stations, and it suggested the following drop-ins: Providence, Ch. 6. Louisville, Ch. 7. Dayton, Ch. 11. Rochester, Ch. 13. Birmingham, Ch. 4. Grand Rapids-Kalamazoo, Ch. 13. Jacksonville, Ch. 10. Syracuse, Ch. 11. Altoona-Johnstown, Ch. 3. Knoxville, Ch. 8. Charlotte, Ch. 6. Raleigh-Durham, Ch. 13. The lowest co-channel spacing is 115 miles.

Fearing future case-by-case erosion, CBS urged that the foregoing be wrapped up in one rule-making proceeding—and the door closed. It also suggested that some existing stations or grantees be permitted to move, with substandard spacings, to serve their principal cities better. Examples: Albany, St. Petersburg, Miami & New Orleans. Where a uhf is competing with vhfs, CBS said, it should be given the drop-in.

CBS came up with a recommendation which it said would give Zone I stations protection more nearly comparable with that of Zone II & III stations. The rules should be changed, it said, to assume that Zone I stations operate at 2,000 ft. This would extend Ch. 2-6 stations' protected contours from 44 to 52.5 miles, Ch. 7-13 stations from 46.5 to 53.5 miles. It recommended a 15-db limit on DAs.

Westinghouse Bcstg. Co. also objected to the "open end" concept of drop-ins, urging that the Commission start specific rule-making which would include exact drop-in proposals. It said that this would give FCC the whole picture as of now, "in lieuof speculating on what the ultimate effect may be" of a case-to-case procedure.

WBC said it likes the Commission's proposed propagation curves and its new coverage definitions—"principal city service" & "normal service"—as replacements for "grade A & B. It opposed reduction of the adjacent-channel minimum and it suggested that the Commission follow TASO's recommendations on the use of DAs.

Triangle Stations said it agreed with FCC's proposal to provide 3 competitive services in major markets—provided that adjacent-channel mileages aren't cut and DA suppression is kept to 15 db.

More about

FCC's PAY-TV QUESTIONS: Herewith is the full text of FCC's issues in its Oct. 24-28 hearing on RKO-Zenith's proposed pay-TV test in Hartford (see p. 3):

"(1) Whether the proposed trial operation conforms with all the conditions set out in the 3rd report on subscription television in Docket No. 11279 for the conduct of trial subscription television operations.

"(2) Whether the conduct of the trial subscription television operation proposed at Hartford would deprive viewers of television program services which may otherwise be expected to be available under the established system of television broadcasting without the payment of a direct charge.

"(3) Whether the conduct of the trial subscription television operation proposed at Hartford would adversely affect competition in the television broadcasting industry.

"(4) Whether the conduct of the trial subscription television operation proposed at Hartford would impair the free exercise, by the station licensee, of discretion necessary to the discharge of its responsibility to the public in all respects, including: (a) the selection, rejection, and scheduling of all matter transmitted by the station, and (b) reasonableness of charges & conditions imposed upon subscribing members of the public for the installation, maintenance & use of decoding equipment, and the reception of subscription programs.

"(5) Whether, in the light of the information submitted in the pending application, the findings made & conclusions reached with respect to the foregoing issues, and the objectives of trial subscription television operations as set out in the Commission's first & 3rd reports in Docket No. 11279, the public interest would be served by authorizing the operation as proposed, or as otherwise limited or conditioned."

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Short-haul Licenses: A tighter checkrein on stations is intended by FCC's new rules providing for licenses shorter than the hitherto conventional 3 years. They were adopted last week, following rule-making initiated March 2 (Vol. 16:10 p5). Comrs. Hyde & Craven dissented.

Industry certainly didn't want the new setup, had plumped for licenses of 5 years or longer, but FCC was encouraged to finalize its proposal when Congress included in its amendments to the Communications Act (S-1898) a provision explicitly authorizing the Commission to adopt such a rule.

Practical significance of the new rule is difficult to assess now. It's probably this: If a station gets a license for less than 3 years, an announcement will be made, alerting newspapers & other media to ask why—and tell why (in short, possible adverse publicity to the effect that the station is "on probation").

Up to now, the renewal of a station under a cloud has been permitted to expire without public notice." The station then had continued until FCC gave it a regular renewal. Several years ago, the Commission would announce that a station would be given a "temporary" license in lieu of regular renewal—but this practice had been dropped.

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Addition of Ch. 36 to Milwaukee for educational use has been proposed by FCC at the request of the Milwaukee Board of Vocational & Adult Education which now operates WMVS-TV (Ch. 10).

Programming

More about

VIEWS ON THE GREAT DEBATE: Barring partisan preferences, the U.S. press labeled the Sept. 26 Nixon-Kennedy TV debate a marked historical milestone. Columnists & critics agreed, unanimously, that TV encounters between major political candidates are here to stay. A few adverse comments pointed up shortcomings—avoidable or inherent in the medium—but these were outweighed by the favorable opinion (p. 2).

Network leaders hailed the event as "democracy in action," and all 3 seemed pleased with the way things had worked out. "Should go a long way toward helping the American public make its choice," said AB-PT Pres. Leonard Goldenson. "Things went well. For the first of this type of program, it certainly justified the effort," added CBS Inc. Pres. Dr. Frank Stanton. "These programs should become a permanent part of campaign technique," stated NBC Chmn. Robert Sarnoff. The networks also reiterated gratitude to the govt. for making the encounter possible, without worrying about Sec. 315.

Press Evaluates Debate

Reservations were pointed at the phrase "debate," with several critics believing that the tone was too mild, while others objected to the time limitations imposed on answers & summation. "The trouble was that Nixon & Kennedy were forced by the format to deal with a whole catalogue of complicated national issues in a very few minutes," complained James Reston (*N.Y. Times*). Camera work was both attacked & praised: "The cameras were very hard on Mr. Nixon," thought columnist Walter Lippman. "Camera work never was too restless or flashy, and was restricted chiefly to service full-length or head shots," approved Jack Gould (*N.Y. Times*).

Controversy arose also on how much the TV appearance would influence the campaign. "The first Nixon-Kennedy debate destroyed the crust of apathy that had formed around the campaign," announced Max Lerner in the *N.Y. Post*. On the other hand, "TV will never supplant the campaign handshake," argued William S. White (*N.Y. Journal-American*).

Wall St. Journal, editorial: "The opportunity to draw clear & sharp differences in point of view was not realized. This was in part the fault of the program's format. Those ghostly figures with their backs to the camera were distractions . . . The questions were incredibly bad."

N.Y. Times, editorial: "The candidates were both dignified & solemn, but, in a laudable effort to avoid all personalities, they lost all humor."

Walter Lippman, *N.Y. Herald Tribune*: "The TV confrontation forces a man to speak for himself, not as the product of his ghost writers or public-relations men. TV is a truth machine."

Eleanor Roosevelt: "An extraordinary amount of information was packed into one hour. It was a milestone in TV history—the first time campaigning had been conducted on this level. I look forward with great interest to the three renewals next month of this joint appearance."

Conclusions which would affect the future political discussions between candidates lie in the area of program format. Many felt that the 2 men ought to stop being wary of "images" and turn with more conviction to "issues." Several journalists regretted that Nixon & Kennedy were not able to question each other directly—a suggestion the networks originally made but which was later rejected by the candidates themselves.

POST-1948 SALES DRIVE BEGINS: As a network-level deal between 20th Century-Fox and NBC for a 26-title package of hand-selected post-1948s (Vol. 16:39 p9) firmed up, other feature distributors were warming up their sales campaigns at the local level.

Seven Arts Associated—which is also angling for network sale of big-name features as specials—has begun active syndication sale of its first 40-title package of Warner Bros. post-1948 films. The package includes such viewer drawing cards as Marilyn Monroe ("The Prince & the Showgirl") and John Wayne ("The High & the Mighty"). Seven Arts has steadfastly declined to discuss market pricing, but since the company has guaranteed WB $100,000 per negative plus profit participation, it's rumored to be nearly double the going price for good pre-1948 films.

Screen Gems, having begun exploration of the post-1948 market potential (Vol. 16:37 p7), is now making its first serious sales moves. In a swing away from the older practice (UAA, MGM-TV, etc.) of offering a large group of features in a library deal, Screen Gems is currently market-testing a list of nearly 300 post-1948 Columbia pictures with individual prices per picture. Prices for the N.Y. market, at the high end of the list, are high indeed. A 6-time exposure of any of the top Columbia films in the package ("Caine Mutiny," "On the Waterfront," etc.) will cost a N.Y. outlet $100,000—nearly twice the top prices asked by other distributors in recent seasons, and about 4 times the price of standard feature fare.

Station film buyers are playing it cautiously so far on Hollywood post-1948s movies because a lot of station capital can be tied up suddenly in a big post-1948 picture deal. (The above Screen Gems package, for example, has a total price of over $7 million for the N.Y. market.) One possible future development, according to some observers, is that stations will amend spot rate-cards to call for premium prices on shows relying heavily on post-1948 pictures because of audience increases.

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Second Nixon-Kennedy debate Oct. 7 is being switched from Cleveland to Washington. Reason: Too many newsmen. More than 300, all requiring phone & writing facilities within the studio, will be on hand to cover. So Cleveland vp Frank A. Tooke learned last week. NBC officials & Nixon-Kennedy TV-radio consultants had met with Westinghouse Bcstg. Co. to survey facilities of KYW-TV Cleveland and agreed it would be "completely suitable," technically. But then came the deluge of newsmen's requests. At first, WBC tried to shift the debate to a Cleveland ballroom—but technical facilities there weren't right.

"Volpone," the Ben Jonson classic, seen on NTA's *Play of the Week* on KTVU San Francisco, has incurred the wrath of a women's group. The San Francisco Motion Picture & Television Council filed a protest with FCC, charging the station "is responsible for contributing to the breakdown of American standards of morality, as well as to increasing the already appalling number of juvenile delinquents," because of the telecast. KTVU replied that the classic is "an exposure of greed & moral turpitude," and told MPTC TV Chmn. Mrs. Kenneth C. Wilson: "We regret you find such an outstanding series to be a 'disgusting' offering . . . We have no apologies to make."

"Once again, TV—in this instance the ABC network—has lifted its voice in leadership."—Jack Gould, commenting in the *N.Y. Times* on Bell & Howell's one-hour prime-time documentary on racial bias, "Cast the First Stone."

Suggest Wire Services Watch TV: Newspaper editors have "reason to ponder" TV's impact in the coverage of at least 3 events during the past year, reported the General News Committee of AP Managing Editors Assn. last week.

The events: "(1) The winter Olympics, when intensive TV coverage caught public fancy and caused many editors to increase space allotted to the games. (2) The Khrushchev press conference in Paris following the wrecked summit conference, when most newspaper accounts gave a picture of a dictator gone mad, while the TV tapes shown later made the whole thing appear mostly as a cool & calculated performance on his part. (3) The national political conventions, which gave TV its quadrennial opportunity to cover live a big continuing show."

Added Robert Mason, managing editor of Norfolk *Virginian-Pilot*: "The night's TV viewers become newspaper readers next morning, and they are likely to compare the products of the competing news media, and to pass judgment, while they drink their coffee. There is, I think, a lesson for the AP here . . . I do not know how closely the AP monitors what the TV networks send out. But I feel that the monitoring should be close, and that the writing & editing should reflect it. It will do newspapers no good for readers to believe that newspaper reporters don't know the whole story . . ."

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KTLA Los Angeles newscaster Pat Michaels has been suspended by the station for allegedly sensationalizing his news program. In taking the action, the station told Michaels: "Your manner of presentation has often relied more on innuendo & inference rather than quality . . . It is our intention to engage in a detailed study to determine in our own minds whether your newscasts as recently presented over our facilities can be integrated into the news programming of this station." Said Michaels: "I am shocked & deeply hurt by the action of KTLA over the manner in which notice was given to the press & then to me. This is the first time in 2 years at KTLA that I'd heard any criticism from management of my work or my reports."

Another international TV festival (see Vol. 16:33 p6 re Monte Carlo event) will be inaugurated—this one in N.Y. —during the spring or fall of 1961 under the annual sponsorship of the National Academy of TV Arts & Sciences, NATAS Pres. Harry Ackerman has announced. "International TV is growing to the point where the exchange of live programs among all nations of the world via satellite reflection might be an immediate possibility," he said. The festival will include program competition, presentation of new TV developments, cultural & technical exchange.

NATAS, on another front, said no to producer-writer Rod Serling's proposal for an investigation of the "blacklist." Some reasons: the problem is on the decline and to re-activate it now would be a disservice; should such an investigation be undertaken, it would fall within the province of unions rather than that of NATAS.

WNTA-TV N.Y. did the devil-&-deep-sea bit last week because of its post-1948 blockbuster "All About Eve." After airing the uncut 20th Century-Fox film, Mon.-Fri., during the week of Sept. 19, the station scheduled a trimmed-down, 90-min Sat. & Sun. version. After the edited print went on the air, some 1,000 viewers promptly phoned to protest. Alarmed, WNTA-TV did an about-face and telecast the original version next day—pre-empting the first concert in its *Great Music from Chicago* series. So? Another 1,000 viewer protests—from music lovers—jammed the switchboard.

Irish Says Nets Unsporting: CBS & NBC were blasted last week for abandoning sports events in prime-time TV & radio slots. The criticism came from Madison Sq. Garden Pres. Ned Irish at a TV-Radio Executives Society luncheon in N.Y. "Our sports future will have to be in pay TV, a ready-made program framework for us, since rights fees are sinking so low on free TV," Irish explained. Only ABC received praise for maintaining its nighttime coverage of sports events—particularly ABC's recent 5-year contract with American Football League, guaranteeing rights fees of $205,000 per team.

Excuses for the network's anti-sports attitude, according to Irish (they "regard sporting contests as weekend-afternoon or summertime entertainment only"), include: "low ratings, people-want-Westerns slogans, film is cheaper than live or taped telecasts." Not only can sports draw worthy ratings, stated Irish, pointing to the 34% share of audience which hockey games recently drew on pay TV in Toronto, but they are effective for the advertiser. Backing Irish's view, Sports Programs Inc. Pres. Edgar Sherick added: "There is no better way to reach a mass male audience than with the history-in-the-making excitement of live sportscasts."

Networks

Formal dedication of Proartel—the production company recently formed by CBS-TV stations div. and Latin-American broadcaster Goar Mestre (Vol. 16:24 p7)—took place in Buenos Aires, Argentina Oct. 1. Proartel has begun producing live, film and tape programs for govt.-controlled Rio de la Plata (Ch. 13) and for syndication to additional TV stations in Spanish-speaking areas.

NETWORK SALES ACTIVITY

ABC-TV

Bugs Bunny, Tue. 7:30-8 p.m., part. eff. Oct. 18.
Colgate-Palmolive (Ted Bates)

Championship Bridge, Sun. 3-3:30 p.m., part. eff. Nov.
West Bend Aluminum (Western)

Walt Disney Presents, Sun. 6:30-7:30 p.m., part. eff. Oct. 2.
Canada Dry (J. M. Mathes)

NBC-TV

Victory at Sea, Thu. Dec. 29, 9:30-11 p.m., full sponsorship one-time special.
Procter & Gamble (Benton & Bowles)

Bowling Stars, Sat. 4:30-5 p.m., full sponsorship eff. Oct. 15.
General Mills (Knox Reeves)

NBC News Day Report, Mon.-Fri. 12:55-1 p.m., full sponsorship eff. Oct. 3.
General Mills (Knox Reeves)

Captain Gallant, Sat. 5-5:30 p.m., (re-run series) full sponsorship eff. Oct. 1.
General Mills (Dancer-Fitzgerald-Sample)

World Series Spotlight, 15 min. before game time, co-sponsorship eff. Oct. 5.
General Mills (Knox Reeves)
American Tobacco (SSC&B)

Peter Pan, Thu. Dec. 8, full sponsorship one-time special.
Revlon (Grey)

Riverboat, Mon. 7:30-8:30 p.m.; **Laramie**, Tue. 7:30-8:30 p.m.; **Outlaws**, Thu. 7:30-8:30 p.m.; **Dan Raven**, Fri. 7:30-8:30 p.m.; **The Westerner**, Fri. 8:30-9 p.m., part. all eff. Oct.
Simoniz (Dancer-Fitzgerald-Sample)

Film & Tape

FCC Holding Pre-Hearings: Hollywood TV film executives were being quizzed last week on the ramifications of their operations, in conferences being conducted by FCC attorneys Ashbrook Bryant & James Tierney. This is prelude to next week's public hearing in Los Angeles for the film-producer phase of the Commission's investigation of network practices (Vol. 16:39 p6). Executives questioned told us they have been asked to explain how they sell film shows, how much they cost, how long it takes to film a show, their joint ventures with network, their partners, and relations with sponsors. Remarked one: "It looks to me like they're investigating the whole film business."

The film-producer witness list for FCC's hearing, starting in the Los Angeles U.S. Court of Appeals courtroom Oct. 10, was released by the Commission last week as follows: William T. Orr, Warner Bros.; William Dozier, Screen Gems; Peter G. Levathes, 20th Century-Fox; James A. Schulke, Paramount; George Shupert, MGM; Frank Cooper, Frank Cooper Associates; Taft Schreiber, Revue Productions; Dick Powell, Four Star Films; Ozzie Nelson, Stage 5 Productions; Don W. Sharpe, Don W. Sharpe Enterprises; Don Fedderson, Don Fedderson Productions; Desi Arnaz, Desilu; Loretta Young, Toreto Films.

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Questions for Anti-Payola Law: The TV film industry did not consider itself involved in the TV-radio scandals which brought about the anti-payola bill. Nevertheless it is trying to comply with the measure, although Hollywood believes it is unfairly being connected with payola.

Industry leaders made this point to the FCC staff in Washington while discussing the measure as it applies to film (Vol. 16:39 p6). "They were sympathetic to our situation, and we had a worthwhile meeting," one executive told us. The FCC staffers wanted to know the industry's objections and to discuss legal ramifications.

Meeting under the aegis of the Alliance of Television Film Producers, Hollywood executives were told last week about the Washington briefings. Among questions asked by producers: "Does the bill, which became law Sept. 13, apply to films produced before that date & shown after?"

"To what lengths must we go to ferret out payola?"

"What if someone in a prop shop is receiving favors without the producer's knowledge? Is that payola?"

"To what extent are various types of cut-rate deals (such as given by resort hotels if a company locations there) subject to the new law?"

"If local authorities give help, must there be a credit line such as 'These motorcycles are supplied by courtesy of the San Francisco Police Dept.'?"

"Is it payola if a producer drives for his personal use a car given as a prop in a film?"

These & other questions will aid the FCC staff to produce the regulations, expected in 6-to-8 weeks.

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Settlement of an 8-year-old feud between Screen Actors Guild & movie producer Robert L. Lippert (over post-1948 movies which Lippert sold to TV in 1952 without paying SAG) was reached last week. Lippert comes off the Guild's "unfair" list and pays approximately $35,000 into the Guild's pension & welfare funds in lieu of payments on the post-1948s. This follows the pattern established in the recent Guild contract with the major movie studios. Lippert, following the formula, will also pay into the Guild's p&w funds for any post-Jan. 31, 1960 movies.

HOLLYWOOD ROUNDUP

Extra Dividends for Talent: Success in TV has been opening the door to rich rewards in other media for those who make it big as video writers, actors, producers and directors. It is creating new careers for some, reviving old ones for others. Here's a quick & partial list of some who are adding new show-biz luster to their names:

Writers: Paddy Chayefsky, Gore Vidal, Rod Serling and Arthur Penn have all parlayed TV reputations into new careers as movie and/or Broadway writers and/or producers.

Actors: Movie stardom has beckoned to TV-made Paul Newman, Joanne Woodward, Eva Marie Saint, Natalie Wood and the late James Dean. Comedienne Lucille Ball will star in a forthcoming Broadway musical.

Directors: Hollywood has siphoned off such TV-trained directors as Blake Edwards, Don Siegel, Delbert Mann, Daniel Petrie and the producer-director team of Dorrell & Stuart McGowan.

Producers: Martin Manulis and David Susskind have won Hollywood invitations to produce for the movies. Fred Coe has moved into Broadway productions.

Entrepreneurs: Actors Dick Powell, David Niven and Charles Boyer revived slackening film careers by pooling their thespian & business talents to form highly successful Four Star Productions.

Composers: Henry Mancini, composer of theme songs for *Peter Gunn* and *Mr. Lucky*, is now in demand at the major movie studios.

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Revue Studios has sold 26 episodes of a comedy series, *Ichabod*, to CBS-TV which plans it for a 1961 start. The series will be produced at Revue by Kayro Co.'s Joe Connelly and Bob Mosher. It was created by George Chandler and George Tibbles.

Warner Bros. will produce a movie, *Las Vegas*, to serve as the basis for a 1961 ABC-TV series. Jules Schermer will produce the film in Las Vegas in cooperation with law enforcement agencies & resort hotels.

International Video Tape Recording & Production Inc. is launching its first $350,000 video-tape Liner, equipped with 4 new 4½-inch image orthicon British Marconi TV cameras and 2 inter-sinc equipped compact Ampex Videotape recorders.

Four Star Television has resumed production on its *Peter Loves Mary* series starring Peter Lind Hayes & Mary Healy. It has also signed Format Films Inc. to produce a half-hour animated series, *The Shrimp*, created by Four Star producer Sy Gomberg.

Screen Actors Guild board has named Chuck Connors as alternate board member, substituting for Charlton Heston, who will be out of town for 6 months.

People: Maxwell Shane and William Frye join Fletcher Markle as producers of Hubbell Robinson's *Thriller* . . . Martin Leeds, Desilu Productions exec. vp, has left the company following settlement of his contract. Leeds is taking a brief vacation, then will decide on several offers . . . Herb Eiseman has resigned as head of Desilu's music dept. to become exec. vp of Omar Music. However, he will continue to direct Desilu music activities as part of his job at Omar . . . Joe Craimer has been named business-affairs dir. at Paramount Television.

NEW YORK ROUNDUP

AFTRA made strong talent demands upon 60 top officials from TV & radio networks, ad agencies, the 4A, ANA and film producers in a lengthy N.Y. meeting late last week. The AFTRA presentation ran 33 pages. The demands, all attempting to modify present codes & contracts, included TV & radio commercials, radio transcriptions, talent scales for both U.S. & international usage. One major change was suggested in the area of commercial rate structure—a breakdown of scales according to city size. No official reaction was reported from networks. A follow-up meeting, scheduled for next week (Oct. 11), will include AFTRA's West Coast & Chicago branches. "This is the first time AFTRA & SAG will sit on the same side of the fence," commented one AFTRA official.

Video-tape leader standards recommended by SMPTE to the American Standards Assn. in July were approved by NAB's Tape Advisory Committee last week. The group is responsible for operational standards; the SMPTE group develops technical standards. Also discussed, but without final decision: standard terminology, physical marking & identification, form of identifying slate preceding program material, specifications for exact timing of commercials, use of operable reels in trans-shipping. Chmn. of the NAB committee is Willard A. Michaels, WJBK-TV Detroit.

Rocky Marciano will star in his first TV series, a 30-min. boxing show, *Main Event*, to be syndicated by Programs for TV Inc. The ex-heavyweight champ will host excerpts from major Madison Sq. Garden fights from 1950 to the present. Forthcoming star boxing events will also be incorporated along with feature interviews. Premiere episode will present Marciano's last fight in 1955, and Jerry Lewis will be guest star. PTI exec. vp Everett Rosenthal will produce the series.

Columbia Pictures has assigned a package of 21 features, filmed in overseas co-production deals, to independent N.Y. film importer Jay H. Cipes for TV distribution. Most of the films—made in such countries as France, Brazil and Germany—will be English-dubbed by Cipes. Screen Gems, which ordinarily distributes Columbia features in TV, is not in the deal; Columbia believes selling strictly-foreign features is a specialized operation. For other news of Screen Gems feature deals, see p. 6).

Trans-Lux launched its newest 5-min. series, *Rube Goldberg Inventions*, with trade & consumer full-page advertising last week. The part-live part-animated series will get the same promotion treatment given to T-L's earlier 5-min. children's series *Felix the Cat*.

Add syndication sales: Independent TV Corp.'s *Best of the Post* is now in 107 markets . . . Ziv-UA's first-run *Lock Up* added 3 more markets last week to total 191.

People: Peter A. Griffith has been appointed a Trans-film-Caravel vp . . . Arthur Greenfield has been named Screen Gems North-Central area mgr. of syndication sales force . . . Kurt Blumberg has joined Robert Lawrence Productions as sales vp . . . Frank Brill has been named MCA-TV film-syndication vp . . . Donna Reed has been appointed chmn. of the TV committee for American Education Week (Nov. 6-12) . . . Carl Lindemann Jr. has been appointed Cal. National Productions program vp.

Stations

NEW & UPCOMING STATIONS: This issue reports a bumper crop of new starters—3 U.S. & 2 Canadian outlets. The new U.S. stations are: KCBY-TV (Ch. 11) Coos Bay, Ore., which began Oct. 1 as semi-satellite of parent NBC-TV affiliate KVAL-TV (Ch. 13) Eugene, Ore. Non-commercial KWCS-TV (Ch. 18) Ogden, Utah, which begins this week. KEYC-TV (Ch. 12) Mankato, Minn., which also begins this week (Oct. 5) with World Series on NBC-TV. The Canadian starters are CHSA-TV (Ch. 2) Lloydminster, Alta., which began Sept. 25 and CBC's CKAM-TV (Ch. 12) Campbellton, N.B., which began Sept. 27 as satellite of parent CKCW-TV (Ch. 2) Moncton, N.B. The new outlets raise the U.S. on-air box score to 575 (90 uhf), including 51 non-commercial stations (15 uhf). The Canadian on-air total now stands at 73 outlets.

KCBY-TV has a 2-kw RCA transmitter and a 200-ft. Fisher tower. Owner is Eugene Television, headed by Pres. Robert P. Booth and gen. mgr. S. W. McCready, who operate parent KVAL-TV Eugene. Milton Lindley, from KPIC (Ch. 4) Roseburg, Ore. (KVAL-TV satellite), is resident mgr.; Glenn McCready, ex-KPIC, resident engineer. Base hour will be $150. Rep will be Hollingbery.

KWCS-TV has a 1-kw RCA transmitter and Deale Electric antenna on a 112-ft. Stainless tower in its studio-transmitter plant at 1122 Washington Blvd. Owner is Weber County School Dist. Coming from school district's closed-circuit operation are station dir. John A. Larson & engineer Norman Barber.

KEYC-TV has a 25-kw RCA amplifier with an 11-kw driver and 1,040-ft. Kimco tower with RCA traveling wave antenna in Lewisville, Minn. Studios are on Lee Blvd. in North Mankato. Principal owners & officers are Lee Radio Inc. (KGLO-TV, Mason City, Ia.), 70%; radio KNUJ New Ulm, Minn., 10%; Lee P. Loomis (pres., Lee Radio), chmn., 2.5%; Herbert R. Ohrt (exec. vp of Lee Radio), pres., 5%; Walter K. Mickelson, vp, 5%. Bob Gardner, ex-Las Vegas TV stations, is station mgr.; Hap Halligan, ex-KGLO-TV Mason City, sales mgr.; Bob Cavanaugh, ex-KGLO-TV, program dir.; Don Borchert, ex-KGLO-TV, chief engineer. Base hour is $300. Rep is Branham.

CHSA-TV, on Alberta-Saskatchewan border, has a 5-kw Canadian GE transmitter and 605-ft. Micro tower 8 mi. N of Lloydminster. Studios & offices are at 5036 50th St. It's getting ready to make application for TV satellites in North Brattleford, Sask., and at Cold Lake Air Base. Principal owner is Lloydminster radio CKSA. Coming from CKSA are Arthur F. Shortell, pres. & gen. mgr.; Peter J. Edwards, station & national sales mgr.; Peter Robertson, chief engineer. Programming is by kines, pending completion of a microwave link with Edmonton, Alta. Base hour is $175. Reps are Devney-O'Connell, Jos. A. Hardy (Montreal & Toronto), A. J. Messner (central Canada) and Scharf Broadcast Sales (Pacific Coast).

CKAM-TV has an 11-kw RCA transmitter at Upsalquitch, N.B., but won't have its own studios until late in 1961. CBC is operating satellite as unattended automatic repeater, which picks up programs via microwave link with CKCW-TV Moncton. CKCW-TV base hour is $400. Reps are Young Canadian and Stovin-Byles.

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Assignment of Ch. 4 to Superior, Neb. is sought in a rule-making petition filed by KHOL-TV Kearney, Neb.

SPOT GAINS 9.7% IN 2ND QUARTER: No matter how you measure it, spot TV piled up marked gains in 1960's 2nd quarter, TvB noted last week in a report based on a 334-station checkup compiled with N.C. Rorabaugh.

TvB announced at the same time that the quarterly report introduced "a major modification in both the nature of information secured from reporting stations & in the expenditure estimating." The new system divides the broadcast day into 4 parts (day, early evening, prime night, late night) vs. 3 (day, night, late night) previously used. This new division is expected to produce more detailed & precise measurement data. It also reduces the total for estimated expenditures by switching some business to lower card-rate categories.

Under the new 4-part measuring system, 2nd-quarter spot-TV spending totaled $160,648,000. Under the previous procedure, the figure would total $174,245,000—or 9.7% ahead of the $158.9 million posted in 2nd-quarter 1959. The $174.2-million volume also compares with the $167 million posted in 1960's first quarter—the last period to be charted under the 3-part measuring system.

The bulk of the spot-TV spending (33.7% or $54,155,000) was poured into prime-night schedules. Runners-up: day, 28.9% ($46,392,000); late night, 20.5% ($32,892,000); early evening, 16.9% ($27,209,000).

More than three-fourths of the spot activity (75.4% or $121,168,000) was in the form of announcements. Programs accounted for 13.9% ($22,382,000) of the 2nd-quarter spot volume. IDs took 10.7% ($17,098,000).

Food & grocery products, with total gross billings of $41,402,000, led all product classifications in spot spending. (TV & radio sets got only $28,000 in spot ads.) Procter & Gamble topped all advertisers during the quarter with a spot investment of $15,198,900.

There were 4 newcomers to the list of the top 100 spot spenders (see table opposite): American Motors ($431,800), Chun King Sales ($412,100), Miller Brewing ($386,700) and Union Carbide ($435,000).

* * *

Auto spending will rise 25% in network & spot TV during the remainder of 1960, predicts TvB, with time-&-talent topping $75 million for the year. First-half 1960 figures showed network gross time auto billings as $22,228,114 against $19,196,000 in the like period last year, a 16% gain. Spot billings jumped 98% from $4,830,000 to $9,552,000 during the same period.

COCKTAILS VS. CODE: Another climax in the life of NAB's TV Code comes Oct. 4 when the Review Board meets in Washington to consider Holland House cocktail-mix spots scheduled by WPIX N.Y. (Vol. 16:39 p12). Code subscriber WPIX was commended by Review Board Chmn. E. K. Hartenbower for agreeing to hold off running the spots pending Board study. The commercials had been scheduled to start Sept. 25.

Hartenbower was concerned, NAB said, "that the taped commercial did not follow the spirit & intent of the Code & long-standing copy approaches in this classification." NAB noted that the commercial shows "the actual mixing of a whisky sour from a prepared mix & liquor."

WPIX vp-gen. mgr. Fred Thrower said the station has "certain reservations" about the Code Office's position, but "we believe in self-regulation for our industry, and since we signed up as a Code member station, we intend to fulfill our responsibilities."

100 Largest TV-Spot Advertisers of 1960's 2nd Quarter

Gross time costs only, as estimated by Television Bureau of Advertising (TvB) in cooperation with N.C. Rorabaugh Co.

Rank	Advertisers	Amount	Rank	Advertisers	Amount
1.	Procter & Gamble	$15,198,900	51.	Theo. Hamm	$604,200
2.	General Foods	5,476,300	52.	Welch Grape Juice	600,500
3.	Lever Brothers	4,779,200	53.	Drug Research	598,200
4.	Lestoil Products	2,885,400	54.	Norwich Pharm.	577,100
5.	Colgate-Palmolive	2,783,600	55.	Sun Oil	562,700
6.	Amer. Home Prod.	2,591,200	56.	Chrysler	553,200
7.	P. Lorillard	2,315,000	57.	Texize Chemicals	545,800
8.	Bristol-Myers	2,209,900	58.	Andrew Jergens	535,800
9.	Wm. Wrigley Jr.	2,076,100	59.	Swift & Co.	525,700
10.	Standard Brands	1,743,000	60.	Stand. Oil of Cal.	515,300
11.	Wesson Oil	1,564,700	61.	Sterling Drug	514,700
12.	American Tobacco	1,523,000	62.	Phillips Petroleum	510,800
13.	Brown & Williams'n	1,492,400	63.	Vic Tanny	487,600
14.	Miles Labs.	1,408,000	64.	National Biscuit	487,400
15.	Minute Maid	1,401,800	65.	Burgermei'r Brew.	485,000
16.	Kellogg	1,388,100	66.	Fels & Co.	477,500
17.	Ford	1,316,300	67.	Maybelline	461,800
18.	General Motors	1,312,500	68.	Schaefer Brewing	457,400
19.	Nestle	1,285,300	69.	Alberto-Culver	452,600
20.	Revlon	1,239,600	70.	Associated Prod.	450,800
21.	Corn Products	1,153,400	71.	Helena Rubinstein	442,800
22.	Atlantis Sales	1,151,600	72.	Atlantic Refining	440,500
23.	Gillette	1,082,900	73.	Pacific Tel. & Tel.	439,300
24.	Warner-Lambert	1,078,800	74.	U. S. Rubber	439,200
25.	Anheuser-Busch	1,078,000	75.	Union Carbide	435,000
26.	Philip Morris	1,044,000	76.	American Motors	431,800
27.	Simoniz	1,036,300	77.	Piel Bros.	429,200
28.	Mennen	1,031,500	78.	Parker Pen	429,100
29.	Inter. Latex	1,004,500	79.	Texaco	424,700
30.	Coca-Cola	985,400	80.	United Fruit	419,500
31.	J. A. Folger	917,700	81.	B'ch-Nut Life Sav.	413,500
32.	S. C. Johnson	900,700	82.	Chun King Sales	412,100
33.	Pabst Brewing	898,300	83.	A & P	410,800
34.	Food Mfrs.	895,200	84.	Minnesota Mining	410,300
35.	Continental Baking	886,400	85.	E. F. Drew Co.	406,600
36.	Pepsi-Cola	880,300	86.	Schlitz Brewing	403,700
37.	R. J. Reynolds	857,700	87.	Hertz	403,300
38.	Avon Products	843,000	88.	Stand. Oil of Ind.	402,900
39.	General Mills	814,300	89.	Hudson P. & P.	401,400
40.	Esso	733,800	90.	Pepperidge Farms	400,500
41.	Carling Brewing	708,700	91.	Pharma-Craft	400,200
42.	United Merchants	652,100	92.	Gallo Winery	394,500
43.	Max Factor	652,100	93.	Lanolin Plus	391,600
44.	Tidewater Oil	651,800	94.	Miller Brewing	386,700
45.	U. S. Borax	651,100	95.	Safeway Stores	372,800
45.	Consolidated Cigar	649,800	96.	Carnation Co.	370,100
47.	Shell Oil	646,100	97.	American Sugar	366,000
48.	Falstaff Brewing	635,500	98.	B. C. Remedy	362,500
49.	Carter Products	633,300	99.	P. Ballantine	356,400
50.	Mobil Oil	615,300	100.	Hills Bros. Coffee	354,000

Philco must have a crack at Ch. 3 Philadelphia in a comparative hearing with NBC on the renewal of its license for WRCV-TV, Philco urged last week in a pleading with the Commission. RKO General, which is swapping its Boston stations with NBC's Philadelphia outlets, had argued that the Commission is obligated to act on the transfers first. In a 33-page brief, Philco stated why a hearing should be conducted to determine whether NBC is entitled to a license which it can transfer to RKO General.

Operation of both uhf & vhf in Eau Claire, Wis., sought by WEAU-TV which operates Ch. 13 there, has been opposed by Chippewa Cable Co., owner of a CATV system in Chippewa Falls. It informed the FCC that it plans to file for Ch. 25, as did WEAU-TV. WEAU-TV responded by saying that it has no objection if the CATV system is sincere; suggested therefore that the Commission require Chippewa to apply for Ch. 25 within 30 days and build within "a reasonable period of time" after it gets a CP. If Chippewa drags its feet, the station said, its CP should be taken away & given to WEAU-TV. Meanwhile, FCC is looking into the idea of finding another uhf channel so that both applicants can be accommodated.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WNEW-TV New York	$3000 (no change)	$478 to $600	Sept. 1
KPRC-TV Houston	1200 to $1300	300 to 350	Oct. 1
KPTV Portland, Ore.	900 to 950	315 (no change)	Sept. 1
KREM-TV Spokane	675 to 750	190 to 220	Sept. 1
KCPX-TV Salt Lake City	650 (no change)	180 to 200	Sept. 1
WREX-TV Rockford, Ill.	500 to 550	115 to 130	Aug. 15

COLOR REJECTED IN CANADA: "The time has not yet come for introduction of color telecasting in Canada." This was the ruling at week's end by the Board of Broadcast Governors which had been urged by individual telecasters, the Canadian Assn. of Broadcasters and EIA of Canada to authorize colorcasting using U.S. NSRC standards.

BBG said it will authorize only black-&-white telecasting "until further notice." Its announcement stated that "color TV has been promoted expensively in the U.S. since 1953, but only 500,000 color sets are in operation, compared with 52 million black-&-white." It indicated it will stand pat on its no-color decision "until color broadcasting & reception have received wider acceptance in the U.S. & nearby Canadian cities."

Canada's color-set ownership, therefore, will continue to be confined to border areas within the reach of U.S. color stations.

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BBG has declined to order a change in power for CHEK-TV Victoria to avoid interference with KING-TV Seattle in the Canadian areas of Vancouver Island and the lower mainland of British Columbia. Reason: CHEK-TV is delivering programs to 96,000 Canadians not previously served by any station. BBG added that wave traps could be installed by owners in interference areas and that CHEK-TV would have authority to carry U.S. programs after April 1, 1962, provided it adheres to the 55% Canadian content rule.

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Payola charges against Metropolitan Bcstg. Corp. weren't substantial enough to warrant holding up its various pending applications any longer, FCC concluded last week, and it granted: (1) Metropolitan's purchase of WTVP (Ch. 17) Decatur, Ill. for $570,000. (2) Its purchase of international station WRUL Scituate, Mass. for $1 million. (3) Renewal of WTTG Washington. Comr. Bartley dissented in all 3 cases, Cross in the first 2. Cross said he would have given WTTG a 1-year renewal.

FCC has approved sale of WCHS-TV (Ch. 8) Charleston, W.Va. from the Tierney Co. to Rollins Telecasting Inc. subsidiary C-B-T Inc. (Vol. 16:29 p10). Price: $2,598,000, plus a total of $46,200 annually for 2 years to Tierney Pres. H. D. Battle and vp John D. Gelder.

Jaundiced FCC eye, by 4-3 vote, has been cast at radios KORD Pasco, Wash. and WAVZ New Haven, Conn., which have been told that they may have to go to hearings on their license renewals. With Comrs. Hyde, Craven and King dissenting, the Commission indicated that it believes the stations have interrupted their schedules with too many spots and have failed to carry out their program promises.

Seven more Super Universal Zoomar lenses have been delivered to ABC-TV, N.Y., Television Zoomar Co. announces. Other recent Super Universal Zoomar shipments: KMID-TV Midland, Tex., WWJ-TV Detroit, KLFY-TV Lafayette, La., WBRZ Baton Rouge, KTLA Los Angeles; Herald-Sun TV, Melbourne, and BTV, Brisbane, Australia; Radio Rio, Brazil; Ch. 9, Buenos Aires.

Public-service idea: KIMA-TV Yakima, Wash., to spur contributions to the local United Good Neighbor Fund drive, is awarding ad time on a dollar-for-dollar basis to each company that delivers its UGN quota. The public-spirited gesture won praise from Wash. Sens. Jackson & Magnuson.

NAB Conference Agenda: TV session of NAB's first fall conference in Atlanta Oct. 14 will include: "The Image Asset," by TIO dir. Louis A. Hausman. "Your Stake in Quality," a Code discussion by Review Board member Robert F. Ferguson, WTRF-TV Wheeling, and Edward H. Bronson, NAB TV Code Affairs dir. "The Future of TV," by TvB Pres. Norman Cash and TvB station relations dir. William MacRae. "A Look at the Balance Sheet," by NAB TV vp Charles H. Tower, who will preside over the whole session.

The Oct. 13 joint TV-radio general session has this agenda: "The Importance of People," emphasizing the human factor, by NAB industry affairs vp Howard H. Bell. "Money & Manpower," a case history of staff selection & salaries, by NAB mgr. of broadcast personnel & economics James H. Hulbert. "Ambassadors to the Community," dealing with "public image & community acceptance," by NAB mgr. of public relations John M. Couric. "The Engineering of Agreement," a discussion on "The Art of Getting People to Accept an Idea or Product," by NAB mgr. of station relations William Carlisle. Hulbert will also lead a discussion on "Managing the Salesman," and a representative of the Assn. for Professional Broadcasting Education will cover employee recruitment.

TvB-sponsored research competition, the first of its kind, has the broad aim of finding methods for studying the effects of TV on human behavior. A governing committee, headed by Yale U. Prof. Mark A. May and TvB research vp Leon Arons, has announced that persons from any occupation are eligible to submit plans. A total of $10,000 will be awarded for the 18 top submissions. "The competition is an appeal to the scientific community to lend its creative talent to the solution of problems in mass communications," stated Dr. May. The project is a development of the basic research program launched by TvB 2 years ago.

Charles M. Stone, ex-radio WMBR Jacksonville, has been named administrator of NAB's Radio Code, reporting to radio vp John F. Meagher and guided by a 9-member Radio Code Board headed by Cliff Gill, KEZY Anaheim, Cal. Stone is 45, began with radio WJBY Gadsden, Ala. in 1934, joined WMBR in 1936, moved up to vp for TV administration before leaving in Jan. 1959 to become a partner in the Mason, Dow & Stone ad agency. NAB said Stone's duties will include preparation of a monitoring program to insure compliance with the Code.

Speech by Rep. Harris (D-Ark.), chmn. of House Commerce Committee, prepared for delivery Sept. 30 at the convention of the Ala. Bcstrs. Assn. in Tuscaloosa, briefly summarized legislative activity of the last Congress. The bills passed, he said, "far from hurting the industry, will help it to grow stronger & more responsible."

Taped tribute to broadcasters by President Eisenhower—for use this week on Continental Broadcasting Day (Oct. 4)—has been requested & received by 1,332 NAB members. NAB Policy Committee Chmn. Clair R. McCollough said that the President's words "should make every broadcaster proud of his profession."

Foreign

Televicentro de Guadalajara has been opened in Mexico's 2nd biggest city by Telesistema Mexicano. Although Telesistema currently has only one channel in operation in Guadalajara, the deluxe studios are big enough to accommodate future stations there.

Advertising

Broadcasters Star in July: Despite way-out gains by network radio (27%) & TV (21%), the July national ad volume rose only 6% above the July-1959 level, reports *Printers' Ink*. The broadcast-media bonanza was sharply whittled by newspapers' 11% decline and magazines' modest 5% increase, the latest index shows.

Year-to-date business failed to gain from the preceding month (Vol. 16:36 p9), closed out again at 9% ahead of 1959's Jan.-July volume. (1960's widest cumulative lead thus far has been the 11% gap at the end of March.) All major media, with the sole exception of network radio, posted cumulative gains: magazines (15%), network TV (9%), business papers (8%), newspapers (5%). Although radio still lagged 3% behind Jan.-July 1959, it had come a long way in closing the gap since the 21% deficit at the end of February. Radio also was up in July from June, by 4%. Also up were TV (11%) & magazines (1%). Among the downers: newspapers, with an 8% deficit.

Medium	Index July 1960	Index July 1959	% Change from 1 month ago	% Change from 1 year ago	% Cumulative Change
General Index	247	234	+ 2	+ 6	+ 9
Total Magazines	195	185	+ 1	+ 5	+15
Weekly	221	206	— 2	+ 7	+19
Women's	136	138	+11	— 1	+ 8
General Monthly	250	227	+ 8	+10	+11
Farm	87	114	— 8	—24	— 2
Newspapers	203	228	— 8	—11	+ 5
Network Television	547	453	+11	+21	+ 9
Network Radio	28	22	+ 4	+27	— 3
Business Papers	250	223	+ 3	+12	+ 8
Outdoor	166	163	— 3	+ 2	+ 5
	1st Qtr. '60	1st Qtr. '59	4th Qtr. '59	1 year ago	
Spot TV*	762	672	+ 3	+13	+13

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-1959 except for the TV base, which covers the years 1950-52. Spot TV is not reflected in the general index. *Spot TV data, although shown monthly, reports the preceding quarter's activity.

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Lever Bros. will spend 70% of ad budgets on spot-TV tests for 4 new commercial products, we learned last week. Products & agencies: Summer Country, a premium-priced margarine (Sullivan, Stauffer, Colwell & Bayles), now testing in Nashville. Vim, a detergent (Ogilvy, Benson & Mather), is being tested in Ft. Wayne. Starlight Shampoo and Mrs. Butterworth's Syrup (J. Walter Thompson) are making their debuts in Cleveland, Indianapolis, Syracuse.

"Without strong & cooperative advertiser-agency relations," a TV commercial may confuse, surprise and annoy the very advertiser who should have assessed it long ago," said adman John Orr Young at the ANA Workshop in Chicago last week. Opinion Research Pres. W. G. Barlow pointed to tests showing viewer reaction to a company before & after national TV advertising. Results indicated "after the show viewers held a broader & deeper image of the company." TV can be very effective in projecting an image, Barlow added, "particularly if the right show at the right time is selected by the advertiser."

New ANA-4A joint program to improve advertising content, control its honesty and to police association members is about to be announced. The 2 big ad groups, representing nearly all major clients & agencies, are meeting this week (Oct. 3) in N.Y., at which time they'll announce committees, personnel, and implementation of the program. Both groups have been active individually in ad policing before & since the payola hearings & FTC crackdowns, but the new program will be their first joint effort.

Ad People: Alfred J. Seaman, former vice-chmn. & exec. committee chmn., named pres., Sullivan, Stauffer, Colwell & Bayles, succeeding Brown Bolte, who becomes vice-chmn. Raymond F. Sullivan, a founder, will be exec. committee chmn. . . . George C. Reeves named to new post of J. Walter Thompson exec. vp; Wallace Elton and Dan Seymour, vps, named to exec. committee; W. D. Laurie Jr., elected a dir.

Edward H. Mahoney, ex-Benton & Bowles and Cunningham & Walsh, named vp-mgr., Fuller & Smith & Ross TV-radio dept. Peter Cardozo, FSR TV-radio copy creative dir., will assume responsibility also for TV-commercial production . . . Hubert M. Tibbetts named senior vp, Lennen & Newell . . . Burt Avedon named West Coast operations vp, Kenyon & Eckhardt.

August A. Wavpotich named Ogilvy, Benson & Mather vp . . . Julian Bass appointed a Donahue & Coe vp . . . Rand Grochoske named Guild, Bascom & Bonfigli TV-art dir.

———— ■ ————

New reps: KVIQ-TV Eureka, Cal. to Hollingbery Sept. 1 from McGavren • WDAF-TV Kansas City to Petry Oct. 1 from Harrington, Righter & Parsons • KOMU-TV Columbia, Mo. to Avery-Knodel Oct. 1 from H-R Television • KIEM-TV Eureka, Cal. and KOTI Klamath Falls & KBES-TV Medford, both Ore., to Young Sept. 1 from Hollingbery • KNOP North Platte, Neb. to Gill-Perna Sept. 1 from Bob Dore • KDIX-TV Dickinson, N.D. to Forjoe Sept. 15 from Holman • Upcoming WTVI Fort Pierce, Fla., due in Nov., and CFTM-TV Montreal, Que., target not reported, have named Forjoe as rep.

Heavy Yuban spot-TV campaign is planned by General Foods Corp. to introduce instant Yuban in the Midwest & South. The premium-priced brand has completed a 15-month trial saturation campaign in Northeast, using all media, reported Yuban's agency, Benton & Bowles.

Blair Co.'s St. Louis branch's move to new quarters this week (Oct. 3) nearly doubles its previous space in the Paul Brown Bldg., 818 Olive St. Telephone changes to Garfield 1-5262.

Forjoe-TV's Los Angeles office has moved to 6362 Hollywood Blvd., Los Angeles 28 (Hollywood 2-1397).

Educational Television

ETV got a break in FCC's latest ruling on the disposition of frequencies above 890 mc when the Commission said that it would allow ETV to use 6,575-6,875 mc for inter-city relays, granting them on a case-by-case basis. The Commission stated that frequencies above 10,000 mc must be used by ETV for intra-city & other short-hop operations. As for short-range space allocations, FCC said, no specific assignments are being made now "in view of present uncertainties." Comments on long-range space allocations are due March 1, 1961.

Educational KQED San Francisco went off the air for the hour of the Presidential debate, having advised viewers to turn to one of the network channels & watch the debate.

Educational Ch. 9, San Antonio—one of the few unused major-city ETV channels—has been granted to the Southwest Texas Educational TV Council.

Six 2-hour drama programs, produced for TV in U.S. & abroad, premiere this month on NET's ETV network. *NET Drama Festival* will feature filmed dramas originally produced by BBC, CBC & WQED Pittsburgh.

Television Digest

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Personals: Richard A. Borel, WBNS-TV Columbus, O., elected chmn., CBS-TV Affiliates Assn. . . . Henry S. White, ex-Screen Gems & CBS-TV, named vp-gen. mgr. WNTA-TV Newark-N.Y. . . . Russ Raycroft, ex-WGN, Dancer-Fitzgerald-Sample, & Wilding Inc., appointed station mgr., KPLR-TV St. Louis . . . Bill Palmer, Paramount TV business mgr., resigns to join Tide Water Oil Co. . . . Joseph Bloom, pres. of Forjoe-TV, adds duties of national sales mgr., WJPB-TV, W.Va., operating out of Forjoe's N.Y. headquarters.

John S. Hayes, president of *The Washington Post* Bcst. div. (WTOP-TV & WTOP Washington, WJXT Jacksonville, Fla.) appointed by Lyndon B. Johnson as his network TV-radio policy consultant-coordinator . . . Mark L. Wodlinger, WMBD-TV Peoria national sales mgr., named station mgr. . . . Robert Schneider, ex-CBS-TV Spot Sales, named research dir., Edward Petry TV div. . . . Robert Van Roo named A. C. Nielsen promotion dir. of Nielsen Coverage Service, headquartering in Chicago . . . Frank Wayne Peers appointed CBC information programming dir. (news, public affairs, school bcsts. etc.) . . . William G. Wilkins named finance dir., Columbia Records.

Extra-curricular activities: John Thompson, NBC West Coast mgr. of news & special events, elected pres., Radio & TV News Club of Southern Cal.; Bill Crago, KFWB Los Angeles, named vp . . . George A. Heinemann, NBC public affairs mgr., to teach TV course at Columbia U. . . . Ed Benham, chief engineer, KTTV Los Angeles, teaching course in video-tape editing at USC.

Joseph F. Zias has withdrawn from Loucks, Zias & Jansky to set up his own law office at 605 Colorado Bldg., Washington 5, D.C. (Sterling 3-5750).

Obituary

Harlow Wilcox, 60, former NBC newscaster & announcer, died Sept. 24 in Hollywood. He was for 16 years announcer for the *Fibber McGee & Molly* radio show during the 1930's & 1940's, and before that was with *Myrt & Marge* at CBS Radio.

George Francis Lewis Jr., 41, secy. of Technicolor Inc., died Sept. 27 in Lenox Hill Hospital, N.Y. He was a partner in the law firm of Lewis & McDonald. He is survived by his wife and mother.

Judge Horace Stern, the venerable (82) former Pa. Supreme Court Chief Justice who has served as FCC's examiner in its Miami & Boston "influence" cases, resigned effective Sept. 15. FCC Chmn. Ford, the "talent scout" who approached Judge Stern for the job initially, accepted the resignation with this statement: "You have given to us a model of judicial acumen, concise writing and forthright expression which will make its impact felt upon the Commission and its staff in the years to come."

Meetings next week: N.C. Assn. of Bcstrs. fall meeting (Oct. 9-11), Battery Park Hotel, Asheville • National Electronics Conference (10-12), Sherman Hotel, Chicago • Industrial Film & Audio-Visual 4th annual exhibition (10-13), Trade Show Bldg., N.Y. • Audio Engineering Society 12th annual convention (11-14), Hotel New Yorker, N.Y. • RTES production workshop (12): "For Prophets & Profits," Hotel Roosevelt, N.Y.

Junior's nighttime TV viewing—or at least some of it—is credited as homework under a plan at Brooklyn's Junior High School 64. Program suggestions are made weekly by the school and students discuss their viewing in class. The Sept. 26 Nixon-Kennedy debate was mandatory, and parents were requested to allow their children to watch in case others in the family might have preferred a competing program, explained school principal Jacob Landers.

"TV Guide Roundup," an anthology chosen from the magazine's recently published articles & editorials, will be published Oct. 10 by Holt, Rinehart and Winston, N.Y. ($2.95; 237 pp.).

Technology

Language-translating telephones which will permit direct conversation among people in different foreign countries can be expected within the next 20 year, Sylvania's Dr. Edwin G. Schneider forecast before the convention of the Telephone Assn. of New England. He said that automatic translation of transoceanic telephone conversations would be accomplished with advanced data-processing & communications devices.

Photo-printing electron tube which reproduces high-quality pictures from electronic signals transmitted over telephone, telegraph or radio circuits has been developed by Raytheon. The new tube, which resembles a flattened TV picture tube, makes it possible to print transmitted news pictures is as little as a third of a second, according to industrial-components div. gen. mgr. Robert L. McCormack. He said the printer tube is now being produced in sampling quantities.

Auxiliary Services

FCC vhf & uhf translator rules were eased last week to permit an originating translator, where several operate in "clusters" or "in tandem," to identify all the repeaters involved by transmitting their call signs. Previous rules required that each translator have an automatic device to transmit its call sign. The new rules are effective Oct. 10.

Uhf translator grants: Ch. 70 & 74, for Canadian & Higgins, Tex., and Ch. 72 & 76, for Booker, Darrouzett & Follett, Tex., to C L & O Translator System Inc. Ch. 77, Likely, Cal., to Likely TV Club. Ch. 81, Ellensburg & Kittitas Valley, Wash., to Kittitas Valley TV Assn. Ch. 74, Hood River, Ore., to Columbia Gorge TV Inc.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

JAPAN TV-RADIO IMPORTERS' DIRECTORY: Useful list of some 65 importers & distributors of Japanese transistor radios (& TV sets) will be found on page 16 of this issue.

Because of the need for this information, we are printing this preliminary directory now, will update & complete it in future. Most of the information in the current directory is from Japan Trade Center in N.Y.

Directory gives name & address of each importer and/or distributor, telephone number, brand name under which the products are sold in U.S., and—wherever verifiable—name of Japanese manufacturer of each product brand.

Most importer-distributor set-ups are independent, but there's increasing trend toward establishment of U.S. branches by large Japanese firms—i.e., Matsushita, Mitsubishi, Sony.

TV SALES STILL MAY TOTAL 6.2 MILLION: Despite potentially serious inventory situation & sharp drop in distributor sales to dealers (Vol. 16:39 p14), most manufacturers still think that retail TV sales can total 6.2 million sets this year. While this is fairly sharp drop from the 6.5-6.7 million predicted earlier in 1960, it's still nearly 10% ahead of 1959.

Industry is in rather strange position of being caught with excess inventories while reports from the field indicate relatively good movement at retail. While overproduction alarm is being sounded, it's worth noting that most set makers are reporting Sept. retail pickup. If sales for last 4 months of this year run about same as 1959 months, 1960 could be a 6.3-million set year. But even at this pace, production brakes must be applied to prevent serious dumping situation.

Thus sights are being readjusted from an "excellent" to a "good" retail year in 1960—good when contrasted with last year's 5.75 million and 1958's 5.14 million. On distributor level, as we reported last week, sales may fall slightly short of last year's 6-million mark.

Most manufacturers have predicted healthy retail TV business last 4 months of this year—and this week's information seems to substantiate those forecasts. Add to this the fact that most economic surveys—including those by Federal Reserve Board and U. of Michigan—report consumer buying plans for remainder of year are equal to last year or slightly higher. This combined with growing replacement market indicates that 6.2 or 6.3 million set sales isn't unreasonable figure for 1960.

At last year's end, most manufacturers were willing to settle for 6.1 million in 1960. In our annual survey of manufacturers' predictions for the coming year last Dec., more than half of the forecasters gave the 6.1-million set figure (Vol. 15:51 p14). Good movement the first 6 months of this year caused many to revise their predictions upward.

Major problem continues to be trimming production to match revised sales rates—and this is a problem at top factory level. There may also be some streamlining of lines to cut out slow-moving models. One of first moves in this direction is being taken by Packard Bell, which plans to drop 3 to 8 sets—depending on outcome of survey now being conducted among its distributors. Chances are some of those dropped will be 17- & 21-in. sets, but it's understood some 19-in. models may also be weeded out.

Often neglected in sales picture is importance of dollar volume. Last statistics indicate that average factory price per set sold this year may be highest since 1953, with consoles & combinations accounting for biggest proportion of set sales in 7 years (Vol. 16:34 p14).

Consumer income is at record, and money is available for spending on high-quality merchandise. Competition for consumer's dollar never was greater, though, and we think Magnavox midwestern sales mgr. Austin Cunningham put his finger on basic problem which now confronts TV merchandisers, in a recent talk to dealers:

"Your competitor up the street," he said, "should be the least of your worries. Your real competitors are the ones to worry about—boats, long vacations, wall-to-wall carpeting, swimming pools, country club memberships, second cars. These people are outselling us!"

JAPANESE TV MARKET-TEST THIS WEEK: First test of sales power of Japanese TV sets comes this week when New York's Liberty Music Stores begin pushing Delmonico 19-in. portables at $159.95. Trade will be following public reaction closely, since the Japanese set—though attractive—is conventional thinline portable and is being sold at price not much below actual selling prices of similar U.S.-brand sets.

Quality-conscious Liberty (Magnavox TV, top brands of component hi fi) kicks off promotion of Delmonico TV with ads in Sunday papers Oct. 2. The portable, made by Japan Victor, has been displayed in Liberty show windows for a week, but store officials withheld comment on customer reaction pending ad results.

Liberty has been quite successful with Japanese radios, strongly featuring Sony line in displays & ads. Liberty is also to handle Delmonico (Japan Victor) 8-in. battery portable TV, due for Christmas sales.

Delmonico officials say they've received about 500 sets so far, with 1,000 more due to arrive early this month. They're shipped without the 19-in. picture tube—U.S.-made tube being inserted upon arrival. Delmonico says its sets will be carried by Macy's, J. L. Hudson (Detroit), Jordan-Marsh (Chicago), among others. We were told by Macy's that the N.Y. store will begin handling Delmonico TVs this month.

Gimbels was ahead of Macy's in selling Japanese-made TVs, however, having picked up a few Star-Lite 8-in. power-cord sets (non-transistorized) and sold them at $99 each (Vol. 16:36 p12). A store spokesman said the set "has a lot of appeal to it" and that all on hand were sold, including the samples, without any advertising. He declined to state the number of sets moved, except to say it was a relatively small amount. "It performs very well," he said, adding somewhat wistfully: "Too bad we can't sell 'em for $65."

Star-Lite set is made by Riken Industries for Star-Lite Merchandise Corp., N.Y. Star-Lite co-owner Charles Dayon said some discount houses have also sold the tiny sets, also at $99. Next problems for Star-Lite, he said, are to improve delivery schedules, which have been slow, and to "make the product better."

The question still remains whether public will buy Japanese-made TV sets in quantity when American brands are selling at comparable prices in special promotions. Competing in price with the 8-in. set are 90-degree 17-in. price-leader portables, now being widely promoted in N.Y. stores at $88-$110.

Price promotions aren't being confined to "obsolete" sets. In a class with Delmonico's set, both in tube size & price, we observed Philco & Emerson 19-in. portables at $159 & $169 respectively at Macy's, along with Sylvania 23-in. consoles & lowboys at $199 & $219.

A hybrid U.S.-foreign TV-radio-phono combo is best seller in one of New York's big appliance chains, incidentally. Vim has been offering German-made Metz TV-phono-AM-FM-SW combinations which incorporate 21-in. RCA TV chassis (Vol. 16:2 p20) for nearly a year. At $500 & $520, "they're our biggest-selling TV combinations," we were told.

TV-RADIO PRODUCTION: EIA statistics for the week ended Sept. 23 (38th week of 1960):

	Sept. 16-23	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	143,808	138,092	183,441	4,218,163	4,300,722
Total radio	424,457	385,823	411,956	11,882,213	10,460,308
auto radio	176,733	147,804	146,979	4,517,624	3,968,266

Hertz will rent TV sets, and a range of other merchandise, through new subsidiary Hertz Rent-All Corp. which has been formed by the worldwide car & truck rental & leasing organization. Pres. Walter L. Jacobs said the new subsidiary's first office will be established in Chicago around Nov. 1 and be the forerunner of a national chain of company-owned & franchised outlets. "We feel certain that there is a great unrealized potential in the 'rent all' field," Jacobs noted. "The present volume of the existing 'rent all' industry by the many independents in the U.S. has been estimated at more than $100 million annually." In addition to TVs, the Hertz subsidiary plans to rent products ranging from party supplies and hospital & sickroom equipment, to reducing aids, silverware and cribs.

Strike at GE by 70,000 IUE members of the total 240,000 work force was slated for midnight Saturday with expiration of the 1955-60 contract. Among major issues involved, IUE wants a 2-year pact with a 3½% minimum wage increase tied to worker productivity and the cost-of-living index. GE has offered a 3-year contract with an immediate 3% increase, a 4% boost 18 months from now. The Federal Mediation and Conciliation Service had asked both sides to continue negotiations "without interruption of production" beyond the strike deadline. Earlier last week, GE notified its vendors of the "impending strike action," announced it would start furloughing several hundred workers at its Louisville home-appliances plant in anticipation of a shutdown.

Directory of Importers & Distributors of Japanese Transistor Radios

NAME, ADDRESS, PHONE	BRAND	MANUFACTURER
A & A Trading Co. 1140 Broadway, N.Y. Murray Hill 4-2758	Brighton Realistic	— —
A & S Trading Co. (see Yamakawa Trading Co.)		
Aiwa Electric Co. 15109 Broadway, Cleveland, O. GR 5-1252	Aiwa	Aiwa Co. Ltd.
Arrow Trading Corp. 47 W. 30th St., N.Y. OR 9-4554	Arrow Hartman	— —
Brother International Corp. 36-50 38th St. Long Island City, N.Y. EM 1-2690	Brother	—
Charles Brown & Co. 1170 Broadway, N.Y. MU 3-0802	Browni	—
California Radio & Electronics 823 N. Highland Ave. Hollywood 38, Cal.	Calrad	—
Canton-Son Inc. 12 W. 27th St., N.Y. OR 9-7550	Crestline	—
Channel-Master Corp. Ellenville, N.Y. EL 1300	Channel-Master	Sanyo Electric Co.
Commodore Import Corp. 74 Throop Ave. Brooklyn 6, N.Y. EV 8-2651	Commodore	—
Concord Overseas 15 Moore St., N.Y. WH 4-3977	Marvel	Yokohama Tsushin Kogyo Co.
***Consolidated Sewing Machine Corp.** 1115 Broadway, N.Y. WA 9-6900	Viscount	—
Continental Mdse. Co. 236 Fifth Ave., N.Y. MU 3-3540	Continental	—
Delmonico International 42-24 Orchard St. L. I. City, N.Y. ST 6-8108	Delmonico	Victor Co. of Japan (TV & stereo) Fuji Denki & others (radio)
Eastern Associates Ltd. 214 Mission St. San Francisco, Cal.	Zephyr	—
Eisenberg & Co. 52 Broadway, N.Y. BO 9-4062	Fuji Denki	Fuji Denki Co.
Elize Mercantile 1140 Broadway, N.Y. MU 5-9104	Constant Eterna Cosmopolitan	— Eterna Tsushin Kogyo Co. —
Excel Corp. of America 9 Rockefeller Plaza, N.Y. JU 6-2960	Excel	—
Fortune Star Products Co. 1207 Broadway, N.Y. MU 4-7140	Capri Fortune 4-Star	Japan Communications Industry — —
General Export Co. 74 Sacramento St. San Francisco, Cal.	Viscount Jupiter	— —
Gosho Trading Co. 50 Broad St., N.Y. WH 3-0530	Toptone	Tokyo Optical & Radio Mfg. Co.
Culver Gray & Co. 160 Fifth Ave., N.Y.	Marvel	Yokohama Tsushin Kogyo Ltd.
Harpers International Inc. 315 Fifth Ave., N.Y. MU 4-3660	Harpers	—
Intercontinental Industries 555 W. Adams St., Chicago	Minute Man	—
International Importers Inc. (The Sampson Co.) 2242 S. Western Ave., Chicago	Hitachi	Hitachi Ltd.
Inter-Ocean Commerce Corp. 170 Broadway, N.Y. WO 4-1650	Spica Holiday	Sanritsu Denki Co. Sanshin Jitsugyo Co.
Isac & Co. Ltd. Miami, Fla.	Faraday	—
Iwai N.Y. Inc. 350 Fifth Ave., N.Y. PE 6-1800	Nanaola	Nanao Radio Co.
Kanematsu N.Y. Inc. 150 Broadway, N.Y. BE 3-2890	NEC	Nippon Electric Co.
Kent Overseas 14 W. 23rd St., N.Y. AL 5-7470	Kent	—
Kowa American Inc. 230 Fifth Ave., N.Y. LE 2-0665	Kowa Longwood	Kofuku Sangyo Co. —
Lafayette Radio Corp. 165-08 Liberty Ave. Jamaica 33, N.Y. AX 1-7000	Argonne Lafayette	— —
Linmark International Corp. 276 Fourth Ave., N.Y. GR 7-7500	Crown Linmark	Asahi Radio Mfg. Co. —
Lissner Trading Corp. 134 N. LaSalle St. Chicago 2, Ill.	Mitsubishi	Mitsubishi Electric Mfg. Co.
Longwood Radio Distributors 1261 Broadway, N.Y. MU 3-6481	Longwood	—
Majestic International 75 Sedgwick St. Brooklyn 31, N.Y. UL 2-6000	Koyo	—
Mantone Radio Co. 263 Canal St., N.Y. CA 6-1081	Little Pal Mantone Manhattan	— — —
Marubeni-Iida American Inc. 39 Broadway, N.Y. WH 4-9100	Beniida	—
Masuyama International Corp. 214 W. 14th St., N.Y. CH 2-6175	Global	Global Mfg. Co.
Matsushita Electric Corp. 41 E. 42nd St., N.Y. MU 2-6244	Matsushita	Matsushita Electric Industrial Co.
Mitsubishi International Corp. 120 Broadway, N.Y. DI 9-3700	Mitsubishi	Mitsubishi Electric Mfg. Co.
Mitsui & Co. 530 Fifth Ave., N.Y. YU 6-9600	Viscount Trav-ler Jefferson Travis	— — —
Nichimen Co. 39 Broadway, N.Y. DI 4-0216	Continental Olympic Universal	— — —
Nissho American Corp. 74 Trinity Place, N.Y. WH 3-7840	Ten	Kobe Kogyo Corp.
Omscolite Corp. Stokley & Roberts Sts. Philadelphia BA 3-9900	AM/FM 7	—
Panorama Enterprises 1289 S. La Brea Los Angeles 19, Cal.	Fleetwood Koyo	New Hope Industrial Co. —
Peerless Radio Distributors 92-32 Merrick Rd., Jamaica, N.Y. JA 3-3456	Romance	—
Petely Sales Corp. 300 Park Ave. S., N.Y. AL 4-7820	Hi-Delity	Victor Co. of Japan
Polyrad Corp. 521 Broadway, Cincinnati 2	—	—
Realtone Electronics 184 Fifth Ave., N.Y. CH 3-9106	Realtone	Realtone Electronics Inc.
Sanyo Trading Co. 149 Broadway, N.Y. CO 7-3948	Ten Onkyo Wilco	Kobe Kogyo Corp. Osaka Onkyo Co. —
Sampson Co. (see International Importers)		
Shriro Inc. (see Linmark International)		
S. S. Schultz Co. 1186 Broadway, N.Y. OR 9-5948	Ten	Kobe Kogyo Corp.
***Solo Electronics Corp.** 190 Washington St., N.Y. WO 2-1042	Hitachi	Hitachi Ltd.
Sony Corp. of America 514 Broadway, N.Y. WO 6-0800	Sony	Sony Corp.
Star-Lite Merchandise Corp. 37 W. 23rd St., N.Y. WA 9-1742	Star-Lite	Riken Industrial (TV)
Sun Coast Merchandise Corp. 410 S. Spring St. Los Angeles 13, Cal.	Suntone	—
Toyama & Co. 855 Sixth Ave., N.Y. LO 5-5748	Candle	Tokyo Transistor Industrial Co.
Toyomenka Inc. 2 Broadway, N.Y. DI 4-6130	Sharp Invictor	Hayakawa Electric Co.
Trade Distributors Inc. 461 Fourth Ave., N.Y. MU 6-5442	Ardsley Empire	— —
Trans America Import & Export 116 S. Michigan Blvd. Chicago 3, Ill.	General	Yaou Electric Co.
***Transistor World Corp.** 52 Broadway, N.Y. BO 9-5460	Toshiba Transcel	Tokyo Shibaura Electric Co. —
Transworld Industrial Corp. 50-27 38th St., L. I. City	Fleetwood	New Hope Industrial Co.
Yamakawa Trading Co. 224 W. 30th St., N.Y. LO 5-2418	Fujiya	Fujiya Corp.
Yashica Inc. 234 Fifth Ave., N.Y. MU 3-4730	Yashica	Yashica Inc.

*Distributor only

A Japanese Looks At Color: An interesting wrap-up of color-TV progress & plans in Japan is presented by Hisatsugu Nakamura, an executive of Sun Wave Industrial Ltd., in the Aug. issue of Tokyo-published *Radio & TV*. In a detailed article on the "Status of Color TV," Nakamura observes in part:

"Japan's TV manufacturing industry reached 300,000 sets-per-month in April for b&w receivers, and since then production has been curbed to prevent increases in inventory. On the other hand, manufacturers are aiming to hit the 200-to-300 sets-per-month figure for color TVs [in August]. Potential demand for 21-in. & 17-in. color receivers is estimated to be around 5,000 sets. All the large TV-set manufacturers have announced production of color-TV sets, and delivery commenced by some in July [Vol. 16:35 p14].

"The average retail price for a 21-in. color-TV receiver runs around the equivalent of $1,400. The 17-in. type is approximately 20% lower. [Color TVs are high-priced in Japan because at the present time they're virtually handmade, picture tubes are imported, mass-production techniques have not yet been introduced.] The low labor cost may permit the competitive export of color TV chassis, and several large manufacturers are contemplating entering into the export market with this new item.

"The quality of Japanese-made TV receivers is recognized as being comparable or better than its counterparts made in the U.S. or other foreign countries . . . The bug-a-boo of servicing is creating a great deal of resistance to sales of color TVs in the U.S.

"The completely transistorized TV receiver may be the answer to the color-TV problem. We are bound to see transistorized color TVs as soon as the cost of RF transistors comes down to equal that of vacuum tubes. The reliability & indefinite life of the transistors would be a tremendous advantage to the complex color receiver. Such a development could be realized within a year or two.

"One prominent manufacturer has announced a new video-tape recorder using a single head for scanning the tape. NTSC color signals could be recorded on this machine with slight modifications. One color version of this video-tape recorder is expected to be placed on the market in November."

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Alleged violations of Export Control Act by Visual Electronics Corp. (Vol. 16:36 p13) "were isolated transactions involving 3 minor shipments made to a regular Visual customer in Cuba 2 or 3 years ago and refer to matters of a clerical nature," Visual Pres. James B. Tharpe said last week. His statement was in reference to charges by the Bureau of Foreign Commerce. Said Tharpe: "Foreseeing an expanding overseas market for technical broadcast equipment & services in the '60s, Visual began early in 1958 on a comprehensive program to secure a substantial amount of this business for the U.S. in face of growing competition from foreign sources. Visual now exports a substantial share of the U.S. total in this field."

Electronics sales will increase 76.6% in the next 5 years—from this year's estimated $10 billion to $17.6 billion by 1965. That's the prediction made in a recent study by research dir. Harry Greenfield of Electronics Investment Management Corp., San Diego. His breakdown by category: Consumer products, a 23% increase from 1960's $2.2 billion to $2.7 billion in 1965. Industrial products, 128% from $1.8 to $4.1 billion. Govt. products, 96% from $5.1 to $10 billion. Replacement parts, 67% from $900 million to $1.5 billion.

MERGERS & ACQUISITIONS: Electronics merger news last week was highlighted by the agreement "in principle" reached by Siegler Corp. (Olympic Radio & TV, Hallamore Electronics, David Bogen Co., Presto Recording, other divisions & affiliates) and Jack & Heintz, Cleveland manufacturer of aircraft & missile components and electric control systems. The $14-million transaction, subject to approval by stockholders of both concerns, would transform J&H into a wholly-owned Siegler subsidiary. Under proposed merger terms, J&H stockholders would have the option of receiving either 11 shares of Siegler common for each 20 of J&H (equal to one share of J&H for each .55 share of Siegler) or exchanging J&H common for a new convertible preferred on a basis to be announced when the merger plan is submitted to shareholders. Other merger news:

Raytheon has acquired for an undisclosed price the assets of Panels Wires Inc., San Francisco.

Lionel Corp.'s proposal to purchase the assets of Anton-Imco Electronics (Vol. 16:29 p18) was approved by the stockholders of both concerns last week. Lionel will pay 1⅓ shares of common stock (or a total 278,455 shares) for each share of Anton-Imco. Excluded are 40,000 shares of Anton-Imco already held by Lionel.

Itek Corp. and Seeburg once more have broken off their on-again-off-again merger talks. They report in a joint statement that "talks leading to a possible merger of the 2 companies have been definitely discontinued."

Reeves Bcstg. & Development Corp. has acquired for $780,000 the 16,000-acre Boiling Spring Lakes recreational & residential project near Southport, N.C.

Electric & Musical Industries Ltd., which includes Capitol Records among its various TV-radio-phonograph-record-appliance subsidiaries, has acquired Ardente and its subsidiary Ardente Acoustic Labs for 255,320 EMI shares. The acquisition of the privately-held English manufacturer of miniature electronic components & hearing aids was valued at $1,680,000 by EMI.

English Electric Co. and London-based General Electric Ltd. are exploring merger possibilities. The combined company would employ nearly 160,000 persons, boast assets of over $500 million. GE Ltd. is not related to U.S. GE.

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New transistor radios: (1) Zenith introduced the Royal 475, described as a "traveling table radio" & "the finest all-transistor set ever produced in a personal size." Slightly smaller than a paper-back book, it's powered by 6 penlight cells and is designed for high sensitivity. It lists at $49.95. (2) Magnavox has announced 6 new radios, including a 6-transistor cordless table radio at $39.95, transistorized pocket broadcast-band radios at $24.95, $29.95 & $34.95, a $59.95 pocket broadcast-shortwave radio.

"Tube radios will replace transistor radios as the leading export." That's the novel prediction of Tokyo's *Radio & TV* magazine. Its reasoning: (1) Transistor radio export quotas limit growth in that field. (2) Regular FM broadcasting, now just beginning in Japan, is providing impetus for manufacturers to enter mass-production of FM sets. (3) Tube radios "are comparatively cheaper than transistors." (4) "Ultra-miniature tube radios have now been perfected."

Hoffman Electronics plans to close the cabinet dept. of its consumer products div., in a move motivated by economics. The company will buy its cabinets in the future.

Trade Personals: Bodie L. Stahlschmidt, ex-sales mgr. for freezers & room air conditioners, named gen. sales mgr., Admiral Sales Corp. . . . **Benjamin Abrams**, Emerson pres., will be one of 10 honored as founders of the N.Y. Israel Bond Campaign at a dinner Oct. 3 at N.Y.'s Pierre Hotel . . . **Oliver Read**, ex-publisher of Ziff-Davis' *Electronics World*, *Popular Electronics* and *Hi-Fi & Stereo Review*, becomes dir. of publications, National Radio Institute, Washington.

Harry M. Rich, ex-pres. of Fonovox Corp. and vp of Grundig-Majestic, named mgr. of Westrex Corp.'s new import dept.; **Anthony Easton**, ex-communications equipment gen. mgr. named dir. of international sales . . . **Marion E. Pettegrew**, Sylanvia senior vp, appointed chmn. of EIA's Walsh-Healey Policy Committee . . . **Herman Epstein**, ex-Tele-Dynamics, becomes pres. of Omnitronics Inc., new Philadelphia-based electronics subsidiary of Borg-Warner Corp. . . . **Harry P. Hancock Jr.** named industrial relations mgr., Raytheon's Quincy (Mass.) receiving tube plant . . . **Robert D. Lilley** named Western Electric personnel & PR vp, succeeding **Arthur P. Clow**, now vp-gen. mgr., Chesapeake & Potomac Telephone Co.

Dr. Robert W. Hull named to new post of vp for reliability, General Instrument semiconductor division . . . **Admiral Neil K. Dietrich** (USN ret.), ex-economic research dir., Charleston (S.C.) development board, appointed Hazeltine vp . . . **W. G. Gordon**, ex-IBM, named to new post of gen. sales mgr. & asst. div. mgr., Dage TV . . . **Leo T. Bowles** named product planning mgr., GE's receiving tube dept. mktg. section, succeeding **Arthur F. Dickerson**, appointed product planning mgr. of GE components div.'s advanced product planning operation.

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No quotas on "toy" radios—sets with fewer than 3 transistors—will be set now by Japan's Ministry of International Trade & Industry, which has resumed export licensing of the sets after an inquiry into the advisability of restrictions. Interestingly, in rejecting quota proposals, the Japanese govt. rejected a recommendation by its own embassy in Washington.

Obituary

Julian King Sprague, 57, pres., Sprague Electric Co., died Sept. 26 of a heart attack at his ranch in Presidio, Tex. A long-time leader in the electronics industry & civic affairs, he held important consultant positions to the War Production Board (1943-45), Research & Development Board (1951-54), and was chairman of the Defense Dept's. advisory group on electronic parts. In 1953, he became president of the firm founded by his father, Frank J. Sprague, a pioneer electrical inventor known as the "father of electrical transportation." Sprague Electric Co., one of the nation's largest electronic component firms, is chaired by Julian Sprague's brother, Robert C. Sprague, who preceded him in the post of president. In addition to his brother, he leaves his wife, a daughter, a son and mother.

Charles B. Swope Sr., 45, senior counsel in RCA's industrial electronic products div., was killed Sept. 24 in an unsuccessful effort to rescue his 12-year-old son Charles B. Jr. from their blazing home near Phoenixville, Pa. He is survived by his wife, daughter and a younger son.

Arthur T. Brown, 72, who retired in 1953 as asst. to the pres. of International GE, died Sept. 17 in Fort Lauderdale, Fla. after a long illness. He is survived by his wife and a daughter.

Satire on planned obsolescence in stereo is presented in an attention-getting Capitol Records ad, featured in trade publications last week. The editorial ad, whose message is geared to the fact that Capitol phonos don't have yearly styling changes, is captioned "Suddenly! All Your Stereo is Obsolete!" Illustration shows flying-saucer-like phono, with such features as motorized dust brush, headlight for music to read by, double needle to play both sides of records simultaneously, cigar lighter, extra long spindle to play 127 records, tailfin with red light which goes on when 86th record is played, outlet for electric shaver, soft-drink dispenser. There's even one futuristic gadget labeled "doesn't do anything, but it looks pretty."

Automatic Radio Mfg. posted a profit of $1,272,558 (69¢ a share) on $11,339,154 sales in the 9 months to June 30, according to a report filed with SEC (Vol. 16:38 p19). The Boston concern produces auto & portable radios, auto air-conditioners, antennas, other electronic products. Its capital structure includes 3 million authorized common shares, 2,010,015 outstanding. More than 67% of the stock (1,350,490 shares) is owned by the Housman family—Pres.-treas. David, exec. vp E. L., asst. treas. C. J. In its preceding fiscal year ended Sept. 30, 1959, Automatic Radio earned $1,849,561 (99¢) on $13,871,695 sales.

Kahn single sideband AM system shouldn't be authorized by FCC until the industry has had a chance to test it, EIA's radio receiver committee told the Commission last week. FCC had solicited industry comments in a rule-making proceeding (Vol. 16:25 p11). The Committee, headed by Zenith's Karl E. Hassell, said the system "has not been disclosed in sufficient detail to permit other organizations to make an independent engineering appraisal of it." Concern was expressed about the possibility of interference to conventional broadcasts, tuning difficulties, etc.

EIA opposition to Labor Dept. proposal to set minimum wages for electron tube & semiconductor industries on a national instead of regional basis was filed with Labor Secy. James P. Mitchell last week (Vol. 16:34 p16). The EIA brief urged that wages be based on minimums prevailing in 4 regions (New England, Middle Atlantic, Central, Western), challenged the basis upon which the Department proposes a $1.42 hourly minimum for tube makers, $1.35 for semiconductor producers.

Two-year schedule of wage & benefit improvements has been adopted for Sylvania non-union employes and is being offered to unions representing the company's other hourly workers. It provides for raises of 5¢ to 10¢ an hour, effective Aug. 29, 1960, and establishment of non-contributory pension plan and voluntary contributory savings & security plan Sept. 1, 1961. Under the formula, Sylvania will eliminate its cost-of-living escalator increase plan Nov. 1, 1960.

Electronic components shipments by U.S. manufacturers achieved an all-time high during first quarter 1960, according to BDSA electronics div. The output was 8% higher than the preceding 6-month period and 20% more than during first-half 1959. There was a sharp increase in quartz crystals, transformers & transistors, while TV picture tubes, power & special-purpose tubes declined slightly.

Color-TV promotion at Macy's N.Y. area stores features continuous color film showings on RCA sets at main stores, and RCA sets priced at $495.95 & up, including installation and 90-day parts, labor, pickup & delivery warranty.

Finance

Hallicrafters Goes Public: Hallicrafters stock becomes publicly owned again with the offering of 300,000 shares at $17.50 per share by a group headed by Paine, Webber, Jackson & Curtis. Actually the current Hallicrafters Co. is successor to the original Hallicrafters Inc. which was purchased in 1956 by Penn-Texas Corp., and then purchased a year later from Penn-Texas by Pres.-Chmn. William J. Halligan & family. Of the 300,000 shares now being offered, the company is selling 100,000, Halligan & family 200,000, after which members of the Halligan family will own 781,000 or 70.6% of the outstanding shares.

Out of the home TV-radio business since 1958, Hallicrafters' output now is 47.4% military, 16.9% commercial communications equipment and 35.7% electronic organs (it makes the Lowrey Electronic Organ for Chicago Musical Instrument Co.). In its industrial business, it manufactures citizens band transmitter-receivers and 2-way marine radio equipment for RCA. Its well-known line of amateur radio equipment soon will be joined by transmitter & receiver kits for the "do-it-yourself" market in the below-$100 range.

The stock-offering prospectus reports Hallicrafters' total assets as $11,192,147, current assets as $9,523,634, current liabilities $4,519,130. It has 2,175 employes. For the 9 months ended May 30, 1960, its sales are given as $21,872,000, profit $650,000 after taxes (65¢ on each of 1,004,900 shares) compared with $17,655,000 sales and $431,000 net (43¢ a share) for the same 1959 period.

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American Electronics, Los Angeles maker of electronic components, magnetic tape recorders, other products, forecasts total 1960 sales of $29-30 million (vs. $25 million in 1959), profits from operations of about $800,000 ($609,599), and per-share earnings of 68¢ (70¢). Chmn.-Pres. Philip W. Zonne said the 9 months to Sept. 30 produced earnings of some $482,000 (about 41¢ a share on 1,117,708 shares now outstanding) vs. $353,084 (40¢ on 874,272 shares) in the year-ago period. American Electronics expects to liquidate its data-processing equipment business, Zonne noted, adding: "We have an active prospect for selling it and we expect to dispose of it before the end of the year. After this sale we will have pretty much cleaned up the company." Operating with a "clean slate" in 1961, the company should push sales to more than $35 million and show profits in excess of $1.4 million, he said.

Magnavox profits in the 3rd quarter will be 35-40% ahead of the same 1959 period on a 15-20% sales increase, according to Pres. Frank Freimann. He noted an increase in sales of higher-priced TV & hi-fi models, particularly the $595 Stereo Theater unit. Many defense orders are now out of the research-&-development stage and in the delivery stage, he added. The company's defense-order backlog is about $100 million vs. $46 million a year ago. Magnavox full-year profits & sales are expected to set a new record.

Wilcox-Gay, parent of Majestic International (Grundig-Majestic and other imports), has effected a "reverse" split in its common stock by issuing one share of a new $4-par common for each 4 shares of the previous $1-par stock. Under the recapitalization, already approved by stockholders, Wilcox-Gay will have an authorized capital structure of 562,500 shares of the new $4-par stock and 400,000 shares of no-par-value common stock.

AB-PT Sees Record Year: Third-quarter earnings of AB-PT will be about 40% ahead of the same 1959 period and sales & earnings for the full year should set new records, Pres. Leonard H. Goldenson told the Boston Society of Security Analysts last week.

"Television has been primarily responsible for the improvement shown this year and this will continue to be the case in its continued growth over the years ahead," he said. If the economy continues to move upward and ABC's growth trends remain the same, he predicted that the ABC-TV network could more than double its 1959 gross time billings of $126 million within 5 years. Other points made by Goldenson:

ABC-TV's 28% improvement in gross time billings for the first 7 months of this year should be maintained for the balance of the year.

Direct international TV via space satellite should be possible within 5-to-10 years. AB-PT plans to make additional investments in TV stations & networks abroad.

AB-PT directors might consider an extra stock dividend at their November meeting, Goldenson said in response to a question.

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Market news: Trav-Ler Radio is offering for public sale $2.2 million of 15-year 6½% sinking fund debentures, through underwriters Lee Higginson Corp. and Straus, Blosser and McDowell. Each $1,000 debenture entitles the holder to purchase 50 shares of common at $7.50 a share for 5 years, at $9.50 per for the next 5 years and at $11.50 per for the final 5 years • Cetron Electronic, Chicago maker of electron tubes, is offering 260,000 shares of common stock at $6.75 a share through Leason & Co. Cetron plans to extend its activities into the fields of optic & electronic systems • Milgo Electronic, Miami manufacturer of electronic components & devices, is offering holders of common rights to subscribe for 65,000 additional shares of common on a 1-for-6 basis, at $16 a share. The underwriting group is headed by Shearson, Hammill & Co.

Hoffman's 3rd-quarter profits will be lower, on higher sales, than in the same 1959 period, vp-treas. Carroll E. Underwood predicted last week. Earnings will total about $300,000 (19¢ on 1,524,222 shares) on sales of $15 million, compared with $453,661 (30¢ on 1,506,322 shares) in 3rd quarter 1959, he said. He pointed out that the company's earnings have increased each quarter this year, and predicted that the 4th quarter will be better than the 3rd. In forecasting 3rd-quarter earnings, Underwood shaved his previous prediction of $64 million sales this year to between $58 & $60 million.

Metropolitan Telecommunications Corp., Ames Court, Plainview, N.Y. (transformers, filters, relays, capacitors, etc.) has filed with SEC (File 2-17105) a proposal to offer $600,000 of convertible subordinated debentures & 25,000 shares of outstanding common stock, through M. L. Lee & Co. and Milton D. Blauner & Co.

Reports & comments available: Trav-Ler Radio, prospectus, Lee Higginson Corp., 20 Broad St., N.Y. 5 • Electrical & Musical Industries, analysis, Abraham & Co., 120 Broadway, N.Y. 5 • Medical Electronics, discussion, McDonnell & Co., 120 Broadway, N.Y. 5 • Cetron Electronic, prospectus, Leason & Co., 39 S. LaSalle St., Chicago 3 • Milgo Electronic, prospectus, Shearson, Hammill & Co., 14 Wall St., N.Y. 5 • Rollins Bcstg., profile in Sept. 28 *Financial World* • Four Star Television, prospectus, Dempsey-Tegeler & Co., 72 Wall St., N.Y. 5.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Avnet Electronics	1960—year to June 30	$ 9,271,181	$ 2,026,361	$ 1,014,051	$0.67	1,513,300
	1959—year to June 30	6,372,595	1,530,927	767,620	.55[1]	1,400,000[1]
Electronic Research Associcates	1960—year to May 31	2,291,228	331,101	141,101	.42	336,595
	1959—year to May 31	1,730,078	304,674	159,390	.48	335,388
Federal Pacific Electric	1960—year to June 30	100,194,175[5]	——	2,767,815	1.72[3]	1,454,558
	1959—year to June 30	62,724,709	——	2,307,494	1.61[3]	1,365,877
General Tire & Rubber	1960—9 mo. to Aug. 31	535,428,022[2]	29,472,431	16,272,431	2.90[3]	5,326,529
	1959—9 mo. to Aug. 31	483,644,239	38,320,567	20,320,567	3.79[3]	5,131,248
Hycon Mfg.	1960—6 mo. to July 31	3,764,527	——	130,481	.03	——
	1959—6 mo. to July 31	3,211,143	——	305,195[6]	.09	——
Narda Microwave	1960—year to June 30	2,276,870	——	63,811	.11	600,000
	1959—year to June 30	1,543,717	——	56,716	.10	600,000
Polarad Electronics	1960—year to June 30[7]	15,000,000	——	732,000	.57	1,311,092[8]
	1959—year to June 30	11,900,206	——	475,186	.94	501,396
Thompson-Starrett[4]	1960—6 mo. to June 30	5,212,535	——	(246,373)	——	2,650,266
	1959—6 mo. to June 30	4,821,242	——	(14,442)	——	2,559,234

Notes: [1] Adjusted to reflect May-1960 2-for-1 split. [2] No breakdown on broadcast revenue was supplied. [3] After preferred dividends. [4] Including Delmonico International div. [5] Includes operations of Cornell-Dubilier for 12 months to June 30, 1960. [6] Includes $200,000 gain on sale of Hermes Electronics preferred stock. [7] Approximate. [8] Reflects 2-for-1 split.

Cost of a 30-min. Film: Budget-minded executives will be interested in the breakdown of the $50,520 cost of an average 30-min. film show (one of 26) as presented by editors Nicholas Archer & John Barnwell in the latest *Telefilm* magazine (7071 Hollywood Blvd., Hollywood 28, Cal). The article supplies the details for each of the following items:

Script & rights	$3,500
Producer & staff	2,500
Director	1,250
Cast	11,000
Music	500
Miscellaneous above-line	3,500
Total above-the-line	$22,250
Productions staff	1,400
Camera	1,200
Sound recording	1,165
Set construction	1,500
Set design	600
Film & lab	3,200
Film editing	2,200
Special effects	300
Process & stock shots	150
Projection	100
Grip & standby	1,020
Electrical	1,600
Wardrobe	720
Makeup & hair dressing	415
Props	750
Set dressing & drapery	1,200
Scoring & dubbing	1,100
Location expenses	1,200
Transportation	700
Insurance	250
Payroll taxes	1,200
Stage space rentals & studio charges	2,200
Pre- & post-production amortization	300
General overhead	400
Production fee	3,000
Miscellaneous	400
Total below-the-line	$28,270
Grand total	$50,520

Ampex sales & profit forecasts for the year ending April 30 may have to be revised downward—but even so, the final results will be higher than last year. So said Ampex Pres. George I. Long last week in a talk to the Financial Analysts of Philadelphia. Last August, Long estimated fiscal 1961 sales at $75-80 million, up from $68 million in fiscal 1960, with profit margins "comparing favorably" with those for fiscal 1960.

New listings on American Stock Exchange: Electronic Research Associates Class A stock (symbol ERA A), Hycon Mfg. Co. (HY), Western Nuclear Inc. (WNU). Ling-Temco stock is due to be listed soon on the N.Y. Stock Exchange.

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Sept. 29, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	22	25⅛
Aerovox	8¾	9¾
Allied Radio	20½	22
Astron Corp.	2	2½
Baird Atomic	26¾	28⅞
British Industries	16¾	18⅜
CGS Labs	8½	10½
Control Data Corp.	38¾	41⅝
Cook Elec.	14	15⅛
Craig Systems	15	16¾
Dictaphone	38	41⅜
Digitronics	20½	22½
Eastern Ind.	12¼	13⅜
Eitel-McCullough	20½	22
Elco Corp.	14½	16¼
Electro Instruments	25½	28⅞
Electro Voice	10¾	12
Electronic Associates	26	28¼
Erie Resistor	7⅝	8⅜
Executone	26	29⅜
Farrington Mfg.	32½	35⅛
Fischer & Porter	17¼	19⅛
FXR	41	45⅛
General Devices	11¼	12⅜
G-L Electronics	8¼	9½
Granco Products	3½	4¼
Haydu	⅛	5/16
Hewlett-Packard	23¼	24⅞
High Voltage Eng.	125	139
Infrared Industries	16¼	18⅜
Internat. Rectifier	20	21½
Interstate Engineering	23¼	24⅞
Itek	47	51⅜
Jerrold	7⅝	8⅜
Lab for Electronics	38	40⅞
Lel Inc.	4⅝	5½
LFE Inc.	11½	——
Magna Theater	2⅞	3-7/16
Magnetics Inc.	7½	8⅝
Maxson (W. L.)	8⅝	9⅝
Meredith Pub.	39	42½
Metropolitan Bcstg.	16¼	17⅜
Milgo Electronics	18	20⅜
MPO Videotronics	7	7¾
Narda Microwave	5	5¾
National Co.	27	29⅛
Nuclear of Chicago	28¾	30⅞
Official Films	2	2¼
Pacific Automation	6	6⅞
Pacific Mercury	6⅝	7⅜
Perkin-Elmer	36¾	39⅜
Philips Lamp	160	165¾
Pyramid Electric	3	3⅝
Radiation Inc.	17¾	19⅝
Howard W. Sams	40	43⅞
Sanders Associates	24½	26¾
Silicon Transistor	5	5¾
Soroban Engineering	20¾	22¾
Soundscriber	11	12⅝
Speer Carbon	21	23
Sprague Electric	47	50⅜
Taft Bcstg.	12½	14⅛
Taylor Instrument	30½	32½
Technology Inst.	9¼	10¾
Tele-Broadcasters	½	1-1/16
Telechrome	10	11¼
Telecomputing	7⅜	8⅛
Telemeter	11¼	12⅞
Time Inc.	63½	67
Tracerlab	8½	9⅜
United Artists	7	7¾
United Control	19½	22
Universal Trans.	1½	2
Vitro	11⅝	12¾
Vocaline	2⅞	3-5/16
WJR Goodwill Station	9	——
Wells-Gardner	14½	16

WEEKLY **Television Digest**

NAB LIBRARY

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

WITH THIS ISSUE: January-September 1960 Index to Television Digest

FCC

ALLOCATIONS—"HAVES" vs. "HAVE NOTS." 3,000 pages from 150 parties argue issue of vhf drop-ins (p. 1).

MIAMI "FIX" RETRIAL STARTS with ex-FCC Comr. Richard A. Mack in hospital and Ch. 10 conspiracy co-defendant Thurman A. Whiteside in court alone (p. 5).

FCC VIEWS ON "CENSORSHIP" elaborated in short-license decision. Wouldn't "jeopardize" freedom of speech guarantees (p. 6).

Stations

ROAD CLEAR FOR COLLINS as NAB pres., with Board expected to approve him and $75,000 salary. No dissents in sight, though some say they should have been informed earlier (p. 2).

Advertising

ANA-4A WATCHDOG COMMITTEE is formed. Representation from both ad groups will deal with offensive ads through self-regulation. It's first such joint effort by these associations (p. 2).

NAB WIDENS LIQUOR BAN on TV, review board stretching Code to cover non-alcoholic cocktail mixes. WNTA-TV N. Y. picks up challenged Holland House spots (p. 7).

Technology

FM STEREO REPORT due for completion this week by NSRC field-test panel. No recommendations to be made but all systems will be directly compared in comprehensive document (p. 3).

Film & Tape

HOLLYWOOD: "WHO? ME?" Makers of TV film are not impressed by their product this season—place responsibility elsewhere (p. 3).

Consumer Electronics

RETAIL TV SALES down 13% from 1959 in August—first month this year to show decrease. Eight-month retail sales still far ahead of last year (pp. 14 & 16).

FLAT-SCREEN TV brought closer by new Sylvania developments in larger & brighter electro-luminescent panels, but engineers see 10 more years needed (p. 14).

GE's COMPACTRON TUBES adopted by 13 consumer-electronics equipment manufacturers; CBS Electronics & Tung-Sol also will produce them (p. 15).

JAPANESE TV SET draws "good" response in N.Y. sales debut. Delmonico plans complete 23-in. line next year (p. 15).

TV RENTAL BUSINESS GOOD, NARDA finds in survey indicating more than half of TV dealers also rent sets, make money (p. 16).

COMPONENT SALES continued at record high in first-quarter 1960, Commerce Dept. reports on basis of industry survey (p. 16).

ELECTRONICS 'BUG' BBB: Consumer electronic products accounted for 1 of 10 complaints, BBB Pres. K. B. Willson tells EIA (p. 17).

Programming

GREAT DEBATE ROLLS ON. Political parties concern with "image" created by their candidates again points up enormous impact of the medium (p. 4).

Finance

SKIATRON STOCK SALES BARRED to Pres. Arthur Levey & pay-TV licensee Matty Fox by SEC ruling banning public deals (p. 18).

Other Departments

NETWORKS (p. 12). **CONGRESS** (p. 13). **PERSONALS** (p. 13).

ALLOCATIONS—'HAVES' VS. 'HAVE-NOTS': We've leafed through many of the 3,000 or more pages filed by some 150 parties in FCC's "interim" allocation plan proceeding and found they're much the same as major filings we summarized earlier (Vol. 16:40 p2).

Well-situated vhfs want things left alone—building their arguments on prospective loss of fringe service to public. Uhfs or prospective vhf applicants heartily endorse vhf drop-ins via mileage cuts—citing need for more competition in larger cities & local service in smaller communities.

But the "haves," recognizing they may have to give some ground, strive vigorously to contain the "invaders." They argue for "specificity" and a single-package proceeding which would allow just so many drop-ins—and then slam door shut. Some also make it clear they'll try every legal device in the books to delay implementation of drop-ins. Even ETV vhf "haves" oppose service-area cuts; however, they say, if there are going to be drop-ins, they want them.

Those urging drop-ins frequently included elaborate documentation to show need in their cities for more stations. They insist that added competition & full availability of 3rd network service outweigh any possible loss to fringe service of existing vhfs.

Almost everyone objects to proposed adjacent-channel cut from 60 to 40 miles and to 20-db directionals. RCA filed report on feasibility of DAs.

Motorola opposed FCC's plan with argument that non-broadcast services need vhf more than TV does. Apparently, it looks toward ultimate shift of TV to uhf—or to sharing vhf channels with non-broadcast users.

Mass of material is so huge that FCC granted industry requests for more time to prepare reply comments, extending deadline 45 days beyond previously-set Oct. 14. It also gave same extension for reply deadline in Grand Rapids & Providence drop-in rule-making proceedings.

ROAD CLEAR FOR COLLINS AS NAB PRES.: Gov. LeRoy Collins' selection as next NAB president appears all over but the shouting—though there may be a little mild shouting, not much, as NAB Board meets at 11 this Monday morning (Oct. 10) to vote.

We've discovered no real opposition to Collins, per se, but there is some grumbling among Board members who wish they'd been consulted by selection committee. "Our only concern," said one, "is that we really don't know much about him in terms of our industry." No one expects the appointment to be delayed, however, and no dissenting votes are anticipated. Contract is same as the one late Pres. Harold Fellows had—$75,000 plus about $12,500 expenses. It runs 3 years.

In Tallahassee at his news conference last week, Collins for first time virtually confirmed pendency of NAB position by saying that if he becomes NAB president he'll immediately stop campaigning for Kennedy & Johnson, and resign as chmn. of Democrats' Speakers Bureau. He can assume NAB duties when term as Fla. Governor expires Jan. 3.

Collins was picked over other finalist, U.S. Information Agency Dir. George V. Allen, not only because committee was tremendously impressed by Collins but because it wasn't considered wise to attempt to woo Allen from his foreign affairs duties at this time. Committee members wouldn't say that they considered either the better qualified man.

After our early report first revealed to industry that Collins was leading candidate for job (Vol. 16:31 p1), nothing but kudos has been received by selection committee, according to Chmn. C. Howard Lane, KOIN-TV Portland, Ore. "I haven't heard a word of dissent," he told us. And, he added, "I'm bushed."

ADVERTISING'S SELF-POLICING MACHINERY: Biggest U.S. agencies & advertisers have joined forces in new, stiffer program to police "manifestly misleading" or "bad taste" advertising.

Unity-of-action link is through new 20-man group, Committee for Improvement of Advertising, with equal representation by Assn. of National Advertisers and American Assn. of Advertising Agencies. Each organization has been individually active in post-quiz-scandal cleanup of ad practices (Vol. 15:46 p5; 16:3 p8), but this is first joint program.

Influence of new Committee will be sizable, by all indications. ANA and 4A are 2 of strongest ad-industry associations. Although no drastic punishment for an offending ANA or 4A member is possible under groups' present rules, Committee will "coax, coax, coax—and then slug," said ANA Chmn. Donald S. Frost.

There's no conflict with govt. or business regulatory forces, such as FTC or Better Business Bureau. Committee won't, for instance, set up lab to validate product ad claims and it won't screen ads in pre-release stage. Focus will be on advertising that other admen consider to be "harmful to advertising as a whole."

Here's how machinery will work: When complaint is filed, each of 20 Committee members will receive voting form & copy of objectionable ad. For a TV commercial, they'll get a "photoscript"—audio transcript plus off-the-air still photos. Each ANA-4A member votes independently; votes are tallied; offending advertiser & his agency are notified simultaneously. If offenders continue, they'll be asked to resign—a threat more important in terms of industry prestige than it might sound. Committee members won't vote on complaints involving competitors, and findings & decisions won't be made public.

Essentially, Committee function represents new dimension for existing Interchange of Opinion, a 4A program in effect since 1946. Under new setup, Interchange will be operated jointly by 4A and ANA. Heading Committee are co-chmn. E. G. Gerbic (Heublein Inc. ad vp) and Robert E. Allen (Fuller & Smith & Ross pres.). Represented on Committee are such advertising blue-chips as Reynolds Metals, RCA, Dole, Ford Motor, Lever Bros., J. Walter Thompson, BBDO, Benton & Bowles.

STEREO COMMITTEE COMPLETING REPORT: Ahead of schedule, analysis of FM stereo radio field tests is due to be completed this week by field test panel of EIA's intra-industry National Stereophonic Radio Committee. This is next to last major step before inauguration of new stereo radio service. Final step, of course, is FCC's establishment of standards—choosing from among the 6 stereo systems tested & evaluated by NSRC, or, conceivably, a "dark horse" or "hybrid" system not considered by NSRC.

FCC's work should be considerably speeded by thorough NSRC field-test report, compiled under chairmanship of NAB engineering dept. mgr. A. Prose Walker. Report will be 5-to-6 inches thick, accompanied by series of test tapes, recorded at field test receiving site at Uniontown, Pa. from Pittsburgh's KDKA-FM, which served as test station. Although FCC's deadline for the field-test report & other FM stereo comments is Oct. 28, NSRC could beat this date—if no hitch develops at this week's meeting and if mechanical work (mimeographing of report, etc.) proceeds with dispatch.

Report itself will express no opinions—it's strictly a comparative engineering evaluation—but if any one system shows up as outstanding this will be obvious to engineers reading the data. Parameters of all systems will be compared directly in the various curves showing measurements at different field strengths. All companies sponsoring systems have worked with field testers and are expected to sign & vouch for report, so there's no argument as to impartiality or authority of the data.

Analyses will be objective rather than subjective—although if FCC staffers or Commissioners wish to hear results of different systems they can do so by listening to test tapes. Panel members, however, didn't evaluate tapes by personal preference, haven't even listened to them since they were recorded in wee small hours during last summer's Uniontown tests.

Panel's work has been conducted in completely scientific atmosphere. Chmn. Walker & panel members stress that no system has been (or will be) recommended or ruled out. They add that previous reports that one system failed to provide satisfactory stereo were not the opinion of the panel, which will allow engineering measurements & test tapes to speak for themselves.

Commission still hopes to proceed as swiftly as possible on establishing final standards. No hearings are planned and staffers hope to get to work on evaluation of all material right after Oct. 28 deadline, in hope that final decision can come out before year's end.

HOLLYWOOD: 'WHO? ME?' Most film-capital production executives take a dim view of the new TV season—at least so far as Hollywood product is concerned. Reaction ranges from occasional "wait until you see our good show coming up" to more frequent opinions that this is an uninspired, imitative and unimaginative season. The opinion coincides with that of TV-radio vp Arthur E. Duram of Fuller & Smith & Ross, who last week (Vol. 16:40 p4) took his fellow admen to task for TV's formula programming.

The gloomy view of programming is far more prevalent than the optimistic. Considering that many of these same executives are responsible for the film seen on TV, we asked one producer about this seeming paradox. Replied he: "When an agency or network says it wants a comedy or Western series you don't argue or turn down an order—you supply what they want."

"Very bad" was how one top executive of diversified & high-echelon background described the 1960-61 film season. He had not a good word to say for it, even though his product is included. Another termed bulk of programming "mediocre." Still another said most agency & network representatives currently in Hollywood from N.Y. are interested almost solely in next year's programs. They seem to have written off this season.

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Number of executives blame the networks for what they term a deplorable situation. This, they say, is the season the networks have assumed responsibility for programming, and there has been a damper on anything but the most routine formats. Any faintly new approach is discouraged by network—and sometimes agency—executives, they assert.

Overall, there is a marked air of apathy regarding Hollywood's filmed, or bread-&-butter shows. There is general agreement with the mainly critical reviews, although it's usually on a don't-quote-me basis. Some executives say part of the reason for the low-level quality is the writers' strike which paralyzed production for 5 months earlier this year and brought on panic-buying of scripts. Others say scripts they are now receiving are still mediocre, but are often purchased nevertheless, because better ones can't be found.

Programming

GREAT DEBATE ROLLS ON: With the first of the Nixon-Kennedy debates having made both political & TV-rating history (Vol. 16:40 p3), the TV industry poised itself last week for the second clash—on Friday, Oct. 7—in the 4-program, all-networks series. Developments:

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NBC Chmn. Robert W. Sarnoff told the San Francisco Ad Club of a plan for local-level adaptation of the Great Debate technique within legal limits. As soon as possible, NBC's o&o stations will frame debate shows featuring candidates in major local political contests. Urged Sarnoff: The current suspension of Sec. 315 should be made "permanent, and extended to state & local contests." Reviewing the background of the debate telecasts, Sarnoff said that in 1952, when the idea for the debate format was proposed by Mich. Sen. Blair Moody, "NBC became the first network to try to adopt it. We wired both candidates . . . Our offer was declined." (But on Aug. 6, 1952, CBS Inc. Pres. Dr. Frank Stanton had offered a network debate arrangement in a letter to Moody. NBC's wire went Aug. 18.)

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The tremendous impact of the TV debates continued to cause the 2 major political parties to curtail plans for paid political telecasts (Vol. 16:39 p8). According to Republican PR director Louis Guyley, the GOP will spend "only about half" of the $2.5 million put into political TV time in 1956, with 60% of that budget going into 30-min. segments and 40% into 5-min. network segments & announcements. The Democrats have scheduled a pair of 30-min. network shows & a single 60-min. network telecast, with an additional budget for spot announcements. Just what the Democratic TV budget will be hasn't been decided.

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The U.S. Information Agency began to do a brisk international trade in kinescopes of the first Nixon-Kennedy debate. So far, kines have been sent to 100 countries, said USIA. Telecasts were scheduled in 48 of the countries; in the remainder, the kines will be shown in theaters. An even larger distribution is expected for the second debate show. In N.Y., WNEW-TV again made plans to run a tape of the debate show the following day, slotting it Oct. 8 in a noon-to-1 p.m. period. CBS Films also made some rapid international deals, shipping the first debate film by air to 9 foreign countries Sept. 27. No profit was made on the sales, CBS Films having agreed in advance to ship debate footage abroad at cost—roughly $100 per program. The films, sold on a non-exclusive basis to England, Japan, Germany, Sweden, Denmark, Norway, France, Finland, Australia and Canada, were given on-air live translations where necessary. Remaining debates will be handled by CBS Films in the same manner.

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Mutual Bcstg. System came up with a suggestion for Broadway theater managers, night-club owners and others in N.Y. who might have their box-offices crimped by a general let's-stay-home-and-watch-the-debate movement. Sending wires to N.Y. managers who had reported losses on Sept. 26, MBS recommended: "Suggest you advise general public your public address system inside theater will air candidates' appearance prior to curtain-raising. Broadcast ends at 8:30 p.m. and is readily tunable via WOR, Mutual network N.Y. affiliate. Radio placed before public address microphone can do job for you."

Vital interest of Congress in Kennedy-Nixon debates is indicated by the fact that representative of Senate Commerce Committee, communications counsel Nicholas Zapple, is making a point of observing each encounter at the originating studios, in the company of top network officials.

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Several changes, major & minor, were made in the physical production of the second debatecast, as compared with the first. Print-media newsmen made up half the panel (Alvin Spivak, UPI; Hal Levy, Washington correspondent, *Newsday*) with TV-radio newsmen (ABC's Edward P. Morgan; CBS's Paul Niven) the balance. NBC's Frank McGee was moderator. The set was "warmer," using various shades of brown against a straw-matting backdrop. There were no flags, flowers or pictures in view. Unlike the first show, the panel was arranged so that viewers could see their faces, and not just the backs of their heads. Candidates Nixon & Kennedy were questioned alternately by the panel, with each candidate having 2½ mins. to reply (and with 1½ mins. to comment on the reply of the other).

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TV reporters on a panel which will question the Presidential candidates in the 3rd "Great Debate" Oct. 13—a split-screen show with Nixon in Los Angeles & Kennedy in N.Y.—will be picked by CBS & NBC. Print media will be represented by Roscoe Drummond, *N.Y. Herald Tribune* syndicated columnist, and *Reporter* magazine's Douglas Cater. Names of Drummond & Cater were drawn from a list of reporters who have covered both candidates.

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CBS Inc. Pres. Frank Stanton told reporters in Washington that Vice Presidential candidates Lyndon B. Johnson & Henry Cabot Lodge had rejected network invitations to get into the "Great Debate" act, too. Stanton said neither gave reasons for turning down the TV bids, but that there was speculation each believed he would be handicapped, in any face-to-face confrontation, by specialized backgrounds—Johnson in domestic affairs, Lodge in International affairs. Stanton also said he hoped the Presidential-ticket debates would be repeated in 1964. But he expressed doubts, pointing out that one of the 1960 candidates will be in the White House then. "Will the President in 1964 be willing to repeat on TV?" Stanton asked.

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CBS upstaged NBC's Bob Hope last week as the comedian led off his 60-min. TV show with a barrage of political jokes. The mixup was audio-visual—NBC's Eastern viewers saw Hope, but heard dialogue from rival network CBS's *To Tell the Truth*. Explanation: "Something went wrong with the telephone wires." Program sponsor, General Motors, however, was entitled to a smile or at least a sigh of relief—the sound was corrected precisely as Hope plugged: "I don't care who gets to the White House just as long as he drives there in a Buick."

N.Y. County Grand Jury is readying 2nd-degree perjury charges against 20-25 persons who testified before it about the 1958-59 TV quiz scandals. The charges are expected to be handed down this week to General Sessions Judge Charles Marks. Indications are that the Grand Jury will return informations rather than indictments against the witnesses. Charges in an information involve misdemeanors; indictments, felonies.

Court Series Back on Air: Taped recordings of actual proceedings in the Parma, O. traffic court were broadcast again by Westinghouse's radio KYW Cleveland last week, following a ruling by a State Supreme Court committee that the programming didn't violate the American Bar Assn.'s Canon 35.

The *Traffic Court* series, which helped win a 1958 Alfred P. Sloan Award for the station, had been dropped by KYW in May 1959 when the Cleveland Bar Assn.'s Professional Ethics Committee decided it came under Canon 35's ban against microphone-&-camera coverage in courts.

But the Supreme Court's board of commissioners of grievances & discipline ruled this June that Canon 35 doesn't apply to taping of courtroom proceedings for subsequent broadcast.

KYW tapes entire sessions—often lasting 3 hours—of the Parma court presided over by Municipal Judge George P. Allen, then edits them into 30-min. weekly programs (10-10:30 p.m. Tue.). The series has been praised publicly by police officials for its help in highway safety education.

Meanwhile, KGW-TV Portland received the first TV award ever made by the Ore. State Bar Assn. for promotion of public understanding of legal processes. The station was cited for its 60-min. May 1 "World Court in Action" special. Produced in cooperation with the lawyers' organization, with judges & attorneys playing roles, the show dramatized World Court sessions on the Anglo-Iranian oil dispute.

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On TV's Labor Front: Outwardly, TV labor negotiations seemed to be in a lull last week, but at all 3 networks and in management conferences at most big ad agencies, new AFTRA demands were being vigorously discussed—particularly since they'd been made with SAG sitting in as an "observer" (Vol. 16:40 p9).

Networks were quietly estimating probable costs of the AFTRA-proposed new TV-radio commercials rate structure (a complicated change in the size-of-market "population units" upon which old fees were based). Additional AFTRA-SAG demands will be made this week (Oct. 11), in the fields of tape, film and live commercials. All new AFTRA proposals will almost certainly contribute heavily to increases in program & commercial costs.

On an even broader labor front, there were signs that inter-union cooperation in the talent field might be expanded to include technical unions. Leaders of IATSE, IBEW and NABET met in N.Y. last week with AFTRA, and co-negotiator SAG, to discuss a united labor front. With industry negotiations due for all 5 unions in the coming months, the meeting was aimed at strengthening their bargaining positions.

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Most expensive NBC flop of the new season continues to be the $450,000 pilot of *The Barbarians* (Vol. 16:31 p12; 16:32 p4). In an attempt at TV salvage, NBC dropped it as a one-shot into the 10-11 p.m. slot Oct. 4, offered it as a colorcast special. There were no takers, and the show went on the air as a sustainer loaded with promotional spots for other (and more financially fortunate) shows. Potential cost of the unsold airtime—about $130,000—must now be added to other red ink on the Mahin-Rackin-produced special. Critics were lukewarm toward it ("Punic corn all the way but at least a change from cactus drama"—Jack Gould, *N.Y. Times*). Just so it shouldn't be a total loss, NBC intends to splice in another 30-min. of *Barbarians* footage and release it as a feature film—outside the U.S.

The FCC

MIAMI 'FIX' RETRIAL STARTS: With ex-FCC Comr. Richard A. Mack confined to a Fort Lauderdale hospital and co-defendant Thurman A. Whiteside going it alone, the Justice Dept. set out again last week in U.S. District Court, Washington, to prove that they had plotted to rig the Miami Ch. 10 grant for WPST-TV.

Judge Alexander Holtzoff ordered Miami lawyer Whiteside to stand trial separately from the ailing Mack in the second go-around of the often-delayed conspiracy case (Vol. 16:18 p14). He rejected defense pleas for another postponement. The first trial ended in a hung jury.

At the same time (Oct. 3), Holtzoff ordered Mack's $1,000 bail to be forfeited. He denied a request by govt. attorney Oliver Dibble for a bench warrent for the missing Mack, but said 2 medical specialists would be assigned to examine Mack, who is reported by his counsel Nicholas J. Chase to be "seriously ill" in a Fort Lauderdale hospital.

Chase submitted a letter to the Court from Dr. E. C. Chamberlain, who said no final diagnosis of Mack's condition had been made, but that the former FCC member may be suffering from cirrhosis of the liver, pernicious anemia, carcinoma of the intestines—or something else. But Holtzoff was unimpressed.

Shift to Miami is Rejected

Judge Holtzoff turned down arguments by Whiteside's counsel Arthur J. Hilland that the retrial should be shifted from Washington to Miami. Trial proceedings finally got under way Oct. 4 with selection of a jury: 7 men, 5 women.

First days of the second trial, which also promised to last for weeks, were taken up by a repetition of testimony heard in the first run—and by barrages of objections (most of them overruled) by Whiteside's lawyers.

Among the early witnesses was FCC lawyer Charles R. Escola, who testified that Mack participated in the final 1957 decision giving the Miami award to National Airlines' Public Service TV Inc. But Escola said Mack didn't take part in a preliminary decision in favor of winner WPST-TV, whose grant was taken away by FCC on "influence" grounds in July of this year (Vol. 16:29 p1 et seq.).

The govt. introduced photostats of checks totaling $10,000 (including 8 checks for $4,100 signed by Whiteside) which allegedly were sent to Mack in connection with the Miami case. FBI accountant Milton Singman testified that from July 7, 1955 to Jan. 31, 1958, Mack received $13,571.23 from Whiteside in payments which included checks from 2 Whiteside-owned companies. Under defense cross-examination, Singman conceded he hadn't explored earlier financial transactions between the 2 men, who were close friends before Mack joined FCC.

What happens to Ch. 10, meanwhile, is up to the Court of Appeals. In a recent order, the Court said in effect that it would hold everything until FCC acts on all petitions for reconsideration of the basic decision which stated that WPST-TV must vacate the channel. Then, last week, the Commission finally rejected Elzey Roberts' petition for reconsideration, and announced its intention of turning down North Dade Video's similar effort.

L. B. Wilson Inc., which is scheduled to get Ch. 10 under the Commission's basic decision, last week urged the Court to let it take over the channel immediately. The FCC also plumped for a quick take-over, saying that: (1) WPST-TV has a "minimal" chance of ultimate legal victory. (2) Any injury to WPST-TV would be "largely counterbalanced" by the injury to L. B. Wilson. (3) Miami public would benefit by the switch in licensees.

FCC VIEWS ON 'CENSORSHIP': The text of FCC's decision to grant licenses for less than 3 years whenever it considers this advisable (Vol. 16:40 p5) was released last week. It contains some significant language on the subject of censorship & the Commission's role. The comments were in answer to objections NAB had filed when the rule was proposed:

"We reject NAB's contention that adoption of the rule under consideration herein would infringe upon the statutory prohibition of censorship. In the first place, a course of violations which might impel the Commission to limit a given renewal to less than 3 years might involve technical operation of the stations, the accuracy & truthfulness of reports to the Commission, or other matters apart from questions of the discharge by licensees of their responsibility to program their stations in the public interest. No question of censorship would be relevant in such cases.

"NAB appears to feel concern, however, with the possibility that the Commission may invoke the rule because of its dissatisfaction with a station's programming practices. Although it should be unnecessary to do so, in view of innumerable Commission utterances on the subject, we again disavow any intention or desire to infringe upon the letter or the spirit of the restraints which are clearly imposed upon the Commission through the statutory prohibition of censorship & by the Constitutional guarantee of free speech. But, as has been explained many times, these propositions do not equate with the position (which in any event has never been seriously advanced) that the Commission can authorize the use of scarce frequencies for the public service of broadcasting with total disregard of the manner in which licensees discharge their responsibility to determine the content, format and scheduling of all matters broadcast over their stations. Statutory law itself lays down certain express requirements and prohibitions in this regard (See Section 315 of the Communications Act requiring equal time for candidates for public office, Section 317 requiring identification of sponsors of broadcast matter and Sections 1304, 1434, and 1464 of Title 18 of the U.S. Code prohibiting the broadcast of lottery information, fraud by radio and the dissemination by radio of obscene, indecent, or profane language, respectively).

"Beyond these statutory prescriptions & proscriptions, it is well established that the Commission has legitimate concern with such matters as performance conforming reasonably with programming proposals, the comparison of program proposals of mutually exclusive applicants for broadcast facility and other cognizance of broadcast programming. It is needless & would be inappropriate to endeavor to restate here in detail the Commission's long-established interpretation of its duty to take cognizance of program proposals and all-over performance by broadcasters in making the requisite determination that the public interest would be served by the issuance of each broadcast license. What is relevant to the arguments raised by NAB is the Commission's equally long-standing policy, which will be continued without change, to refrain from any action which would even remotely jeopardize the protection to the public which is afforded by the statutory prohibition against censorship and the Constitutional guarantee of free speech. In these circumstances, we find no merit in the arguments advanced by NAB against adoption of the proposed rule."

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NAB has been turned down by FCC in its request that AM stations be required to log frequency monitor readings twice daily instead of every ½ hour.

FORD SPURS EDITORIALS: Warm encouragement of broadcast editorializing was expressed by FCC Chmn. Ford in his speech prepared for the Oct. 6 Radio-TV News Directors Assn. convention in Montreal. He did, however, acknowledge that some operators have been hesitant—in the absence of specific FCC "guidelines" —about what constitutes "fairness." The speech was read by Ford's special asst. James Sheridan because Ford was confined to his home with a virus infection.

"It would seem," Ford said, "that the time has come after 11 years of editorializing for the Commission to call upon the experience of broadcasters for the purpose of establishing specific guidelines in this area, so that the broadcaster who does editorialize will know, insofar as it is possible, precisely what is expected of him."

He gave several examples by which broadcasters insure fair presentations: (1) Labeling editorials as such, before & after presentation. (2) Sending copies to people known to have opposing views. (3) Maintaining files of all editorials. (4) Avoiding editorials on subjects involving personal or financial interests of the station owner.

"These examples," he continued, "are some of the things which broadcasters have found helpful in complying with the fairness doctrine. If they & perhaps other requirements were clearly spelled out, more broadcasters might be encouraged to air their editorial opinions. This is becoming increasingly important because of the decline in the number of competing daily newspapers in many cities of the U.S.

"It seems to me, however, that there may be an even more important benefit to the public which can flow from licensee editorialization. Any broadcaster who is constantly studying the issues confronting his community, and conscientiously attempting to stimulate the public by offering his own views through broadcast editorials, will almost have to engage in that type of activity referred to in the Commission's Report on Programming [Vol. 16:31 special supplement]—namely, assiduous planning & consultation with both the public & leaders in community life in order to discover & fulfill [his area's] tastes, needs and desires."

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Most radio stations editorialize, NAB research mgr. Richard M. Allerton reported following a survey (Vol. 16:38 p11) which showed that the practice "is on the increase." He said 61.8% of stations responding to NAB's questionnaire do broadcast opinions on public issues, although only about half of them do so regularly. Other findings in the radio survey: (1) The editorial function generally is assigned to top management. (2) Opposing viewpoints are actively sought by 80% of the editorializing stations. (3) Editorializing is regarded by station managements as a "plus" programming feature.

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FCC's role in programming, payola, rules violations, etc., is discussed by Chmn. Ford in the Oct.. 8 *TV Guide*. He includes his "personal views" on the subject of "violence," reiterating the concern he expressed at the last NAB convention (Vol. 16:15 p6). "It seemed to me," he writes, "that public comment & complaints about excessive violence on the TV screen had reached such proportions that I felt compelled to bring this matter to their attention. . . . It was very heartening, therefore, to learn recently that the TV Code Review Board reported a general expansion of its activities in order to deal more effectively with this problem 'at the source.'"

Advertising

NAB WIDENS ITS LIQUOR BAN: Members of NAB's Code Board huddled in Washington last week on a newly-sticky subject of whisky sours. They voted to broaden the industry's self-regulatory ban on hard-liquor advertising to include non-alcoholic mixes for cocktails—and crossed their fingers.

Confronted with a challenge to the Code posed by Holland House TV spots for a whisky-sour mix (Vol. 16:40 p10), the Review Board wrote a new interpretation of the Code rule which for long has said: "The advertising of hard liquor should not be accepted."

Clarifying language added by the Board to the anti-liquor section of the Code reads: "This restraint applies also to the advertising of products and/or services in themselves not hard liquors, but which in their presentation induce the use of hard liquor."

Immediate target of the broadened ban was the Holland House commercials, rejected by Code subscriber WPIX N.Y., but accepted by non-subscribing WNTA-TV N.Y. The commercials show actual mixing of a whisky sour with the prepared mix.

There was no indication last week that use of such spots was spreading beyond WNTA-TV, but the Board regarded the threat to the Code as so serious that most of the day-long Oct. 4 session in Washington was taken up with the new Topic A on the agenda.

Following the closed Board meeting, Chmn. E. K. Hartenbower (KCMO-TV Kansas City) had nothing to say publicly about WNTA-TV. But he said WPIX (which dropped the spots after scheduling them for Sept. 25) demonstrated "a highly commendable sense of responsibility to broadcasting & a keen awareness of the traditional patterns of good broadcasting in rejecting the cocktail mix commercials offered by a leading advertising agency."

Hartenbower cited WPIX's conduct in the Holland House controversy as "another example of how Code subscribers such as WPIX, working through the Code Review Board procedures, can help the industry solve its own problems and thus head off restrictive govt. regulation which always threatens any licensed industry."

The Holland House agency, Erwin Wasey, Ruthrauff & Ryan in N.Y., hadn't heard about the Board's action 2 days later when we sought its reaction to the Code interpretation. But publicity dir. Phillips Fewsmith indicated that the agency was undismayed. He said the mix spots on WNTA-TV were "an experiment" to see how the public received them, that the agency had no present plans to place them on other TV stations—and that no use of radio was contemplated.

WNTA-TV's sales vp Donald J. Quinn defended his station's acceptance of the Holland House account. He pointed out that the challenged spots (starting Oct. 2 for 13 weeks) were seen only on the late-night *Open End* and *Picture of the Week* shows, when the viewing audience presumably is adult.

"We're pretty much of an adult station," Quinn told us. "Our standards are—in our opinion—higher than those demanded by the NAB Code." He added that so far the station had heard no comments from viewers—pro or con.

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Present claimant to title of "television's longest-run dramatic program" is *Armstrong's Circle Theater* which announces entrance into its 2nd decade this week.

Next major drive by FTC—which hit the broadcasting industry's payola practices in a wide-swinging campaign this year—will be against illegal advertising allowances in the food industry. Unbowed by the Senate's failure to confirm his reappointment (Vol. 16:35 p3), lame duck FTC Chmn. Earl W. Kintner signaled his wind-up pitch for the new campaign in an Oct. 3 speech to the Minn. Food Retailers Assn. in St. Paul. He said that as a starter FTC has sent questionnaires to 422 corporations in the food field demanding detailed information on allowances to retailers. In a further check on violations of the Robinson-Patman Act (which forbids discriminatory advertising practices by sellers), 113 suppliers & 211 grocery chains have been ordered to file reports to FTC. Another big FTC push under Kintner (who can stay in office until a successor is confirmed) will come next January when the 87th Congress convenes. The ad-policing & anti-monopoly agency, now operating on a budget of about $8 million, is expected to ask appropriation adds for at least 50% staff expansion.

Eversharp Inc. has agreed to an FTC consent order forbidding "deceptive" TV commercials for Schick safety razors & blades. Cited in an FTC complaint in March for boxing-glove demonstrations "which unduly frighten prospective purchasers of competitive razors" (Vol. 16:13 p8), Eversharp promised to eliminate Schick advertising which: (1) Claims the razors are safer than others. (2) Disparages competitive products untruthfully. (3) Misrepresents consequences if shavers use other razors. Joining in the consent order were Eversharp vp E. E. Ettinger and vp John Hise of Eversharp's agency Compton. FTC dismissed a complaint citation against ex-Compton account executive Alex Hoffman.

Lever Bros. was confronted with testimony at an FTC hearing that an enamel preparation used in TV demonstrations of stain-removing properties of Pepsodent toothpaste was unlike the actual surface of teeth. Dr. David Scott was the star witness summoned by FTC attorney Frederick McManus to back up a complaint that Pepsodent commercials were misleading (Vol. 16:3 p8). An official of the govt.'s National Institute of Dental Research at the National Institutes of Health, he said the demonstration plate wouldn't react like teeth when brushed with Pepsodent. Following initial cross-examination of Dr. Scott by Lever Bros. lawyers, FTC hearing examiner Harry R. Hinkes recessed the proceedings until Nov. 30 in Houston.

General Mills has signed an FTC stipulation in which it agrees to tone down animated TV commercials implying that its Surechamp dog food "contains meat, fish and liver." Negotiated by General Mills & FTC lawyers before any formal proceedings were started by the ad-policing agency, the agreement acknowledges that Surechamp ingredients "are actually meat meal, fish meal and liver meal." In a similar but non-FTC case, the Gaines div. of General Foods has agreed with the Texas Feed Control Service that TV claims that its dog biscuits are "chicken, milk, cheese, meat and liver flavored" were exaggerated.

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$1 million a day is the rate of gross time spending on TV by national food & grocery companies who make TV their No. 1 medium. So reports TVB for the first half of 1960. Billings in network & spot TV totaled $144,766,075 during the 6-month period ($88,798,000 for spot; $55,968,075 for network). Coffee, tea & food drinks were the major category ($31,213,881) with General Foods leading this group. Runner-up category was cereals, which spent $20,666,327, Kellogg leading. Baked goods ($16,836,003) was 3rd with National Biscuit as top spender.

Stations

'9 Worst TV Cities': There'll be plenty of dispute about it, but antenna manufacturer Channel Master Corp. has come up with a list of the 9 U.S. cities having the worst TV reception, as decided by a poll of TV dealers & service technicians. Channel Master's list:

(1) Kankakee, Ill., depends on Chicago—60 miles distant—for its TV. This fact alone wouldn't make it a bad area—but Kankakee is situated in a hollow. As a result, 40-to-60-ft. towers are required to pick up any signal at all.

(2) San Francisco, because of its hills & valleys, is extremely susceptible to ghosts. Super-directional antennas must be used.

(3) Chicago has a problem similar to that of San Francisco, but because of tall buildings. The problem here is much more serious than in N.Y. City, where it is ameliorated by the Empire State Bldg.'s height & central location.

(4) Utica, N.Y., with one local station set up in a different direction from Syracuse's 2 outlets, has a severe antenna-orientation problem.

(5) Toledo, O. has 2 local vhf stations, but viewers also can receive signals from Detroit (northeast of Toledo) and Cleveland (southeast).

(6) Detroit also has antenna orientation difficulties, with its 4 local stations (including one across the river in Windsor, Ont.) and 2 in the Flint-Lansing area.

(7) Dayton has a similar problem, with its 2 local stations and 3 in Cincinnati.

(8) Los Angeles is a cross between San Francisco & Chicago—buildings & hills—resulting in a ghost problem.

(9) Kauai, Hawaii, is just a little too far from TV, and residents must mount their antennas on 60-ft. telephone poles to pick up Honolulu stations.

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"Apostles of the positive" are needed in broadcasting, NAB Policy Committee member G. Richard Shafto (WISTV & WIS Columbia, S.C.) told the Alabama Bcstrs. Assn. at the U. of Ala., Tuscaloosa. Instead of "talking among ourselves" about industry virtues, he said, broadcasters should do more to carry the facts to public office holders, civic & educational leaders, churchmen, businessmen and others in their communities. Shafto also called on all in the industry to line up with NAB's TV & Radio Codes. He concluded: "These 2 steps alone—greater effectiveness in our liaison with key local, state and national leaders, and universal support of our own codes of conduct—will take us far toward the freedom . . . which we have always espoused."

Picketing of sponsors advertising on radio WOGA Chattanooga has been ruled illegal by NLRB trial examiner Louis Libbin in an unfair-labor-practice case involving IBEW's Radio & TV Engineers' local 662. He recommended that NLRB issue a cease-&-desist order against the union. It would prohibit secondary picketing that is designed to induce employes of an advertiser to walk out in sympathy with an IBEW strike against the station. Libbin also urged that the IBEW local be ordered to stop distributing "do not patronize" leaflets intended to "force or require" others to stop doing business with WOGA.

Anti-payola consent orders, approved by FTC in settlement of complaints, have been signed by: Rank Records of America Inc., 24 W. 57th St., N.Y. • Joseph M. Zamoiski Co., 1101, DeSoto Rd., Baltimore • Malverne Distributors Inc., 424 W. 49th St., N.Y. • Sue Records Inc., 725 Riverside Dr., N.Y. • Apollo Records N.Y. Corp., 1780 Broadway, N.Y.

Ike to Broadcasters: President Eisenhower's message to Western Hemisphere broadcasters, taped at the White House and distributed to stations by NAB (Vol. 16:40 p11), described TV & radio as "the eyes & ears of democracy." The text:

"On Continental Broadcasting Day I extend greetings to the members of the Inter-American Assn. of Bcstrs. and to their audiences throughout the hemisphere. The purpose of this day is to honor the work done by the radio & television industry in defense of human rights & liberties. Too many, too often, take these basic freedoms for granted. Only those who have lost them realize how precious they are & how essential they are to the survival of popular govt. and to human dignity.

"Among the most important rights of free men is the freedom to talk & write & communicate openly. A dictatorship destroys this freedom by censorship, by closing down the newspapers, by taking over the radio & television stations. Then, after these sources of truth have been cut off and any public discussion of the issues has been forbidden, a dictator turns his country into a desert of ignorance. The people become fearful, isolated, and uninformed as to the issues of the day.

"On Continental Bcstg. Day I congratulate those broadcasters in North & South America who help defend their neighbor's right to speak, to discuss, and to think for themselves. By broadcasting the news with freedom & courage, they perform an essential service for us all. They are the eyes & ears of democracy."

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First NAB fall conference in Atlanta Oct. 13-14 (Vol. 16:40 p11) will feature Pres. Noah Langdale Jr. of the Ga. State College of Business Administration as the closing second-day luncheon speaker. Other end-of-sessions speakers at the conferences will be: Dallas, Oct. 18-19, Pres. Will C. Grant of Grant Advertising Inc., Chicago • San Francisco, Oct. 20-21, U. of Cal. journalism Prof. Charles M. Hulton • Denver, Oct. 24-25, Martin Co. vp William L. Whitson • Washington, Nov. 14-15, FCC Chmn. Ford • Chicago, Nov. 21-22, American Motors Co. Pres.-Chmn. George Romney • N.Y., Nov. 28-29, U.S. Chamber of Commerce Pres. Arthur E. Motley • The Oct. 27-28 Omaha conference will be closed with a tour of Strategic Air Command hq and a briefing by Gen. Thomas S. Power.

NAB engineering award winner next year will be nominated by a 4-man subcommittee headed by NAB engineering mgr. A. Prose Walker. Other members, named at a Washington meeting of the Engineering Conference Committee which is planning May 7-10 sessions in Washington: Committee Chmn. Virgil Duncan (WRAL-TV Raleigh), Frank Marx (ABC), Benjamin E. Windle (Radio WCLT Newark, O.) Marx heads a subcommittee to choose conference speakers. Other members: James D. Parker (CBS), William S. Duttera (NBC).

Unfair labor practices by WEEK-TV Peoria against members of IBEW local 1292 are alleged by NLRB trial examiner George J. Bott in an intermediate report. The station denied union charges that it had discriminated against IBEW personnel in hiring-&-firing policies, but Bott held that dismissal of floor directors James Palmer & John Jordon was intended to discourage membership in the IBEW. Bott recommended that both be re-instated and that WEEK-TV be required to post a pledge against interference with its employes' right to self-organization.

Revised summary of federal lottery laws and their application to broadcasters is being distributed by NAB.

Although the 3 TV networks have stayed away from a Nikita Khrushchev guest star appearance during his U.S. visit (Mutual invited him; was turned down because he said they wanted too much control), David Susskind was set to give him air time on his *Open End* series last weekend (WNTA-TV Sun. 10 p.m.). Only Susskind, an interpreter, and Khrushchev were scheduled to be on the show. No questions were submitted in advance by Susskind, and he said he hadn't been contacted by the State Dept. to warn informally against allowing Khrushchev a propaganda platform. Why Khrushchev as a guest? "I want to elicit answers to the dozens of questions in every American's mind about the urgent issues of our times." For security reasons the studio to be used for the show was not announced in advance. Investment broker Sutro Bros. & Co. announced it was dropping its sponsorship of *Open End* show with Khrushchev because it would "do nothing to further relations between the United States and the Soviet Union"—but it will resume *Open End* sponsorship in subsequent weeks.

Freedom of news was upheld by the Ga. Supreme Court last week in setting aside a $20,000 contempt-of-court fine imposed on Atlanta Newspapers Inc. last April. The unanimous decision held that Superior Court Judge Durwood T. Pye had erred in ruling the *Atlanta Journal-Constitution* guilty of contempt because of a news story which cited previous arrests of a robbery defendant on trial before Pye. Ruled the Supreme Court: "Freedom of speech & of the press, as guaranteed by the Constitution, is essential to the preservation of a free society."

TV status report was issued last week by TvB in the form of a promotional pocketpiece entitled *TV Basics*. The booklet's vital statistics include such facts as: Standard irons are in 86% of U.S. homes and electric clocks are in 77%, but TV is in 88%. More than 43 million homes are reached by TV each week, compared with 33.9 million in 1956. There are now 1,334 brand-name products sold on network TV, and 6,088 use national spot TV. The top 100 U.S. advertisers place 51% of their budgets into TV.

Unique circular studio wing is part of a new building to be constructed for KTRK-TV (Ch. 13) Houston at a 4-acre Bissonnet site, between Buffalo Speedway & Westchester. An L-shaped office building forms the other wing, with a patio & pool area also to be available for TV. The circular building, scheduled to be ready by next summer, will be usable as a single 53-ft.-wide studio or, divided, for 2 or more shows. Additional shooting space is available on a nearby lot.

Two applications for new TV stations were filed with FCC last week: For Ch. 56 Binghamton, N.Y. by Alfred E. Anscombe, 5% owner of WKBW-TV Buffalo; for Ch. 10 Terre Haute, Ind. by a local group headed by attorney H. Ralph Johnston. The Terre Haute application is contingent on WTHI-TV's moving to Ch. 2. Total applications on file: 98 (19 uhf).

Switch of KTVT Ft. Worth from Ch. 11 to Ch. 2 has again been turned down by FCC as it denied the station's petition for reconsideration. KTVT was seeking to swap channels with Denton's educational Ch. 2. Comr. Hyde dissented and Comr. King didn't participate.

Objections to deintermixture of Fresno, filed by the city of Fresno and local educators, have been rejected by FCC. The Commission had ordered Ch. 30 substituted for KFRE-TV's Ch. 12.

Third station for Anchorage, Alaska, was granted by FCC—Ch. 13 to radio KBYR. Now operating are KENI-TV (Ch. 2) & KTVA (Ch. 11).

Auxiliary Services

CANADA'S CHARGE-A-VISION (cont.): More light was shed last week on the mystery of Charge-a-Vision, the wired pay-TV system announced via local newspaper ads as due to begin operation soon in Sault Ste. Marie, Ont. (Vol. 16:40 p3). Principal protagonist is Canadian promoter Ray Harnet, who has been conducting negotiations with the world-wide wired & broadcast TV-radio combine Rediffusion Ltd., and the Canadian subsidiary of electronic equipment manufacturer General Instrument Corp.

As we went to press, the only party known to have any direct proprietary interest in Charge-a-Vision was Harnet, film industry veteran who once was Warner Bros. Canadian sales mgr. and who more recently severed his affiliation with Rediffusion to promote the Charge-a-Vision wired pay-TV system in the same city where he had been promoting an upcoming Rediffusion CATV project.

General Instrument-F. W. Sickles of Canada Ltd., Waterloo, Ont., at week's end was considering whether it will undertake to manufacture the Charge-a-Vision pay-TV device, which is basically a time meter, indicating the amount of time each pay-TV channel is viewed. Rediffusion was jockeying with Harnet as to whether it would use Charge-a-Vision as an auxiliary to its Sault Ste. Marie CATV system, or whether Harnet would lease cable channels from Rediffusion's service for a Charge-a-Vision market test—but there still was a strong possibility that nothing at all would come of Harnet's announced Sault Ste. Marie pay-TV project.

Rediffusion Unconfuses Confusion

Rediffusion Inc., Canadian affiliate of big British-operated Rediffusion Ltd., currently runs one of North America's biggest CATV systems in Montreal, with 16,000 subscribers. Commenting on the confusion over Rediffusion's relationship with Harnet, Rediffusion Inc. Pres. T. A. Cross told us:

"For the last 12 months, Rediffusion has been planning to establish a 7-channel CATV system in Sault Ste. Marie, Canada. During this period Mr. Ray Harnet was employed as a field representative of Rediffusion and he carried on negotiations with the local authorities. Two months ago, Mr. Harnet left Rediffusion Inc. at his own request to set up Charge-a-Vision Ltd. and he has advised us of his intention to establish this system in Sault Ste. Marie in addition to other Canadian cities.

"However, Rediffusion has negotiated an exclusive contract with Soo Micro Inc. for the provision of U.S. TV signals by cable from Sault Ste. Marie, Mich., and it is our intention to use this import to provide a cable TV distribution system in Sault Ste. Marie, Canada, before Christmas. Our men are currently engaged in local planning & erection of cable across the Canadian locks.

"We have received overtures from Mr. Ray Harnet and General Instrument-F. W. Sickles of Canada regarding the possibility of utilizing the Charge-a-Vision box anciliary to our system for the purpose of providing pay-TV channels in addition to CATV. We have taken this matter under advisement and we have suggested to the Charge-a-Vision group that they might care to consider leasing from us spare channels on our grids for the purpose of testing the marketability of their device. . . . Whatever conclusion is reached, Rediffusion will proceed to erect a regular cable system in Sault Ste. Marie, Canada, to which pay TV may be added at a later date, but not immediately unless the

discussions with General Instrument are brought to a satisfactory conclusion."

At week's end—despite earlier pronouncements from Canada—General Instrument appeared to be cooling to the whole idea.

Rediffusion, incidentally, already has interest in a proposed pay-TV system—called Choice View—under a 21-year partnership agreement with Britain's J. Arthur Rank film combine.

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FCC's Oct. 24-28 pay-TV hearing on the proposed RKO-Zenith Hartford test (Vol. 16:40 p3) has no issue dealing with programming, theater groups told the Commission last week, urging in a petition that the following issue be added: "To determine the nature of the programs to be presented by the applicant during the conduct of trial subscription operations; the manner in which such programs will be selected & procured; the effect of its proposed programming upon the program services presently available; and whether, in light of the facts so determined, a grant of the application would serve the public interest, convenience and necessity." The petition said that the RKO-Zenith application includes "only the most general type of information" and that it is essential that FCC have the data. The petition notes that the present issues may already cover programming, but the exhibitors want to be sure.

Universal Pictures protested last week to Zenith about a gratuitous plug for "Spartacus," a big-budget, $12-million Ben-Hur-ish epic which Universal is distributing. The hassle began when Zenith PR chief Ted Leitzell, in a Sept. 26 Rotary Club speech boosting the proposed RKO-Zenith pay-TV test in Hartford (Vol. 16:40 p3), updated his previous practice of predicting that pay TV would bring viewers Broadway fare like "My Fair Lady." This time Leitzell cited as illustrative (but not specific) examples new movies "Spartacus," "Ice Palace" and "From the Terrace." Snapped Universal's Charles F. Simonelli in a wire to Leitzell: "We have not made any commitment for the exhibition of our picture on TV, whether by toll or otherwise, and we have no intention of doing so." Leitzell quickly wired Universal that what he had said was that pay-TV movies would be "of the calibre of" Universal's new blockbuster, and "at no time did I suggest that arrangements had been made for exhibition of any of these pictures on subscription TV."

Williamsport Cable Corp., National Theatre's 8,700-subscriber CATV system in Williamsport, Pa., has bought competitor West Branch TV Services Inc. for an undisclosed price. West Branch has 4,200 subscribers. The city has 3 more systems: Lycoming TV Cable Corp., with 3,000 connections; Clearview TV Service, 400; Cole TV, 150. NT&T Pres. B. Gerald Cantor said the West Branch system would be integrated with the Williamsport system into one operation, directed by Samuel P. Norton, pres. of WCC. Prices for systems are running $150-$300 per subscriber.

Unusual CATV setup in Salisbury, Md., finds 2 systems under construction simultaneously & competitively. One is operated by the city's station, uhf WBOC-TV (Ch. 16); the other by a group whose head is Martin F. Malarkey Jr., pioneer CATV operator & former pres. of NCTA. After a protracted dispute, the city gave both organizations the go-ahead. Competition for customers has been brisk, sometimes bitter. Each supplies 5 TV channels plus FM signals. Neither charges an installation fee, and both get $4.45 a month.

Film & Tape

FCC Begins Film Quiz: FCC's public hearings on TV film, which begin in Hollywood this week (Mon., Oct. 10), will probably last for 2 weeks "or more," we're informed by FCC attorney James Tierney, who, with Ashbrook Bryant, will conduct the hearings (Vol. 16:40 p8).

Tierney said leading Hollywood TV film executives will be asked to explain how they develop a new series, how they follow it through and eventually sell the property. "We will seek details on all of their activities, in an effort to obtain facts for the FCC and Congress to determine if any new legislation is needed," Tierney said.

FCC plans first to call executives of the major movie studios engaged in TV. They will be followed by representatives of the larger independent TV film companies. Then will come the smaller companies and individual spokesmen. All will be required to testify under oath.

In a surprising development, the FCC attorneys also requested talent guild executives to testify. The latter were reluctant, and will appear only because they have been subpoenaed. Screen Actors Guild national exec. secy. John Dales & his asst., Chet Migden, and Writers Guild of America West Pres. Curtis Kenyon will testify. FCC's staffers have also discussed the hearing with the Directors Guild of America.

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TV film producers, worried about the new payola law, have asked FCC to maintain the status quo until the Commission comes up with specific rules as guidelines. Alliance of TV Film Producers, which met with FCC staff members recently (Vol. 16:39 p6), said that legislative history indicates clearly that the amendments to Sec. 317 of the Communications Act weren't meant to affect film produced before Sept. 13. Therefore, it requested the Commission to issue "an interim ruling on Sec. 317 (d) declaring that until a final ruling is issued on the subject, the provisions of Sec. 317 as it existed prior to Sept. 13, 1960 shall govern announcements with respect to filmed programs produced prior to Sept. 13, 1960." As for programs produced thereafter, it said, time is needed to examine the industry's practices to see whether they're proscribed by law and what should be done about it. It asked for a wavier until Jan. 1, 1961, to protect current production. Motion Picture Assn. told the Commission it was studying the matter, would shortly give its views—presumably similar to ATFP's.

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Revue Studios placed Robert Horton of *Wagon Train* on suspension when he failed to report for work last week. Horton, who earns $2,250 a week as a co-star with Ward Bond, has given Revue no reason, said a studio source. He is being replaced by Terry Wilson of the series' regular cast for the episode currently shooting. Bond denies a feud exists, but adds: "I feel Horton was never particularly interested in the show. He seemed more interested doing work where he could make more money once the series established him. I would feel more loyalty to the series than that." Horton was reported doing a personal appearance in Little Rock, Ark., at the time he was to report for work in the series.

Los Angeles Superior Court last week approved a contract for 15-year-old actor Richard Eyer, a co-star of Four Star Television's *Stagecoach West*. Under its terms he receives $1,500 an episode and 20% of his original salary for each rerun; his parents get $250 an episode for "supervision."

HOLLYWOOD ROUNDUP

WGA Recall Vote Oct. 26: Writers Guild of America West's bitter internal fight comes to a showdown Oct. 26 when members will vote in a recall election aimed at removing members of the TV-radio board. The factionalism began during the WGA strike against TV film early this year. One group wanted an early settlement without royalties on foreign reruns; the other held out for the foreign rights. The latter group's stand was upheld by the membership, and eventually by the contract after the strike.

Since the strike's end, the 2 groups have been warring over selection of a WGA representative on the industry fact-finding committee to be set up to establish a royalty figure. The negotiating committee wanted one of its members, Sam Newman named a fulltime, paid member of the industry group—and were backed by a majority of the membership. But the TV-radio board fought this selection, and ultimately the WGA council recommended a non-Guild member for the job.

The infighting continued. Newman withdrew from the controversy, notifing WGA he wasn't available. At the same time he sharply rapped the knuckles of the TV-radio board for "ignoring" membership recommendations & delaying all action as long as he was a candidate. WGA then named attorney Joe Taback as its paid representative on the industry committee for a 3-month period.

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Republic Studios is building a new sound stage specifically for TV film . . . **Revue Studios**, currently constructing 2 new stages, has decided to build 2 more (for both movie & TV production). Newest tenant at the Universal City lot is the Stanley Kramer Co.

Producer Nat Holt will end *Wells Fargo* after this season. "We feel it's better to quit while we're ahead," Holt told us. By this season's end he will have produced 167 films. Dale Robertson, star of the series, owns a piece of it. Holt, who is also producer of *The Tall Man*, is planning 2 new Western pilots. Unlike many of his colleagues, he believes Westerns are far from through.

Allied Artists and Lindsley Parsons, Inc. plan a pilot for a 60-min. action show, *Patrol Boat 999*, in December. The project, dealing with the U.S. Coast Guard in the 1920s and 1930s, will be produced by Aubrey Wisberg. Parsons is exec. producer.

Screen Gems has resumed production of *Man Hunt*, starring Victor Jory & Pat McVey, in San Diego. Robert Cranford replaces Michael Stefani as a cast member.

Collier Young Associates has been formed by producer Young and Robert H. Hill. Its first project is syndicated (30-min.) taped series, *Crime & Punishment*.

ABC Films' *The Racers* goes into production late in Oct. at Republic Studios. Albert J. Cohn is producer .

Producer Jack M. Warner plans a series about the Civil Air Patrol.

People: Desilu Productions has signed producer **Mort Briskin** to a new contract. He is developing pilots of two 60-min. and two 30-min. series . . . Warner Bros. has signed actor **Grant Williams** for TV . . . Filmways has re-signed commercials-production vp **Will Cowan** to a 3-year contract . . . **Leo Salkin** has been named Format Films story editor of *The Shrimp* series being prepared for Four Star.

NEW YORK ROUNDUP

Add syndication sales: ITC picked up 42 Canadian markets last month for its 17 properties syndicated in Canada. A rundown of sales for individual series includes: *Interpol Calling*, sold in 10 markets; *Best of the Post*, 7 Canadian market sales (now in 104 U.S. markets) . . . **CBS Newsfilm's** daily news & sports service gained 9 stations last month: 4 foreign & 5 U.S. New stations include: Fuji Telecasting Co., Tokyo, Japan; Productores TV Associados, Montevideo, Uruguay; WRDW-TV Augusta, Ga.; WTOL-TV Toledo, Ohio . . . **Ziv-UA's** adventure series, *Sea Hunt*, now in its fourth year of syndication, signed 20 new markets last week . . . **MCA-TV's** first-run-off-network series *M Squad* gained 7 new stations last month including KTTV Los Angeles; KPLR-TV St. Louis; WMAL-TV Wash. D.C. . . . ABC Films' *John Gunther's High Road* will go into first-run-off-network syndication this week. Market sales to date total 4, including WPIX N.Y., with 3 additional markets reportedly ready to sign.

Peter M. Robeck & Co. Inc., TV syndication firm, formerly Scarab Film Corp., was announced last week by ex-Scarab Pres. Peter Robeck. It will be the exclusive distributor of *The Pioneers*, 52 reruns from the McCann-Erickson & Borax Chemical Corp. syndicated production, *Death Valley Days*. Featuring Will Rogers Jr. as host, the rerun package has been sold in 60 markets.

NTA's Storevision returned Oct. 3 for the 1960-61 season, via WNTA-TV N.Y.'s *Day Watch* program, in 275 metropolitan locations. The away-from-home TV show, which began a year ago but took a 1960 summer hiatus, will reach viewers in supermarkets, self-service laundries & drug stores with tips on shopping, latest news, sports & weather information and stock market quotations. It can also be seen by home viewers.

George George Productions, producer of the Trans-Lux-syndicated *Rube Goldberg's Inventions* (launched this month—Vol. 16:40 p9) has named Alexander Film Studios to handle physical production of the series. AFS is primarily a commercial film house located in Colorado Springs, Colorado. Cartoonist Rube Goldberg completed his role in the pilot reel last week.

Telestudios, NTA-owned N.Y. producer of taped commercials, increased billings 59% in the past 6 months over the comparable previous period, reported Telestudios Pres. George K. Gould. Among agencies regularly using their tape facilities: BBDO; Young & Rubicam; Benton & Bowles; Ted Bates.

An independent movie producer will make *The Big Payola*, dealing with the scandals in TV & radio. Alan Freed, N.Y. disc jockey fired during the investigation, and now working for KDAY Los Angeles, will star in the movie, which will be produced by Maurice Duke.

Ziv-UA has launched its 6th syndicated series of year, *Miami Undercover*, originally planned as a United Artists syndication release.

People: James B. Faichney has joined the creative projects section of NBC News & Public Affairs to develop programs in new *Victory* series . . . **Richard Brill** has been signed as Selmur Productions (AB-PT subsidiary) producer and gen. programming exec. . . . **Mauri H. Goldberg** has joined Robert Lawrence productions as senior producer & dir.

Networks

CBS will salute auto industry Oct. 16 with a Sun.-evening, 6-7 p.m. special packaged by CBS News. The telecast is timed to coincide with the 43rd annual National Automobile Show. Viewers will be given a backstage look at the design, testing and construction of new cars, plus a shopper's-eye-view of the "complete, 1961 lines of every American auto manufacturer." The network's news interest in the auto show, however, is inversely proportional to the amount of auto advertising booked this season among the networks. Currently, NBC (despite the loss of much Plymouth billing to ABC and considerable Ford billing with the demise of *Startime*) has 55% of network auto business, ABC has 26%, and CBS has 19%. CBS apparently hopes to improve its general image among auto sponsors by its auto-show cooperation.

Leading network-TV advertiser in July was conventions-sponsor Westinghouse with gross time billings of $5,831,551, reports TvB. Runner-up was another convention advertiser, Lever Bros., with $3,330,794 in billings. Other convention sponsors among July's top 15 advertisers: Mutual Benefit Health & Accident Assn., Brown & Williamson, Bristol-Myers, Cowles Magazines, B. F. Goodrich, RCA. Westinghouse also took top honors in the most-advertised-brand category, with a $2,701,068 investment for institutional advertising. July's leading advertiser category was toiletries & toilet goods ($8,768,074). Leader for the 7-month Jan.-July period was food & food products ($65,332,-423)—down from $66,564,653 last year. Toiletries & toilet goods time-billings totaled $64,867,095 for 1960's first 7 months—up from $60,258,536 in Jan.-July 1959.

NETWORK SALES ACTIVITY

ABC-TV

Walt Disney Presents, Sun. 6:30-7:30 p.m., participations eff. Oct. 2 and Nov. 6 respectively.
American Chicle (D-F-S)
Johnson & Johnson (Young & Rubicam)

Cheyenne, Mon 7:30-8:30 p.m., participations eff. Dec.
Coleman (Potts-Woodbury)

Daytime programming, Mon.-Fri., part. eff. Oct. 24.
Better Vision Institute (Doherty, Clifford, Steers & Shenfield)

Election Eve program, Mon. Nov. 7, 11 p.m.-12 mid., one-time special, full sponsorship.
Republican National Committee (Campaign Associates)

CBS-TV

The Year of the Polaris (*CBS Reports* series), Tue. Oct. 11, 8-9 p.m., full sponsorship.
Marlboro Cigarettes (Leo Burnett)

New York Philharmonic Young People's Concerts, 4 Sun. specials, 4-5 p.m., full sponsorship eff. Jan. 8.
Shell Oil (Kenyon & Eckhardt)

The Scarlet Pimpernel (*Family Classics* series), Fri. & Sat. Oct. 28 & 29, 7:30-8:30 p.m., half-sponsorship.
Procter & Gamble (Benton & Bowles)

NBC-TV

Mike Nichols & Elaine May Revue, Fri. Jan. 27, 9-10 p.m., one-time special, full sponsorship.
Kitchens of Sara Lee (Cunningham & Walsh)

"This Ain't My Life" was in substance the charge by New Haven, Conn. factory foreman Abraham Hahn in a $500,000 suit against NBC last week. Hahn's gripe was what he termed a "fraudulent & misleading description of [his] family situation May 4 in a *This Is Your Life* Mother's Day tribute to his wife. On that occasion, Ralph Edwards chose to portray Mrs. Betty Hahn as an "ideal" mother known for her "deep & moving sacrifices on behalf of her family." The truth, according to Hahn: Betty Hahn is separated from him, has been in & out of juvenile courts with 17-year-old daughter Pauline, and is not in contact with son Herbert, 19. NBC flatly denied having had any information contrary to the Edwards-portrayed facts. "The program is handled in complete secrecy and therefore we had no idea about the truth of the matter," stated the network Oct. 6. "A carefully planned hoax," was NBC's final word on the mishap. "All participants in the telecast went along with the deception and we had no way of knowing anything before this week." However, the network insisted that it was not backing down on its previously announced position—"to assume complete responsibility to the public for what appears on the network."

Edward R. Murrow publicly needled the networks last week—including CBS—for "remaining mute" in the face of recent State Dept. suggestions for limitations on TV-radio coverage of Khrushchev & friends. The networks, said Murrow on his Sunday CBS Radio news-analysis show, should have told State Dept. officials: "We in the news business think we are competent to make our own decisions . . . and require no editorial assistance. Thank you very much, period." Implying that CBS was as much at fault as anyone for taking State Dept. guff, Murrow declared that "only ABC's [news vp] John Daly" spoke out against "the old grinding machinery of bureaucracy." Observers noted that the CBS-Murrow difference of opinion was not the only one in recent weeks. (Vol. 16:32 p 8).

CBS Inc. Pres. Dr. Frank Stanton will assess "the long range significance of advances in broadcast journalism, including the current Presidential debates" in a book due for 1961 publication by Alfred A. Knopf. Stanton, prime mover in the drive to lift restrictive Sec. 315 (see p. 4), will "deal historically & analytically" with advances made in TV-radio news during recent world crises.

NBC-TV has signed a new "Emmy" contract to replace its good-until-1962 pact with the National Academy of TV Arts & Sciences. The deal through 1965 will help NATAS to push ahead on new projects (ETV aid, TV library & museum, scholarships, etc.), but NBC wasn't being altruistic. ABC recently landed the movies' Oscarcast under a long-range deal, reputedly had its eye on the Emmy show.

Congress

Vote of confidence in TV & radio was given by Congress in passing the anti-payola Harris-Pastore Act and suspending equal-time rules for Presidential tickets (Vol. 16:35 p1), according to NAB chief counsel Douglas A. Anello. "The public & our industry will benefit" from both measures, he told a Nashville meeting of American Women in Radio & TV. Anello said broadcasters are "grateful for the confidence expressed by Congress in our integrity" and that they'll "not be found wanting." At the same time, Anello warned that many in Congress held "strong reservations" about giving too much freedom of action to broadcasters. He said the industry "must demonstrate once & for all that this confidence has not been misplaced."

Technology

Toward Space TV Relays: Another big advance toward worldwide instantaneous TV transmission via spaceborne relays was made last week with the successful orbiting & operation of the 500-lb. Courier communications satellite.

Courier won't accommodate the bandwidths required for TV, but it offers another proof that satellites will some day be practical for TV relay. Courier is able to record messages sent to it, playing them back when it is keyed from the ground. It also can be used as an instantaneous microwave relay when it is in range of 2 ground stations.

Echo I, the 100-ft. aluminized balloon now in orbit, represents the "passive" approach to space communications, in that it has no electronic equipment in it—radio signals are merely "bounced" from it. Courier is the most elaborate "active" (or repeating) satellite sent aloft to date. Both approaches have TV-relay possibilities.

Courier is experimental forerunner of Project Advent, now being developed by the Army. Advent will involve the spacing of 3 one-ton satellites equidistantly around the equator at a height of about 22,500 miles (Courier is only 500-745 miles up), so that they will hover over the same spot on earth, moving at the same speed as the earth's rotation. With these 3 satellites in place, nearly 100% of the earth's surface would be within communications range. The first Advent satellites are expected to be orbiting in 1963, with regular operation before 1970.

Commercial TV relaying is not the principal goal of any of these communications satellite programs. They are designed as military or general communications necessities —but the aim is to provide channels with enough bandwidth to accommodate video information, and live transoceanic TV will be a psychologically important by-product.

Courier was developed by the Army Signal Corps, its payload built by Philco, the ground transmitting, receiving & control equipment by ITT, antennas by Radiation Inc.

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Two new superpower microwave tubes, described as "revolutionary breakthroughs in microwave tube technology," have been developed by GE Research Lab, with potential uses in radio-astronomy, space satellites, space probe tracking, space communications, etc. To develop hardware encompassing the new developments, GE's power-tube dept. is setting up a superpower microwave tube lab. The new tube types: (1) Multiple-beam klystron, combining a number of beams in one RF structure within a single vacuum enclosure. (2) Orthotron, a cross-field tube employing traveling waves.

New technical TV report available from FCC: "A Further Analysis of TASO Panel 6 Data on Signal to Interference Ratios & Their Application to Description of TV Service." It's titled "T.R.R. 5.1.2," may be obtained from the FCC Technical Research Div., Washington.

Brief progress report on N.Y. uhf project was issued by FCC last week. It noted: (1) An antenna showing "a reasonable approach to coverage" from the Empire State Bldg. has been designed by Melpar and will be tested. (2) Though tuners could be developed with a 3 db improvement over the better tuners now on the market, such tuners can be simulated by single-channel amplifiers—thus saving money. (3) Ch. 31 will be used on the Empire State Bldg. and a channel in the 800-mc range will be employed for the lower-powered unit. It's hoped that the latter can be mounted on the idle tower at Alpine, N.J., formerly used for FM by the late Dr. Edwin Armstrong. (4) Receiver sites are being studied.

Television Digest

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Personals: Ben Park named WBC exec. producer for program development . . . Larry Paulus named asst. program dir., WCBS-TV N.Y. . . . Thomas B. Shull, Storer Bcstg. film-operations dir., elected chmn., U.S. Bcstrs. Committee on World Affairs for UN . . . Daniel R. Kelly named sales presentations mgr. of CBS-TV Spot Sales' new sales presentation dept. . . . Ed Aaronoff appointed ad, promotion & publicity dir., MCA.

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FCC Chmn. Frederick Ford, suffering from a virus infection, stayed home all last week on instructions of his physician. He sent asst. James Sheridan to read his prepared speech to the Montreal convention of the Radio-TV News Directors Assn. (see p. 6) and canceled an inspection trip to Telemeter's pay-TV installation in Toronto.

Donald W. Peterson, RCA Labs, Princeton, has received the annual Scott Helt Award of IRE's Professional Group on Broadcasting for his paper *(TV Antenna System Measurement Based on Pulse Techniques)* published in the March 1960 issue of the Group's *Transactions.*

Obituary

Jacob (Jay) Paley, 75, a founding director (1929-37) of CBS and uncle of CBS Inc. Chmn. William S. Paley, died Sept. 30 in his Bel Air home at Los Angeles following a heart attack. A wide-ranging financier who retired in 1934, he had held interests in film production with Walter Wanger, in the old Congress Cigar Co., and in the Del Mar Race Track & Arrowhead Springs Hotel. Immediate survivors include a daughter, 2 brothers, a sister.

Joseph Nye Welch, 69, who became a national figure overnight as the Army's counsel in the 1954 televised Army-McCarthy hearings, died Oct. 6 at Hyannis, Mass. His performance at the televised hearings brought Welch new careers in the movies (as the judge in "Anatomy of a Murder") & TV. Among his many TV credits: relater of the story of the Constitution in an *Omnibus* series; host of *Dow Hour of Great Mysteries.*

Lord Simon of Wythenshawe, 80, chmn. of the BBC from 1947 until 1952, died Oct. 3 in Manchester, England. A member of the Labor party, he caused a controversy in 1950 by canceling a BBC-TV play that ridiculed socialism.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

AUG. RETAIL TV SALES DOWN 13%: Official confirmation came last week from EIA that August was the first 1960 month to show retail TV sales figures below the comparable 1959 month. Monthly report by EIA shows Aug. sales to consumers dipped 13% below those of Aug. 1959—a somewhat greater drop than earlier estimates had indicated (Vol. 16:39 p14).

August retail TV sales showed seasonal pickup from July—in fact were highest this year since March—but pickup wasn't enough to maintain 1960's previous good sales momentum. Consumers bought 429,346 TV sets in Aug. 1960, compared with 492,449 in Aug. 1959.

On a yearly basis, Aug. sales were at a rate of about 5.8 million. But retail sales figures for first 8 months of 1960 totaled 3,479,731 units, or an annual pace of about 6.3 million (vs. 1959's total retail sales of 5.74 million). The 8-month retail sales total was still well ahead of 1959's first-8-months figure of 3,126,981. On other hand, total distributor sales to dealers through September, as previously reported, now is slightly below 1959's first-9-month total.

Total retail sales of radios (excluding auto) continued higher than 1959 during Aug.—794,608 sets sold vs. 671,713 in Aug. 1959—still at annual sales rate of about 10 million sets. For complete tables, see p. 16.

FLAT-SCREEN TV—HOW SOON? Remarkable progress in electroluminescence for lighting uses—and some beginnings in use of this new medium for electronic display devices—were demonstrated by Sylvania in N.Y. last week.

Electroluminescent lighting panels now can be produced in 3x5-ft. sizes, making possible walls and even whole buildings which glow with a soft light, Sylvania officials demonstrated. This larger size & greatly increased brightness are among latest breakthroughs in science of electronic lighting. (Developmental lighting panel glows at brightness of 1,000 ft.-lamberts, compared with 50 ft.-lamberts given off by TV screen.)

Since electroluminescent lighting panels may be made as thin as .04 in. and can be made to glow in response to variations in voltage or frequency applied to them, this principle is generally accepted as the one which eventually will yield the true flat TV picture—successor to the cathode-ray tube.

First simple electroluminescent read-out devices—such as one which forms all numbers & letters of alphabet—are crude forerunners of flat TV displays.

How soon will the flat screen arrive? How actively are electronics labs working on this project? We put these questions to several top Sylvania electroluminescent research scientists. In answer to 2nd question—plenty of work is going on. Sylvania has already announced a developmental flat-panel oscilloscope—2nd cousin to a TV display—but with limited resolution capacity.

Big stumbling-block in development of flat TV screen is deflection device, extremely complex & capable of rapid switching. In essence, this would be a computer—and as one engineer said: "We could find plenty of other uses for a computer like the one we'd have to develop for an electroluminescent TV screen."

Sylvania officials aren't saying how far along they are in development of such a device—nor are other companies. Nobody wants to give clues to his competitors or upset the TV market with pie-in-the-sky announcements. There's another imponderable involved: How interested is the military in a flat screen for radar or TV pictures? Flat-screen TV will come much sooner if it is by-product of military research than if it's undertaken for consumer-products manufacturers, whose research funds are far more limited.

From our conversations with scientists & engineers of Sylvania and other companies, here's rough guess at a flat-screen timetable: Demonstration of high quality electroluminescent TV picture in 2-to-3 years; flat screen ready for commercial production within 10 years. So don't throw away your cathode-ray tubes.

SET MAKERS ADOPT GE's COMPACTRON: GE's new approach to multi-function receiving tubes—the Compactron (Vol. 16:27 p14)—has drawn active interest of 13 electronic equipment manufacturers (all of them understood to be connected with consumer fields) and firm orders for more than 50,000 Compactrons a month.

Two other receiving tube manufacturers—CBS Electronics and Tung-Sol—also are planning to produce Compactrons, thereby guaranteeing equipment makers an alternate source of supply. Such a guarantee is extremely important, as the current IUE strike against GE points up.

Combining as many as 8 tube functions within one glass envelope, Compactrons promise real circuit savings in TVs, radios & phonos, without lowering quality. In addition, they also permit some size reduction in equipment. GE said it expects "Compactronized" equipment to start appearing on market next year, is completing tooling-up of plants in Owensboro, Ky. & Tell City, Ind. It is developing 37 Compactron types at request of customers. These range from 8-function types down to single-function units (which can handle more power output than equivalent tubes) in both series-string & parallel heater arrangements.

'GOOD' RESPONSE TO JAPANESE TV SET: First market test of Delmonico's 19-in. Japanese-made TV set at N.Y.'s Liberty Music Shops (Vol. 16:40 p14) was described last week by a store official as successful. A N.Y. Times ad pulled "very well," he said, with "good" store traffic resulting & several sales made—although he declined to state the number.

The portable, which is being sold for $159.95 at Liberty, went into distribution to other outlets across the country last week, and Delmonico exec. vp Herbert Kabat termed distributor reaction "excellent."

Liberty's N.Y. Times ad last week, due to be repeated, stressed the set's quality & value, with big photo of chassis, smaller shot of front of set. "Built to exceed the finest standards of quality in workmanship, performance, engineering, design," said the ad. Only hints that it might be foreign-made set were these phrases: "All tubes available anywhere in the U.S. . . . Workmanship to rival the finest Swiss watch!"

Although proud of heavy-duty quality features of set, it's understood Delmonico is working with manufacturer Victor of Japan to produce less deluxe version which could be sold cheaper. Other Delmonico TV plans: 19-in. TV-radio-phono combination, due to arrive within 60 days; complete 23-in. line early next year.

Japanese portable battery-operated sets still aren't in sight for U.S. market. "We're waiting for improvements in performance," Delmonico's Kabat told us. "There are certain corrections we feel are necessary." He had no estimate of when transistor sets meeting Delmonico's requirements would be available in quantity.

Sony also says it doesn't know when it will have battery TVs for sale here. Representative of Sony Corp. of America said his company no longer is aiming at Christmas season sales this year. He pointed out that current production of Sony transistor TV is still going entirely to Japanese domestic market. As for any plans to market conventional TV sets in this country: "We have none so far."

TV-RADIO PRODUCTION: EIA statistics for the week ended Sept. 30 (39th week of 1960):

	Sept. 23-30	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	150,503	143,808	192,383	4,368,666	4,488,857
Total radio	521,194	424,457	467,129	12,403,407	10,927,252
auto radio	264,212	176,733	183,656	4,781,836	4,151,846

New plants & expansions: Texas Instruments is establishing foreign subsidiary Texas Instruments France to manufacture semiconductor devices & components for the European Common Market. Manufacturing quarters will be leased in Nice, pending construction of a plant in or near that city • Philco has elevated its communications systems dept. to divisional status (the 5th in the company's govt. & industrial group). The new division will be headquartered in a 70,000 sq.-ft. building Philco will erect in the Fort Washington (Pa.) Industrial Park. Until the new Philco Bldg. is ready for occupancy early next year, the communications div. will lease quarters in the Park.

Yugoslavia Pres. Tito apparently favors EIA's TV-in-every-room campaign. He took home with him 6 U.S.-made portable TVs.

Mergers & acquisitions: Telex Inc., Minneapolis manufacturer of electronic components, plans to acquire 82% of the stock of Waters Conley Co., Rochester, Minn. phonograph maker, in exchange for 102,000 shares of Telex. The Telex stock is currently valued at about $2.5 million • Microdot, Pasadena components maker, has entered the fields of transducers and cryogenics with the acquisition for an undisclosed number of shares of Nacimco Products, San Diego • Walco Electronics, new manufacturing & distributing concern, has acquired the Clevite Walco operation from Clevite's electronic components div.

Crosby Electronics enters the hi-fi component field under its own name (it also owns hi-fi manufacturer Madison Fielding) with an FM tuner at $99.95 and a 28-watt stereo preamp-amplifier at $119.95.

More about

RETAIL TV SALES DOWN: This year's first dip in retail sales (see p. 14) brought cumulative TV sales to the public to 3,479,731, or an annual rate of about 6.3 million. In radio, Aug. retail sales continued to run ahead of last year. TV production was below the corresponding 1959 month for the 3rd consecutive time as manufacturers continued their attempts to trim inventories to match slowdown in purchases by dealers. (Vol. 16:39 p14). Here are EIA's Aug. and year-to-date figures on production & retail sales of TVs & radio:

TELEVISION

Month	Total Production 1960	Total Production 1959	Uhf Production 1960	Uhf Production 1959	Retail Sales 1960	Retail Sales 1959
January	626,494	437,026	50,119	35,841	590,867	501,704
February	503,453	459,492	43,537	34,678	507,673	448,173
March	549,500	494,032	45,411	32,112	501,829	425,751
April	422,551	389,251	39,240	20,501	351,214	263,998
May	442,176	431,911	32,295	28,247	334,283	279,536
June	518,870	571,004	34,245	29,064	371,661	344,795
July	268,854	350,360	14,621	21,022	392,858	370,575
August	462,286	547,445	26,829	32,847	429,346	492,449
TOTAL	3,694,184	3,680,520	286,297	234,312	3,479,731	3,126,981

RADIO

Month	Total Production 1960	Total Production 1959	Auto Radio Production 1960	Auto Radio Production 1959	Retail Sales (excl. auto) 1960	Retail Sales (excl. auto) 1959
January	1,355,788	1,124,737	632,461	420,052	803,388	700,490
February	1,442,368	1,125,385	596,872	432,551	611,479	474,888
March	1,667,550	1,347,554	633,761	511,219	664,441	515,563
April	1,230,323	1,040,183	399,963	422,346	547,839	388,863
May	1,277,040	1,039,562	463,165	476,222	548,322	400,882
June	1,551,451	1,430,165	596,870	637,806	702,889	678,195
July	890,359	829,035	328,009	254,725	573,363	526,827
August	1,048,406	1,009,423	340,860	279,424	794,608	671,713
TOTAL	10,463,285	8,946,044	3,991,961	3,434,345	5,246,329	4,357,421

FM radio production (1959 figures in parentheses): Jan. 33,816 (30,235), Feb. 50,963 (29,145), March 83,127 (32,994), April 61,953 (31,425), May 65,438 (48,841), June 105,317 (50,783), July 49,707 (24,553), Aug. 71,125 (42,866). **Eight-month total:** 573,367 (290,862).

Component Sales High: Shipments of electronic components again were at record levels during 1960's first quarter, according to the electronics div. of Commerce Dept.'s Business & Defense Services Administration. As reported last week, the first quarter saw shipments of components (including tubes & semiconductors) at more than 20% above the first-half 1959 rate (Vol. 16:40 p18).

The Commerce Dept. figures are derived from the quarterly Survey of Production Capabilities for Electronic Parts, conducted jointly by Defense Dept.'s Electronics Production Resources Agency and BDSA's electronics div. and are labeled "estimates." A more detailed table—breaking down the following categories into product groups—is available from the BDSA. These figures are for first-quarter 1960:

Category	Units (add 000) Total	Units (add 000) Military	Units (add 000) Non-Military	Value (add 000,000) Total	Value (add 000,000) Military	Value (add 000,000) Non-Military
Power & special tubes	3,211	745	2,466	$ 62.5	$40.2	$22.3
Receiving tubes	106,962	6,570	100,392	95.2	14.6	80.6
TV picture tubes	3,070	—	3,070	61.9	—	61.9
Semiconductor devices	63,507	19,648	43,859	129.0	63.4	65.6
Capacitors	328,585	35,601	292,984	65.5	20.3	45.2
Complex components	10,093	138	9,955	5.2	2.7	2.5
Connectors	27,612	17,012	10,600	43.1	28.4	14.7
Quartz crystals	1,646	629	1,017	4.8	1.4	3.4
Relays	10,377	3,212	7,165	48.8	22.5	26.3
Resistors	532,771	59,892	472,879	61.2	27.6	33.6
Transformers & reactors	10,294	1,684	8,610	46.4	19.9	26.5

New TV picture-tube phosphor (CR407) developed by Sylvania chemical & metallurgical div. is claimed to offer these production & quality advantages: (1) Simplified application to face of picture tube. (2) Improved resistance to contamination from impurity elements during production process. (3) Increased resistance to ion burns.

TV RENTAL BUSINESS GOOD: Most TV dealers are also in a rental business—and business is good. This was one of the conclusions of a recent NARDA survey of TV-radio-appliance dealers. Of the 60 dealers replying, 38—or about two-thirds—indicated that they rent TV sets or appliances.

TV is by far the most popular rental appliance, 31 of the 38 renting dealers indicating that they do TV rental business. Next come automatic washers & refrigerators (10 dealers each), ranges (8), dryers (5), dehumidifiers & air conditioners (4 each), tape recorders & sound systems (3 each), freezers, dishwashers & wringer washers (2 each), gas incinerators & ironers (one each).

Average rental price charged for TV sets is $1.20 a day (low 90¢ high $2), $5.75 a week, $23.70 a month (low $10, high $50), with an average minimum rental of $5.

For tape recorders, average rate is $15 a week, with monthly rates $45 to $60. Sound systems run $10 a week, $40 a month, the survey indicates.

Although some dealers actively promote rentals, NARDA found others merely carry it on as a quiet sideline or as a sales inducement—but "none of the dealers reported they were taking a loss on their rental programs, and many indicated they found the rental business a profitable sideline for their selling operation."

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Automobile record player made by Philips of Eindhoven has been introduced in U.S. by North American Philips. The single-play Norelco Auto Mignon, priced at $57.50 including brackets for under-dash mounting, plays 45-rpm records which are inserted in a slot, sliding them out of slot automatically after playing. The operation can be accomplished with one hand. About a year ago, Chrysler Corp. introduced an RCA automatic changer which plays 14 regular 45-rpm discs (Vol. 15:47 p19). It was offered as an accessory for 1960 Plymouths & DeSotos at $51.75 (1961 availability & prices not yet announced). Both the RCA & Philips machines plug into the auto radio, using its audio amplifier & speaker.

IUE's strike against GE (Vol. 16:40 p15) was still going strong after 6 days, with no settlement in sight, as we went to press. Both sides were still conferring with the Federal Mediation & Conciliation Service, although GE had rejected as a "grandstand play" IUE's proposal for a 30-day truce. The walkout was joined last week by 9,000 IUE workers at GE's largest plant, in Schenectady. IUE represents 70,000 workers in about 55 plants, out of a total of 240,000 at 166 plants. There was violence at some plants. The worst developed at Schenectady, where Mayor Malcolm Ellis declared a state of emergency Oct. 7 after fighting broke out on the picket lines.

New tube complements for AC-DC radios in 4-tube & 5-tube versions were introduced last week by RCA electron tube div. The series-string tubes, which have 100-milliamp heaters, generate "substantially less" heat than conventional 150-milliamp tubes and therefore can be used in smaller cabinets and add new flexibility to component positioning. The 4-tube "economy" radio complement includes a high-sensitivity audio-output pentode (50FK5) which eliminates the need for a preceding AF amplifier stage.

Admiral's 1960 radio sales will set an all-time record, Admiral Sales Corp. electronics div. vp Ross D. Siragusa Jr. predicted last week. He said sales to dealers for this year through Sept. 9 have been 42.6% higher than the year-ago period, compared with industry's increase of 6.8%.

ELECTRONICS 'BUGS' BBB: Consumer electronic products accounted for approximately one of every 10 complaints registered with Better Business Bureaus last year, BBB Pres. Kenneth B. Willson told the EIA service committee at its quarterly meeting in Haddonfield, N.J. last week. The complaint rate was high enough to place the electronics industry 3rd among the nation's worst offenders—hard on the heels of its relative—2nd-place major household appliances. Top gripe-getter: home-improvement field.

Sympathetic to the enormity of the electronics industry's over-all sales-service problem, Willson offered numerous suggestions for reducing the complaint rate. The suggestions, based on the views of hundreds of dealers & servicemen throughout the country, included: Ship only pretested products. Educate the public to the nature & limits of warranties. Limit ad claims to the product's field performance, step-up replacement-parts availability. Keep the service industry better informed on products. Recognize & correct product "bugs" promptly.

Willson noted 3 main sources of complaints:

(1) Consumers vs. dealers & servicemen. Said he: "The most serious [complaints] involve misunderstanding of warranties, alleged excessive charges and its first cousin, dishonesty, and dilatory & inefficient servicing."

(2) Dealers & servicemen vs. manufacturers. Among the major beefs: Manufacturers "soft-pedal the service needs of their products," oversell trouble-free performance. Extended warranties of one year place an undue economic burden on dealers & servicemen. Unavailability of replacement parts. Delays in correcting manufacturing faults. Inadequate field-testing & inspection of products. Said Willson: "Dealers report that there are very few brands of TV sets that they would dare take to a customer's home in an unopened carton, because so many sets require servicing *before* installation."

(3) Dealers & servicemen vs. parts distributors. Prime gripes: Unavailability of replacement parts. Poor communications. Sales of parts by distributors to anyone, including do-it-yourself consumers & part-time, loft-type technicians.

Some Believe Licensing Needed

Willson noted that "many dealers & technicians have expressed the view that there is a need for the licensing of the electronics-servicing business. Those who hold this view believe that the only way to keep the incompetent & the fringe operator out of the field is to have a regulation which will require an examination to test the fitness of all who pose as qualified technicians.

"Your service industry is seriously concerned with its poor public acceptance," Willson told the EIA group, "and those who participated in our study are almost unanimous in looking to manufacturers to help them improve it. There is a strong feeling among servicemen & service dealers that manufacturers should, individually & jointly, help to create public awareness of the fact that electronics products are delicate & complex instruments requiring care & servicing; that the qualified technician must be a highly skilled artisan with years of training & experience; that he is a small businessman with a substantial capital investment in his tools, parts, trucks and equipment, and that the fees he charges must be in relation to the costs involved—including the diagnosis as well as the remedy. Many in the service industry feel that manufacturers could do more to stress the basic integrity of the majority of servicemen through appropriate educational material, and thereby help overcome the onus of the minority which desecrates their—and your—industry."

Willson emphasized the willingness of BBB to work with EIA to improve the industry's image: "An up-to-date BBB-EIA booklet on the subject, covering perhaps the broad field of electronics-consumer products," he said, "could be useful to the dealer & serviceman in creating better public understanding about the servicing of electronics products ... Another way in which we might help your industry to improve its public relations would be through joint sponsorship of a public-service type film about the nature of your products, their servicing, the skills & investments required, the important role the serviceman plays in the business community, and the basic integrity of the majority of them.

"The vast reservoir of public good will which the BBBs have earned," he concluded, "can be harnessed to help the service industry, at the local level as well as the national, to eliminate practices which make for bad public relations, and to follow ethical principals which will earn public respect."

* * *

GE's Steven R. Mihalic was renamed EIA service committee chairman. Sylvania's E. W. Merriam continues as the committee's vice chairman.

Whither Canadian Electronics? The past, present and future of Canada's $400-million-a-year electronics industry are scrutinized by Toronto-published *The Financial Post* in a special Oct. 1 report. General conclusion: Things could be better—and may be a long time improving.

Notes the *Post:* "Canadian electronics manufacturers are experiencing a recession in sales of home entertainment products (radio & TV receivers and record players) from the peak years of 1955-56. There has also been a decline in orders for military electronic equipment. But the most hopeful areas lie in the continuing demand for communications equipment, and the ever-widening range of possible applications of electronics in business & industry."

How are electronics sales trending in Canada? The report notes these 1960 estimates (with 1959 dollar volume in parentheses): TV sales, down 18.9% ($115.4 million); radio, down 9.5% ($42.5 million); record players, down 6.3% ($11.6 million); replacement parts & service, "foreign competition, particularly in tubes, is expected to result in a further reduction in 1960" from 1959's $108-million volume. One optimistic sales trend was noted in the field of broadcast & general communications, which last year had a volume of $34.5 million. Forecast the *Post:* "With new TV stations & expensive microwave installations under construction, look for an upturn." Canada's 1959 military-electronics volume totaled $99.5 million; the report did not include a 1960 estimate.

Emphasized the report: "There's a great future for many phases of Canada's electronics industry. But the potential giant will take some time to grow from its present status as a $400 million-a-year stripling."

The prescribed remedy for lagging sales: "With imports of good-quality, low-cost electronic equipment taking a major share of the market in Canada, it is inevitable that the nature of our electronics industry will change. The swing must be to low-volume, specialized equipment which can be sold in both domestic & foreign markets. Canadians have been reluctant to go after export sales for various reasons. But they are now being forced into it if they want to survive."

Trade Personals: Bernard H. Lippin, chmn. of Symphonic Electronic Corp., named pres. of parent Lynch Corp. . . . Reed Vail Bontecou resigns as CBS Electronics mktg. vp to take an undisclosed post with Pacific Semiconductors Inc. (Thompson Ramo Wooldridge) . . . Robison Clark, ex-Link, named Stromberg-Carlson controller . . . William G. Handfield, Philco tax counsel, appointed tax mgr. . . . John R. Siragusa named gen. sales mgr. of Admiral's new Ensign div. (production & sales of record changers, wireless remote controls, etc., to industry) . . . Philip N. Ross named a Westinghouse vp . . . John Manniello, ex-Fairchild Camera & Instrument Corp., made mktg. dir., CBS Labs.

William L. Davis named to new post of exec. vp, Emerson Electric Co. (St. Louis), also serving as gen. mgr., electronics & avionics div. . . . Richard L. White named eng-electronics & avionics div. . . . Richard L. White named engineering product mgr. Hoffman industrial products div. . . . Richard Bambery, ex-Admiral, named to new post of corporate mktg. vp, Astro-Science Corp. . . . J. Ray Topper named product sales mgr., GE industrial & military tubes, succeeding Leo T. Bowles, now receiving tube dept. mgr. of product planning . . . Roy Juusola named to new post of mgr. of mktg. services in CBS Electronics mktg. & sales realignment which includes these other changes: Lou Niemann, dir. of govt. relations (Washington); John Hauser, gen. mgr., distributor sales; Ross Yeiter, sales mgr., semiconductors . . . Robert Laub & Jack Breakiron elected vps, Lafayette Radio Electronics.

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No more Japanese-made Motorola radios—from now on the company will make all its sets in the U.S., a spokesman says. Reason given: They can now be made as cheaply in Motorola's own plants. The company will continue to use some Japanese parts in its transistor radios. Certain models had previously been imported, while other transistor sets had been made in U.S. with some Japanese parts.

Sprague Electric Co., North Adams, Mass., was founded in 1926 (as Sprague Specialties Co.) by Robert C. Sprague, who now is chairman & treasurer, not by his father, the late Frank J. Sprague, as was stated here last week in the obituary of Pres. Julian K. Sprague (Vol. 16:40 p18). The earlier Sprague Electric Co., which was founded & headed by Frank J. Sprague, was purchased by GE in 1902 and of course is in no way connected with today's company of the same name.

Jerrold Electronics Pres. Milton J. Shapp took a full page in Oct. 3 *Wall St. Journal* to announce his support of Sen. John Kennedy. Answering his own question, "Is the GOP Really the Party for Business?" Shapp wrote: "Despite the impression that the Republicans are considered the party of business, the record clearly shows that the policies of the Democratic Party create a better climate for business activity in the U.S." Shapp told us he has received more than 172,000 requests for reprints, that his mail is running 4-to-1 in support of his stand. He is planning additional ads in other papers, will distribute at his own expense 125,000 reprints to Pennsylvania business & professional men. His reason: "The world situation is such that every man—including businessmen—must support & speak up for the policies & leaders he believes in."

Obituary

Clarence S. Tay, 72, who retired in 1955 as exec. vp of Admiral Distributors, former Admiral subsidiary, died Oct. 7 in St. Albans, Vt. He joined Admiral in 1944, after being affiliated with the former Crosley div. of Avco Mfg. Co. since 1931. He is survived by a daughter.

Finance

SKIATRON STOCK SALES BARRED: Two of pay TV's most persistent promoters—Pres. Arthur Levey of Skiatron Electronics & TV Corp. and its licensee Matthew M. Fox of Skiatron of America Inc. (now Tolvision of America Inc.)—were prohibited last week from making any public sales of Skiatron stock.

This was the immediate effect of a "stop order" issued by SEC suspending a "materially misleading" stock registration statement filed with the agency Aug. 19, 1959 by Skiatron Electronics & TV (Vol. 15:34 p19). The company's pay-TV prospectus was challenged by SEC in Dec. and was subjected to protracted hearings on charges that the statement didn't comply with the Securities Act's disclosure requirements (Vol. 15:51 p20 et seq.).

Citing voluminous testimony at the hearings—and stipulations of facts signed by company lawyers—the SEC decision said there was no basis in fact for Skiatron's claims that it had favorable prospects for commercial operation of its pay-TV system early in 1960.

Most "striking" omission from the registration statement, SEC said, was Skiatron's failure to show that it lacked necessary resources—estimated at $13 million minimum—for installation of a wire system. Moreover, SEC said, licensee Fox & his company were at least $1 million in debt and Fox owed $3 million to various lending agencies & individuals.

ASE To Continue Ban

The "stop order" made it illegal for Levey or Fox to engage in any public—if not private—Skiatron stock transactions. But SEC said that its suspension of American Stock Exchange & over-the-counter trading in Skiatron, in effect since Dec., would be lifted as of Oct. 12. SEC observed that any investors could be guided by its report on Skiatron in making evaluations of Skiatron's worth. Despite SEC's permission to resume Skiatron trading, the American Stock Exchange will continue the suspension, however. ASE officials said Skiatron trading will not be permitted on the exchange again until the status of the company is cleared up.

Levey & Fox promptly issued statements professing continued confidence in Skiatron's ultimate pay-TV success.

Levey said he was pleased that SEC was permitting resumption of trading in Skiatron stock, that with "perserverance & cooperation of its stockholders" the company could proceed despite "trials & tribulations." He said Skiatron had long since agreed that its Aug. 1959 offering of 172,242 shares (30,000 owned by Levey, 125,000 covered by warrants owned by Fox) should be withdrawn.

Fox said "it is imperative" that the public understand that his new Tolvision of America has no corporate connection with Skiatron except as the licensee of the system. "I, personally, have incurred more than $6 million in costs to complete the development and to field-test our system," he said. Fox added: "We are confident that Tolvision, generally conceded to be the best & most feasible system, will be established through private financing."

SEC's action opened the way for buyers of the unregistered Skiatron stock (at least 78,000 of the shares covered in the now-suspended registration statement were reported already sold) to sue the sellers for recovery of the purchase price. If the buyers subsequently sold the shares at a loss, they can also claim damages from the original sellers (Levey, Fox, others) and it's possible that Skiatron itself could be made liable, an SEC spokesman told us.

Among other things, the ruling served notice on bankers, factors and other lenders in the market that they can't make public sales of unregistered stock which is posted by company officers or stockholders as collateral for defaulted loans. Such Skiatron sales had been made by creditors of Fox, SEC pointed out. SEC's power to require registration of stock pledged for loans had been upheld previously by the Court of Appeals in N.Y. in the Guild Films case (Vol. 16:23 p24).

The SEC decision reviewed Skiatron's operations since the company was organized in 1948, recited its deals with Fox starting in 1954, and made such points as these:

(1) Skiatron's principal asset is the right to receive pay-TV royalties under its licensing agreement with Fox. The agreement first stipulated that the company would get 5% of gross revenues but was renegotiated to make the royalty 2½% when Skiatron shifted its plans from broadcast pay TV to a wire system to avoid FCC controls.

(2) Skiatron's patent claims, as represented in its SEC registration prospectus, were misleading. The patents aren't essential to operation of either an over-the-air or wire system, and Skiatron isn't able to show that patents ever will be issued on pending applications—or if they are, that they'd make Skiatron dominant in the pay-TV field.

(3) Neither Skiatron nor Fox had access to any sources able or willing to put up the money required to get a wire system going in a densely populated area.

(4) Potential pay-TV program sources had been contacted, but no arrangements or commitments had been made to supply Skiatron with programming. "Publicity" last year boasted that Fox had made Skiatron deals with baseball clubs on the West Coast and with theatrical impresario Sol Hurok, but Fox was in default to the club owners and Hurok had agreed only to serve as a consultant.

(5) In general, Skiatron's prospectus was faulty because it didn't disclose financial & other difficulties encountered—and still to be encountered—preparatory to any actual operations.

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Motorola's 3rd-quarter sales ran about the same as a year ago but profit was down "very slightly," according to Pres. Robert W. Galvin. He said that Motorola has revised downward its earlier estimates that 1960 sales & earnings would rise 10% from 1959. The company is now forecasting 1960 sales of $300-to-310 million (vs. 1959's $289.5 million) & earnings "slightly larger" than last year's $14,171,237. He blamed lagging TV sales, estimated industry's 1960 wholesale sales at 5.8-to-6 million sets—down from 1959's 6.2-million volume. In August, Galvin said, the TV industry's wholesale volume dropped 30.8% below Aug. 1959. However, Motorola's volume was down only about 17%, he noted, adding: "No one knows exactly what happened. Our appraisal is that retailers built heavy inventories through special buys in the spring & early summer and these purchases did not move out as expected." Retail sales have improved in recent weeks, he said, "but it is difficult to determine how significant this upturn is."

Raytheon's Jan.-Sept. operating profit will fall below the earnings of $2.22 a share on 3,414,292 shares (3,725,414 now outstanding) for 1959's first 3 quarters. However, points out Chmn. Charles F. Adams, earnings will be augmented by a non-recurring income of more than $5 million ($1:35) for helping 5 NATO nations produce the Hawk missile. This sum will be reflected in 3rd-quarter earnings, will push total Jan.-Sept. profits "considerably" above the year-ago net, Adams said.

Record in Rectifiers: International Rectifier Corp., which last week reported record profits of $1.2 million on an all-time sales high of $13.1 million for the fiscal year ended June 30 (see financial table)—increases of 34% & 21% respectively—now calls itself "the largest manufacturer of semiconductor rectifiers."

The rapidly-growing El Segundo, Cal. firm is now in a large variety of semiconductor fields, from diodes to solar cells, but has not entered the transistor field. Pres. Eric Lidow said last week that the firm's "research & development expenditure, amounting to 8% of net sales, enabled the company to develop & produce 20 complete new product lines during fiscal 1960."

Founded in 1947, the firm now has 750 employes producing more than 7,000 types of rectifiers. The company ranks itself, among the 50 U.S. semiconductor firms which compete with it in one or more lines, as follows: Largest maker of semiconductor rectifiers, accounting for about 15% of total industry sales; the major domestic producer of selenium photoelectric cells; one of the 2 principal makers of solar cells; one of the 4 largest manufacturers of Zener diodes; one of 6 manufacturers of controlled rectifiers—a product too new to develop industry sales figures.

A firm which "practically outlaws automation," International Rectifier claims to have employe benefits almost unmatched in its area. Production workers' beginning pay is $1.40 an hour, 25% higher than the regional industry average, and workers get a 10¢ per hour yearly raise with no limitation or maximum, in addition to medical benefits, pensions, life insurance and stock options.

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Metropolitan Bcstg. will produce record sales & earnings this year, Chmn.-Pres. John W. Kluge reported last week. He predicted earnings of $1.25 a share (on 1,699,012 shares outstanding) on sales of $40 million, compared with 1959's earnings of 91¢ (1,549,012 shares) on sales of $14,174,487. Some $18-to-20 million of 1960's sales will come from Metropolitan's new outdoor advertising subsidiary Foster & Kleiser, acquired last March, he added. Kluge said that Metropolitan plans to acquire 2 more TV stations to bring its total to the allowable limit of 7. Metropolitan's TV-radio properties: WNEW-TV & WNEW N.Y.; WTTG Washington, D.C.; KOVR Stockton, Cal.; WTVH Peoria; radios WHK Cleveland & WIP Philadelphia; and (in process of takeover) WTVP Decatur, Ill. and radio WRUL Scituate, Mass.

Decca Records and subsidiary Universal Pictures will report record operating profits this year, according to Milton B. Rackmil, president of both companies. He told the N.Y. Society of Security Analysts last week that Decca will report earnings of about $4.25 a share, up from $1.81 last year, while consolidated gross sales will rise to about $85 million from $79.9 million in 1959. He noted that this will mean that the profit margin will rise to 6.4% of sales from last year's 2.9% on a sales increase of about $5 million. Universal's operational profits for the year ending Oct. 30 will rise to more than $6 million, or about $6.80 a share, he predicted, up from $4,698,000 ($5.02) in fiscal 1959. He said chances "look good" for a further increase in Decca's dividend rate next year. Its annual dividend rate was increased last June to $1.20 a share from $1.

Creditors of Alto Fonic Corp., Palo Alto, Cal. maker of tape recorders, met Sept. 29 in San Jose, Cal. The firm was adjudged bankrupt by federal court after filing a voluntary petition. Daniel R. Cowans, 211 Post Office Bldg., San Jose, was referee.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Allied Artists	1960—year to July 2	$ 16,296,000	$ 1,615,538	$ 1,204,538	$1.33[1]	895,346
	1959—year to June 27	15,365,000	(202,499)	(262,499)	——	882,799
Avco[2]	1960—9 mo. to Aug. 31	240,016,634	13,893,365	7,318,365	.71[1]	10,314,753
	1959—9 mo. to Aug. 31	223,231,000	11,743,000	6,268,000	.61[1]	10,235,353
G-L Electronics	1960—year to July 31	1,726,236	——	70,505	.15	469,758
	1959—year to July 31	1,154,967	——	89,321	.19	469,758
International Rectifier Story on p. 19.	1960—year to June 30	13,124,586[3]	——	1,206,007[3]	.52	2,308,804
	1959—year to June 30	10,870,038	——	877,371	.39	2,225,266
Pentron Electronics	1960—year to June 30	2,871,243	45,336	38,336	.06	810,000
	1959—year to June 30	2,720,498	(148,639)	(111,433)[4]	——	536,667
Polarad Electronics	1960—year to June 30	15,072,833[3]	——	731,640[3]	.57	1,302,542
	1959—year to June 30	11,900,206	——	475,186	.45	1,102,542
Republic Corp.	1960—39 wks. to July 30	19,946,558	3,040,294	1,340,294	.52[1]	2,004,190
	1959—39 wks. to July 30	18,638,445	1,456,878	675,678	.19[1]	2,004,190
Trav-Ler Radio	1960—qtr.to July 31	4,784,250	——	104,718	.12	864,911
	1959—qtr. to July 31	5,191,954	——	185,418	.22	839,155

Notes: [1] After preferred dividends. [2] Including wholly-owned subsidiary Crosley Bcstg. which netted record 9-month sales & earnings. [3] Record. [4] Includes non-recurring loss of $103,602 on disposal of inventories.

Distribution by NT&T of 844,875 shares of common stock of NTA will be made Nov. 10 to NT&T stockholders of record Oct. 14 (Vol. 16:33 p5). NT&T stockholders will receive 3 shares of NTA for each 10 shares of NT&T held. Chase Manhattan Bank, which holds NTA stock as trustee, will handle the distribution. The dividend decreases NT&T's holdings in NTA to 625,511 shares, approximately 38% of the total of 1,627,572 shares of NTA common stock to be outstanding.

Texas Research & Electronic Corp., Dallas, organized in September under Minnesota law to go into the electronics business by acquiring existing companies, plans a public stock offering of 600,000 common shares at $1.15 per share. An SEC registration statement (File 2-17147) lists Naftalin & Co. Inc. as the underwriter. The prospectus said the new firm, headed by K. A. Fifson, had made no commitments for acquisitions and wasn't ready to commence business operations. It reported Texas Research & Electronic had $400,000 cash on hand.

Clarostat Mfg., Dover, N.H. components maker, anticipates record sales & earnings for 1960. Pres. Victor Mucher forecasts profits of 75-to-80¢ a share (vs. 59¢ in 1959) on sales of more than $9 million ($8,998,941 last year). Mucher said TV, radio and sound-reproduction equipment represent the major markets for Clarostat's commercial products. Military business will account for 20-to-25% of 1960's total volume, compared with 35-to-40% last year.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Avco	Q	$0.12½	Nov. 20	Oct. 28
Loral Electronics	Stk.	200%	Nov. 25	Nov. 2
Metropolitan Bcstg.	—	.15	Oct. 28	Oct. 7
Movielab Film Lab A	—	.10	Nov. 1	Oct. 25
A. C. Nielsen	New	.12½	Nov. 1	Oct. 13
Packard Bell	Q	.12½	Oct. 25	Oct. 10
Sonotone	Q	.07	Dec. 16	Nov. 18
Trav-Ler Radio	Stk.	5%	Nov. 22	Nov. 7
Wurlitzer	—	.20	Dec. 1	Nov. 15

AT&T has filed a SEC registration covering the offering, at competitive bidding, of $250 million of 32-year debentures. The securities will be non-callable by AT&T during the first 5 years.

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Oct. 6, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	21½	23⅝
Aerovox	8	9⅛
Allied Radio	20½	22¼
Astron Corp.	2	2½
Baird Atomic	25¼	27¼
British Industries	16¼	17¾
CGS Labs	8	10
Control Data Corp.	39	42
Cook Elec.	15	16¼
Craig Systems	15⅞	17⅛
Dictaphone	36½	39⅜
Digitronics	25	27¼
Eastern Ind.	12⅜	13½
Eitel-McCullough	22¼	23⅞
Elco Corp.	14¾	16½
Electro Instruments	20½	29⅜
Electro Voice	10¾	12
Electronic Associates	25¼	27½
Erie Resistor	8½	9¼
Executone	26¼	28½
Farrington Mfg.	31½	34⅜
Fischer & Porter	17½	19⅜
FXR	41	45⅛
General Devices	11⅜	12⅝
G-L Electronics	8½	9¾
Granco Products	4	4⅝
Haydu	⅛	5/16
Hewlett-Packard	24	25⅝
High Voltage Eng.	127	138
Infrared Industries	17½	19⅝
International Rectifier	22¼	24⅛
Interstate Engineering	23	24⅝
Itek	49½	54
Jerrold	7¾	8½
Lab for Electronics	38½	41⅜
Lel Inc.	4½	5¼
LFE Inc.	11½	—
Magna Theater	2⅞	3-5/16
Magnetics Inc.	9¾	11¼
Maxson (W.L.)	8⅜	9¼
Meredith Pub.	39½	43½
Metropolitan Bcstg.	17¾	19⅛
Milgo Electronics	16	17⅞
MPO Videotronics	7¾	8⅝
Narda Microwave	5	5¾
National Co.	27½	29⅝
Nuclear of Chicago	29	31½
Official Films	2	2¼
Pacific Automation	5⅝	6½
Pacific Mercury	6⅞	7⅝
Perkin-Elmer	40½	43½
Philips Lamp	167½	173¾
Pyramid Electric	2⅞	3-5/16
Radiation Inc.	19½	21½
Howard W. Sams	40	43¼
Sanders Associates	24¼	26½
Silicon Transistor	4⅞	5⅝
Soroban Engineering	23¼	25¾
Soundscriber	11½	12⅞
Speer Carbon	20½	22¼
Sprague Electric	48½	51⅞
Taft Bcstg.	12¼	13⅝
Taylor Instrument	30	33
Technology Inst.	9½	10¾
Tele-Broadcasters	¾	1-5/16
Telechrome	10¼	11½
Telecomputing	6⅞	7⅝
Telemeter	11¼	12⅝
Time Inc.	62¼	65¾
Tracerlab	8¾	10
United Artists	6¾	7½
United Control	20	22
Universal Trans.	1⅛	1⅝
Vitro	11½	12⅝
Vocaline	2⅛	2¾
WJR Goodwill Station	—	10
Wells-Gardner	15⅛	16⅝
Wometco Ent.	11⅞	13

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WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Stations

GOV. COLLINS TAKES NAB HELM Jan. 4 following unanimous confirmation by Board of selection as pres. He drops all Democratic campaign assignments (p. 1).

NAB CONFERENCE CRUSADE LAUNCHED in Atlanta to mobilize industry for defense against continuing assaults. Political perils stressed (pp. 2 & 9).

TV CODE PROGRESS REPORT is made to network affiliates by NAB's E. K. Hartenbower & Clair R. McCollough who boasts that more than 70% of stations now subscribe (p. 10).

Film & Tape

HOLLYWOOD TALKS TO FCC. First week of hearings brings out top film makers in discussions of their business relations with the networks & talent agencies (pp. 2 & 4).

ETV

ETV MAINTAINING GROWTH PACE; may repeat 1959 figure of 10 new stations this year (p. 2).

SURVEY OF COMMERCIAL STATIONS shows 68% using "educational" programming, 17% of them downright academic (p. 8).

NAEB MEETS THIS WEEK in San Francisco with many top industry names in attendance (p. 8).

Auxiliary Services

HEARING ON PAY-TV TEST FIRMING UP, with NAB the only added starter (p. 3).

FCC

IMPACT OF WHITESIDE ACQUITTAL UNCERTAIN, with attorneys speculating pro & con about impact on FCC-court consideration of Miami Ch. 10 case (p. 3).

Programming

DEBATES CONTINUE TO DRAW large audiences, although the 2nd & 3rd shows haven't done as well as the Sept. 26 kickoff (p. 13).

L.A. STATIONS SAY post-1948s too expensive; they're not rushing to buy (p. 14).

TIO's NEW BOOK, "Interaction," profiles more than 1,000 locally-produced public-affairs shows with an aim to providing stations with new ideas & formats (p. 15).

Consumer Electronics

IMPROVEMENT IN TV MARKET noted: Sept. retail sales below last year, but decline is less than in August; distributor sales pick up; production cuts trim inventory (p. 17).

"GOOD STEREO" DEFINED in listener tests by Bell Labs & RCA Labs. Important directional effect reported at low frequencies, jarring widely held stereo theories (p. 17).

NSRC COMPLETES WORK on FM stereo systems as field-test panel makes report on measurements. Chmn. Walker predicts good stereo radio, inexpensive sets (p. 18).

JAPANESE ELECTRONICS EXPORTS to U.S. totaled $38.7 million in first 6 months of year, up 75% from 1959 period; official breakdown by product category (p. 19).

Finance

GE SALES & PROFITS DROP in 1960's first 9 months & 3rd quarter; Chmn. Cordiner forecasts downbeat 4th quarter, notes GE's increasing electronics emphasis (p. 22).

Other Departments

NETWORKS (p. 11). **Advertising** (p. 12). **CONGRESS** (p. 15). **PERSONALS** (p. 16). **FINANCE** (p. 20). **TECHNOLOGY** (p. 24).

GOV. COLLINS TAKES NAB HELM JAN. 4: NAB's 43-member joint TV-Radio Board made it official Oct. 10 at closed Washington meeting. Selection by special 11-man nominating committee of Fla. Gov. LeRoy Collins to succeed late Harold E. Fellows as NAB pres. & chmn. was confirmed (Vol. 16:41, 39, 23).

Election of Collins was announced as unanimous—and there was no dissent reported before vote was taken at session in Statler Hilton Hotel. Under 3-year contract ($75,000 plus $12,500 expenses annually—same as his predecessor's arrangement, plus other unspecified fringe benefits) he'll formally take post Jan. 4 at end of 6-year term (at $22,500 per year) in Fla.

New NAB job is "tremendous challenge," Collins said in brief acceptance speech to Board. He spent next day looking over NAB hq and talking with staffers, then returned to Tallahassee. NAB had hoped Collins would drop in on fall conferences starting last week in Atlanta (pp. 2 & 9) for get-acquainted visits with members. But he told us he'd be unable to attend any. "I've got a lot of work to do yet back home," he said.

"I am happy & proud to join the industry," Collins told us. As for his concept of NAB leadership, he said he'd try to do what Fellows did as administrator & TV-radio ambassador. He begged off discussing specifics of industry problems and his hopes & plans for resolving them. "I'll have to be very general about them now," he said. "I haven't had the time to do the research necessary." Collins indicated he'd put in much home work on his new assignment between now & January.

"I think the greatness of the broadcasting industry and of America are inseparable," Collins said,

speaking generally of NAB's present & future as he sees them. "No industry has a greater potential for advancing & enriching our free enterprise system than broadcasting in all its phases & media.

"It will certainly be my purpose as president, working with those in the industry, further to strengthen the industry from within and to protect it from any effort—from any quarter—to weaken the basic principles which are essential to its progress."

All public partisan political activities by Collins, including his chairmanship of Democratic National Committee's Speaker's Bureau, were dropped by him immediately after his NAB election. He had been in great demand as campaign speaker for Kennedy-Johnson ticket.

Collins said he had no more political plans for himself: "When I take office in January my work for the industry will be my sole ambition, and to this end I will dedicate all my energies & abilities."

NAB staffers were put at ease by Collins during his hq tour. "I've been impressed with the high caliber of the present staff of NAB and I greatly appreciate the warm spirit of cooperation which the Board has so generously & enthusiastically offered," he said before he left for Tallahassee. Collins added that he didn't "foreclose" possibility of staff revamping after he takes office, but that he had no ideas for any changes now.

Interregnum administration of NAB will continue under direction of Clair R. McCollough's Policy Committee until Collins takes over, with NAB secy.-treas. Everett E. Revercomb as acting hq administrator.

HOLLYWOOD TALKS TO FCC: The first week's hearing by FCC on TV-film industry practices in Los Angeles (Vol. 16:41 p10) saw participation by a number of top executives. While their testimony differed, a clear pattern of network & talent-agency domination emerged. Highlights:

Networks have increased their financial participation in TV film series, as well as their control of content of programs.

MCA and William Morris, the 2 giant talent agencies, wield powerful influence over the industry, acting in the dual capacities of talent agents & sales agents.

Individual TV stations, held responsible for programming under the law, have no influence whatsoever on content of TV film, which today forms a large bulk of programming.

At the half-way mark, first full-scale investigation into TV film indicated that TV-film producers have little chance of survival unless they are linked with network or one of the giant agencies. (Details on p. 4.)

ETV MAINTAINING GROWTH PACE: ETV may repeat its 10 new-stations 1959 record and wind up 1960 with on-air total of 55 non-commercial outlets (including 17 uhf) if following meet their target dates: KTPS (Ch. 62) Tacoma, Wash., with fall target; KCSD-TV (Ch. 19) Kansas City, Dec. 15; WIPM-TV (Ch. 3) Mayaguez, P.R., Dec. This would leave but 15 CPs outstanding for the educators—7 of them uhfs in New York state where the legislature has consistently refused to appropriate funds for construction.

Here's yearly record for ETV since lifting of the freeze: 2 ETV stations started in 1953 vs. 229 commercial outlets; 10 in 1954 vs. 91 commercial; 7 in 1955 vs. 52; 4 in 1956 vs. 40; 6 in 1957 vs. 34; 8 in 1958 vs. 28; 10 in 1959 vs. 14; 7 thus far in 1960 vs. 12. These figures add up to 2 more than the 52 ETV outlets now on air, because they include KTHE (Ch. 28) Los Angeles, which left air in Sept. 1954 and WKAR-TV (Ch. 60) East Lansing, Mich., which left air in June 1958. (For news about upcoming commercial stations, see page 11.)

PROBLEMS, POLITICS, PEOPLE, PROFITS: NAB's hq staff went on road last week at start of 7-week 8-city tour of country, carrying the evangelistic message to broadcasters (who never have had it so rough) that they can & must make TV & radio look better.

This was earnest theme of NAB preachments at opening of annual series of fall conferences (Vol. 16:41 p8) in Atlanta, where industry leaders joined staffers to conduct 2 days of TV, radio and joint seminars for 209 executives from stations in Southeast. (For details see p. 9).

Year of industry scandals & narrow escapes from drastic govt. crackdowns was reviewed somberly by conference speakers whose major topics were billed as "Broadcasters & Politics" and "People—and Profits." They agreed that salvation in year ahead under new NAB Pres. LeRoy Collins (see p. 1) depends not only on better medium salesmanship but on greater devotion to public interest—and to industry's self-regulating, self-preserving TV & Radio Codes.

"If we are to stand together as an industry—protect our freedom & move forward to greater responsibility & greater stature—all segments of the industry must work together," keynoted NAB industry affairs vp Howard H. Bell.

"We must make these Codes work," said NAB Policy Committee member G. Richard Shafto (WIS-TV & WIS Columbia, S.C.), listing industry objectives under them: "Freedom from artificial controls. Freedom to perform in direct response to the temperaments of our own audiences. Freedom to serve our advertisers efficiently. Freedom to be creative & enterprising and to enjoy the rewards of initiative."

Broadcasting's full attainment of these aims will come only after TV & radio achieve "industrywide posture" which commands fuller respect of Congress, FCC and public alike, Shafto said in speech which summed up industry's year of tribulation—and NAB conference pleadings.

Note: Jim Southerland, administrative asst. to Gov. Collins, attended Atlanta sessions as observer.

HEARING ON PAY-TV TEST FIRMING UP: NAB is the only new starter in FCC's Oct. 24-28 hearing on RKO-Zenith's proposed Hartford pay-TV test. FCC had already indicated applicant Hartford Phonevision Co. and its theater-identified opponents would be parties. For legally technical reasons, Zenith itself & its affiliated TV Entertainment Co. (Teco) also filed. None of the parties is saying who it will present as witnesses. NAB Board on Oct. 10 "reaffirmed the NAB's position against the use of the air waves for pay TV."

It looks as if Commission will go at least part way to assure theater groups that they can explore programming issue in cross-examination. Exhibitors had asked for "clarification" and a new issue on programming to be added to the proceeding (Vol. 16:41 p10). Commission counsel Louis Stephens recommended clarification but no new issue—and FCC is expected to follow his suggestions.

Stephens said that "the present issues amply cover appropriate inquiry into the applicant's programming plans." On one hand, he noted, FCC recognizes that the applicant may not be able to furnish minute detail because it's unable to form firm programming commitments until FCC gives it a go-ahead. However, Stephens went on, FCC expects programming plans "to the fullest extent possible in the circumstances."

Earlier in week, Hartford Phonevision Co. had told Commission it's impossible to supply exact detail. "Until applicant has the authority to proceed," it said, "and is placed in the position of seriously negotiating for program product and is able to bind itself to exhibit the product it seeks, it cannot be certain as to the specific programs it will be able to procure."

As if to emphasize its seriousness, Zenith's Teco announced appointment of noted theater & movie producer Leland Hayward as dir. of its programming activities. His current Broadway hits are "The Sound of Music" & "Gypsy." He said pay TV will give entertainment largest boxoffice ever—and he wants to join up.

In general, press, which is frequently pro-pay, is beginning to stir again with toll-TV stories. Oct. 9 "Parade" reports on Toronto cable experiment, concludes people are delighted with it—particularly because it's commercial-less. Nov. "Pageant" calls Telemeter "a thumping success," concludes: "For most thoughtful Americans, the shining promise of pay TV is that it will raise the whole level of TV viewing." Rash of similar articles can be anticipated, stimulated by forthcoming FCC hearing.

And in Britain, new firm, British Home Entertainment Ltd., headed by Gen. Slim, wants nation's 3rd network to be a pay system.

IMPACT OF WHITESIDE ACQUITTAL UNCERTAIN: With Thurman Whiteside cleared by a Washington jury last week of all charges of conspiracy & corruption in connection with ex-Comr. Richard Mack's vote for National Airlines' WPST-TV (Ch. 10) Miami, speculation is now wide open on fate of Ch. 10 case in courts & before FCC.

Lawyers run whole gamut of views—from "this changes the whole picture" to "no effect at all." Counsel for the 2 parties most concerned—WPST-TV and L. B. Wilson Inc. (to which FCC awarded Ch. 10)—are cautious. Norman Jorgensen, for former, said: "It certainly puts a different atmosphere over the situation." Robert Marmet, for latter, stated: "The 2 cases—the Mack-Whiteside trial & the FCC-court proceeding—are completely different proceedings. We couldn't & wouldn't comment on the verdict."

There's strong agreement that legal problems of Mack are over. No one can visualize govt. attempting to bring him to trial now.

Judge Holtzoff's 1-hour charge to jury put their job in very simple terms. The only thing they had to decide, he said, was whether Whiteside's gifts or loans o fmoney to Mack were ordinary loans or bribes to get Mack's vote for National Airlines. And when jury returned verdict after 4 hours, he said that its decision was "entirely reasonable" and that he would have reached same conclusion.

Charges of conspiracy & corruption have not been involved in FCC & court consideration of Ch. 10 case. Question is whether parties made off-the-record pitches to Mack & others. FCC decided that 3 parties did, gave Ch. 10 to L. B. Wilson Inc. (Vol. 16:29 p1). Losers have been challenging decision in courts ever since.

Whiteside trial lasted only 8 days, contrasted with the 14 weeks of first trial, which resulted in hung jury split 11-to-1 in favor of conviction (Vol. 15:28 p5). A surprise in 2nd trial was fact that Whiteside testified; he didn't in first trial.

Whiteside's points: (1) He had no agreement with Mack on Ch. 10, had never tried to persuade him. (2) He offered character references for some of WPST-TV's backers, but had no financial interest in Ch. 10 application and was paid nothing for the references. (3) He had loaned thousands of dollars to Mack, starting long before Mack joined FCC, and virtually all has been repaid. (4) He cautioned Mack (who had "personal problems, individual & domestic") not to take FCC job in 1955.

Earlier in week, 2 court-appointed Ft. Lauderdale physicians had advised Judge Holtzoff that the hospitalized Mack was too ill to stand trial, reporting that he suffered from cirrhosis of the liver & malnourishment, probably has anemia—stemming from alcoholism. They said he had drunk half-pint to pint of liquor daily for years. The judge commented that "Mack's condition is self-inflicted," but didn't issue bench warrant sought by govt. attorneys. After last week's verdict, prosecutor Oliver Dibble said he didn't know what effect the decision would have on Mack's situation.

Whiteside & his wife broke into tears and embraced after hearing verdict—and defense counsel Richard Hunt exclaimed: "Thank God for a fair judge and jury."

Film & Tape

More about

FCC's ADVENTURES IN HOLLYWOOD: An impressive array of Hollywood's top-echelon TV film executives began testifying last week before the FCC in the Commission's first comprehensive inquiry into the fast-growing film industry (see p. 2).

Under the questioning of FCC attorneys Ashbrook Bryant & James Tierney, the witnesses in a courtroom on th e16th floor of the Federal Bldg. in Los Angeles, officially confirmed under oath what has long been suspected—that the networks are increasing their control over the industry, and that MCA and the William Morris agency are all-powerful forces in it.

Some producers (such as Ozzie Nelson) flatly expressed the hope that the government would not interfere in the industry's operations. Some denied that they were subject to sponsor interference as to content—but others admitted they were. All said they were opposed to excessive violence & crime in TV, but chief hearing examiner James D. Cunningham appeared skeptical that sufficient steps were being taken to eliminate them.

Executives readily admitted the existence of trade deals (*e.g.* a car manufacturer provides autos, in return for which they are used in films), but all expressed opposition to a policy of "sneak" plugs for identifiable props or brand names, either visual or in the scripts.

But FCC's most intensive quizzing sought to determine the extent to which networks participate in the content-determination and profits of film series, and the influence of the 2 top talent agencies.

Four Star Television Pres. Dick Powell testified that CBS-TV has a 50% interest in the profits of *Wanted—Dead or Alive*, although it did not finance the pilot. This entitles the network to a split of the merchandising, syndication, foreign rights, etc. Asked by Bryant why the network got such a piece, Powell explained that it had originally bought 26 films in the series, that it took "considerable risk" before finding a sponsor, and that the deal involved a "considerable" sum of money. "We felt it was a good business decision," Powell said. He denied that the profit-sharing had anything to do with the series getting on the network.

CBS-TV also has a participation deal in Four Star's *Trackdown* "approximately the same," said Powell—also has a piece of Four Star's *Richard Diamond, Private Detective*, for which Four Star financed the pilot. *Diamond*, which began on CBS-TV, was later sold to NBC-TV and that network too gets a small percentage of its profits. Four Star financed the pilot of its *Robert Taylor's The Detectives*, and ABC-TV has a "very small" profit participation. Quizzed as to why they allowed the network a piece of a series featuring a movie star ("which should have been easy to sell"), Powell pointed out that many movie-star pilots have not sold.

NBC-TV has first negotiation rights for syndication on Four Star's *Dante*. Four Star financed the pilot of *The Tom Ewell Show*, but CBS-TV gets a "minor" percentage of profits. NBC-TV, which financed the pilot of *Michael Shayne*, has a financial interest in the show, an across-the-board arrangement on profits. ABC-TV, which financed the *Stagecoach West* pilot, has a participation in profits involving syndication rights. Four Star financed the pilot of *The Westerner*, but NBC-TV has a percentage of the

syndication & merchandising. ABC-TV, financing 4 of *The Corrupters* episodes, has a "small" profit participation deal & first rights to negatives for syndication.

Bryant then asked Powell why deals are made which give the network valuable syndication rights. Replied Powell: "We would prefer to retain them [but] it's good business to give away those rights in order to sell the series at all." CBS-TV has distribution rights to Four Stars' *Trackdown*, some of the *Diamond* segments and *Wanted*, he said. NBC-TV has a "small" percentage of profits on Four Star's *The Plainsman*, and control of syndication, although Four Star financed the pilot.

Powell estimated that distribution fees range from 35-to-50%. He testified that the Morris Agency is Four Star's sales agent, and receives 10% of gross revenue of TV sales as its commission. The commission includes syndication & merchandising in some areas, he added. Powell said Four Star had no series at the time it signed Morris as exclusive sales agent 4 years ago. Today the company has 12—and a 13th scheduled.

Bryant asked whether MCA, which owns Revue Studios, makes its top talent available to Four Star. Powell replied that he didn't know specifically. He recalled that Four Star had planned a series with MCA client Joan Crawford, that Miss Crawford told him she wanted to do the series, but that ultimately she did not. "Later I was told MCA had persuaded her not to do it. I was told that Revue was going to need Miss Crawford, and therefore we couldn't use her," commented Powell.

Powell told of Four Star's trade deal with Ford, which supplies cars to be used in their films. On another subject, when the film maker said that Four Star was against excessive violence, examiner Cummingham asked about its Westerns. Replied Powell: "In *Rifleman*, the Bible is quoted more than in any other series. Westerns are different from contemporary violence. They're historic and they deal in Western lore."

On sponsorship influence, Powell & his vp, Tom McDermott, said final decision on a show's contents is made collectively by the sponsor, producer and star.

Cooper on MCA & Wm. Morris

MCA and William Morris were the targets of Frank Cooper Associates Pres. Cooper. He asserted that the preponderance of top TV talent is represented by these 2 agencies. He added that MCA's ownership of Revue and WM's contract as sales agent for Four Star make it impossible for him to sell packages to those companies.

Cooper told of how he had represented *The Real McCoys* during its inception. When creator-owner-producer Irving Pincus wanted Walter Brennan for the series, he went to WM, the actor's agent. "Pincus then told me he could get Brennan—but only if WM were to act as sales agent. They subsequently took over the package, and got 10% off the top (of the gross revenue)," he said.

Cooper said the influence of the big agencies is such that they often sign talent originally developed by smaller agencies. Examples: Frank Sinatra, who went from GAC to MCA (he has since joined & left WM); Dinah Shore, from GAC to WM; Alan Young, from Cooper to Morris.

Cooper told how his agency had created *The Lineup*—which, "although a hit, had a substantial loss, which was sustained by CBS-TV, which bought it. It's recouping slowly its capital loss, but it will be a considerable time before CBS-TV is ahead," he said. Cooper receives a royalty & share of profits.

Ozzie Nelson, pres., Stage 5 Productions, testified that his series, *The Adventures of Ozzie and Harriet*, is financed by ABC-TV, and that MCA is his agent. MCA also has a sales agent contract with ABC-TV on the series, and ABC-TV has a 40% interest in the show.

Nelson said he controls the artistic factors of the series, but that he consults with ABC-TV & the sponsors on policy. He thought there was too much criticism of sponsors in TV, terming it "hogwash." He said sponsors & agencies did not interfere with him, that he was always guided by taste & common sense. "The things you can't do on TV are the things you don't want to do," he stated.

Ozzie Nelson on Trade Deals

The producer-actor conceded his family-type show was "basically non-objectionable to the point of being cowardly . . . If somebody wants no trouble, he comes to our show—although I don't think it is bland." Asked about trade deals, Nelson commented that Representatives and Senators make use of such deals themselves during political conventions—a remark which brought on so much laughter that Cunningham rapped his gavel for order. Stage 5 has a trade deal with Chrysler.

Nelson said he thought TV was doing a good job of policing itself, and that it has the best built-in control—"If the public doesn't like your show, it turns you off." He labeled groups protesting TV's programs unrealistic although well-intentioned. "The danger of such groups is that they may try to foist on the public things it doesn't want," Nelson thought.

Toreto Films Inc. Pres. Loretta Young said she became interested in starring on TV in 1950, and so notified her talent representative, the Morris Agency. When nothing happened after a year or two, she & her husband, Tom Lewis, developed a series script which WM sold to NBC-TV. That network financed the pilot, participated in the profits, and bought syndication rights last year. For having sold the show, WM gets 10% on all the Young films, although NBC-TV now owns the series.

Miss Young, outspoken against TV violence, said her show seeks to make a sociological or moral point although it also has lighter, frothy episodes. She retains creative control of her scripts, has discussed only 2 scripts with sponsors in 8 years. Last year ex-sponsor P&G told her it had received a great deal of mail "suggesting" she was "much too Catholic" in her presentations, and that many non-Catholics objected to her views on divorce & suicide. "I wouldn't change it because I am what I am. There are many groups of writing clubs," she said . The star added that P&G also wanted to move the show to a different time slot. She refused, and that ended their relationship.

Levathes on Film Costs

Peter G. Levathes, pres. of Twentieth Century-Fox TV, commented: "TV is derived from radio and inherited many of its artificialities—such as a precise length." He estimated a half-hour pilot cost $50-to-75,000 or more; a 60-min. pilot $135-to-140,000, "sometimes more;" That an average half-hour episode costs $40-to-60,000; and an average hour $85-to-140,000.

Networks finance pilots in return for an interest in the series, Levathes explained. Such interests vary, and sometimes are in perpetuity. ABC-TV has a percentage-of-profits interest in *Hong Kong*, of which it financed the pilot. It also has a "substantial" interest in *Adventures in Paradise*, although no pilot was involved. NBC-TV had an interest in the now-defunct *5 Fingers*, the executive said. ABC-TV originally had bought only 5 segments of *Paradise*, later expanded the order to 26. In answer to a question, Levathes said that a network's participation in a series does not affect its judgment as to the show going on

the aid. He added, incidentally, that contracts for *Paradise* aren't signed yet.

Networks want good shows, and to buy a series simply because of participation deals would be damaging, said Levathes. Asked why ABC-TV holds an interest in *Paradise*, he replied: "Such an undertaking is an enormous risk, involving $11-to-12 million." When Bryant quickly questioned this figure, Levathes explained that an hour of prime network time costs $110,000, the show costs the same—which comes to $220,000 for one segment's time & cost.

Levathes said economics have caused the increase in network ownership of shows, time & production costs being so "very, very high" in the last few years. Formerly a sponsor could pay for a half-hour show—and that was that. As prices went up, the pattern changed to alternate sponsors, and today spot participations are commonplace, because this "dilutes the risk."

Levathes said the trend toward network participation in profits extends to 30-min. as well as 60-min. shows, and for the same reason. As did other executives, Levathes said costs are rarely recovered by a show's first run.

The Morris Agency is no longer the sales agent for 20th Century-Fox, he said. During the time it represented TCF, WM received a perpetual 10% commission on its packages for TCF, such as *Paradise* and *5 Fingers*.

Other Levathes points: Sponsors have control on matters of taste & policy, but not of artistic content. Twentieth has a trade deal with Chrysler. On violence—one writer conceived a story in which someone was beaten to death with a bowling ball. "We changed it to something more conventional."

The Screen Gems Story

Screen Gems' William Dozier, vp in charge of West Coast activities, said NBC-TV financed the pilot of *Dan Raven*. Its deal includes participation in profits all down the line, including syndication & merchandising. He said such deals with networks vary from 20-to-50%.

SG financed the pilot of *Route 66*, now on CBS-TV. That network has a "relatively minor" participation—much less than 50%—and only for network & first syndication runs," said Dozier. Asked why CBS-TV holds an interest although it did not finance the pilot, Dozier explained "they took a very large-sized gamble when they ordered 26 shows at $125,000 a show." Like other witnesses, Dozier said networks do not ask sponsors to pay more for a show than it costs.

SG is no longer making package deals with Morris or MCA, Dozier said. However, components of packages are available from the agencies, he added. Asked if MCA charges SG more for talent it represents than it does when the same talent works for Revue, Dozier said: "No. We know what prices stars get wherever they work."

Networks have become much more vigilant in exercising control over content involving crime & violence, Dozier thought. As for sponsor influence, he admitted the ad agency won policy arguments, but SG had the last word in areas of dramatic material. The vp introduced several lists of sponsor restrictions.

On another matter, he said there was no relationship to being on a network and granting it an interest in the series. He also thought the foreign market was expanding and would be valuable eventually—a view expressed by several other witnesses.

SG has trade deals for Ford cars, Kleenex, milk bottles, washing machines, Coca Cola, pots & pans, soap flakes, swim suits, and others.

Dozier testified to the growing tendency on the part of top writers & actors for participation deals, commenting: "That's the only way they can develop what they call 'keeping money' under the tax structure."

MGM-TV vp George Shupert testified to NBC-TV's profit participation in that studio's *National Velvet*. Rexall Drug financed the pilot, but when it couldn't find an alternate sponsor, sold it to NBC-TV, which consequently has an across-the-board participation.

ABC-TV has a profit participation in *The Islanders*, for which it financed the pilot. MGM-TV retains artistic control in both series, said Shupert.

MGM-TV does not seek series provided by talent agencies, relying instead on its own creative staff, which is now developing 14 new shows.

Shupert said he thought it "more intelligent" to develop a show with network interest & financing. In this way the network has more of an interest in the project, and MGM-TV can use the money it would invest in pilots and invest it instead in creative talent to develop new projects, he argued.

MGM-TV has a trade deal with General Motors on *Islanders*. When Cunningham questioned Shupert sharply regarding excessive violence in over-all programming, the executive retorted that this was beyond his ken & responsibility, that total programming was a network problem.

The Warner Bros. Story

Warner Bros. vp & exec. TV producer William Orr testified that WB has a merchandising dept. dealing in various items associated with its series, but its income is less than 1% of the over-all TV operation.

Orr said Warners has no exclusive contract with ABC-TV (on which all of its series are seen), but that it has been in negotiation with all the networks. "We like the way they (ABC) do business," he commented.

ABC-TV shares in merchandising & syndication rights on all of its series except *Cheyenne* and *Bugs Bunny*, said Orr. ABC-TV has "cutback" rights, meaning that it may reduce a commitment from 39 to 26 segments at certain contractual dates.

ABC-TV needs not air pilots that it has financed, as demonstrated by past instances, Orr testified. Warners retains creative control subject to conformance with ABC-TV's continuity-acceptance dept. regulations. "We're mindful of advertisers, but not obligated to them," said Orr.

Orr said Warners does not allow ad agency representatives on its sets and that it will not be subject to the "arbitrary" decisions of others. He said he has never seen a list of sponsor taboos, but added the studio consults with ABC-TV on scripts, and distributes them to ad agencies involved. When one cigaret sponsor objected to a drama in which the lead said "I never drink, smoke, or go out with girls," that was changed for policy reason.

ABC-TV has financed the pilot of *Maverick*, *Sugarfoot* and *Room for One More*. Orr said Warners has a policy against outside packages, hence has no such dealings with Morris and MCA.

Other witnesses included Screen Actors Guild national exec. dir. John L. Dales and his asst., Chet Migden, Don Fedderson, Don Sharpe and James Schulke, the latter vp of Paramount Television.

The SAG executives told of granting MCA a contingent waiver in 1952 to allow it to be both a TV film producer, through its Revue subsidiary, and a talent agent. MCA's waiver was granted on a conditional basis under which the agency agreed not to collect any commission from actors under representation contract to MCA if they were to be

used in a Revue film or any other production in which MCA had more than a 10% interest.

Figures were presented showing that the Morris Agency represents 635 actors, MCA 544.

Fedderson testified that neither MCA nor the Morris Agency exerted any pressure regarding talent for his series. Sharpe testified that ABC-TV held a 50% & profit-participation on *Wire Service*, which he originated. Schulke said his firm was committed entirely to tape operations.

Network executives were interested ringside observers during each day of the hearings, which will continue through this week.

More Due This Week

Called to testify for the second & last round this week: Frank Capra, pres. of Directors Guild of America; Philip Feldman, ex-CBS-TV; Al Scalpone, ex-West Coast program vp for CBS-TV; Richard Jencks, pres. of the Alliance of Television Film Producers; Edward Bronson, director of TV Code for NAB; Frank Morris, in charge of NAB TV Code office in Hollywood; Revue Studios Pres. Taft Schreiber; Sam Weisbrod, William Morris Agency TV executive. Others may also be called.

Desi Arnaz testified that in 1954 he & Lucy sold 24% interest in Desilu to CBS-TV for $1 million "because we needed the money." He said CBS agreed to give Desilu below-the-line production deals for 5 years on network series. As a result, Desilu filmed *The Lineup* and *Our Miss Brooks* for the network. In 1957, Desilu bought the 24% back from CBS-TV.

CBS-TV has a profit-sharing interest in 13 hour-long *Lucille Ball-Desi Arnaz* shows, Desilu owning 61.3% and the network 33%, Desi testified.

CBS-TV has syndication & foreign rights to these shows, but Desilu has the right of sponsor approval.

The Morris Agency received 10% commission for packaging & selling *The Ann Sothern Show*, for which Desilu financed the pilot. The Morris office also received a 10% commission for selling Desilu's *Guestward Ho!* series.

ABC-TV has a profit-participation deal on *The Untouchables*, although there was no pilot on this series.

Arnaz explained that ABC-TV, for an across-the-board participation deal, gave Desilu a commitment on 26 episodes involving about $3 million. ABC-TV has first refusal on syndication rights. ABC-TV also has a participation of profits on *Harrigan & Son* and *Guestward Ho!*

Data on The Untouchables

Arnaz said production companies often fail to recoup their investment on first run and look to residuals to recoup. Asked Bryant: "Then why are you willing to share these rights with the networks?" Answer: "We do it because they finance the pilots."

Asker about sponsor influence, Arnaz said, Desilu retains creative control. Regarding *The Untouchables*, he said he did not believe it had "unnecessary" violence. Asked by Cunningham if crime shows weren't more lucrative, Arnaz answered: "We went over budget on *The Untouchables*."

Cunningham said FCC does not attempt to exercise judgment as to whether programs are good or bad, but instead seeks to evaluate over-all program operation.

Writers Guild of America West Pres. Curtis Kenyon esticated in his testimony that MCA represents 20% of all TV writers who have agents, while the Morris Agency and Famous Artists each represent 14-to-18%.

Auxiliary Services

TelePrompTer's Pay-TV Plans: Progress on an all-electronic central-source billing system has persuaded TelePrompTer to by-pass its proposed interim "tape-on-the-pole" system of cable pay TV (Vol. 16:26 p4), according to Pres. Irving Kahn.

TelePrompTer had planned to start the operation with its Liberal, Kan. CATV system within 2-to-4 months of its announcement last June, Kahn said, but the central-source concept is so superior that the beginning has been delayed. The interim proposal had called for tape-recording mechanisms on the utility poles nearest subscribers' homes. The tapes would tally pay-TV program usage; servicemen would collect the tapes periodically, run them through a computer, send bills.

"We're now making final tests of the electronic system," Kahn said, "and we hope to get going before long. Sylvania is producing some of the equipment."

The firm is negotiating for the purchase of additional CATV systems, Kahn said, and hopes to close some deals soon. The last purchase was Abar TV Cable Co., Eugene, Ore., which has approximately 5,000 subscribers (Vol. 16:35 p6). TelePrompTer's other systems are in Silver City & Farmington, N.M., Rawlins, Wyo. & Liberal.

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First applications for new vhf translators were received by FCC last week—from the Mexican Hat Assn., Mexican Hat, Utah. Two 10-watt units are proposed—Ch. 3 & Ch. 13—to repeat KGGM-TV (Ch. 13) & KOB-TV (Ch. 4) Albuquerque. They've been assigned file numbers BPTTV-1 & BPTTV-2. These are to be distinguished from "vhf repeaters," the name the Commission has given to those previously illegal units which are required to file applications for special temporary authority to continue as is—until they comply with new translator rules. When a "repeater" complies, it will become a "translator." Meanwhile, the Commission granted 2 more vhf translators: Ch. 70 & Ch. 80, Moorefield, W. Va., to repeat WTOP-TV Washington & WJAC-TV Johnstown, Pa.

Large-screen color is now being offered by Theatre Network TV, which has purchased 37 color projectors from RCA. Pres. Nathan L. Halpern said that research has shown that best-quality color pictures can be obtained with the projectors in the 26-to-50 sq. ft. range. They will be used for the first time in a series of sales meetings beginning Oct. 24 sponsored by Celanese Corp. of America.

Road construction is being TV-supervised by a closed-circuit remote-control camera mounted on the roof of a 5-story building in N.Y. The manager of the project gets a bird's-eye-view of construction maneuvers without leaving his desk and, using 2-way radio, keeps the job running smoothly.

National Community TV Assn.'s presidential selection committee is ready to recommend a man to its board at the Oct. 20 meeting in Denver, but his identity is still concealed. It's understood that he's in private industry at a substantial salary, although presumably not getting the $30,000-plus talked about for the NCTA job.

First uhf on-channel booster granted by FCC under its new rules (Vol. 16:22 p6) was authorized to WINR-TV (Ch. 40) Binghamton, N.Y. The purpose of the boosters is to fill in weak-signal spots in parent stations' areas.

Translator starts: K70BT Santa Rosa, N.M. started Sept. 1 with KOB-TV Albuquerque • K74BC Lihue, Hawaii started Sept. 18, owned by KHVH-TV Honolulu.

Educational Television

COMMERCIAL STATIONS' ETV: Two out of every 3 commercial TV stations (68%) which responded to our recent mail survey told us that they are presently scheduling local public-affairs programming in the "educational" category. Of this group, about one in 4 produces purely academic local ETV programs in association with colleges, secondary schools and ETV groups.

The replies came from a cross-section of stations (approximately 15 out of every 100) in large & small markets in all areas of the U.S. & Canada.

Clear-cut ETV projects are aired by 17% of our respondents. Reported a San Diego station: "While ratings for our ETV program have left something to be desired, local reaction has been extremely gratifying." Subjects range the educational curriculum: math, science, English, history, etc. WMBD-TV Peoria, Ill. telecasts "Sunrise Seminar" with Bradley U. on a regular Mon.-Fri. basis; college credits may be obtained if viewers pay a fee & take examinations. KREM-TV Spokane, Wash. wakes up viewers with "Guten Morgen," an early-a.m. German class offered for credit. WECT Wilmington, N.C. produces credit courses in diverse subjects all week in cooperation with U. of North Carolina at Chapel Hill. KCMO-TV Kansas City, Mo. has an in-school noontime viewing project, "Teleschool," produced with the Kansas City Board of Education.

Other scholastic courses on commercial outlets cited in our survey: WNHC-TV New Haven, Conn. has aired "Yale Reports," 3 specials produced on the basis of faculty lectures. WSVA-TV Harrisonburg, Va. offers a Bible course for credit with the cooperation of American U. in Washington. And WPIX New York has one of the most ambitious ETV programs, giving the entire school day (10 a.m.-3 p.m.) to the N.Y. State Regents project for in-school teaching programs on a wide variety of subjects.

Local & State Problems Often Treated

Locally-produced information shows—the most common type of educational programming on local commercial outlets—deal with everything from Communism to sexual deviation, but community & state problems are among the more common issues tackled. Some samples: WVEC-TV Norfolk-Hampton, Va. recently produced a series, *Dick Mansfield Reports*, aimed at educating viewers on such issues as the retail sale of alcoholic beverages and the state's tax structure. WHEN-TV Syracuse, N.Y. is concerned with area education in its series, *One O'clock Scholar*, based on activities & advancements in schools & colleges. CFCL-TV Timmins, Ont. presents *Canadians All*, which features the art, music, theater and cultural patterns of ethnic groups of northern Ontario.

KRCA Los Angeles has highlighted state affairs in its *California Report*: California voting trends, hospital conditions, amusement centers, traffic problems. WABC-TV N.Y. recently launched *Youth Project* in cooperation with the President's Youth Fitness Council to present informational, educational & cultural programming for young viewers in that area.

Horizons extend beyond purely local or regional issues —to a diversity of national, international and historical subjects. WCAU-TV Philadelphia dealt recently with the problem of sexual deviates in a 60-min. documentary study, "The Sex Offender: A Study in Violence." The project was aimed at encouraging the Philadelphia General Hospital to institute special study of the problem & its treatment. WPTA Ft. Wayne, Ind. recently presented a series, *Communism Looks at Youth*, to help young people combat the ideological force & its methods of infiltration. WSFA-TV Montgomery, Ala. gave local legal angles to a topic of general interest in "It's The Law," produced in cooperation with the Montgomery Bar Assn., providing locally-slanted information about legal cases & practices.

"Cultural" programming was labeled by 15.4% of respondent stations as their most successful local educational fare. Notable examples: WMAR-TV Baltimore's series about Shakespeare in cooperation with the public schools, and culminating with telecasts of the Laurence Olivier feature productions of "Richard III" and "Hamlet." WROC-TV Rochester, N.Y. cooperated with Rochester U.'s Eastman School of Music to produce a stereo simulcast of the school's symphony orchestra live from the stage of the Eastman Theater. WWLP Springfield, Mass. has fostered art & music in its area with "Around Our Town," presenting TV visits to local music groups, art galleries and museums. WEHT Evansville, Ind. has similarly aroused interest in the completion of a new art museum with a series of local specials describing the efforts that went into its creation.

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Profiles of many ETV shows (including several reported in our own survey) are given in *Interaction*, the new 288-page book published by the Television Information Office and described on p. 15 of this issue. At least 5 chapters (literature & the arts; for better schools; science & technology; formal education; general adult education) of the book's 15 will interest ETV people.

NAEB Meets This Week: With guest panelists due to tackle topics ranging from the uses of new TV equipment to the broadcasting of controversial material, the 36th annual convention of the National Assn. of Educational Bcstrs. is scheduled for Oct. 18-21 at San Francisco's Jack Tar Hotel.

Guest speakers at the NAEB meeting, latest gathering of the "principal professional organization of radio & TV broadcasters dedicated to the effective use of these media for educational & cultural purposes," include many top industry names: Steve Allen, Sylvester (Pat) Weaver Jr., Rod Serling, Dr. Frank C. Baxter along with Drs. Edward Teller, S. I. Hayakawa, Mortimer J. Adler and designer Charles Eames. Convention chmn. is KQED Pittsburgh gen. mgr. James Day.

The meeting's opening session (Tue. eve.) will feature Drs. Teller and Adler, Weaver and Eames in a discussion of "the nurturing of creativity." Also included in the convention program are special section meetings on press criticism of cultural broadcasting, effective use of sound in radio broadcasting and fundamental issues of instructional shows.

Public service citations have been presented by the city of Philadelphia to local commercial stations WRCV-TV, WFIL-TV and WCAU-TV for coming to the aid of fire-wrecked educational WHYY-TV. The 3 vhf stations furnished studios & airtime to keep the educational programs of the uhf outlet on the air.

Govt. ETV research grants awarded through Oct. 1959 under Title VII of the National Defense Education Act (Vol. 16:28 p13) are detailed in a special edition of *News & Reports*, published by the U.S. Office of Education.

ETV at RTES: Resistance, and even apathy, toward ETV on the part of parents, school boards and some teachers is bringing considerable frustration & stalemate to educational broadcasters. This was the consensus of a 3-man workshop panel staged Oct. 12 in N.Y. by RTES at the audio-visual exhibition. Panel members: N.Y. Regents ETV project exec. dir. Edward King, National ETV & Radio Center station relations dir. Paul Owen, and Frank Cariott, vp, Dave Chapman Inc.

"We must combat prejudice & old-fashioned ideas that 'machines are taking over' before greater headway [for ETV] can be made," said King. Added panelist Owen: "ETV is the most important aid to academic education of the century; we need money & cooperation to make it widespread & effective."

The panel agreed that budget problems remain one of ETV's biggest headaches. According to King, the WPIX N.Y.-telecast Regents project has a total budget of $385,000 from public funds—"about the cost of one network special." Personal resistance on the part of teachers (some of whom feel "TV is only for entertainment") was cited by Owen as another major problem. There's a current problem, too, in terms of equipment. "We need better sets in schools—not the kind that the PTA buys cheaply from someone's last year's stock," said Cariott.

The panel also noted that: Annual budgets of the National ETV & Radio Center now amount to $2.5 million, although additional funds are coming from such philanthropic organizations as Ford Foundation and National Science Foundation; 40% of U.S. ETV stations are connected with universities, 20% with public-school systems, and 40% are community-supported; many ETV broadcasters today, having had their training in commercial TV, are bringing its better production techniques to ETV.

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Operation Airborne to Test in Jan.: ETV demonstration flights in Operation Airborne (Vol. 15:42 p3 et seq.) are scheduled to start next Jan. 30 for a 16-week test period. Based at Purdue U.'s West Lafayette, Ind. airport, 2 DC6AB planes will alternate in a schedule calling for transmission over 2 channels 3 hours daily, 4 days a week, while schools in 6 states check equipment & reception.

The Midwest Program on Airborne TV Instruction (MPATI) plans its first full academic year of operation for Sept. 1961-June 1962 with a flight schedule of 6 hours a day, 4 days a week. Taped courses, some of which will be sampled during the demonstration period, will be provided by WCET (Ch. 48) Cincinnati, Purdue, U. of Detroit, N.Y.U., WHYY (Ch. 35) Phila., WTTW (Ch. 11) Chicago.

The full-term 1961-62 MPATI curriculum, as planned, will offer 16½ hours weekly of elementary school instruction, 16½ hours of secondary courses and 7 hours for college-level students. Elementary courses: science, social studies, arithmetic, French, Spanish, art, music. Secondary courses: general science, physics, biology, American history & govt., world history & geography, Spanish, American literature & composition. College courses: mathematics, chemistry, Russian.

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Educational KQED San Francisco has opened its 3rd year of in-school teleclasses with a $100,000, 11-course curriculum that "will be viewed by thousands of students from 53 school districts of 10 Bay Area counties," according to KQED school bcstg. dir. Raymond L. Smith. Eight new courses have been introduced for the 1960-61 academic year, "with a heavy concentration on foreign language & science, primarily for elementary schools."

Stations

More about

NAB CONFERENCE CRUSADE: Broadcasters from Southeastern states went to school in Atlanta last week to have their knuckles rapped by a NAB faculty and hear illustrated lectures on self-improvement.

In the first of NAB's series of 1960 regional fall conferences, the station management men were told sternly that the TV-radio industry's performance needs to be bettered (see p. 2). They got advice from a dozen NAB staffers and from other visiting specialists on how to do it.

Problems of govt. & public relations dominated the tightly-planned agenda of the Oct. 13-14 conference in the ballrooms of Atlanta's Biltmore Hotel. In lectures buttressed by films & slides, such lessons as these were taught by NAB lecturers:

Govt. affairs vp Vincent T. Wasilewski: Broadcasters can't blame Democratic or Republican politics for Congressional exposures of TV & radio evils. Washington's picture of broadcasting as a wayward industry "has not been painted with a brush of partisanship."

Industry affairs vp Howard H. Bell: "We were lucky" that Congress didn't do more than it did. From now on, individual broadcasters must get in & pitch at national, state and local political levels to see to it that "mutual understanding" is reached. "We can't be complacent about the future. We cannot depend on luck."

Radio vp John F. Meagher: NAB shouldn't be expected to do all the lobbying. There's need for more planning & pushing by state broadcasting groups to promote industry causes. "The state association is no longer a defensive mechanism concerned only with combatting adverse measures which might crop up in the legislature."

Community Acceptance Essential

Public relations mgr. John M. Couric: All station employes must learn that "the station's future & their livelihood depend on community acceptance, community support and community goodwill." It's not a one-man job; "everyone on the payroll should be working on it fulltime."

A joint talk-&-film presentation by NAB's **TV Code affairs dir. Edward H. Bronson & Code Review Board member Robert W. Ferguson** (WTRF-TV Wheeling) at a TV session dealt with a related public-acceptance subject. They warned that in the area of questionable commercials & programming, biggest hazards now are in "personal products," sexed-up theater trailers, post-1948 movies. The Code (scheduled for updating this year) is TV's "single most important shield," said TV vp Charles H. Tower.

Brightening of TV's often clouded public image through station use of public-affairs programming ideas in a new TV Information Office book—*Interaction*—was proposed by **dir. Louis Hausman.** The 288-page TIO compendium describes more than 1,000 programs & series broadcast by 264 stations in 162 cities (see p. 15).

Delegates also gave rapt attention to a filmed talk by the industry's most formidable Congressional figure—**House Commerce Committee Chmn. Harris (D-Ark.).** He said "responsible broadcasters have nothing to fear" from anti-payola legislation enacted this year. He praised political behavior by TV & radio "so far" in current election campaigns. Harris also said the industry wasn't yet out from under trouble on Capitol Hill. He reminded NAB members that unfinished Congressional investigative business includes such issues as network regulation, trafficking in licenses, editorializing practices.

All of the 2-day Atlanta conference (whose presentations will be repeated at the 7 remaining regional meetings) wasn't spent on the industry's past, present and pending public woes, however. The opening session was devoted to "People—and Profits." Advice was given by NAB staffmen on how to "manage" the former and increase the latter.

Station relations mgr. William Carlisle said station executives should experiment with fresh sales techniques to become "successful convincers" in persuading reluctant prospects to accept an idea or product. Broadcast personnel & economics mgr. James H. Hulbert outlined the sad case history of an unidentified radio station. Its 1954-59 sales went up nearly 300% but its profits dropped terribly because of an inflated payroll, Hulbert said. He recommended that managements keep an eye on NAB & FCC figures on comparable stations in comparable markets to make sure their own payrolls aren't getting out of hand.

And TvB Pres. Norman (Pete) Cash closed the final TV business session of the conference with characteristically upbeat predictions on "The Future of TV." Declared Cash: "TV may never again be as inexpensive or as efficient as it is right now. TV has a very long way to go before its cost efficiency is reduced to the low levels of other major media . . . Magazines cost more than TV, newspapers cost more than TV. TV is the cheapest of major media when it comes to reaching people, no matter who measures it."

Speaker at NAB's fall-conference luncheon in Chicago Nov. 22 will be Edward C. Quinn, pres.-gen. mgr. of Chrysler Motors Corp., replacing American Motors Chmn.-Pres. George Romney, canceled because of other commitments.

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Control of Detroit Tigers is being acquired by John E. Fetzer, who is increasing his holdings from ⅓ to ⅔ by buying the stock of the group headed by Kenyon Brown. Now chmn., Fetzer will become pres. The price won't be disclosed, he said. Fetzer and the Brown group bought the club from the Walter O. Briggs Sr. estate for $5.5 million in 1956 (Vol. 12:29 p14). Fetzer owns WKZO-TV & WKZO Kalamazoo, KOLN-TV Lincoln, Neb., WWTV Cadillac, Mich. & radio WJEF Grand Rapids.

Despite earlier denial that WMGM N.Y. was on the block (Vol. 16:39 p11), the Loew's Theatres-owned independent radio outlet is being bought, contingent on FCC approval, for more than $10 million by Crowell-Collier Bcstg. Corp., subsidiary of the publishing firm. The deal was approved last week by both parent companies. One of the earliest independent radio stations, it debuted in 1922 as WHN under the ownership of MGM. Crowell-Collier currently owns KEWB Oakland, KFWB Los Angeles, KDWB St. Paul, has agreement to buy WGMS Washington.

New 35-kw high-band vhf amplifier will be offered to stations by GE's communications products dept. The new amplifier, capable of being driven by a transmitter of less than 5 kw, "makes it economically feasible for many more stations to increase their ERP to the 316-kw limit," GE stated, pointing out that many stations' present transmitters can be used as driver to attain maximum ERP.

NAB's TV Board, meeting in Washington last week, took the following actions: (1) Reaffirmed its support of legislation to regulate CATV. (2) Told the NAB staff to support FCC, against FAA, as the agency with final jurisdiction over tall towers.

Purchase of KBAK-TV (Ch. 29) Bakersfield, Cal. by Reeves Bcstg. & Development Corp. from the Chronicle Publishing Co., has been approved by FCC. Price: $468,634 plus cancellation of $381,366 indebtedness.

TV Code Progress Report: More than 70% of 524 on-air commercial TV stations—380 (an increase of 109 from Nov. 1959's 271)—now subscribe to NAB's TV Code, Review Board Chmn. E. K. Hartenbower (KCMO-TV Kansas C.) boasted last week in a taped report to network affiliates.

"But let's not be over-confident," he added quickly in the closed-circuit broadcast which he shared with NAB Policy Committee Chmn. Clair R. McCollough. "When I was a boy we always threw the biggest mud ball at the biggest barn door. It's not going to be any different this year; TV is today the target of many critics. Let's all be alert to guard against the excesses our critics are happy to pounce upon—over-commercialism, unnecessary sex or violence in programming."

McCollough said he was sure that without the Code, the entire TV industry would have been "in serious trouble" in the past 18 months—"in many ways the most hectic in the history of TV." He reminded the network affiliates of quiz & payola scandals, assaults on programming, knife-sharpening by TV's competitors, Congressional demands for rigid govt. controls.

"During this difficult period one of our most powerful weapons has been the NAB TV Code," McCollough said. One result: "Despite the furor, the people never lost confidence or interest in the splendid service TV provides."

The progress report was taped following Oct. 4 sessions of the Review Board in Washington (Vol. 16:41 p7). It was carried to affiliates by CBS & NBC Oct. 10. ABC scheduled it for Oct. 17.

In another post-meeting move, the Review Board urged subscribers & post-1948 film distributors to consult with Board members & Code staffers when they run into taste problems in this "rich new source of TV programming." The Board warned that "there are instances when interpretations of the TV Code may be required."

NAB's radio vp John F. Meagher reported to the Radio Board meanwhile that 845 AM & FM outlets vs. 683 last Dec. (Vol. 15:51 p7) are now signed up for compliance with the Radio Code. Meeting with the Radio Board following joint TV-Radio Board sessions at which Fla. Gov. LeRoy Collins was elected NAB pres. (see p. 1), Meagher also said radio subscribers soon will be supplied with recorded Code announcements.

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Injunction prohibiting payola was signed in Philadelphia last week by Common Pleas Court Judge David L. Ullman against 11 record distributors & 22 disc jockeys who had agreed to consent decrees (Vol. 16:39 p11). Six more jockeys are on the hook, but 5 haven't been served with complaints yet; 6th is under preliminary injunction.

Payments for spot announcements by non-subscribing sponsors of background music services aren't subject to the 8% wire-&-equipment excise tax on the services themselves, the Internal Revenue Service has ruled. In reply to inquiries by an unnamed operator of a background service, the IRS decision (Rev. Rul. 60-318) also said the excise doesn't apply to music supplied by means of tape players installed on subscribers' premises.

Sale of CHLT-TV (Ch. 7) Sherbrooke, Que. with radio CHLT, both French-language outlets, as well as English-language radio CKTS there, and French-language newspaper *La Tribune* pends BBG approval. Ottawa merchant Raoul Landriault, also part-owner of upcoming CJOH-TV (Ch. 13) Ottawa, is acquiring properties for $6 million from Paul Desruisseaux and associates.

UPCOMING STATIONS: Following are the latest reports from principals in U.S. & Canada holding authorizations for new TV stations. For a status report on educational TV outlets in the U.S., see page 2.

KCND-TV (Ch. 12) Pembina, N.D. has a 2-kw RCA transmitter wired. It began tests week of Oct. 10, reports operations dir. Charles K. Bundlie. It also has a 1350-ft. Stainless tower ready for traveling wave antenna. It is negotiating for network affiliation. Base hour will be $400. Reps will be Meeker, Wayne Evans (Minn.), Pembina TV Sales (Winnipeg, Man.), TV Representatives Ltd. (Canada).

WTVI (Ch. 19) Fort Pierce, Fla. plans test patterns about mid-October and expects to meet Nov. 1 target for programming with CBS-TV & ABC-TV, writes gen. mgr. Herbert E. Buck Jr. for owner Gene Dyer. GE 12-kw transmitter is being wired and a 390-ft. Stainless tower is ready for helical antenna, due shortly. Base hour will be $300. Rep will be Forjoe.

KEZI-TV (Ch. 9) Eugene, Ore. has changed target for programming with ABC-TV to Nov. 25, reports gen. mgr. Marvin A. Krek. Interior of studio building at 2225 Coburg Rd. is being finished and transmitter house roof was installed week of Oct. 10. GE 35-kw transmitter is to be shipped Nov. 1. Its 200-ft. tower from Tower Sales Erecting Co. is ⅓ up and GE antenna was to be shipped Oct. 15. Base hour will be $396. Rep. will be Meeker.

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CJAY-TV (Ch. 7) Winnipeg, Man. is installing a 25-kw RCA transmitter at its site on Hwy. 75, 16 mi. S of city. It expects to meet a Nov. 1 programming target, reports public-service dir. Barry Nicholls, ex-CHCT-TV Calgary, Alta. It has erected 480 ft. of a 1000-ft. Dominion Bridge tower. Equipment is being installed in studios at Polo Park Shopping Center. Jerry Johnson, ex-CKBI-TV Prince Albert, Sask. will be gen. sales mgr. Base hour will be $500. Reps will be Weed and Stovin-Byles Ltd.

CHAN-TV (Ch. 8) Vancouver, B.C., planning Nov. start, has an 11-kw RCA transmitter and 300-ft. Western Bridge tower with 81-ft. antenna ready on Burnaby Mt., according to Blair R. B. Patterson, promotion mgr., reporting for pres.-gen. mgr. Art Jones. The walls are partly up for a studio building on Lougheed Hwy., Burnaby, B.C. Base hour will be $550. Reps will be Weed and All-Canada.

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Montana broadcaster Ed Craney is disposing of the last of his station interests, selling KXLF-TV & KXLF Butte and KXLJ-TV & KXLJ Helena to Joseph S. Sample, operator of KOOK-TV Billings. Simultaneously, Sample will sell the Helena stations to the local CATV operator, Helena TV Inc., with which Craney has had a long & bitter feud. Tax counsel are still working on details, but the final price to Sample will run between $1 & $1.5 million. Helena TV Inc. is headed by William Piehl, managed by Bruce Hamilton. The transactions were handled by Blackburn & Co., which recently negotiated the sales of WBIR-TV & WBIR Knoxville and WKST-TV & WKST Youngstown (Vol. 16:40 p11).

KPAR-TV Sweetwater, Tex. is being leased to Texas Key Bcstrs. Inc., according to an application filed with FCC. The lease is for 10 years, for $799,440, with Texas Key holding an option to buy 50% for $50,000 at the end of the period. Texas Key is headed by James W. Isaacs, a vp of KPAR-TV who will resign. Albert R. Elam Sr. is vp, Albert R. Elam Jr., secy.-treas. The Elams own oil drilling & trucking businesses.

Networks

AFTRA's New Demands: Network officials in N.Y. last week were "stunned" (according to a union source) by AFTRA's latest demands as negotiations continued between the networks and the live-talent union over revised rates & working conditions. Neither side, of course, has officially revealed details of the new demands, but it's clear that they'll cause changes in future program pricing.

One AFTRA demand networks are currently opposing is for a sizable increase in the pay scales of TV-radio sportscasters. Another: scales for live & tape commercials.

The networks, meanwhile, are making some proposals of their own to AFTRA. They're seeking a formula to cover talent payments on odd-length programs (45-min., etc.). They'd also like a revised discount scale on talent costs for live across-the-board daytime shows.

SAG is scheduled to join with AFTRA later this week in negotiations concerning commercials. Although the 2 unions are still apart on the topic of an AFTRA-SAG merger, there is a strong liaison between the labor organizations concerning such matters as contract termination, pay scales and general aims.

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Will Jim Hagerty join ABC? The rumor that the White House press secretary was planning to join ABC next January as a top-level news & public affairs official was back in circulation last week. Both Hagerty and ABC refused to comment.

NETWORK SALES ACTIVITY

ABC-TV

Political messages, 5 min. daytime spots, full-sponsorship eff. Oct. 20 and Oct. 24 respectively.
Democratic National Committee (Guild, Bascom & Bonfigli)
Republican National Committee (Campaign Associates)

Bugs Bunny, Tue. 7:30-8 p.m., participations eff. June 1961.
Perkins div. of General Foods (*F, C & B*)

Walt Disney Presents, Sun. 6:30-7:30 p.m., part. eff. Nov.
Bristol-Myers (*D, C, S & S*)

Hong Kong, Wed. 7:30-8:30 p.m., part. eff. this month.
Pan-American Coffee Bureau (BBDO)

Daytime programming, Mon.-Fri. part. eff. this month.
J. H. Filbert (Young & Rubicam)
Carter Products (Ted Bates)
Reynolds Metals (Lennen & Newell)

CBS-TV

Person to Person, Thu. 10-10:30 p.m., part. eff. Oct. 27.
Wander (Clinton E. Frank)

NBC-TV

Happy Talk, Dec. 6, 10-11 p.m., one-time special, co-sponsorship.
Lipton Tea (*S, S, C & B*)
Lanvin (North)

Macy's Thanksgiving Day Parade, Thu. Nov. 24, 11 a.m.-12 noon, one-time special, co-sponsorship.
Ideal Toy (Grey)
Lionel Train (Grey)

The Shirley Temple Show, Sun. 7-8 p.m., part. eff. spring, '61.
Perkins div. of General Foods (*F, C & B*)

Remember How Great, Feb. 9, 8:30-9:30 p.m., one-time special, full sponsorship.
American Tobacco (BBDO)

Canada's Second Network: Schedule of hearings leading to a decision on Canada's 2nd TV network & new TV licenses has been announced by the Board of Broadcast Governors. Nov. 10 is the deadline for network applications, with public hearing on them fixed for Nov. 29. Currently, Canadian Bcstg. Corp. operates the nation's only TV network, and the only declared applicant for another is Spencer Caldwell, Toronto film distributor who failed in his bid for a Toronto station. Eight newly-licensed TV stations (in Halifax, Montreal, Ottawa, Toronto, Winnipeg, Calgary, Edmonton and Vancouver) have formed an independent TV organization and will likely apply. BBG has said preference will be given to this application in which all the stations share ownership & operation.

BBG has also announced meetings in Saskatoon this week (Oct. 20) and next in Fredericton (Oct. 24) to facilitate the "most rapid & most orderly" development & extension of TV across northern Manitoba, Saskatchewan and Alberta and into distant parts of Quebec and the Maritime Provinces on the Atlantic Coast.

Pending the Saskatoon & Fredericton meetings, BBG deferred applications for satellites in the affected areas, but recommended satellite TV stations at Fox River, Quebec, for CHAU-TV Carleton, Quebec; and at Lumby B.C., for CHBC-TV Kelowna, B.C. A power increase has been authorized for CKX-TV Brandon, Man.

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NBC backed its challenge of FCC's spot-rep decision (which puts CBS & NBC out of the business—Vol. 16:24 p8) with a brief filed last week in the Court of Appeals. Independent briefs were filed by NBC-repped KOA-TV Denver, KSD-TV St. Louis, WAVE-TV Louisville & WRGB Schenectady. FCC & Justice Dept. have until Nov. 10 to answer the briefs, and the appellants' reply deadline is Nov. 22. The parties hope for oral argument by the end of the year. NBC summarized its position as follows: "The Commission's order should be set aside because it is an unauthorized & unwarranted extension & distortion of the function conferred upon the Commission by the Communications Act. The order divests NBC of a valuable & perfectly proper & lawful business enterprise without any evidence of impropriety in the conduct of that business or even of any threatened harm or danger to the public interest. Moreover, by the application of a misconceived idea of the national policy favoring free competition, the Commission would destroy existing competition in a paternalistic effort to protect station licensees from a non-existent threat, against which they would, in any event, be perfectly able to protect themselves. In doing this, the Commission ignores not only the statutory limits of its authority but also Constitutional limitations."

NBC Chmn. Robert W. Sarnoff defended the TV-spurred American consumer economy against warnings of a "cult" of economists in an address before the American Gas Assn. at its Oct. 12 meeting in Atlantic City, N.J. "I think the American people will reject the notion that prosperity is a sin," said Sarnoff. "They will have little patience with a cult that preaches economic asceticism. Most Americans will recognize it would tighten not merely a belt but a noose." As U.S. purchasing power grows in the next decade, said Sarnoff, the average consumer will have "almost twice as much money to spend" in such pleasant decisions as whether to buy a new car or a swimming pool or a trip to Europe. "These," added Sarnoff, "are some of the choices upon which the eloquent selling power of TV can & will be brought to bear."

Advertising

Coffee, Tea, Insurance TV Gains: Gross network & spot TV time billings for coffee & tea companies jumped 19% in the first half of 1960, compared with spending by this beverage category in the same 1959 period, TvB reports. The figures: $27,220,905 ($21 million for network; $6.2 million for spot) vs. the previous $22.7 million. Coffee led tea $21,807,054 vs. $5,413,851. Top coffee spenders: General Foods, $9,320,900; Standard Brands, $2,184,215. Leading tea advertiser was Lever Bros. ($2,125,420 for Lipton).

Insurance companies' gross time TV billings will top $16 million in 1960, compared with 1959's $14 million. First half spendings totaled $7,264,611 ($5,584,611 network, $1,680,000 spot). First half's leader was Mutual Benefit Health & Accident Assn. with $3,036,436 gross. Runners-up: Prudential ($2,369,634) and Allstate ($1,688,700).

TvB also announced that its 1960 annual meeting scheduled for N.Y., would be held Nov. 15-18. Topics on the agenda include: Current sales problems in advertising; reports on TvB activities; showing of the new TvB film presentation "The Progress of Discontent."

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FTC Chmn. Earl W. Kintner passed the 200-speech mark last week. In the latest of a series of hard-talking public appearances, started when he took office 15 months ago, Kintner: (1) Told Washington's Ad Club and Better Business Bureau that it's unfortunate that foreign diplomats' impressions of the U.S. economy are colored by "breathless bargains barking out of their TV & radio sets." (2) Assured an Advertising Federation of America district conference in Richmond that "gyp operators" of direct mail advertising schemes will feel FTC's sting soon. (3) Warned the Grocery Mfrs. Representatives in N.Y. that any business which ignores laws forbidding discriminatory pricing & advertising allowances "is digging its own grave" in harsher govt. regulation.

Agencies are being "cheated" by commercial film makers who confine their efforts to "the mechanics of commercial film production" and allow the creative process to "die at our doorsteps," stated Robert Lawrence Productions Pres., Robert L. Lawrence, last week to the audio-visual exhibition. "Evasion of our challenge as commercial producers leaves the sole prerogative to agencies—which is irresponsible," Lawrence added. Responsibilities labeled "primary" by Lawrence for film companies: Casting, director's role on stage, cutting, visual vitality.

Chmn. Arthur C. Nielsen of that research organization, speaking to a luncheon meeting of the Broadcast Advertising Club of Chicago last week, branded as fallacies a pair of pet advertising theories: That TV ratings would be "unnecessary if the advertiser would merely watch his cash register," and that TV is unsuccessful "unless it produces a sales increase." TV, said Nielsen, might prove "very profitable" if it simply halted a sales decline, or maintained current sales levels at a reduced advertising cost or maintained them in the face of "certain competitive handicaps."

New 700-volume reference library, a project of the Advertising Federation of America and the Advertising Club of N.Y., will be dedicated this week (Oct. 21). Located in AFA's N.Y. offices at 655 Madison Ave., the library will be open to the entire ad industry and will furnish "an important new addition to the technical resources of the advertising & marketing fraternity," according to AFA Chmn. James S. Fish.

Ad People: Fred Marlin Mitchell Jr., ex-Dancer-Fitzgerald-Sample, named Kenyon & Eckhardt senior vp . . . Gunnard Faulk and Gene Federico named Benton & Bowles vps . . . Paul R. Smith, ex-Fletcher Richards, Calkins & Holden, named creative services exec. vp, Grant Advertising . . . Samuel B. Vitt named Doherty, Clifford, Steers & Shenfield media dir.

Clayton G. Going and Charles P. Murphy named BBDO vps . . . W. Watts Biggers named a Dancer-Fitzgerald-Sample vp . . . Ruth Downing, Helen Klintrup and Harriet Rex named J. Walter Thompson vps . . . Richard N. Risteen, ex-Sullivan, Stauffer, Colwell & Bayles, appointed vp-mktg. dir., Needham, Louis & Brorby . . . William M. Schmick named vp & mktg. dir., Donahue & Coe; Lawrence D. Gibson appointed vp & research dir. . . . Robert J. Lyon elected a Ted Bates vp . . . William V. Patten named San Francisco mktg. dir., Lennen & Newell.

Gene Taylor named Fuller & Smith & Ross vp & creative dir.; David Mathews named head of bcst. activities, Los Angeles office . . . F. G. Hunsicker named a Ted Bates vp . . . Walter H. Johnson Jr., ex-Capital Airlines named a McCann-Erickson vp . . . Roy Passman, J. M. Mathes TV, radio & motion picture dept. dir., named a vp.

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Comparative Network Costs: A 5-year comparison of the cost-per-1,000-homes-per-commercial-nighttime-minute for each of the 3 networks has just been released by *Sponsor*. The figures (based on Jan.-Feb. averages) show an evolution for ABC-TV from being the most expensive in 1956 to the least expensive network this year. The tabulation:

YEAR	ABC-TV	CBS-TV	NBC-TV
1956	$3.93	$2.80	$3.31
1957	3.82	2.65	3.52
1958	2.86	2.97	3.27
1959	2.66	2.93	3.43
1960	2.78	3.17	4.17

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New reps: KSWO-TV Lawton, Okla.-Wichita Falls, Tex. to Venard, Rintoul & McConnell Oct. 1 from McGavren • KTVE El Dorado, Ark. to Bolling Nov. 1 from Weed.

The FCC

FCC was rebuked by the Court of Appeals last week for failing to maintain the status quo in the Boston Ch. 5 *ex parte case*. On July 14, the Commission had ordered Ch. 5 taken from WHDH-TV and said that a new comparative proceeding would be required (Vol. 16:29 p1). By deciding to set aside WHDH-TV's grant, Judges Edgerton, Danaher & Burger said, the FCC "altered the status of the parties notwithstanding this court's order of July 31, 1958, which had expressly directed that the status quo be maintained pending the further order of this court." Therefore, the court said: (1) FCC's July 14 decision is set aside for the present. (2) FCC is given 30 days within which to give the Court "its findings & recommendations based upon the supplemental record compiled before the special Commission hearing examiner." Thereafter, the Court stated, briefs or oral argument may be ordered. It said that the foregoing is "required in the interest of orderly procedure."

Allocations petitions: (1) By WNOK-TV (Ch. 67) Columbia, S.C.—addition of Ch. 14 to the city. The station also seeks a show-cause order shifting it to Ch. 14. At the same time, it filed an application to shift to Ch. 25. (2) By KVIQ-TV (Ch. 6) Eureka, Cal.—assignment of Ch. 11 to Ft. Bragg, Cal., for which it will apply.

Devotion to Public Interest Dept.: While the last game of the World Series was being played, FCC members were listening to an oral argument. Subject: Whether or not a shrimp boat operator's radio license should be revoked.

Programming

DEBATES 2 & 3: Although the latest pair of Nixon-Kennedy debates drew TV audiences that were smaller than the Sept. 26 kickoff (largely because of the early-evening slotting) the Great Debate series last week was clearly becoming an established political fixture. Everybody's technique was improving—the candidates in presenting themselves and their views, the networks in staging the political clashes, and the political advisers in establishing format & ground rules that will probably be repeated in future elections.

The Oct. 13 debate produced at least one development that defied ready explanation. Arbitron ratings for the first show (Vol. 16:40 p2) gave the biggest slice of audience to CBS-TV. On the Oct. 13 show, the balance of rating power shifted noticeably. ABC-TV drew a 17.2 share, CBS-TV a 26.7, and NBC-TV a sizable 41.2. In measuring the overall impact, Trendex noted in a 25-city check that 50.4% of the available TV audience was tuned to the debates, and projected this to a national total of over 60 million people.

The Oct. 7 debate did about as well, drawing a national Arbitron-estimated audience of some 61 million as against the first debate's 75 million. The 14-million-viewer loss was, network officials agreed, primarily a matter of time periods (7:30 p.m. for the 2nd and 3rd debates, vs. 9:30 p.m. for the first).

A possible 5th debate, to be held as close as possible to the election, was scheduled for exploration in Washington by the candidates' representatives Oct. 15. So far, Kennedy has voiced support of an extra debate; Nixon has suggested a stretched-out 4th debate that would include a debate session between the Vice-Presidential aspirants.

Were the debates helping one candidate more than the other? You could get all shades of opinion on this last week. Most observers felt that Nixon was looking better (thanks to improved lights and makeup) as the debate series rolled along, and was hitting harder. Some critics, including John Crosby, who caught the 3rd show on radio but not on TV, felt that Nixon seemed more relaxed, assured, and less nervous than Kennedy. Kennedy supporters, however, felt generally that their candidate's image had been improved enormously by the debate series, and could hardly wait for word on an extra telecast.

■

"If networks exercised as much imagination, resourcefulness and showmanship in basic entertainment as in [their present] binge for public-service & news programs, the entire medium would be better off. What's wrong, in short, with beefing up public service in the form of entertainment? It doesn't all have to be news. What happens is a constant aping of the same patterns & formula. If it isn't Westerns, it's situation comedies. What has happened to the solid hour dramas which really put the stamp of distinction on the medium? And the variety shows? Dating from Berle, these were the bulwark of the new medium's most vivid & vital entertainment hours"—C. Terence Clyne, vice-chmn. of McCann-Erickson and key decision-maker in spending $105 million a year in M-E billings, in *Variety*.

WABC-TV N.Y. has splurged sizably for new film product with close to $1 million invested in 1960 for syndicated & feature-film programming. Among recent purchases: ITC's *Best of the Post*; CNP's *Blue Angels* and *Jim Backus Show*; Screen Gems' *Ivanhoe* and *Rescue 8*; Ziv-UA's *Case of the Dangerous Robin*; the Lopert-Rank feature film package; Paramount's *Action Theater*.

L. A. SAYS POST-1948s TOO COSTLY: Is the anticipated fortune from TV sales of the post-1948s more of a myth than a fact? The question has popped up in 7-station Los Angeles, which has been one of the best movie customers in the industry. Our check of the stations disclosed general hostility to the prices asked for the post-1948s, and in some instances outright indifference to the packages. Those interviewed had been offered packages of post-1948s from 7 Arts-Warner Bros., United Artists Associates, NTA-Twentieth Century-Fox, and Columbia Pictures-Screen Gems. (Vol. 16:31 p10, 16:30 p4, 16:28 p1).

All expressed the opinion that the major studios & distributors have greatly over-estimated the value of their post-1948s. The consensus: "Sure we'd like to have them, but not at those prices." Certain stations, which rely heavily on movies for programming, plan to play a waiting game; they are sure that prices will come down eventually.

Admittedly only a one-city check, the findings have significance because Los Angeles has often served as a barometer in movie-to-TV deals. And some L.A. executives stated that their attitude coincided with that of buyers in other cities with whom they'd talked.

While the principal objection is to price, there is also resistance to buying a package which may include a preponderance of inferior movies with a few good pictures.

Here's a sampling of the reactions:

Robert Breckner, vp-gen. mgr., KTTV: "The main reason mitigating against our buying post-1948s is the price —which is unreasonable. We don't feel there's any magic to the term 'post-1948.' Whether or not movies can be as effective in prime time as in the past I don't know. TV fare has improved. We will wait & see if the price drops."

Al Flanagan, vp-gen. mgr., KCOP: "There are going to be so many of these post-1948s they will no longer be a novelty. Prices are probably double what they were on the pre-1948s. We are interested, but not at the prices they're asking now."

Hal Phillips, prog. dir., KHJ-TV: "We are *the* movie station in L.A.—75% of our programming is movies. But with prices so high, we'd do better with some of those choice pre-1948s."

William Alcine, film dir., KNXT: "We'll wait to see what they'll do on a 5-station buy. They'll have to come down to reasonable scales. They are asking from $15,000 to $20,000 a picture, and you have to buy the whole package. These post-1948 packages have a lot of films too short for our regular feature-film time and some wide-screen movies which create screening problems."

Elton Rule, gen.-mgr., KABC-TV: "Being a network station we don't show movies in prime time, and wouldn't be interested in this high-priced, new product for our other time periods. We haven't considered the major-studio post-1948s as potential programming at all."

Tom McCray, vp-gen. mgr., KRCA: "I doubt very much that we could buy the post-1948s. We could only play them in afternoon slots or late Sunday nights, and the station couldn't get its money back. They are asking 50-to-75% more than the pre-1948 prices. Economics just don't permit such prices."

Still another factor holding up early buys was the possibility that the networks may purchase some of the cream of the post-1948 crop to use as specials. There is resentment on the local-station level against the idea that the distributors & majors want to sell their best product to the networks, sell leftovers to local stations at top prices.

David & Goliath: With the appearance of Russia's Khrushchev as guest on the Oct. 9 *Open End* show, produced & hosted by David Susskind, sponsor Sutro Bros. & Co., N.Y. brokerage firm, not only canceled its partial sponsorship, but asked WNTA-TV N.Y. for an aired announcement to the effect that it was completely opposed to the Russian leader's appearance. NTA refused to go along with the brokerage firm.

WNTA-TV drew considerable censure, however, for what must have seemed like a good way to appease Sutro (and other anti-Khrushchev elements). NTA filled a pair of 60-sec. station breaks with Radio Free Europe film spots that many broadcasters have used—but which most critics agreed were in rather bad taste during a TV show on which the head of the major world power against whom the RFE spots were directed was a guest.

The RFE announcements (which Khrushchev learned of during the course of the show—to his apparent annoyance) came over only in the N.Y.-area telecast. Late last week, when most of the critical returns were in, NTA Chmn. Ely Landau was willing to admit that slotting the hard-sell RFE film spots was "a mistake."

In Los Angeles, KTTV canceled the Khrushchev interview on the grounds that it was "propaganda." Pres. Richard Moore said he thought it would be "contrary to the public interest" to air the tape, but that his station would waive its contractural rights to any other station in the area that wanted to telecast the interview.

Widely covered by the press, since it was Khrushchev's only non-news-program TV appearance in the U.S. during his recent visit, the show drew a big audience. ARB estimated that in N.Y. the interview portion of the show reached an average of 360,000 homes, with a viewing peak of nearly 500,000 homes. Viewer opinion, as expressed in letters to WNTA-TV, seemed closely divided: Of 768 letters received in the 2 days following the show, 402 viewers were in favor of the interview, 366 were critical.

The long (9 p.m. to station sign-off, including a period of analysis by a panel of newsmen) program was scheduled on a live basis by 6 stations affiliated with NET (National ETV), who in turn provided tapes of the program to 50 more ETV stations. More than 200 U.S. radio stations carried the audio portion. In addition, overseas telecasts were scheduled by Britain's BBC, Canada's CBC, Australia's ABC, Japan's NHK and Radio Moscow's TV channels.

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Public's taste for TV gore, critics notwithstanding, was vividly illustrated Oct. 13 with the season premiere of *The Untouchables* on ABC-TV. The kick-off episode, "The Rusty Heller Story," contained a number of blood-bath touches (machine-gunning & bombing of rival mobsters, a "squealer" whose tongue is cut out in a nightclub) that made Shakespeare's "Titus Andronicus" look mild. Viewers loved it, however. An overnight Trendex gave the Desilu-produced 60-min. show a 9:30-10:30 p.m. rating of 31.6 and a whopping audience share of 55.7%. On CBS-TV, *The Ann Sothern Show* and *Person to Person* managed an 8.7 rating and 15.4 share. On NBC-TV Ernie Ford and Groucho drew a 12.0 rating and 21.5 share.

Actress Donna Reed has been named TV committee chmn. for American Education Week, Nov. 6-12, by the National Education Assn. The star of *The Donna Reed Show* has been serving as a volunteer consultant to NEA in the formation of the TV committee, notes NEA Pres. Clarice Kline.

TIO's Idea Book: Station program executives looking for new local-level ideas in the public-affairs field (and critics of TV's social behavior) will do well to examine *Interaction*, a sizable (288 pps.) book published Oct. 16 by the TV Information Office. The product of a large-scale TIO survey, *Interaction* summarizes more than 1,000 public-affairs TV shows & series that were telecast during the past season over 264 TV stations in 162 U.S. cities.

Prepared under the supervision of author-critic Robert Lewis Shayon, the book has 15 chapters which range from shows dealing with "community affairs & problems" to an exploration of new local program areas. Each chapter introduces the program type, gives detailed descriptions of outstanding shows—and capsules of 20-to-100 more. Considerable production information is included to aid stations wishing to adapt a format to local needs.

Copies of *Interaction* are available for $3 each from TIO, 666 Fifth Ave., N.Y. 19, N.Y.

* * *

Joint program schedules of their prestige programming are now being issued by 4 Connecticut outlets. In line with the TIO-sponsored idea now in effect in several cities (Vol. 16:21, 25, 31). WTIC-TV Hartford, WNHC-TV New Haven, WHCT Hartford and WHNB-TV New Britain have initiated publication of a consolidated monthly bulletin, *Connecticut Television Information*. The "cooperative undertaking . . . provides details about the many educational, religious, news, informational, music, interview and special programs available on the 4 stations." Purpose: To point up "the scope & high quality of TV programming in the Connecticut area."

* * *

First nationwide TIO ad is running in the Oct. issues of *Atlantic & Harpers*, Oct. 8 *Saturday Review* and Oct. 13 *Reporter*. The ad, which features the Nixon-Kennedy debates & a list of 25 special-interest programs, is designed to enlighten the public to the "enjoyment & self-fulfillment" which TV offers. TIO will continue the campaign in Nov.

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"The television debates are proving an invaluable innovation in Presidential campaigning . . . I vote for their continuance. Another act of Congress will be required as well as the willingness of the future Presidential nominees. Congressional approval ought to be readily forthcoming since the present debates are both useful and popular. When Congress considers a new law allowing the networks to put on these joint appearances—without having to guarantee equal time to minor candidates—it should give TV & radio the right to offer similar debates, on a state or regional basis, to Senatorial and Congressional candidates." —Roscoe Drummond.

"Now that face-to-face debates have been established as an essential part of Presidential campaigning, the next logical step is to get the Vice-Presidential candidates to go to the mat together . . . After all, either could become President of the United States. If it is unrealistic to think about this for 1960, it should be considered in 1964. It is too good a possibility to let slip."—*N.Y. Herald Tribune.*

"The TV debate is certain to become a permanent feature in campaigns for elective offices. But [the format] . . . is highly corruptible. [It] is a quiz show, and . . . the temptation to rig the show is almost certain to become too strong to be resisted. The only certain guarantee which the voters can have is that the 2 candidates question each other. Then rigging will be impossible."—Walter Lippmann.

First high-rated new show of the fall season is the 60-min. *Checkmate* series on CBS-TV (Sat. 8:30-9:30 p.m.) for Brown & Williamson, Kimberly-Clark and Lever Bros. Thanks to an early-season start, it showed up in the 2nd of Nielsen's September reports—and drew a 23.1 average-audience level (10.4 million homes) to land in 7th place in the AA ranks. It was the only new program in the top-10 list. The show, produced by J&M Productions and filmed at MCA's Revue Studios, probably wins at least part of its healthy rating on the basis of strong placement. It follows *Perry Mason* (12th in AA ranks) and serves as the lead-in for *Have Gun, Will Travel* (3rd in AA).

Baseball TV suit against the major leagues by the Portsmouth baseball club of the defunct Piedmont League has been rejected by the Supreme Court. The club claimed $250,000 damages for telecasts of their games into minor territory. In a brief order, the Supreme Court refused to hear arguments in Portsmouth's appeal from a Court of Appeals decision that the major-minor contract wasn't violated by the telecasts. The club alleged that they were responsible for dwindling attendance at Piedmont League games, but the lower court held that the contract didn't extend to broadcasting.

All 7 Los Angeles stations have refused to endorse or cooperate with the Academy of Television Arts & Sciences on local awards for that city. They have refused to participate in next week's awards meeting on the grounds that no agreement has been reached on an awards formula, and there is a marked lack of enthusiasm about the Emmys. They asked the Academy to postpone the awards until a suitable structure is arranged. Mrs. Gail Patrick Jackson, ATAS pres. in Los Angeles, said nominating ballots are already being tabulated and that the awards meeting will be held despite the stations' objections.

"Television & Radio News" (Macmillan, 227 pp., $5.95) is a treatise on broadcast journalism, by 3 veteran newsmen: ABC's Bob Siller, CBS's Hal Terkel and radio WOR N.Y.'s Ted White. Function: a guidebook that "provides the student & newcomer with the basic knowledge to launch his career and offers the professional new ideas drawn from the practices of stations & networks across the country."

Martin Enterprises Inc. of Chicago has bought TV rights to the Palm Springs golf tournament (Feb. 1-5).

Congress

Legislative Oversight Subcommittee—Rep. Harris's (D-Ark.) quiz-payola-influence group—has served its purpose, need not be continued, according to Harris. In a recent interview on WPST-TV (Ch. 10) Miami, he stated: "We have concluded our hearings unless there is something unforeseen that comes up between now & the first of the year. We have a staff working on a report which we would expect to file on Jan. 3. So far as next year is concerned, a new Congress will determine what is ahead for the Subcommittee. But I think that I should now make my views known prior to the election. I feel that our purposes & objectives have been fairly well accomplished. We have legislation that had been proposed as a result of it. Most of the legislation already has become law by signing of the President. We have other bills pending which we will go into next year. I do not think that the Subcommittee, as now made up & has been for the last 3½ years, should be continued. We will assume the same responsibility by the full Committee."

Television Digest

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Personals: Richard L. Freund, formerly dir. of labor relations, named ABC vp in charge of labor relations . . . Norton Bloom, ex-CBS, joins NBC as production supervisor, creative projects, NBC News & Public Affairs.

William J. Hart named gen. mgr., WILX-TV Lansing, Mich. . . . Paul E. Freygang named gen. sales mgr., KRSD-TV & KRSD Rapid City, S.D. . . . John Boesel elected an A. C. Nielsen vp, best. div. . . . Glenn W. Maehl named to new post of local sales mgr. KTVU Oakland-San Francisco . . . C. Greg Van Camp, ex-WTAE Pittsburgh, named educational bestg. coordinator, West Va. U. . . . James A. Gustafson, WTTG (Washington) local sales mgr., is teaching a TV-radio management course at American U. . . . John B. Soell, gen. mgr. of KTVE El Dorado, Ark.-Monroe, La., elected vp . . . Bud Wiener, ex-program mgr. of KOLD-TV Tucson, named operations mgr. of upcoming KIFI-TV (Ch. 8) Idaho Falls, due this winter . . . Irving Stevens, ex-radio KEX Portland, Ore., named sales development & promotion dir., KFMB-TV & KFMB San Diego.

Herbert E. Evans, pres. of Nationwide Mutual Insurance Co.'s Peoples Bestg. Co. (KVTV Sioux City, 4 radios), will represent NAB at Nov. 3-6 sessions of directive council of Inter-American Assn. of Bestrs. (IAAB) in Santiago, Chile . . . Lloyd E. Yoder, NBC vp & mgr. of WNBQ & WMAQ Chicago, elected a lifetime trustee of Carnegie Institute of Technology, where he was an all-American tackle and was graduated in 1927 . . . Robert A. Jolley, pres. of WFBC-TV & WFBC Greenville, S. C., named state chmn. of national business & professional committee for Democratic Presidential campaign.

Creekmore Fath, Austin, Tex. lawyer who worked with Congressional committees and at White House during Truman Administration, appointed majority counsel of Senate Commerce TV-radio equal-time "watchdog" subcommittee, replacing Joe Bailey Humphreys, who resigned to join Kennedy-Johnson campaign forces in Tex. . . . Edwin R. Schneider, ex-Bingham, Collins, Porter & Kistler, joins Washington TV-radio law firm of Segal & Marmet . . . Louis Schwartz, ex-asst. gen. counsel of NLRB, joins Krieger & Jorgensen, Washington TV-radio law firm.

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Frederick Ford, FCC chmn., home with virus infection for 2 weeks, expected back in office Oct. 17; he came in Oct. 13 to hear oral argument on St. Louis Ch. 2 *ex parte* case.

Edward K. Mills, who was nominated to FCC but had to withdraw because of conflict-of-interest problems (Vol. 16:21 p4), has received a recess appointment on the FTC, replacing Edward T. Tait who resigned to enter private practice. Both are Republicans. Mills had to pull out of the FCC nomination because he receives income from a trust which includes GE & Westinghouse stock. Apparently that's no problem at FTC. Chmn. Earl Kintner now stands an excellent chance of remaining on FTC, regardless of which party wins the election. His term expired Sept. 25 and he's on a recess appointment. If Nixon wins, he can appoint 2 members, keep both Kintner & Mills if he chooses. If Kennedy wins, he must appoint one from each party, presumably would be under considerable pressure to keep Kintner, who is popular with Congress, but not as chairman, of course.

Raymond Guy, pioneer of Broadcast Engineering Pioneers, retires from NBC & RCA after 42 years, to become a consultant with offices at 264 Franklin St., Haworth, N.J. Guy has played a significant role in almost every broadcast development since World War I. The positions he has held include the presidency of the IRE, Broadcast Pioneers, De-Forest Pioneers and Veteran Wireless Operators Assn. Recently, the Radio & TV Executives Society cited him for having the longest continuous experience as a broadcast engineer of anyone in the world. He retired from the position of NBC senior staff engineer after serving for many years as dir. of radio & allocations engineering, in charge of planning & construction of NBC transmitting facilities.

Meetings this week: National Educational TV & Radio Center annual affiliated station mgrs. meeting (Oct. 16-18), Rickey's, Palo Alto, Cal. • Ky. Bestrs. Assn. annual fall meeting (17-19), Kentucky Dam Village State Park, Gilbertsville, Ky. • Assn. of Maximum Service Telecasters directors (18), Sheraton-Carlton Hotel, Washington, D.C. • National Assn. of Education Bestrs. annual convention (18-21), Jack Tar Hotel, San Francisco • RTES round-table with American Women in Radio & TV (19), Hotel Roosevelt, N.Y. • S. Cal. Bestrs. Assn. luncheon (20), Hollywood Knickerbocker.

Obituary

Donald Withycomb, 63, veteran of the broadcasting business who was assistant to Merlin H. Aylesworth when he became first NBC president in 1926, died Oct. 12 at Knickerbocker Hospital, N.Y. He joined Meredith Publishing Co. in 1947, joining Voice of America in 1951 and serving in Germany. He is survived by his wife.

Basil Ruysdael, 72, former radio announcer for *Your Hit Parade*, died Oct. 11 in Los Angeles. Ruysdael had also sung for 8 seasons with the Metropolitan Opera, appeared in many movies and was Lawrence Tibbett's voice coach. During the 1930's he was an announcer, script writer and actor for WOR. He is survived by his wife.

Ralph LeRoy Harlow, 75, BMI vp, died Oct. 7 in Framingham, Mass. From 1928 to 1943 he was vp-mgr. of the Yankee Network, and in 1912 was mgr. of the Marconi wireless station in Boston. He began his career in the theater as an actor and singer. He is survived by his wife and 2 daughters.

Mrs. Slocum Chapin, 45, wife of the ABC-TV Western div. network sales vp, died Oct. 10 after a month's illness in Stamford, Conn. Besides her husband, 2 daughters, her mother and a brother survive.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TV SALES, INVENTORY POSITION IMPROVING: Some pickup in retail & distributor sales, reductions in inventory, brakes on production—these are signs & portents of last few weeks indicating that worst may be over in 1960's TV market readjustment.

"It won't be a boom year, but we can all make a buck," was the way one TV marketing topkick expressed outlook. Although they won't make anyone jump for joy, these recent signs contain encouragement:

Retail TV market improved slightly from Aug. to Sept., showing that there's been no collapse. Preliminary industry-wide figures indicated that Sept. sales this year were below those of Sept. 1959, but the drop from last year wasn't as great as last month's 13% dip below Aug. 1959 (Vol. 16:41 p14). Sept. retail sales were higher than Sept. 1958 sales of 605,638 (but below Sept. 1959's 684,773).

Noticeable improvement in distributor sales to dealers was reported in last 2 weeks on industry-wide basis as dealers continued to clean out old stocks. Weekly TV production figures show industry is taking danger signals seriously, cutting output. In the 5 statistical weeks comprising Sept. in EIA's calendar, production (as carried in weekly totals in these pages) was 674,482 as compared with 808,337 in Sept. 1959. In first week of Oct., output was 50,000 sets (or 27%) less than same 1959 week (see table, p. 19).

Zenith's Leonard C. Truesdell, whose stern warning in these pages last month caused considerable industry comment (Vol. 16:39 p15), told us last week that "things look a little better than they did, on an industry-wide basis. If manufacturers take care to "cut the cloth to fit the pattern"—gear production closely to rate of sales—year should end with inventories in fairly good balance, he said. He predicted "good sharp lift" in TV sales between Thanksgiving & Christmas. Zenith sales, he said, are up over last year so far in Oct., and he predicted another increase in first quarter 1961, although he forecast first-quarter industry sales somewhat below last year.

Question of TV price-increases keeps cropping up and Truesdell stated last week that Zenith is "seriously looking at the possibility of an increase in prices of a number of our models." Prices of 19- & 23-in. sets "can go up justifiably to provide dealers with better margins," he said. Despite recent shakiness of market, he saw strong possibility of "general increase in prices at industry level." Hoffman & Sylvania have already raised some prices (Vol. 16:35 p11), and any boosts by a manufacturer of Zenith's standing probably would be followed by rest of industry.

'GOOD STEREO' DEFINED IN LISTENER TESTS: Some widely held theories about stereo were sharply jarred last week in 2 papers presented before Audio Engineering Society's N.Y. convention. They described separate stereophonic listening tests. One paper indicated that human hearing is directional across nearly the entire band of audible frequencies. Both papers stated that music-listening test panels found stereo effect was impaired when lower frequency (bass) sounds were mixed and non-directional.

Significance of these test results (although more research on "average" listeners obviously is needed) is that they indicate that many hi-fi manufacturers may be woofing up the wrong stereo tree when they use single speaker system to reproduce all notes below 500 cycles on theory that hearing of lower frequencies is "non-directional." Tests indicated that human hearing apparently is very directional from 100 cycles to 8,000 to 10,000 cycles (maximum range of human hearing is considered to be about 30-15,000 cycles) and that eliminating directional effect of frequencies below 500 cycles appears to alter location of sound source.

The 2 tests described last week—by Bell Telephone Labs and RCA Labs—tend to corroborate earlier findings by GE radio receiver dept., which reported at last March's IRE convention that test listeners generally prefer full-separation 2-channel stereo systems to those in which lows are mixed together (Vol. 16:13 p19).

Last week's reports were both based on research for stereo radio system development, in attempt to determine exactly how far stereo channel separation need be carried to provide good stereo. Both tests used listener panels making comparative "blind" tests, judging apparent spatial changes in sound direction as upper & lower limits of stereo sound separation were changed.

Bell Labs' experiments, conducted in connection with NSRC's "subjective aspects" panel for preparation of test tape for stereo FM field tests, used 10 "critical observers" familiar with stereo, whose hearing had been carefully tested. Loudspeakers were placed 7 ft. apart with listener centered 10 ft. from each. Each listener compared spatial effects of "straight stereo" with various versions of "modified stereo" in which separation cut-off frequencies were changed. Principal conclusions of tests, as outlined by Bell Labs' F. K. Harvey & M. R. Schroeder:

Stereo spatial reproduction can be considered "good" when full-channel separation is maintained from 100 cycles to about 8 kc, or when a channel separation of 16 db is maintained across the entire frequency band. If cut-offs of stereo separation are applied at the 100-cycle & 8-kc points, channel separation should be increased to 20 db.

In examining Bell Labs' experiments, it's interesting to note that when lower cut-off frequency was 500 cycles, all listeners detected a spatial difference from full-range stereo, and an average of fewer than 20% found "good" spatial resemblance to full-range stereo. (Most stereo phonos without bass separation use 500 cycles as the point below which there is no stereo effect.)

Among other results, Bell Labs found that an amplitude (loudness) difference of 3 db between channels appears to pull the music off center. It found, too, that a 2-in. displacement of one loudspeaker (either forward or back) also distorted directionality of musical images which are supposed to originate from center point between both speakers. At the distances used in Bell Labs' tests, it was found that "a center listener needs to confine his sidewise movement to about plus-or-minus 4 in. to preserve center images."

Adding up the 2 stereo channels doesn't always result in good monophonic programming, Bell Labs found—a finding which will be mentioned in NSRC field-test report (see above). When both channels of stereo tape or disc are fed into single amplifier-reproducer system, compatibility isn't necessarily perfect. Said the Bell Labs report: "Out-of-phase effects in the program material itself, or due to tape-head misalignments in the multiple generation recording & reproducing, or even resulting from the movement of the performer in front of paired microphones, all contribute to degradation in the summed program."

RCA Labs' tests, using different procedures, reached quite similar conclusions on issue of separation at various frequencies. With speakers 10 ft. apart and listeners slightly more than 10 ft. from both speakers, series of tests described by Donald S. McCoy led to these conclusions:

"Some directional information is conveyed by frequency components over almost the entire audio-frequency band" and full stereo separation between channels from 100 cycles to 10 kc "is required to provide an almost undetectable distortion of auditory perspective." RCA's tests showed, however, that "the components [of the audio-frequency spectrum] at the extremes of this range are somewhat less important to localization [of sound] than the components in the middle range."

NSRC COMPLETES FM STEREO WORK: "Among the FM stereo systems we examined are some very good ones. Any one of the systems can provide pretty good stereo. All of them work quite well down to low field strength. FM radio can provide stereo inexpensively."

These are personal observations of A. Prose Walker, NAB engineering dept. mgr. & chairman of field-test panel of intra-industry National Stereophonic Radio Committee, which wound up work last week on completion of voluminous report on field tests of 6 FM stereo radio systems. Report won't be made public until parent EIA files it with FCC on or before Oct. 28 deadline.

Report, which gives comparative measurements for all systems (but makes no recommendations), was approved unanimously by all members, representing top engineers of many radio manufacturers and others. In addition to measurements, report contains an appendix in which proponents of each system were given opportunity to comment.

Field test report will discuss briefly the question of compatibility of stereo programming when reproduced monophonically, although this issue is not included specifically in panel's "terms of reference." Report will mention (as did Bell Labs' listener test report above) that some stereo material doesn't provide satisfac-

tory monaural fare. One area not explored by field-test panel is effect of co-channel & adjacent-channel interference on stereo FM reception. This is actually a lab problem and some proponents are making measurements in this area, to be filed separately with FCC.

Principal section of report will cover standard measurements of all systems, including channel separation, frequency response, signal-to-noise ratio, etc. at various field strengths. For the layman, it won't make exciting reading, but it will help immeasurably in speeding FCC's choice of a broadcast system which provides complete 2-channel stereo and a compatible monophonic signal on a single FM channel.

JAPAN-TO-U.S. ELECTRONICS EXPORTS UP 75%: Exports of Japanese electronic products to U.S. totaled $38.7 million during 1960's first half, 75% higher than the $22.1 million in the same 1959 period. This was reported last week by electronics div. of Commerce Dept.'s Business & Defense Services Administration on basis of figures from Japan's Ministry of International Trade & Industry.

Radio receivers continued to be by far the predominant product classification, accounting for 77% of all Japanese electronics exports to U.S. Radio exports gained 69% over the corresponding 1959 period and would have been even greater had not Japanese govt. clamped embargo on radio exports to U.S. from mid-May to July 1, while export quotas were being established (Vol. 16:20 p17, 27 p14).

Exports of sound recorders showed biggest percentage boost in 1960, rising 294% from 7,000 in Jan.-June 1959 to 34,000 in same 1960 period. Radio-phonos were up 92% in same period, receiving tubes 259%, capacitors 136%, speakers 128%. Exports of transistors increased very little in number of units, but higher average price boosted value of transistor exports by 21%.

U.S. continues to account for some 50% of Japan's electronics exports—about same as last year. Her electronics exports to U.S. in this year's 2nd quarter alone, incidentally, totaled $22.8 million, or more than the figure for entire year of 1958.

This breakdown, by product category, shows Japanese exports to U.S. for first half 1960 compared with first-half 1959 and full years of 1959 & 1958 (converted at rate of 360 yen = $1):

JAPANESE EXPORTS OF ELECTRONIC PRODUCTS TO U.S.

	Quantity in thousands of units				Value in thousands of dollars			
			Jan.-June				Jan.-June	
Product	1958	1959	1959	1960	1958	1959	1959	1960
Radio receivers, total	2,507	6,052	2,183	2,922	17,904	62,373	17,584	29,796
tube type	*	457	183	282	*	2,552	1,003	1,938
3 or more transistors	*	3,990	1,154	1,840	*	57,272	15,847	25,440
other	*	1,605	846	800	*	2,549	734	2,418
Radio-phonographs	2	21	6	10	59	547	149	286
Sound recorders & reproducers	8	41	7	34	449	1,617	363	1,429
Amplifiers	†	34	13	38	†	460	151	237
Microphones	80	161	80	122	177	321	156	204
Speakers	129	455	132	815	420	1,155	453	1,033
Capacitors	6,166	8,925	3,454	6,968	288	533	203	480
Earphones	†	2,741	808	1,158	†	619	190	248
Electron tubes, total	1,238	7,911	2,268	6,839	314	2,088	558	1,839
receiving tubes	*	7,704	2,079	6,829	*	2,034	511	1,833
other	*	207	189	10	*	54	47	6
Transistors	11	2,393	823	832	7	1,581	521	631
Other semiconductor devices	†	597	280	56	†	92	42	9
Phonograph parts & accessories	—	—	—	—	757	824	389	457
Other electronic products	—	—	—	—	1,400	3,432	1,342	2,060
TOTAL	—	—	—	—	21,775	75,642	22,101	38,709

* Not shown separately. † Included in "Other electronic products."

TV-RADIO PRODUCTION: EIA statistics for the week ended Oct. 7 (40th week of 1960):

	Sept. 30-Oct. 7	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	131,583	150,503	181,845	4,500,249	4,670,958
Total radio	426,968	521,194	429,245	12,830,375	11,357,198
auto radio	169,171	264,212	136,815	4,951,007	4,288,582

Ampex's Self-Threading Tape: With a simple but ingenious device, Ampex may have gone a long way toward solving one of the problems many merchandisers believe is impeding sales of home tape-recorders and pre-recorded tape. Ampex Professional Products Co. last week showed an automatic tape-threading accessory for its new PR-10 broadcast-type tape recorder. But the new self-threader, which operates itself in 2 seconds, is so inexpensive ($35 in professional version) that it seems a natural for the home field, and there's good reason to believe Ampex Audio (consumer tape recorders) may offer a home version of it.

The principal is so simple that threading of any home tape recorder becomes semi-automatic just by using the special reels & leader tape developed by Ampex for the accessory—with no conversion required. In the complete, motorized version demonstrated last week, threading operation is done this way: The reels are placed on the recorder in the usual manner, the tape leader end protruding slightly from the full reel. A touch of a switch completely threads the tape, from reel to reel.

Invented by Ampex engineer George Rehklau, the complete automatic device employs 2 inexpensive motors, special plastic reels and plastic leader tape. As demonstrated at Audio Engineering Society convention in N.Y., the recorder had a plastic channel to guide the tape through the head assembly. The small motors operated supply & take-up reels. A stiff but flexible plastic leader, formed into a flat hook at its end, automatically guides itself through the head assembly and then onto the special reel when the motors are engaged. The special reel has channels which engage the end of the plastic leader and guide it to a slot in the hub.

Ampex officials said reels and leader-tape could be manufactured inexpensively. We tried the threading operation both with the special motors and without the motors (turning the reels by hand) and found it to be a practically foolproof operation.

For semi-automatic tape threading, the special reels need only be dropped onto any conventional tape recorder. The special leader can easily be pushed manually through the head assembly; then a twist of the take-up reel firmly engages it in place for playing.

Added advantages of the Ampex reel (not yet in production): Sides are solid plastic and the tapered plastic leader seats firmly in the reel, providing a dustproof seal for the reel of tape and preventing tape spillage.

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Strikebound GE & IUE were still deadlocked over key issues as we went to press, after 13 days of picket-line violence & apparently fruitless negotiations. The IUE walkout, which began midnight Oct. 1 (Vol. 16:41 p16), threatened to spill over to Westinghouse, where the present contract was slated to expire midnight Friday. Meanwhile, federal mediation chief Walter A. Maggiolo stepped into the GE-IUE picture in an attempt to resolve differences.

Use of wireless remote controls to operate household appliances & other consumer products will be pushed by Admiral's new Ensign Div., formed to produce & market remote controls & record changers to industry. Admiral itself plans to introduce wireless remote control in one of its appliances next year.

First Capehart portable TVs are priced at $199.50 & $209.50. Through a typographical error, an incorrect figure was given in a recent report (Vol. 16:39 p16).

"Presidential debate" promotion—including special window displays—is being offered to Admiral dealers.

Factory sales of picture & receiving tubes in August were the highest of any month this year and also exceeded the Aug. 1959 totals by a substantial margin, according to EIA figures released last week. August picture-tube sales of 928,164 units at $18,843,067 compared with Aug. 1959 sales of 823,098 at $15,493,908, while receiving tube sales were 38,540,000 units at $31,702,000 vs. 35,435,000 at $28,-974,000. For the first 8 months of 1960, picture-tube sales were well ahead of 1959, but receiving-tube sales continued to lag below last year's mark, as shown in the table below:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	795,250	$15,831,430	31,367,000	$26,872,000
February	741,233	14,495,480	32,734,000	27,881,000
March	794,375	15,654,281	36,382,000	31,751,000
April	707,252	13,782,769	29,737,000	25,759,000
May	659,859	13,329,826	30,354,000	25,580,000
June	756,827	15,505,481	33,916,000	29,065,000
July	681,785	13,898,468	34,883,000	28,810,000
August	928,164	18,843,067	38,540,000	31,702,000
Jan.-Aug. 1960	6,064,745	$121,340,802	267,847,000	$226,909,000
Jan.-Aug. 1959	5,943,985	114,398,631	273,808,000	234,534,000

Canadian TV sales to dealers rose 43% in August from July, but still ran markedly behind the year-ago volume, reports EIA of Canada. The year-to-date volume totaled 184,155 TVs vs. 222,552 in Jan.-Aug. 1959. The Aug.-1960 sales totaled 28,091 units, down from 31,105 a year ago. The 8-month breakdown (corresponding 1959 figures in parentheses): Portables, 36,602 (40,722); table models, 37,298 (58,383); consoles, 102,102 (116,172); combinations, 8,153 (7,275). For Aug. 1960 (vs. Aug. 1959): Portables, 3,812 (3,501); table models, 5,949 (6,245); consoles, 16,748 (20,259); combinations, 1,582 (1,100).

RCA's 4th-quarter ad campaign for color & b&w TV, radios and phonos will provide "almost 3 billion impressions on RCA Victor products during the peak fall selling season," reports Sales Corp. ad & sales promotion mgr. Jack M. Williams. The campaign embraces 55 min. of commercials on the co-sponsored NBC-TV color shows *Bonanza* and *The Shirley Temple Show*, 32 pages of national magazine advertising, and "a series of factory-sponsored newspaper insertions for the first time in a number of years." Williams added: "These efforts, coupled with an expected increase in distributor co-operative advertising in newspapers, local radio & TV, billboards and in-store promotions will give us one of the most extensive RCA Victor fall ad campaigns in our history."

Motorola's Astranaut transistor TV is selling well, according to consumer-products mktg. vp S. R. (Ted) Herkes. The company is back-ordered on the 19-in. battery sets (list price $275 plus $88 for battery), said Herkes, describing current production rate as "good." In N.Y. recently, Friendly Frost appliance chain promoted the Astranaut in large newspaper ads with the notation: "Now taking orders for future delivery."

Zenith enters miniature radio field with an all-American-made shirt-pocket transistor set to list at $29.95. Zenith Sales Corp. Pres. L. C. Truesdell, noting that miniature radios account for 25% of all single-band portable sales, predicted that the new Royal 50 will become the largest-selling radio in Zenith history.

Westinghouse light-amplifier tube, the Astracon, is now in production. Sample tubes, at $7,500 each, are now available. An important initial use of the tube is expected to be amplification of telescope images.

Vitro Corp. of America's Nems-Clarke Co. div. (electronic components & equipment, broadcast products) has been re-named Vitro Electronics.

Trade Personals: Wendell Smith, ex-dir. of mktg. research & development, appointed RCA staff vp, mktg. development . . . George W. Westfall, ex-Westfall, ex-Hotpoint mgr. of sales & mkt. research, appointed to new post of EIA mktg. research dir. in expansion of the manufacturer association's marketing studies . . . C. Fred Parsons, former Motorola consumer products div. merchandising mgr., named gen. mgr. of Motorola's Chicago factory branch.

Joseph P. Gordon, ex-Du Mont Labs, named to new post of cathode ray tube div. vp, Electronic Tube Corp. . . . Alfred Strogoff promoted from mktg. vp to vp-gen. mgr., Adler Electronics . . . Charles D. Alkman named mfg. vp, Reeves Soundcraft . . . Joseph T. Cimorelli named RCA receiving tube operations engineering mgr.; Kenneth G. Bucklin appointed to new post of new products engineering mgr., electron tube div.

Charles R. Burke, ex-Westinghouse, appointed district sales mgr., Philco's new Dallas computer div. (Suite 1236, Exchange Bank Bldg., Exchange Park, Dallas) . . . Tore N. Anderson named FXR pres., succeeding Henry Feldmann, company founder, who was elected to new post of chmn. . . . Forbes Morse named vp, Waltham Precision Instrument, continuing as pres. of Waltham's recently acquired Electro-Mec Lab. . . . Glenn E. Ronk, ex-industrial & military sales mgr., named gen. sales dir., Cornell-Dubilier electronics div. of Federal Pacific Electric Co.; Rear Adm. Carl F. Stillman (USN ret.) joins Cornell-Dubilier as administrative asst. to the mktg. vp.

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GE receiving tube dept. has named Gardner Advertising, St. Louis, for advertising & sales promotion of tubes & components. Account formerly was handled by Maxon.

Dr. Harry F. Olson, RCA Labs, was installed as president of the Audio Engineering Society Oct. 11 at the group's convention in N.Y. Other new officers: Hermon H. Scott, H. H. Scott Inc., exec. vp; L. R. Burroughs, Electro-Voice, Central vp; Pell Kruttschnitt, Capitol Records, Western vp; Re-elected: C. J. LeBel, Audio Instrument Co., secy.; R. A. Schlegel, WOR N.Y., treas. Newly elected governors: Murray G. Crosby, Crosby Electronics; John M. Hollywood, CBS Labs; Dr. M. R. Schroeder, Bell Telephone Labs. Awards: John H. Potts Memorial Award, to Dr. S. J. Begun, Clevite Corp., in recognition of more than 30 years of research toward better sound transmission & recording; Emile Berliner Award, to Rene Snepvangers, Electrosonic Labs, for contributions to fine-groove disc recording; AES Award, to Harvey Sampson Jr., Harvey Radio Co., for service to the Society.

RCA Chmn. David Sarnoff arrived in Japan Oct. 11 for an 18-day visit. Among his activities will be a luncheon for 82 Japanese students who have been awarded David Sarnoff RCA scholarships.

Obituary

Fredrick Dietrich, 80, pioneer in radio mfg., died Oct. 9 in N.Y. after a brief illness. He became head of Charles Brandes Inc. (head set receivers) in 1909. The company was later merged with Federal Telephone & Telegraph, which then was absorbed by ITT. His wife survives him.

Herman M. Stein, 72, president of Davega Stores Corp. from 1929 until his resignation last year, died Oct. 12 at his home in Lawrence, N.Y. after a brief illness. Among other posts, he was formerly secy.-treas. of radio WMCA N.Y. He is survived by his wife, a son and 3 grandchildren.

Rejection of color TV by Canada's Board of Broadcast Governors (Vol. 16:40 p11) has drawn a sharp retort from the Dominion's electronics industry. Fred W. Radcliffe, EIA of Canada gen. mgr., called the rejection "very disappointing." Commented EIAC: "The basing of the decision, in part as reported in the daily press, on a current lack of viewer demand for color appears very short sighted & irrational in the industry's opinion . . . Color TV can only be exposed to the Canadian public by Canadian TV stations being licensed to transmit it. Once Canadians generally have an opportunity to see for themselves how much better color TV is, and are given adequate programming & reasonably priced merchandise, then in our opinion they will demand it." The BBG decision noted the slow growth of color TV in the U.S., concluded that "the time has not yet come for the introduction of color telecasting in Canada."

Admiral's latest tack in its Buy-American crusade is a campaign calling attention to the Underwriters Laboratories seal of approval on its own products. All salesmen have been informed by Admiral that imported TVs, radios & phonos generally aren't UL-approved (Vol. 16:22 p17). Admiral, incidentally, has mailed out nearly 30,000 copies of its booklet on Japanese electronics (Vol. 16:34 p16) to dealers, members of Congress, etc., and spokesmen say reaction to the literature has been good. Copies of the booklet are still available from Admiral.

Applied research in picture tubes and other visual display & storage devices for home & military uses will be conducted by a new advanced projects operation in GE's cathode-ray tube dept. Located in Syracuse, the new facility has been charged with exploring scientific discoveries from GE Research Lab, adapting them to potential products and conducting long-range market research & product planning. It will concentrate on "demands of the future for drastically new & different" visual devices. Channing Dichter, former mgr. of industrial & military operations for special-purpose tubes, heads the new operation. M. B. Lees heads market research & product planing.

TV sets are high on shopping lists of Iron Curtain officials who visit this country, apparently. Following the example set by Yugoslavia's President Tito, who toted home portable TVs, Russia's Khrushchev had an undisclosed number of portable TVs—plus radios, air conditioners, auto supplies, etc.—loaded aboard the liner Baltika before he emplaned for home last week.

"To advance basic research" in electronics, Collins Radio Co. announced it will establish a corporate research div. at a site to be selected "in close proximity to a university in Southern California." The new division, which will begin operation in 1962, will explore virtually all electronics fields, and will be headed by Dr. R. L. McCreary, now dir. of research at the Cedar Rapids div.

TV set that's worn on the head—in 3-D yet—has been patented by Morton L. Heilig of N.Y. The stereo TV system, somewhat bigger than a stereo slideviewer, is strapped to the viewer's head. Two small picture tubes—one for each eye—are contained in the headpiece. If there's any room left on the viewer's head, he can wear earphones to hear the sound.

Zenith will introduce new tuner in some of its sets next January, according to grapevine reports in the industry. The super-sensitive tuner is understood to be among 4 major chassis changes contemplated for midwinter addition to its line.

Finance

GE ON SALES-PROFIT SLIDE: Strike-hobbled General Electric delivered more unhappy news to stockholders last week: Profits fell 11%, sales 3% during 1960's first 3 quarters (see financial table). The slide quickened in the September quarter as net income dropped 20% below the year-ago level and sales sagged 4%. Cautioned Chmn. Ralph J. Cordiner: "Somewhat lowered volume & earnings for the 4th quarter" and the total year will result from the current IUE strike affecting 70,000 workers at 55 GE plants.

The downbeat 3rd-quarter, Cordiner explained, reflected a general softening of prices, developmental costs on a number of new GE ventures, and a slowdown in sales of large household appliances. These major appliances are now selling at 1951-52 levels, he said, adding: "The total electrical industry is operating at not much more than half capacity, reflecting both expanded capabilities of major producers and the entrance of so many new competitors in the field." He noted that GE's order backlog for heavy capital goods & defense products is up 12% from a year ago.

"As we progress into the 1960's," he said, "the company is being reoriented from its concentration on traditional apparatus & consumer goods to the products of more advanced technologies. Significantly, already a quarter of the total business of the company, or something over $1 billion of annual volume, is in the field of electronics. This probably means that GE may be the largest producer of electronic components & equipment in this country."

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Mergers & acquisitions: Meredith Publishing (WHEN-TV & WHEN Syracuse, WOW-TV & WOW Omaha, KPHO-TV & KPHO Phoenix, KCMO-TV & KCMO Kansas City, Mo., radio KRMG Tulsa, *Better Homes & Gardens, Successful Farming*) plans to purchase closely-held N.Y. book publisher Appleton-Century-Crofts. The transaction has been approved by the directors of both concerns, and is contingent upon 80% of Appleton's 17,000 shares of stock being tendered. Meredith's offer to purchase the stock expires Nov. 20 • GT&E International has acquired for an undisclosed price a majority interest in the radio communications div. of Milan, Italy-based Magnetti Marelli • Hudson Radio & TV and Terminal Electronics have merged to form Terminal-Hudson Electronics • Cook Electric stockholders have approved the acquisition of N.R.K. Mfg. & Engineering Co., Chicago maker of microwave components. N.R.K. shareholders previously approved the transaction.

Thompson Ramo Wooldridge's stock-market symbol has been changed to TRW from THO.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Allied Radio	Q	$0.08	Nov. 18	Nov. 4
Allied Radio	Stk.	2%	Nov. 18	Nov. 4
Buckeye Corp.	Stk.	1%	Oct. 31	Oct. 17
Crowell-Collier	Stk.	4%	Dec. 7	Nov. 14
General Instrument	—	.15	Dec. 9	Nov. 10
Gross Telecasting	Q	.40	Nov. 10	Oct. 25
Gross Telecasting "B"	Q	.07½	Nov. 10	Oct. 25
Liquidometer	—	.50	Nov. 25	Oct. 21
Liquidometer	Stk.	100%	Nov. 25	Oct.. 21
National	Stk.	2%	Dec. 30	Dec. 9
Republic Corp.	—	.15	Nov. 15	Nov. 4
Terminal-Hudson	New	.06	Oct. 27	Oct. 17

Officers-&-Directors stock transactions as reported to SEC for September:

Admiral. Joseph E. Dempsey sold 4,000, held none.

Allied Artists. George N. Blatchford sold 500, held 200. Roger W. Hurlock bought 300, held 19,900.

AB-PT. Edward L. Hyman sold 3,000, held 6,000. James G. Riddell sold 100, held 1,600.

Ampex. Herbert L. Brown exercised option to buy 1,125, held 1,923. Murray Innes Jr. sold 1,000 from trusts, held none in trusts, 3,000 personally. Henry A. McMicking sold 11,250, held 52,235.

Audio Devices. Joseph K. McCammon sold 1,000, held 12,006. L. M. McHugh sold 1,000, held 1,000.

Avco. A. R. Kantrowitz exercised option to buy 2,500, held 8,500. Mattbew A. McLaughlin sold 3,300, held 6,000. W. A. Mogensen sold 3,000, held 6,000.

Belock Instrument. S. R. Grant bought 1,000 warrants held 1,000.

Capital Cities Bcstg. William J. Casey sold 200, held 42,008 personally, 2,109 in foundation. Donald A. Pels sold 200, held 500, bought 1,000 warrants, held 1,000.

Cohu Electronics. Henry W. Cobu sold 1,000, held 7,034. Ernest A. Massa bought 2,000, held 2,000.

Collins Radio. Max W. Burrell sold 2,500, held 254. L. Morgan Craft acquired 741 as dividend and 25 more for trust as dividend, converted 86 for trust, held 19,263 personally, 646 in trust. M. L. Doelz sold 542, held none. Robert S. Gates converted 110 for trust, held 646 in trust, 22,441 personally.

Electronics Capital. Alfred J. Coyle sold 110 through Hayden Stone & Co., held none in Hayden Stone & Co., 200 personally.

Filmways. Drummond Drury sold 680, held 500. Richard B. Sage sold 400, held 8,905.

Friden. R. E. Busher bought 5,000, held 6,343 personally, 543 for wife.

General Dynamics. F. de Hoffmann sold 1,300, held 723. Patrick J. Sullivan sold 100, held 400.

GE. Hubert W. Gouldtborpe bought 360, held 1,607. Edwin H. Howell exercised option to buy 813, held 2,378. Carter L. Redd exercised option to buy 504, held 3,797, 7 for wife, 542 for son, 1,350 in trust.

General Transistor. Bernard Jacobs bought 2,300, held 4,100.

Globe-Union. Walter E. Anderson exercised option to buy 1,400, held 3,850 personally, 505 in trust. Ralph W. Conway exercised option to buy 100, held 2,350. George C. French Jr. bought 200, held 4,375 personally, 112 for members of family.

Hazeltine. Harold W. Wheeler sold 2,500, held 5,150.

Herold Radio & Electronics. Shepherd Freedland bought 200 and sold 700, held none.

Indiana General. Henry H. Arnhold sold 700, held 27,300. J. H. Bouwmeester sold 204 Class A, held 10,988.

IBM. John J. Bricker exercised option to buy 500, held 1,323. Albert L. Williams sold 400, held 3,299.

Lear. Joseph M. Walsh exercised option to buy 2,050, held 2,183.

Litton Industries. Henry Salvatori sold 2,000, held 78,800 and 13,000 more subject to escrow by issuer.

Loral Electronics. Sheldon Simon sold 500, held 25.

MGM. Benjamin Thau exercised option to buy 4,101, held 4,101. Joseph R. Vogel exercised option to buy 3,728, held 15,378.

Motorola. Charles E. Green sold 1,000, held 2,520.

National Theatres & TV. Samuel Firks sold 12,000, held 50,164.

Paramount Pictures. Y. Frank Freeman sold 700, held 2,000.

Pentron Electronics. Richard F. Dooley sold 3,000, held 4,363. Kenneth C. Prince sold 2,506, held 6,000.

Philips Electronics & Pharmaceutical. James J. Colt sold 100 from Colt Foundation, held 63,053 in Colt Foundation, 3,834 personally.

RCA. Elmer W. Engstrom exercised option to buy 500, held 3,972. Ernest B. Gorin exercised option to buy 1,300, held 1,555. Theodore A. Smith sold 325, held 2,652. William W. Watts exercised option to buy 2,000, held 2,796.

Raytheon. David D. Coffin sold 2,000, held 1,812.

Siegler. Merrill L. Bengston sold 3,000, held 7,255.

Texas Instruments. W. O. Coursey sold 100, held 5,745. S. T. Harris sold 2,100, held 17,920 personally, 454 in Trust A, 584 in Trust B. W. F. Joyce sold 500, held 7,545. R. W. Olson sold 700, held 11,950.

Trans Lux. Harry Brandt bought 900 personally and 1,300 more for foundations, sold 1,500 from foundations and 600 more through Pamela Amusement Co., held 161,900 personally, 35,180 in foundations, 800 in Pamela Amusement Co., 17,000 for wife, 100 in Barvic Theatres, 2,000 in Brapick Inc., 200 in Marathon Pictures, 400 in Bilpam Corp.

Tung-Sol. Milton R. Schulte bought 300, held 3,486.

Varian Associates. C. V. Heimbucher exchanged 2,500 for Centennial Fund Inc. shares, held 29,186. Richard M. Leonard exchanged 1,000 for Centennial Fund Inc. shares, held 27,263. Decker G. McAllister exchanged 2,500 for Centennial Fund Inc. shares, held 22,888. Sigurd F. Varian sold 800 from community property, held 74,148 in community property, 6 personally.

Walt Disney Productions. W. H. Anderson bought 500, held 500.

Warner Bros. J. B. Conkling exercised option to buy 5,000, held 5,000.

Webcor. Edward J. Ryan bought 124, held 1,515.

Westinghouse. John A. Hutcheson sold 6,620, held none. Russell B. Read sold 100, held 1,286. Charles C. Shutt exercised option to buy 1,040, held 3,000. Tom Turner exercised option to buy 500, held 5,830

Zenith. J. E. Brown bought 600, held 600. Eugene M. Kinney sold 400, held 2,591. Hugh Robertson sold 600, held 6,708.

———— ■ ————

Friendly Frost (radio WGLI Babylon, N.Y., operator of 20 Friendly Frost Stores appliance & houseware outlets, other retail & service activities) is now traded on the American Stock Exchange. Symbol: FF. Friendly Frost has 934,620 shares of common stock outstanding.

National Co. is now traded on the American Stock Exchange. Symbol: NCI.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
AT&T	1960—12 mo. to Aug. 31	$7,747,195,000	—	$1,178,374,000	$5.45	216,226,000[1]
	1959—12 mo. to Aug. 31	7,205,246,000	—	1,072,200,000	5.05	212,281,000[1]
	1960—qtr. to Aug. 31	1,991,202,000	—	308,204,000	1.40	220,667,000[1]
	1959—qtr. to Aug. 31	1,862,515,000	—	278,729,000	1.30	213,817,000[1]
Collins Radio	1960—year to July 31..	190,837,480[2]	$ 13,731,881	6,560,596[2]	3.04[3]	2,149,172[4]
	1959—year to July 31	117,864,139	7,662,958	3,718,817	1.87[3]	1,885,880[4]
Columbia Pictures	1960—year to June 25	—	—	1,905,000[5]	1.31[5]	1,287,109
	1959—year to June 25	—	—	(2,445,000)[6]	—	1,239,365
Erie Resistor	1960—36 wks. to Sep. 4	18,087,084	—	280,595	.28[3]	—
	1959—36 wks. to Sep. 4	16,418,002	—	201,225	.17[3]	—
GE	1960—9 mo. to Sep. 30	3,053,223,000	337,812,000	168,935,000	1.91	—
Story on p. 22.	1959—9 mo. to Sep. 30	3,142,297,000	394,805,000	189,512,000	2.16	—
	1960—qtr. to Sep. 30	1,030,524,000	109,935,000	57,506,000	.65	—
	1959—qtr. to Sep. 30	1,076,850,000	151,069,000	72,273,000	.82	—
General Instrument[7]	1960—6 mo. to Aug. 31	26,452,782	2,177,368	1,001,368	.56	1,773,523
	1959—6 mo. to Aug. 31	25,381,254	1,329,100	613,610	.40	1,524,923
	1960—qtr. to Aug. 31	13,441,872	1,240,445	570,445	.32	1,773,523
	1959—qtr. to Aug. 31	12,652,400	872,300	402,500	.26	1,524,923
IBM	1960—9 mo. to Sep. 30	1,040,572,434[2]	246,188,057	119,088,057[2]	6.51	18,302,058
	1959—9 mo. to Sep. 30	940,896,512	210,560,050	101,684,050	5.57	18,257,133
Lafayette Radio Electronics	1960—year to June 30	18,128,306[2]	—	565,665[2]	.55	1,025,000
	1959—year to June 30	14,331,842	—	310,027	.39	800,000
P. R. Mallory	1960—9 mo. to Sep. 30	63,558,601	6,242,603	2,921,212	1.92[3]	1,442,739[8]
	1959—9 mo. to Sep. 30	63,795,410	6,183,855	3,000,590	1.97[3]	1,442,739[8]
Movielab Film Labs	1960—26 wks. to July 2	2,543,150	—	114,316	.37	312,500
	1959—26 wks. to July 2	1,974,280	—	68,556	.27	250,000
Video Corp.	1960—year to July 31	608,710	—	59,820[2]	.20	300,000
	1959—year to July 31	382,226	—	32,727	.14	240,000
Western Union	1960—8 mo. to Aug. 31	181,633,684	—	7,000,704	1.09	6,394,966
	1959—8 mo. to Aug. 31	183,637,055	—	9,911,422	1.56	6,356,223
Wometco	1960—36 wks. to Sep. 10	8,506,085	—	700,937	.72	—
	1959—36 wks. to Sep. 12	7,056,088	—	510,306	.57	—
	1960—12 wks. to Sep. 10	2,979,132	—	210,702	.21	—
	1959—12 wks. to Sep. 12	2,315,709	—	139,019	.16	—

Notes: [1]Average. [2]Record. [3]After preferred dividends. [4]Adjusted to reflect Aug.-1960 4% stock dividend. [5]Excludes $202,000 profit (which added 16¢ to per-share earnings) on sale of studio facilities. [6]Excludes $2,596,000 profit on sale of studio facilities. [7]Does not include newly-merged General Transistor (Vol. 16:36 p15). [8]Outstanding Sep. 30, 1960.

Reports & comments available: P. R. Mallory, review, Fahnestock & Co., 65 Broadway, N.Y. 6 • **Tung-Sol Electric**, report, A. M. Kidder & Co., One Wall St., N.Y. 5 • **Columbia Pictures**, review, Herzfeld & Stern, 30 Broad st., N.Y. 4 • **Hallicrafters**, report, B. N. Rubin & Co., 56 Beaver St., N.Y. 4 • **Topic Electronics**, offering circular, Morris Cohon & Co., 19 Rector St. N.Y. 6 • **Foto-Video Electronics**, prospectus, Fund Planning Inc., 15 E. 40th St., N.Y. 16 • **Federal Pacific Electric**, prospectus, H. M. Byllesby & Co., 405 Lexington Ave., N.Y. 17 • "The Major Broadcasters," profile in Oct. 12 *Financial World* • AB-PT, analysis, Newburger, Loeb & Co., 15 Broad St., N.Y. 5 • **Radio Shack**, prospectus, Granbery, Marache & Co., 67 Wall St., N.Y. 5.

Crosby-Teletronics Corp. (hi-fi components, test instruments, facsimile gear) expects sales of $1.5 million for the year ending Aug. 31, with profit of close to $100,000 (after deducting an expected operating loss from subsidiary Crosby Electronics). "The company definitely has turned the corner, said Pres. Murray G. Crosby, pointing to a $1.5-million order backlog. For 10 months to Aug. 31 he said, sales totaled $993,000, with a profit of $93,000. The company has a "substantial" tax-loss carry-over from previous years.

P. R. Mallory expects a record 1960 profit—"around 2%" above the $2.87 a share earned in 1959 on sales of $86.5 million. Pres. B. Barron Mallory forecast that improved sales & elimination of non-recurring expenses in the final quarter will more than offset Jan.-Sept.'s off-pace performance: Profits down 5% from $2.01 a share on sales "about the same" as the $63.8 million posted a year ago. "Volume pepped up noticeably" during August & September, he said, and "incoming orders are keeping up with deliveries, although unfilled orders are down about 10% from the 1959 year-end figure" of $10,350,000. The Mallory president said that no public financing is contemplated "for some time to come." Additional funds needed for expansion will be from retained earnings or short-term borrowing.

Western Union will construct & lease to the Air Force a $67-million nationwide combat-logistics communications network linking approximately 450 bases, air stations, depots and civilian suppliers. The system initially will handle 100 million words daily when it goes into full operation early in 1962. The Air Force will lease the network from WU at a yearly rental of $22 million. RCA has been named principal subcontractor to WU, and will have responsibility for manufacturing & assembling the system's electronic equipment at a cost of about $50 million.

Pentron Electronics foresees a sales rise to $4 million in fiscal 1961 (ending June 30) from $2.9 million in fiscal 1960 (Vol. 16:41 p20), Pres. Theodore Rossman told the Chicago firm's first annual meeting last week. He said fiscal-1961's first quarter (July-Sept.) sales & earnings were down, due to a recession in the electronics industry, but that incoming orders were accelerating. He told stockholders that about 75% of Pentron's business is in tape recorders. Although the company is talking merger with 2 companies, including one which emphasizes defense work, Pentron plans to maintain its consumer-product activities at 70-to-75% of total volume.

Electronics Capital Corp., the small-business investment company headed by Charles E. Salik, increased its portfolio to 14 last week by investing $900,000 in 2 additional electronics firms. ECC purchased $400,000 of 8% convertible debentures (convertible into 45% of total common stock) & $100,000 senior notes of Quan-Tech Labs, Boonton, N.J., and $300,000 of 8% convertible debentures (into 25% of total common) & $100,000 senior notes of Neff Instrument, Duarte, Cal. Both concerns specialize in precision electronic instruments for military & industrial applications.

Republic Corp. virtually doubled profit (to $1,340,294 from $675,678) on a strong sales rise in the 39 weeks to July 30. Chmn.-Pres. Victor M. Carter reports that the film firm "now is studying acquisitions that can add sales, additional facilities and, above all, greater profits. Early in calendar 1961 we should be ready to undertake an acquisition program that will give [us] a strong stake in electronics & space-age technology."

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Oct. 13, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	22¾	25⅛
Aerovox	7¾	8⅞
Allied Radio	22	23⅞
Astron Corp.	2	2⅜
Baird Atomic	25½	27½
British Industries	15¼	16¾
CGS Labs	8¾	10¼
Cetron	6¼	7⅛
Control Data Corp.	44¼	47½
Cook Elec.	15⅛	16⅜
Craig Systems	15¾	17¼
Dictaphone	36	38¾
Digitronics	23½	25⅝
Eastern Ind.	12	13⅛
Eitel-McCullough	22⅛	23¾
Elco Corp.	14	15¾
Electro Instruments	25½	28⅝
Electro Voice	10¾	11¾
Electronic Associates	26¾	29⅛
Erie Resistor	7⅞	8⅝
Executone	28	31½
Farrington Mfg.	27	29⅜
Fischer & Porter	17½	19⅜
FXR	41	45⅛
General Devices	11⅞	13
G-L Electronics	8	9⅛
Granco Products	3¾	4⅜
Haydu	⅛	1-5/16
Hewlett-Packard	24¼	26¼
High Voltage Eng.	140	149
Infrared Industries	19½	21¼
International Rectifier	21¾	23¼
Interstate Engineering	22	23⅝
Itek	52	56½
Jerrold	7⅝	8½
Lab for Electronics	38½	41⅜
Lel Inc.	5	5⅝
LFE Inc.	11½	—
Magna Theater	2¾	3-3/16
Magnetics Inc.	9½	11
Maxson (W.L.)	8⅜	9⅛
Meredith Pub.	43	47¼
Metropolitan Bcstg.	17½	18⅞
Milgo Electronics	16	17⅝
MPO Videotronics	8¼	9⅛
Narda Microwave	5	5¾
National Co.	27	28⅞
Nuclear of Chicago	33½	36¾
Official Films	2	2¼
Pacific Automation	5½	6¼
Pacific Mercury	7⅛	7¾
Perkin-Elmer	38½	41⅜
Philips Lamp	166	172
Pyramid Electric	2⅞	3-5/16
Radiation Inc.	21¼	23¼
Howard W. Sams	38	41¼
Sanders Associates	25	27¾
Silicon Transistor	6⅛	7
Soroban Engineering	28½	30⅞
Soundscriber	12¼	13⅝
Speer Carbon	20¾	22½
Sprague Electric	48	51⅜
Sterling TV	1⅜	1⅝
Taft Bcstg.	12⅝	13¾
Taylor Instrument	37½	40⅞
Technology Inst.	9¼	10½
Tele-Broadcasters	¾	1-3/16
Telechrome	10¾	12
Telecomputing	6⅝	7⅝
Telemeter	10⅛	11¼
Time Inc.	61	64½
Tracerlab	8¾	10
United Artists	6¾	7½
United Control	20½	22½
Universal Trans.	1⅛	1⅝
Vitro	11⅝	12¾
Vocaline	2¾	3-3/16
Wells-Gardner	15⅝	16⅞
Wometco Ent.	12	13

Technology

Private operation of space communications, with the govt. providing the launching & related services at cost, was proposed last week by Dr. T. Keith Glennan, dir. of the National Aeronautics & Space Administration. His statement, in a Portland, Ore. speech, while heartening to industry groups, is expected to provoke some criticism by those who believe that govt. should dominate space communications. "Traditionally," Glennan said, "communications services in this country have been provided by privately financed carriers competing with one another to serve the public interest under federal controls & regulations. There seems to be no reason to change that policy with the advent of communications satellites." NASA, he added, will "make vehicles, launching & tracking facilities & technical services available at cost to private companies, provided the private plans for the development & commercial unitization of communications satellites are technically promising & in general consonance with the requirements of other licensing bodies."

Cancer-causing electron may be the missing link to the identity of the medical scourge, in the opinion of Dr. Albert Szent-Gyorgyi, 1937 winner of the Nobel Prize for medicine, now director of the Institute for Muscle Research at Woods Hole, Mass. There well may be an electronic basis for many of the biochemical processes—both normal & abnormal—in living cells & tissues, he told a lecture audience, adding: "You all know that there are substances capable of producing cancer, but nobody has yet explained the way in which these simple chemical substances produce this disturbance. We have found, lately, that all the substances which produce cancer are capable of giving off one electron. So, we have reason to believe that this electron, given off by carinogens (cancer-producing substances) is actually involved in the production of cancer."

Electronic name scrambler has been developed by RCA to prevent the forging of signatures in lost or stolen bankbooks. The RCA "Signaguard" reproduces a passbook signature as an unrecognizable mass of broken lines. When the passbook is presented at the bank, the electronic device transforms the lines into the depositor's bonafide signature, enabling the teller to compare it with the one on the withdrawal slip. RCA says the device "so effectively scrambles a signature that even a bonafide depositor, much less an aspiring forger, cannot decipher the name on a lost passbook. The imprint is produced as mixed segments of lines thousands of an inch in diameter."

New Ampex professional tape recorder, the PR-10 series, was demonstrated to newsmen last week at the Audio Engineering Society convention in N.Y. Claimed to be the first completely professional recorder priced under $1,000, the basic PR-10 is priced at $895 (mono) & $995 (stereo) in portable carrying case. Among accessories are 2-channel mixer, speaker-amplifier monitor system, remote control, plug-in equalizers and miniaturized plug-in preamplifier with nuvistorized circuit. Unique accessory is an automatic tape-threading device (details on p. 20).

Fire-detecting electron tube has been developed by McGraw-Edison's Thomas A. Edison Industries div. The Chicago concern says the tube—smaller than a golf ball—will give "instantaneous alarm" in case of fire. The Edison "U-V Detector" spots the fire by sensing its ultraviolet radiation.

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WEEKLY
Television Digest

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Technology

AT&T AIMS FOR TV SATELLITE WITHIN YEAR, asking FCC for two 100-mc bands for 2,200-mile, 2-watt, polar-orbiting U.S.-European link (p. 1).

FCC

DECKS CLEARED FOR PAY-TV HEARING. Thomas O'Neil chief witness for RKO-Zenith, Arthur Mayer for exhibitors, Charles Tower for NAB (p. 3).

FCC SEEKS TO EASE BORDER ALLOCATIONS. Hyde heads for Mexico City; Commission studies U.S.-Canadian agreement (p. 2).

FCC TELLS FAA ABOUT TOWERS saying it must continue granting or denying, pointing out that aviation has had fair shake in satisfactory system (pp. 4 & 5).

LEE PUSHES FOR SHIFT TO UHF in 5-to-7 years, offers 11-point program to smooth transition, blasts crime & violence (p. 4).

Film & Tape

MCA DEFIES FILM QUIZ in Los Angeles; refuses to testify on constitutional grounds. Inquiry now focusing on plugs (pp. 3 & 6).

Advertising

PAPERWORK BREAKTHROUGH achieved in realm of spot TV-radio contracts by Station Reps Assn. & 4A, who have evolved simplified new forms (p. 4). Dept. (p. 14).

Stations

EQUAL-TIME COMPLAINTS WANTED by Chmn. Yarborough (D-Tex.) of Senate's "watchdog" unit, who demands reports from all stations. NAB protests vehemently (pp. 3 & 10).

RADIO'S 1959 BALANCE SHEET as reported by FCC shows 4 networks & 19 o&o's lost $4.5 vs. $4.9 million in 1958. Profits of rest of radio went up 11.9% (p. 10).

Consumer Electronics

SQUARE 16-in. TUBE may be next new size. Glass sampling begins in Dec., but price may be too high for industry. Price boost due for 19-in. Improved & brighter RCA color tube understood due for Dec. debut (p. 15).

AUGUST PHONO SALES 13% ahead of last year at retail; 8-month sales 16% ahead. Cumulative stereo sales outpace mono more thn 3-to-1 vs. about 50-50 last year (p. 16).

TRAV-LER'S PRIVATE BRANDS account for 50% of its business today, says prospectus. Phonos loom larger in product mix (p. 17).

SARNOFF LAUDS JAPAN in Tokyo speech. RCA chairman praises Nippon's electronics achievements (p. 17).

ON LABOR'S FRONT, IUE made peace with Westinghouse but continued at odds with GE, although there are signs of fatigue in the strike effort (p. 18).

Finance

LOWER PROFIT, HIGHER SALES reported by RCA & Westinghouse. Former's Jan.-Sept. sales exceeded billion dollars for first time, but net dropped 12% (p. 19).

ETV

NIXON & KENNEDY both pledge aid to ETV at NAEB convention in San Francisco (p. 6).

Networks

BILLINGS ROSE 9.1% IN AUGUST to $50.9 million from $46.6 million a year ago (p. 13).

CANADIAN TV NETWORK regulations adopted by BBG. Nov. 14 is deadline for network license applications (p. 13).

Other Departments

PROGRAMMING (p. 12). **PERSONALS** (p. 14).

AT&T AIMS FOR TV SATELLITE WITHIN YEAR: AT&T is shooting for some "firsts" in satellite communications—first industry owned-&-operated "bird" and first TV transmissions—in its application to FCC filed last week.

AT&T told Commission it hopes to get satellite in orbit within a year, working with NASA, and paying all costs with help of European communications interests. Phone company thus follows through immediately on policy statement by NASA chief Dr. T. Keith Glennan, who said private companies should handle satellite communications, same as they do earth-bound (Vol. 16:42 p24).

A polar-orbiting unit, 2,200 miles up, is proposed—using 6775-6875 mc to satellite & 6425-6525 mc from satellite. It will be a simultaneously-transmitting unit, no TV storage facilities, handling not only TV but telephone, data, etc. It would have 4-ft. diameter, weigh 175 lbs. First U.S. ground station would be at Bell Labs' Holmdel, N.J. plant. It will transmit up to 35 min., 3-to-4 times daily, communicating with United Kingdom & Western Europe, emitting 2 watts, with traveling-wave tube at heart of unit.

Simultaneously with its application for experimental facilities, AT&T petitioned FCC to let 6425-6925 mc be used for regular commercial space communications, shared with other services now using the band. By 1980, AT&T said, space relays will need 4 blocks of frequencies 500 mc wide or sixteen 125-mc bands.

No cost figures were given out for first unit but company estimates that once regular production is reached, units would run about $1 million each to build & launch.

Project comes under long lines vp Henry T. Killingsworth, who said: "We believe that the commercial application of satellite communications is a job for private enterprise. This new project is still another indication of our readiness to take on that job and pay our own way."

FCC SEEKS TO EASE BORDER ALLOCATIONS: To permit short-spaced vhf drop-ins along Canadian & Mexican borders, FCC is laying groundwork for amendments to international agreements.

Comr. Rosel Hyde and top staff members James Barr & Hart Cowperthwait are scheduled to spend this week in Mexico City, and Commission is already considering U.S.-Canadian revisions which FCC staff & Canadian counterparts in Dept. of Transport consider satisfactory. Canadians actually initiated latest proposal because they've wanted to add assignments for some time.

Proposed Canadian agreement would enhance possibility of adding assignments to such cities as Rochester, Syracuse, Binghamton, Elmira, Bangor, Me. & Williamsport, Pa.—for which short-space plans have been suggested to Commission.

Canadian agreement being studied by Commission would give both countries' stations mutual protection equivalent to that provided at Grade B contours of 2 co-channel stations using 500-ft. average antenna height, 220-mile separations, full power—and assuming receiving antennas with 5-db discrimination. Protected contours would not extend beyond 57 miles for Ch. 2-6, 52-miles for Ch. 7-13. Directional antennas up to 20 db would be allowed.

Although Canadians would prefer making all allocations according to this formula, they're willing to stick to a 170-mile minimum in Zone I & 190-mile in Zone III until Commission finally decides what to do about pending short-spaced drop-in rule-making. Minimum adjacent-channel spacing would be 60 miles.

Currently, new U.S. or Canadian allocations (within 250 miles of border) are agreed upon in case-by-case negotiations. New agreement would set out series of tables and each country could make new assignments without worrying about the other—so long as they comply with mileage "floors" in tables. This would make for more speed, ease & certainty.

MCA DEFIES FCC TV QUIZ: Claiming he was being denied Constitutional rights, MCA vp Taft Schreiber—who is also president of MCA's Revue Studios—Friday (Oct. 21) walked out of FCC's Los Angeles TV film industry hearings after refusing to produce list of film series MCA represents as packager & sales agent.

Walkout followed bitter exchange between MCA attorney Allen Susman and FCC hearing examiner James D. Cunningham, who at one point threatened to eject counsel from the hearing room. Schreiber claimed FCC queries were beyond scope of investigation and that the list sought by Cunningham was confidential. He offered to produce it only if it were kept secret. First blowup came when Susman repeatedly attempted to testify in place of his client.

FCC attorneys now will recommend that Commission ask federal court to require Schreiber to return and produce the requested material or be held in contempt.

The excitement came as FCC's Hollywood inquiry wound up its 2nd week of hearings. This week it is scheduled to scrutinize plugola specialists in TV film trade. Eleven alleged plug merchants have been subpoenaed to appear at the Monday (Oct. 24) sessions.

Hearings last week continued to look into control & content of TV films, highlighted by testimony of talent agency officials and NAB TV Code spokesmen. Quizzing of Code officials was centered around crime & violence in TV films and the whole question of program balance.

One major purpose of hearings is to probe network participation in ownership of TV film series—including whether "a piece of the action" is the price of getting telefilm on the networks—and this wasn't overlooked in the questioning. FCC officials arrived at unofficial estimate that 68 program series have network ownership participation. Another hearing will be held in N.Y. (date not set) with network officials as star witnesses. For details of this week's hearings, see p. 6.

'WATCHDOG' YARBOROUGH SNAPS AT INDUSTRY: Broadcasters who have been congratulating themselves on their widely-applauded election-campaign performances were brought up short last week by one of their harshest critics.

"Confess your equal-time sins and do penance," all TV & radio stations were told in effect by Chmn. Yarborough (D-Tex.) of Senate Commerce Committee's special 3-man Sec. 315 "watchdog" unit (see p. 10).

Yarborough letters brought outraged reaction from NAB. Policy Committee Chmn. Clair R. McCollough told him in telegram that broadcasters were "at a complete loss to understand" why Yarborough thought it necessary now to demand reports (within 24 hours) from all licensees on any & all equal-time complaints—and what steps were taken to satisfy beefs. McCollough asked for NAB conference "immediately" with Yarborough, who was campaigning in Texas for Democratic Presidential ticket. "I am sure he will wish to meet with you whenever possible," Yarborough's administrative asst. Victor Russell assured McCollough, who tried to get an Oct. 24 date.

"Complimentary & laudatory comments" on behavior of TV & radio during election campaign have come from all over, McCollough pointed out. He cited "Great Debate" series as outstanding example of industry's "achievements & its demonstrated fairness." McCollough also reminded Yarborough that each station already was required by FCC to file "lengthy & detailed report" with Commission on all political operations—including handling of equal-time demands (Vol. 16:34 p9).

There was no reported rush in field to comply with Yarborough's demand for reports, which he said are needed to help his Freedom of Communications Subcommittee do its work. Stations were under no legal compulsion to comply, and NAB sources told us that few members had bothered to ask hq what to do. Officials of networks whose o&o stations received Yarborough letters were incensed by them. But licensees generally seemed to be taking letters cooly in wait-&-see reaction.

Yarborough acted alone in starting his NAB storm-raising foray. He didn't consult with other Subcommittee members—Sens. McGee (D-Wyo.) & Scott (R-Pa.)—before instructing majority counsel Creekmore Fath to send out letters. And minority counsel Walter Boehm told us mailing was under way before he knew what was up.

What's with Yarborough? Best guess: He's frustrated by fact that his Subcommittee has had little attention & equal-time business—and he's out to get both. He regards broadcasting with dark suspicion. He has repeatedly expressed conviction that stations get away with too much political—especially Republican—bias. Yarborough was last-ditch supporter of proposals that networks be compelled to give free time to Presidential candidates and he was lone holdout in Senate when Sec. 315 suspension was voted to permit voluntary "Great Debate" programming for top tickets (Vol. 16:27 p6).

Note: If any equal-time cause celebre arises from 1960 campaign, it's likely that it will be produced in Yarborough's own home state—and by Republicans. Democratic Vice Presidential candidate Lyndon Johnson also is running for Senate in Texas. Do Johnson's Sec. 315-exempt appearances as 2nd man on national ticket entitle Republican Senatorial candidate John Tower to equal time in state? Texas stations say "no;" Tower says "yes." Odds on how FCC may resolve issue are even.

DECKS CLEARED FOR PAY-TV HEARING: FCC wrapped up the last ragtags of pre-hearing technicalities and got set for week-long session on Hartford Phonevision Co. (RKO & Zenith) plans for pay-TV tests in Hartford.

First, it cleaned up theater owners' request for "clarification or modification" of issues, in which they sought to make sure they could dig as deeply into programming plans as they chose (Vol. 16:42 p3). Though Commission "denied" the petition, it did so, it said, because "the present issues encompass the information required as to programming." Actually, Commission will play it by ear, asking the applicant to give as much data as it thinks reasonable to expect—recognizing that RKO-Zenith frequently couldn't get firm programming-source commitments without FCC go-ahead on the experiment.

Commission also turned down Zenith & Teco requests to participate as parties—satisfied that they're sufficiently represented through Hartford Phonevision.

Applicant's chief witness will be RKO General Pres.-Chmn. Thomas F. O'Neil—though it may also present Zenith Pres. Joseph Wright and Teco Pres. Pieter Van Beek. Exhibitors will offer only one witness initially, movie industry "senior statesman" 74-year-old Arthur L. Mayer who has had prominent role in

virtually every phase of film industry. But they have other witnesses up their sleeve, available if needed. Dallas Smythe, U. of Ill. prof. and former FCC chief economist, is top data compiler for theatermen. For NAB, TV vp Charles Tower will appear.

Commission set out agenda of hearing as follows: FCC counsel Louis Stephens with opening statement, applicant, NAB, exhibitors, applicant's rebuttal, summations (up to 30 minutes each) by applicant, exhibitors, FCC Broadcast Bureau. Stephens will be flanked by attorney Sol Schildhause, economist Hy Goldin & engineer John Taff. It's assumed Stephens will put Golden & Taff on stand if he believes they're needed to "clarify the record." Hearing starts 10 a.m. Monday (Oct. 24) in ICC Hearing Room B.

Bets are being taken on length of hearing. It's Commission's firm intention & hope to wind it up in a week. Chmn. Ford will preside, and with his experience as onetime head of Commission's hearing div. he's expected to keep parties' feet to fire. Whole affair could be finished in as little as 3 days—or it could run for weeks. In 1948, FCC counsel predicted that the allocations "freeze" hearing would run a few weeks. Color controversy entered and the proceeding ran about 3½ years. Reminded of this, Stephens was aghast, said he didn't see how this could happen in pay-TV affair.

FCC TELLS FAA ABOUT TOWERS: FCC isn't about to turn over to FAA its traditional tower-approval authority—even though FAA believes it is required to assume jurisdiction.

FCC last week filed comments on FAA's proposed rule-making in which latter set out plans for taking over (Vol. 16:38 p5). Commission made it clear it believes that law requires it to continue granting or denying towers. Furthermore, Commission noted, system has "worked quite satisfactorily over the past several years," with aviation interests getting full & fair shake in Commission proceedings. In effect, it asks: "Why change?" (For pertinent excerpts from Commission's comments, see p. 5).

Deadline for filing in FAA's proceeding is Oct. 31, and broadcasters are expected to offer vigorous comments backing up FCC. If FAA chooses to buck Commission, resolution of conflict will be up to Congress or courts, or both.

SPOT-SALES PAPERWORK BREAKTHROUGH: Blizzard of spot TV-radio purchase forms that has snowed-under many an agency's media billings dept. for years, will soon be curbed, to large extent, by standardized contract forms developed by Station Reps Assn. and 4A.

New forms eliminate time-consuming process whereby station reps issue separate confirmation-of-broadcast order form to agency & station. And same form also eliminates need for agencies to type up and issue a contract. By signing and exchanging copies, stations & agencies will have a firm spot deal. By SRA's estimate, the new forms will "save thousands of hours of clerical work for all concerned."

Starting date for new forms is Nov. 1, at which time a number of SRA member firms (so far, about 7) will change over. They're not a new idea; SRA and 4A have been working on project since 1948.

The FCC

LEE PUSHES SHIFT TO UHF: With his most explicit proposals to date, FCC Comr. Robert E. Lee last week pressed hard in his long campaign to move TV to uhf. "Put the Show on the Road" was the title of his address before the NAEB convention in San Francisco.

FCC should put everyone on notice that the shift will come in 5-to-7 years, he said, because only uhf promises the room for expansion that TV needs. He said that the "present economy would easily support 750 commercial stations and ultimately many more instead of the 560-odd now on the air." At the same time, he added, the mobile service could expand into the vhf spectrum vacated by TV. Hoping that his suggestions wouldn't become known as the "Lee plan," he offered the following:

"(1) We should immediately put to rest any notion that the solution lies in squeezing in sub-standard vhf assignments which in themselves create substandard service and have a concurrent depressive effect upon uhf set manufacture and uhf station growth.

"(2) We should and, I might add, we will press for legislation that TV sets transported in interstate commerce be capable of receiving all channels in the TV broadcast band.

"(3) We should forthrightly move forward to deintermix markets where uhf development is ripe so that the number of all-channel sets in use will increase and thereby create incentive for the manufacturer to make the all-channel set while he is about it. This should be the interim plan.

"(4) We should impose a permanent freeze now on new and improved vhf stations.

"(5) We should allocate available and newly released vhf frequency space to non-broadcast mobile service, both to common carriers and to private users. In this connection, as soon as the necessary rules were promulgated, I would permit these services to share the vhf channels on a secondary or non-interference basis.

"(6) We should dissolve the table of TV assignments, retaining only the educational reservations and, of course, existing engineering standards.

"(7) We should license new uhf stations to the lowest

channels available in their particular areas, using a system whereby we would assign channels to the licenses we issue in the order in which we make grants and thereby eliminate the time and expense of comparative hearings, as well as providing the incentive to apply.

"(8) We should permit vhf stations to operate both in vhf and uhf, contrary to our current rules until such time as it appears appropriate to discontinue the vhf service.

"(9) Dependent upon the availability of program choices in given areas, we should permit these stations to duplicate their vhf service with appropriate announcements that as of a certain date only the uhf would be available. This would eliminate the impact on the public, since a TV set is normally replaced in a maximum of 5 years.

"(10) We should examine the reasons why networks refuse affiliation to small station markets beyond the normal service area of another affiliate. It may be that refined rules or even, perhaps, legislation is necessary.

"(11) In the event the above course of action was adopted by the Commission, I would put a short temporary freeze on new uhf operations to permit existing operations to apply for the best uhf channel available."

Lee also added his voice to the swelling volume of protest against excessive violence & crime on TV. "I was interested in reading," he said, "a speech delivered recently by an executive in commercial TV circles. I sensed that the author was understandably proud of the merits of his own work else he would not have mailed me a copy. The topic under discussion was crime & violence on TV. He first attempted to prove statistically that crime & violence on TV were a requirement on broadcasters in order to pleasc all tastes. He claimed that no one to date has affirmatively demonstrated that liberal doses of crime on TV are bad for children and assured his audience that TV critics' charges of 'moral squalor' in the industry are completely without foundation. My reaction was immediate. It occurs to me that if anyone were to speak on the subject, 'Are Excessive Doses of Crime & Violence on TV Good for Children?', he might have a more difficult task."

(For morc news of NAEB convention, see p. 6.)

Amendments to Communications Act are getting early consideration from FCC as it prepares for the start of the new Congressional session in January. The Commission is thinking about a score or so changes, and the first 2 on tap aim at speeding processes. One would change Sec. 5(c) of the Communications to give the Office of Opinions & Review more leeway in helping the Commissioners dispose of minor "interlocutory" matters and in preparing analyses of all adjudicatory cases. The new proposal still would prohibit the staff from recommending final decisions or drafting decisions without specific Commission instruction. The other—changing Sections 219(a), 308(b) & 319(a)—would eliminate need for filing of applications under "oath or affirmation." The Commission believes that the law already has plenty of safeguards against false filings and that elimination of thc requirement would remove a lot of time-wasting prodding of applicants who fail to comply.

Vhf repeater operators now have until the end of the year to file with FCC their requests for temporary authorization to continue. The Commission extended the Oct. 31 deadline because many operators have been delayed in receiving rebroadcast permission from the stations whose signals they rebroadcast. The Commission reported that more than 400 applications have been filed. There are an estimated 1,000-to-2,000 repeaters operating.

More about

FCC, FAA & TOWERS: Here are the salient excerpts from FCC's comments on FAA's proposal to assume the Commission's role of deciding whether TV-radio towers are air hazards (see p. 4):

"The FCC must in the final analysis determine whether an authorization to build & operate a radio station shall be issued. The views of the FAA must perforce be considered in this decision, but the Commission cannot, under the existing statute, avoid making the decision nor delegate its responsibility. Nor can the statutory procedures for a full & complete hearing be abrogated. The Commission most certainly does not minimize the extreme importance of air navigation or the need for the utmost precaution to assure the safety of aircraft in flight. However, the Commission must also take into account the public need for the communications facility proposed, and in those cases where the Commission is unable to find upon an examination of the application that the public interest, convenience or necessity would be served by a grant thereof, that the applicant be afforded a 'full hearing' upon the specific issues (see Communications Act, Section 309). Such a hearing provides a formal forum for a comprehensive examination of the issues and an impartial evaluation of all of the considerations affecting both the communications proposal and the needs & interests of air navigation as pertinent thereto. This approach has not proved to be cumbersome or unworkable in the past, as witnessed by the fact that, over the many years it has been in existence, less than 10 cases have culminated in a formal hearing to resolve the problems.

"With respect to the specifics of the FAA's Notice of Proposed Adoption of Regulations the Commission, of course, recognizes the FAA's responsibilities with respect to aeronautical hazards and its specific concern regarding man-made structures, including the towers of radio stations licensed by the Commission. The notice contemplates criteria for 'obstructions to air navigation', 'hazards to air navigation' and procedures for both informal & formal aeronautical studies to determine in any given situation whether an exemption to the 'hazard criteria' should be granted. The proposal provides further that the determination of the administrator in this matter is 'final' and will be published in the Federal Register. Such a 'final determination' by the administrator would place an applicant for a radio station in a situation where one agency of the government, the Commission, has authorized the construction of a tower while another agency, the FAA, has finally determined the structure to be a hazard to air navigation, thus at least implying that he is prohibited from constructing the tower. Since both the FAA & the FCC are agencies of the United States govt., with large responsibilities in the public interest, any action by either agency which might indicate anything other than harmonized policy on the part of the govt. appears to be detrimental to thc programs of both agencies."

Allocations petitions: by Newark Public Schools, Newark, O. to reassign Ch. 28 from Lancaster, O. to Newark for educational use; by WMTV Madison, Wis. to replace Ch. 33 Madison with Ch. 15 and allow WMTV to switch to Ch. 15.

New list of AM & FM transmitters & monitors approved by FCC, as of Aug. 24, may be inspected at the Commission's Washington & field offices.

FCC SEEKS BIGGER BUDGET: As federal bureaucracy goes, FCC never has been a big-spending agency, but if it gets its way with the Budget Bureau & Congress, next year it will be in a $14-million budget class—upped by a substantial $2 million.

Commission estimates filed with the Budget Bureau for its needs for fiscal 1962 starting next July 1 are understood to ask for increases which would raise the current appropriation of $11.8 million to $13.9 million. This boost would come on top of extra grants this year of $2 million for the 2-year N.Y. uhf project and $150,000 (pared from $300,000) for a new Complaints & Compliance Div. (Vol. 16:28 p2)—neither of which was okayed by Congress without argument.

No new money is asked now by FCC for the uhf program. But it's reported that the biggest single increase in the proposed budget is an additional $500,000 sought for broadcast activities including added Complaints-&-Compliance payroll funds. For one thing, FCC wants 28 staffers assigned to this policing work instead of 20 now permitted.

All in all, FCC's employment total could go up nearly 200 (from about 1,300 to about 1,500) if the $13.9-million budget figure gets past the Budget Bureau & Congress.

In addition to the proposed boost for beefed-up broadcast activities, budget increases sought by FCC are understood to include these for more work & manpower: $300,000, common carrier operations; $25,000, safety & special radio services; $125,000, field engineering & monitoring; $200,000, TV systems engineering study to be conducted under contract.

Elaborating on the TV systems study, the Commission noted that the Bureau of Standards and MIT are now doing some work, but said that more is needed. Basically, it wants to find better technical standards—examining pulse transmission, digital systems, redundancy, noise reduction, coding, uhf receivers, multipath problems. The work would be contracted out to research institutions & organizations.

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Agency Conference Set: President Eisenhower's Conference on Administrative Procedure, announced at the White House in Sept. as a device to speed up procedures of FCC & other regulatory agencies (Vol. 16:36 p5), will organize for business this week.

Appeals Court Judge E. Barrett Prettyman, named by the President to direct the Conference, appointed a 15-man organizing committee and called it to its first meeting Oct. 24. Members include FTC Chmn. Earl W. Kintner & FCC gen. counsel John L. FitzGerald. Washington communications lawyer William C. Koplovitz, past president of the Federal Communications Bar Assn., is secretary.

Prettyman said the White House conference would wage a continuing "assault upon red tape, cumbersome methods, unreasonable delay and unnecessary expense."

Meanwhile, Judge Wilbur K. Miller, 68, replaced the 69-year-old Prettyman as Chief Judge of the Appeals Court for the D. C. Circuit, which has jurisdiction in FCC cases. Prettyman stayed on the bench but stepped down Oct. 21 from the top judicial administrative spot in accordance with a decision he announced when he took the assignment in 1958. "Two years is enough," he said then.

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Assignment of Ch. 19 to Bay City, Mich. has been proposed by FCC, at the request of Delta College and WSWM(FM) East Lansing, which plan to file for it jointly.

WWTV Cadillac, Mich. has been granted permission to identify itself also with Traverse City—Bartley dissenting.

Educational Television

Nixon, Kennedy & ETV: Both major Presidential candidates pledged federal encouragement to ETV in messages to last week's convention of the National Assn. of Educational Bcstrs. at San Francisco's Jack Tar Hotel—but in both cases the promises seemed carefully worded to avoid the interpretation that either specifically favored or opposed monetary assistance.

Sen. John F. Kennedy stated that the federal govt. should help expedite the use of TV as a tested educational aid, adding: "I pledge . . . that I will back actively suitable legislation aimed at this objective . . ." Vice President Nixon agreed that radio & TV are "proved instructional tools" and stated: "I pledge my cooperation in the development of a national educational TV policy to help realize the goal of the fullest possible educational opportunity for every American . . . Within its assigned role, federal assistance in the stimulation of the use of TV as an aid to education will have my sympathy & support."

More than 400 delegates attended panel sessions & meetings and elected former Chmn. William G. Harley president of NAEB succeeding Harry J. Skornia. (See p. 4 for details of Comr. Lee's talk to the convention.)

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"Arranging the Classroom for TV Viewing" has been published by Sylvania's lighting products div. as a guide to optimum room lighting & set location. The brochure was written by illumination engineer Willard Allphin, is available from the div.'s commercial engineering dept., 60 Boston St., Salem, Mass.

Film & Tape

More about

MCA WALKS OUT ON FCC TV QUIZ: When MCA vp Taft Schreiber refused to testify at FCC's TV film investigation last week, the heretofore orderly Los Angeles hearing was thrown into turmoil.

Attorney Allen Susman's repeated attempts to speak for MCA were rejected by examiner James D. Cunningham, who finally threatened to oust him from courtroom. Schreiber then charged the facts the FCC sought were "outside the operation of the hearing," and insisted this was so even after FCC attorney Ashbrook Bryant reminded him the William Morris Agency had freely provided a similar list.

When a semblance of peace settled on the stormy session, Schreiber said: "I came here on the supposition I would testify on matters which would not involve giving confidential information" which would help MCA competitors. He termed the FCC request for a list of its packages "unjustified" and "outside" the course of the hearing. Earlier, Schreiber had made a point of the fact he was appearing under subpoena.

No lawyer can function when he is not allowed to speak for his client, and such ground rules "deprive me of my Constitutional rights, and therefore I decline to proceed as a witness," said Schreiber, stalking from the stand, although Cunningham had told him to testify.

Bryant told Cunningham questions he was asking and evidence sought were within the powers given the FCC. Congress demands regulatory agencies gather information for guidance not only for the Commission but for possible legislation, he contended. Regarding Schreiber's complaint

he was being denied his Constitutional rights, Bryant said the FCC hearing follows precisely the same procedure as other regulatory agencies and Congressional committees—procedures which have been upheld by the courts. He said witnesses are granted the right of counsel.

The FCC consulted with every witness and his counsel beforehand and had made a point of telling them it would not ask questions which would result in disclosure of competitive information, he said. The Morris Agency testified fully on its position as a packager and provided the list of its packages. "I see no reason why Schreiber should have any different treatment than any other witness," he contended.

Cunningham replied he agreed the information sought was relevant.

Meanwhile, FCC investigators, conducting an inquiry into all aspects of the TV film industry in Hollywood, have intensified their scrutiny of the practice of sneaking plugs into TV film.

Ordered to appear to testify on this subject this week (Mon. Oct. 24) were Jimmy Cross, Vici Raaf, Mary Rothchild and Donna Rapp, all of Promotions Unlimited; Betty Langley, Dick Fishell, Carol Prince and Stan Lawrence, all of Dick Fishell Associates; Walter and Fred Kline of Kline & Associates.

Virtually all producers & executives who testified during the hearings admitted they were "aware" of such practices, all condemned it, and a number said they would fire any employes found helping anyone sneak a plug for any commercial product into their film.

Backstage at William Morris

A closeup of how a giant talent agency functions was given at the FCC hearings last week, when Commission attorney Ashbrook Bryant questioned Sam Weisbord, who is in charge of TV for the William Morris Agency in Hollywood. The steady rise of the agency's TV fortunes was seen in Weisbord's figures showing that the agency sold 17 film series for the 1958-59 season, 23 in 1959-60, and 26 for the current season.

The Morris Agency receives 10% commission on the selling price of all series it sells, testified Weisbord. The shows—and components represented: *The Law and Mr. Jones*, (ABC-TV), producer-writer and star; *The Legend of Wyatt Earp*, (ABC-TV), 2 producers and star; *Robert Taylor's The Detectives*, (ABC-TV), star, producers; *The Corrupters*, (ABC-TV), producer, director, stars; *Dante*, (NBC-TV), star, producer; *The Rifleman*, (ABC-TV), producers; *The DuPont Show with June Allyson*, (CBS-TV), star; *The Tom Ewell Show*, (CBS-TV), star, directors; *Stagecoach West*, (ABC-TV), producer; *Peter Loves Mary*, (NBC-TV), stars; *Dick Powell's Zane Grey Theater*, (CBS-TV), producer, host; *Hennesey*, (CBS-TV), star; *Adventures in Paradise*, (ABC-TV), creator; *Wanted—Dead or Alive*, (CBS-TV), star; *The Real McCoys*, (ABC-TV), star; *The Ann Sothern Show*, (CBS-TV), star; *The Andy Griffith Show*, (CBS-TV), star, head writer; *The Danny Thomas Show*, (CBS-TV), star, producer-director; *Guestward Ho!*, (ABC-TV), property from which series was derived; *Michael Shayne*, (NBC-TV), property from which series was derived; *The Loretta Young Show*, (NBC-TV), star; *Hong Kong*, (ABC-TV), creator-writer; *The Groucho Marx Show*, (NBC-TV), star; *The Westerner*, (NBC-TV), producer, head writer; *R.C.M.P.*, sales agent for show only; *The Barbara Stanwyck Theater*, (NBC-TV), star, producer.

Weisbord vigorously denied agent Frank Cooper's contention that he (Cooper) had lost client & package (producer Irving Pincus & *The Real McCoys*) because when Walter Brennan, a Morris client, was wanted as star, WM refused unless that agency were to be the sales agent. Weisbord testified that the series had originally been represented by the Rosenberg-Coryell agency, which had sought to make a deal with NBC-TV. Pincus wanted Brennan at that time, but the negotiations with NBC-TV collapsed when Brennan demanded ownership participation. Pincus' contract with RC expired, and the producer then signed with Cooper. However, this deal excluded *The Real McCoys* series, Weisbord testified. Consequently Pincus approached the Morris Agency regarding Brennan, and a deal was negotiated for the package, with Danny Thomas to finance and Sheldon Leonard to serve as producer-director of the pilot. "We made it clear & unmistakable to Pincus that we expected to be the sales agent," said Weisbord. Subsequently the Morris Agency sold the series to ABC-TV. "We don't try to woo clients away from the so-called smaller agencies. A number of these agencies have made considerable virtue of their being small," the agent remarked caustically.

Asked why the agency collects a 10% commission on a series when a network finances a pilot, Weisbord and Morris Stoller, who is in charge of business affairs for WM on the West Coast, testified that the agency does much to make such a deal possible. Aside from the negotiations involved, it assumes co-responsibility with the network in finding a sponsor. Taking the Loretta Young series as an illustration, they explained that they had negotiated the deal with NBC-TV, getting "top money" for her; arranged for her studio & business arrangements (Miss Young has her own production company on the series); negotiated the sale of her reruns & a new contract with NBC-TV; and when she was ill one season, the agency had virtually produced the show. Networks frequently have a financial participation in series, Weisbord said.

Stoller, on the subject of foreign rights, called them valuable & likely to become more so as the number of sets increases globally. But the outlook for additional global revenue is mitigated by a number of factors—the increasing number of films available, competition, restrictions and controls in a number of countries. As a result many series have not had any foreign sales, Stoller asserted.

A History of Packaging

Weisbord said that about 50 of the agency's 200 West Coast employes are in TV, and about 30 are in TV in its N.Y. office. He spoke of the ramifications & complexities of the competitive agency business, pointing out that while the agency is functioning basically in representation & management of individuals, it also "stimulates" clients to create packages which it then tries to sell.

Packaging began 30 years ago, in the days of vaudeville, continued into radio and then into TV, he explained. The Morris Agency became involved in TV packaging about a decade ago because there was a void in this field, the major movie studios not having entered it. "We felt it was a wonderful business for our clients, because they received creative control and ownership participation, so we encouraged them to get into TV," he said.

The agency receives its 10% commission off-the-top (gross selling price) on packages, but does not own or invest in any series or packages, Weisbord continued. The package takes various forms. It can stem from an idea or script, be the joint venture of a group of creators, be star-owned, or be a finished film brought to the agency for representation.

Stoller explained how once a package is put together, the agency brings the attorneys of the various clients to-

gether so that a joint venture corporation can be formed "to get the best results" for the client. The Morris Agency, it was evident as testimony continued, serves as far more than an agency representing talent. It advises its clients regarding the creative aspects of a package, studio costs & operations, budgets & accounting, cast insurance, financing—even negotiates leases (such as Four Star Television's lease with Republic).

Earlier in the week, attention was focused on the question of whether NAB's TV Code is doing enough to curb excessive violence and crime on TV. While Code director Edward Bronson and his assistant, Frank Morris, in charge of the Code's West Coast office, stoutly asserted correct steps were being taken in this direction, their views were sharply questioned by chief examiner Cunningham.

When Morris testified he had checked about 350 films, Cunningham asked him whether he was satisfied that, generally, programs are meeting Code standards, and whether he felt they are having an adverse effect on certain segments of the audience, particularly teen-agers.

Morris replied: "There is a greater awareness of the problem by producers today." But Cunningham, dissatisfied, pressed for an answer. Said Morris: "I am not qualified to answer that." Cunningham retorted: "You have reviewed 350 films. You must have some views." Said Morris: "It is less than perfect, but I will back up the product with which I deal."

Morris said most script objections stemmed from excessive violence, suggestiveness and profanity, but that the situation has improved and there is a lessening of the most frequent objections. Cunningham then asked what the FCC or Congress could do to clean up excesses in programming, and Morris replied: "We are attempting to do that by voluntary self-regulation. We have quite a distance to go." Morris estimated 75-80% of the shows he had reviewed involved physical violence. When Cunningham opined that violence was on the increase, Morris said comedies are replacing crime shows, there are also public service & educational shows, and fewer Westerns.

Code dir. Bronson, quizzed by Cunningham, said NAB had no policy on programming balance. Bronson's testimony, like Morris's, didn't satisfy the examiner, and NAB counsel Douglas Anello objected, on the grounds neither of the Code officials could answer policy questions. Cunningham ordered the objections struck from the record.

Tower Takes the Stand

An unscheduled witness, NAB TV vp Charles H. Tower, took the stand to say that program balance is primarily the responsibility of the licensee. While crime & violence were of considerable concern to everyone in TV, he added, program balance generally seems to be satisfactory. He disagreed with viewers who find 2 or 3 crime shows a week too much. Crime programs exist because the people demand them, and the current amount does not unbalance the schedule, he asserted. He said NAB did not agree with those who "assume" bad effects stem from such programs, particularly regarding juveniles. Parental control is the answer, he opined. However, NAB is genuinely concerned about the problem, he added. "If broadcasters thought that shows contributed to juvenile delinquency, they would be the first to get them off the air."

When Cunningham asked what the FCC could do about the situation, Tower answered industry self-regulation is the best control. Asked if NAB has any plans for correcting abuses, Tower said: "We believe we are moving in the right direction." He said NAB plans expansion of its Hollywood Code office, has recently opened an office in N.Y.

Earlier, Morris had testified that while nearly 50% of scripts submitted to him violated some code elements, they were all changed to conform completely with Code regulations. He praised the cooperation of the Alliance of TV Film Producers.

Later in the hearing, when Alliance Pres. Richard Jencks was asked about violence in films, he said he did not think the 300-plus films viewed by Morris constituted a representative sample, pointing out they were less than one-fifth of Alliance-produced shows. Morris, he said, deals mainly with syndicated shows and his sampling was of films most likely to be problem pictures.

Jencks testified Alliance members produce 60-to-70% of Hollywood TV films. He said the Code machinery had never been invoked because of an impasse between NAB and producers during his tenure with the Alliance. He said the Alliance as a trade association does not undertake to edit, censor or control the content of film made by its members. Jencks said it was the producers' responsibility to see that a diverse quantity of programming was available, that last spring more than 200 new series projects were made available by Hollywood producers. They embraced every type of program, but the choice was made by the buyer, he pointed out. Producers have done the best they can, but they are not in a position to tell the buyer what to buy, he added.

Wolper on Public-Service Specials

Independent producer David Wolper told the hearing of his inability to sell a public service special, "The Race for Space," to the networks because—he was told—it was against network policy to buy such shows from outside packagers or producers (Vol. 16:13 p7). Wolper testified he spent $110,000 on the show for which he found a sponsor, Shulton, but the networks refused it on policy grounds.

Eventually the show was sold to 105 individual stations throughout the country, Shulton sponsoring. Of those stations, 40 were CBS-TV affiliates; 34, NBC-TV; 25, ABC-TV, and 6 independents, he said. The affiliates pre-empted network time to show the special, first TV show ever to be nominated for a movie academy award. Wolper said the networks' policy discourages independent producers who "may have something to contribute from making these programs. We need a multiplicity of ideas—not just those coming from the networks. You can't blame the producers for being forced into trivial potboilers when they aren't allowed to do things with substance," he said.

CBS-TV Richard Salant, a daily visitor at the hearings, confirmed network policy regarding outside packages of public service shows, but said it is an old one with which every producer should be familiar. He also confirmed Wolper's statement that the networks did this to discourage pressure groups from propagandizing. He produced a letter from CBS Pres. Frank Stanton to Chmn. John Pastore (D-R.I.) of the Senate Commerce Communications Subcommittee. Dated March 14, it stated the show was rejected because of CBS-TV policy, and also because its narrator, Mike Wallace, was associated with a non-CBS station in N.Y. and had appeared in commercials for Parliament cigarets which were then appearing on the network. In a field as complicated and controversial as space, said Stanton, the network felt it could be confident of fairness and objectivity only if its own experts had researched the field. Wallace, strongly identified with cigaret commercials, is scarcely the newsman to be measuring our missile gap, he said. Aside from policy reasons, the special would probably have been rejected because it was "not of the highest quality," and CBS News

had dealt with and is dealing with the same issue in a number of specials, said Stanton.

Philip Feldman, exec. vp of Broadcast Management Inc., and formerly dir. of business affairs for CBS-TV in Hollywood, testified that talent agencies sometimes receive as much as 10% of the selling price of a package even though they may have brought the network only one component in the package, such as a star personality. Asked about network financial participation in series, he said when CBS-TV financed a pilot, it would normally receive a participation of profits in return.

Alfred Scalpone, pres. of La Mesa Productions and ex-CBS-TV West Coast program vp, said ad agency men who serve as liaison with film series generally are not of producer caliber. Asked if CBS-TV as a general rule had financial participation in a network show, Scalpone replied, "We would have in a program which we developed." CBS-TV had creative control of its own shows when he was with the network, but sponsors & agencies had control in the fields of taste & policy, he said. Taste & policy, he conceded, can be a "gray area" depending on the "agency representative's intelligence."

Directors Guild of America Pres. Frank Capra testified he complained bitterly to Pres. Eric Johnston, of the Motion Picture Producers Assn., regarding the sale or lease of post-1948 movies to TV. He had asked Johnston to make certain such films were not so badly chopped and edited they would be "tortured" versions of the original. Movies on TV are cut so indiscriminately that "plots & characters are thrown out the window," said Capra. He amused the courtroom audience by saying Johnston's reply "had the impact of a falling autumn leaf." Johnston, it developed, told Capra he would be glad to "share" his letter with member companies.

Capra estimated the William Morris Agency represents most directors, 82. MCA represents 59, Frank Cooper Associates 20, Goldstone-Tobias 26, Jaffe 20, and Ashley-Steiner 18, he said. DGA does not give agent-producers a franchise or waiver as does Screen Actors Guild, but such agents are not allowed to collect commission when directors work in their films, he said.

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Roy Huggins, telefilm producer-writer instrumental in developing such Warner Bros. properties as *77 Sunset Strip* and *Maverick*, has been named production vp at 20th Century-Fox TV. The appointment was confirmed in N.Y. Oct. 21 by TCF-TV Pres. Peter Levathes, who told us that Huggins will supervise production of TCF's *Adventures in Paradise* and *Hong Kong* series, as well as development of "several new TV series on which we're now discussing network commitments." Huggins will make his hq at TCF's Hollywood lot. Levathes also confirmed that TCF and NBC have been holding discussions concerning the use of a few choice post-1948 features as network specials, but that "nothing has really developed so far from the meetings."

Eugene Rodney & Robert Young, the production partners responsible for *Father Knows Best*, are preparing a new 30-min. comedy series under contract with CBS-TV for the 1961-62 season, the network stated late last week. The pilot for the new series will be written by Roswell Rogers, chief *Father* writer. Currently that show is in a 2-year rerun cycle on CBS-TV, after which the package will move to ABC-TV for a daytime strip network rerun.

Twentieth Century-Fox TV will produce 3 pilots in the next month: *Margie*, *Silent Investigators* and *San Francisco*.

NEW YORK ROUNDUP

Guild Films has filed a petition in N.Y. Federal Court for reorganization under Chapt. XI of the Bankruptcy Law, halting—at least temporarily—some 60 pending legal actions against the firm by creditors. Guild Pres. John Cole reported assets of $3.5 million (primarily in distribution rights and unsold TV station time involving a number of telefilm packages) and liabilities of $9.8 million. A move to merge Guild Films with Vic Tanny's health-club chain, in the works for some time (Vol. 15:29 p18; 48 p13), recently failed to materialize.

AFTRA pay-TV negotiations were under way in N.Y. last week. The talent union admitted that an exclusive contract with an unnamed pay-TV operation is about to be signed, giving AFTRA "a firm stand in the field." Meanwhile, networks continued to mull over AFTRA's long list of new TV-radio contract demands (Vol. 16:42 p11). Final outcome is likely to be posted this week.

People: Earl Rettig has resigned as Cal. National Productions pres. as of Dec. 31; vp Carl Lindemann Jr. is seen as a likely successor . . . Ken Campbell has been appointed Intercontinental TV dir. of European operations. . . . Norman Katz will resign as UAA foreign operations dir. in March 1961 . . . Seven Arts Associated has expanded its sales force, naming George Mitchell Southwest div. mgr.; Lloyd Krause, Eastern div. mgr.; Robert Hoffman, Midwest div. mgr.; Norman C. Long, dir. Los Angeles sales branch; Lester S. Tobias, dir. special feature sales . . . Richard P. Brandt, Trans-Lux pres., left last week on an extended West Coast trip to line up business for new T-L syndicated properties . . . Edward K. Cooper and Stanley Moldow have been named CBS Films domestic sales service mgr. and international sales service mgr. respectively.

HOLLYWOOD ROUNDUP

IATSE is seeking 25% raise across the board and royalty payments totaling double the amount obtained by Hollywood talent guilds last spring, in initial proposals being made to TV & movie producers. In addition to the wage hike, the union seeks improved working conditions from the Alliance of TV Film Producers. Its principal demand of the Assn. of Motion Picture Producers is a lump-sum pension fund in lieu of payment for post-1948 movies sold to TV. Demands also include a proposal to eliminate "runaway" production—movies produced abroad.

AFM begins contract negotiations with the major movie studios in Los Angeles Oct. 26, the musicians having won an NLRB election over Musicians Guild of America.

More than 94% of membership of Screen Extras Guild approved a new contract with the Alliance of TV Film Producers and the Assn. of Motion Picture Producers. A total of 1,705 voted for, 104 against.

People: Phil Rapf named exec. producer of *The Tab Hunter Show* . . . Irving Asher, 20th Century-Fox TV vp, leaves the company Nov. 1, after being unable to reach agreement on a new contract with Pres. Peter Levathes . . . Producer-writer Cy Howard has signed a new 5-year contract with Desilu . . . Producer William Hawks will produce a 60-min. circus series for 20th Century-Fox TV.

Stations

More about

EQUAL-TIME COMPLAINTS WANTED: Every TV & radio station in the country was asked last week by Sen. Yarborough (D-Tex.) to report promptly to his Commerce Freedom of Communications Subcommittee if anybody complains about political equal-time discrimination on the air.

Expressing outrage at this added harassment of the industry in the face of broadcasting's "demonstrated fairness" during the election campaign, NAB quickly filed a formal protest with Yarborough (see p. 3).

In letters dated Oct. 14, but mailed out in batches to the stations last week, the "watchdog" unit chairman told them to forward any complaints—"by a candidate, political committee or individual"—to the Subcommittee's Washington office within 24 hours. The reports of complaints should be followed up quickly with reports on what the stations are doing about them, Yarborough said.

Pointing out that the 1960 election campaign was entering its "last 3 crucial weeks," Yarborough said the information sought from the stations was needed to help his Subcommittee "insure freedom, fairness and impartiality in the treatment of news by TV & radio" under the Communications Act's Sec. 315. He reminded the broadcasters that the law covers treatment of political opinion as well as news & advertising.

Yarborough didn't say so in his letters to the stations, but the Subcommittee and its 2-man investigative staff have had little to do following his failure Sept. 1 to win a special $150,000 Senate appropriation for equal-time monitoring (Vol. 16:37 p11). Since then the Subcommittee has been waiting for candidates and viewers & listeners to send in Sec. 315 beefs for the staff to investigate—and they have been few & far between.

"The flow of complaints has been very meager," the Subcommittee's minority (Republican) counsel Walter Boehm told us. "We just haven't had the influx that we expected." He said that the few complaints received so far have all come from candidates who thought they deserved better breaks on the air; none have come from the public.

The "watchdog" unit, which has no Sec. 315 policing authority, maintains close liaison with the FCC, which does. But the Commission has been little help in building up the Subcommittee's file of cases.

Copies of all communications to the FCC on equal-time issues are sent along to the Subcommittee on an FYI basis. Some of them have been anonymous. Others, alleging political unfairness, don't even specify which TV or radio station has caused offense or suspicion. "Most of them are quite indefinite & vague," we were told at the FCC. They have demanded Commission answers to such questions as "Why do you let stations do this?"—without saying just what the stations have done.

Yarborough's station-by-station dragnet may produce sharper charges of Sec. 315 abuses by TV & radio in the campaign's final period. But as of last week's end, it looked like the Subcommittee wouldn't have much to say when it submits its report & Sec. 315 recommendations after the next Congress convenes.

Note: In Seattle last week, Senate Commerce Committee Chmn. Magnuson (D-Wash.) said the temporary Sec. 315 suspension for Presidential candidates had worked out so well that he will press for permanent revision next year: "I'm going to offer a bill to make it permanent."

RADIO'S 1959 BALANCE SHEET: The 4 national radio networks & their 19 o&o stations lost a little less in 1959 than they did in 1958 while the 3,509 other AM & FM outlets were making a little more.

FCC's final report on last year's AM-FM financial data, released Oct. 17 as Public Notice 95209, showed that in the aggregate the networks & o&o's dropped $4.5 million in 1959 vs. a loss of $4.9 million in 1958 (Vol. 15:39 p8).

For the rest of the radio industry, however, the in-the-black figure was $46.9 million. Profits (before taxes) of the non-network-owned stations were up 11.9% in 1959 from 1958, when they were down 25.1% from $54.6 million reported for 1957.

As for radio revenues last year, FCC reported that over-all they rose 7.1% to $560 million. Network revenues were down 6.4% from $64.5 million in 1958. But other AM-FM revenues totaled $499.6 million—an increase of 9.3% over 1958.

Combining the 1959 financial returns for radio with those for TV, computed in Aug. (Vol. 16:36 p1), FCC figured last year's all-broadcasting profits at $264.7 million —a jump of 26.5% above 1958. All-industry revenues totaled $1.7 billion for an 11% increase over 1958.

The 16-table radio report by FCC included such detailed breakdowns as these:

(1) All told, the 1959 sale of network radio time declined 23.4% to $35.6 million from the preceding year. But station sales for national spot went up 9.4% to $188.1 million, while local advertisers bought $359.1 million worth of station time—up 11.1% from 1958.

(2) Of 3,380 AM stations reporting, 34.7% lost money in 1959 vs. an almost imperceptibly fewer 34.6% in 1958.

(3) Among 3,248 full-year operating AMs 2,174 reported they were profitable in 1959. The median profit for the 2,174 stations was $10,300 last year vs. a revised figure of $10,600 for 1958. The median loss for 1,074 AMs reporting they were in the red was $7,200 in 1959 vs. $7,500 (revised) a year earlier.

(4) Expenses for the full-year AMs averaged $144,201, profits $16,833.

(5) Of 148 FM-only stations reporting, 110 lost money last year. Over-all FM-only revenues totaled $4.3 million, expenses $5.9 million for a loss of $1.6 million. FMs operated by AM licensees reported 153-station revenues of $1.4 million.

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KFSD-TV & KFSD San Diego are reportedly due to be sold shortly—with Cowles Bcstg. Co. among those mentioned as the purchaser. Negotiations for sale to Hugh Halff family, owners of WOAI-TV San Antonio, for some $7 million, are now said to have fallen through. The San Diego stations are owned by *Newsweek* and the investment firm of Fox, Wells & Rogers. The magazine owns 45.2%, having paid $1.5 million for its share in 1957. There were reports last week, too, that KMBC-TV & KMBC Kansas City were being sold to Metropolitan Bcstg. Co. KMBC-TV exec. vp-gen. mgr. John Schilling said many unsolicited offers for the stations had been received over a long period, but no sale has been negotiated.

CP for Ch. 51, Louisville, has been granted to Kentuckiana TV Inc., following the drop-out of competitor United Electronics Lab. Bartley abstained, King dissented.

KRDO-TV Colorado Springs may also identify itself with Pueblo under a waiver of the rules granted by FCC. Comrs. Bartley & Lee dissented.

NAB Staff Marches On: Continuing the industry self-improvement lecture tour they started Oct. 13-14 in Atlanta (Vol. 16:42 p2), NAB staffer moved on to Dallas & San Francisco last week for repeat performances of fall TV-radio conference presentations.

As in Atlanta, staff diagnoses of & prescriptions for industry problems were rounded up & supplemented by NAB Policy Committee member G. Richard Shafto (WIS-TV & WIS Columbia, S.C.). He was the first-day luncheon speaker at the Oct. 18-19 Dallas conference and Oct. 20-21 San Francisco sessions.

Main guest speakers at the 2nd & 3rd of NAB's 8 regional conferences were Chmn. Will C. Grant of Grant Advertising Inc., Chicago, and U. of Cal. journalism Prof. Charles H. Hulten, who addressed closing luncheons.

In Dallas, Grant told Southwestern broadcasters at the Sheraton-Dallas Hotel that it wouldn't be long in the electronic age before U.S. advertisers would be able to reach international TV & radio audiences. He said broadcasting has been "a magic catalytic agent" for domestic industrial expansion. Grant predicted that TV & radio will produce further industrial advances when they cross international borders.

A feature of the Dallas conference was presentation of an NAB memorial plaque to Mrs. Alexander Keese, widow of the late managing dir. of WFAA-TV & WFAA Dallas. He was a 1955-1959 NAB Board member, representing District 13, and had served on many NAB committees.

In San Francisco, Hulten told West Coast station executives in the Mark Hopkins Hotel that broadcasting is fast coming into its own as a news medium. "People look to radio as the place they can get their news first when they want news," he said. He saw TV as "especially important" when it comes to "helping people get the facts they need to make up their minds on issues, candidates and the like."

Remaining NAB conferences: Denver (Denver-Hilton), Oct. 24-25; Omaha (Fontenelle), Oct. 27-28; Washington (Statler-Hilton), Nov. 14-15; Chicago (Edgewater Beach), Nov. 21-22; N.Y. (Biltmore), Nov. 28-29.

The 3-man NAB policy committee will be represented at Denver & Chicago by Merrill Lindsay (radio WSOY Decatur, Ill.). His luncheon-address theme: Recent actions by Congress & FCC "go in the direction of emancipating broadcasters" from extra-rigid controls, but TV & radio must make sure they understand their community-service responsibilities. Committee Chmn. Clair R. McCollough (Steinman Stations) will be at Washington & N.Y. meetings.

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AMST reaffirmed its basic principles in a Washington board meeting last week, resolving that: (1) All 12 vhf channels be retained & used for wide-area service. (2) Attempts be made to get more vhf. (3) Uhf be encouraged, side-by-side with vhf. (4) It's premature for FCC to cut vhf spacings before developing long-range plans. (5) If vhf spacings are to be cut nonetheless, they should be done in a single proceeding embracing all short-spaced proposals—limited to "exceptional circumstances" where it's necessary to relieve "serious shortages" in "larger markets"—and without impairment of existing service. The board also decided to participate in FAA's tall-tower rule-making proceeding (see p. 5).

Sale of WHTN-TV Huntington-Charleston, W. Va. to Reeves Bcstg. & Development Corp. by Cowles Bcstg. Co. has been confirmed. Reported price: $2 million.

World's tallest tower is now in use by KFVS-TV (Ch. 12) Cape Girardeau, Mo., following FCC authorization.

Strike against KXTV Sacramento enters its 4th week Oct. 24, with negotiations completely broken down and no end in sight. Owner Corinthian Bcstg. Co. is operating the station with management & crews from other Corinthian stations, along with crews from KOLO-TV Reno, which picks up CBS-TV feeds from KXTV. Striking are NABET (32 members) & AFTRA (10 members). They walked out after failing to agree with the station on terms for a new contract. Corinthian contends the strike is illegal, since it inherited the labor contracts when it purchased the station (formerly KBET) last year. NABET has filed unfair labor practice charges with NLRB. Richard P. Hogue resigned as vp & station mgr. as a result of "differences of opinion," apparently over terms offered to the unions. KXTV secy. Robert Salk is temporarily serving as station mgr. Sporadic violence was reported last week, including the explosion of a homemade bomb in a station official's car. No one was injured.

Daytime radios sell for over $500,000: KGMS Sacramento, Cal. has been sold by A. C. Morici & Associates for $650,000 to a group headed by A. J. Krisik, Ted Wolf and Judd Sturtevant. Buyers own radios KFIV Modesto, Cal.; KAGO Klamath Falls, Ore., and KFAX San Francisco. And KIMN Denver, Colo. has been sold by Cecil L. Heftel for $607,000 to John Hunter, Bobby Donner Jr., Kenneth Palmer and associates. Broker for sales was Edwin Tornberg & Co.

FTC consent orders have been signed by these record firms in a new batch of payola-case settlements: Starday Recording & Publishing Co. Inc. and Starday International Sales Co. Inc., Madison, Tenn. Hit-Record Distributing Co., Cincinnati. S & S Distributing Co., Detroit. Peacock Record Co. Inc., Houston. ARC Distributing Co., Detroit. Mayfair Distributors Inc., N.Y. Cadet Distributing Co. Inc., Detroit.

RCA shipped a superturnstile antenna Oct. 11 and a 25-kw transmitter Oct. 14 to KELP-TV (Ch. 13) El Paso, Tex., which plans a power boost from its new site; a traveling wave antenna Oct. 12 to KROC-TV (Ch. 10) Rochester, Minn., also planning move to new site & power boost; a pylon antenna Oct. 17 to KBAK-TV (Ch. 29) Bakersfield, Cal., also due to move site & boost power.

Radio station sale: WEW St. Louis, by Bruce Barrington for approximately $600,000 to Franklin Bcstg. Co. (WWOM New Orleans, KOME Tulsa, WMIN Minneapolis-St. Paul, WLOD Pompano Beach, Fla.), which is headed by Wm. F. Johns Jr. Broker was Hamilton-Landis.

A million dollars' worth of Marconi Mark IV 4½-in. image-orthicon cameras has been exported from Britain in the year since the camera was introduced, Marconi announced last week. The British manufacturer reported that 70 were sold in the U.S., most of them through Ampex Corp., and "well over 200" more in other overseas countries.

Outstanding film & tape commercials will be screened by KTTV Los Angeles at the first American TV Commercials Festival & Forum Oct. 25-26 for agency executives and clients. Commercials were selected from 1,359 entries by 50 top admen in N.Y. last May.

Facility changes: KTVW (Ch. 13) Tacoma, Wash. received program test authorization Oct. 17 for boost to 214 kw • KVIQ-TV (Ch. 6) Eureka, Cal. has begun construction at new site, plants boost to 100 kw about Dec. 15.

New remote-pickup band, 161.625-161.775 mc, for exclusive use of broadcasters, is being proposed by the FCC in lieu of the originally proposed 161.645-161.825 mc.

Programming

The Last Debate: The TV-radio industry's biggest 1960 public-affairs success—the 4-program *Great Debate* series—finished its pre-election run Oct. 21, plans for an extra debate having been scrapped due to lack of agreement among the candidates' representatives. From now on, the TV-radio exposure burden will be carried mainly by free guest shots and political shows (a Nixon appearance on *Person to Person*; ABC's *Campaign Roundup*, CBS's *Presidential Countdown*, NBC's *The Campaign & The Candidate*, etc.).

There had been talk of a 2-hour debate, but a committee of representatives of the candidates & networks decided, late last week, that "in the time involved, an acceptable program . . . could not be developed."

The door was still open, however, for a 5th debate. Kennedy wired Nixon on Oct. 21 urging such a TV meeting and adding that more than 5 debates would be helpful if the record were to be "corrected properly." At a briefing session in N.Y. Oct. 21 for reporters covering the TV debate later that day, Kennedy's press secy., Pierre Salinger, stated that the Democrats would particularly like a 5th debate "to defend ourselves against the TV saturation campaign planned by the Republican Party in the 2 weeks prior to the election." We asked Nixon's press aide, Herb Klein, just how extensive this "saturation" would be. Replied he: "We expect to have some increase in our TV, but I wouldn't call it 'saturation.'"

Paid political network telecasts, already on the lean side (Vol. 16:39 p8), continued to get leaner for the networks. The 60-min. segment reserved by the Democrats on CBS-TV for Election eve last week was trimmed to a 30-min., 11:30-midnight show, and there was talk around the networks that some of the 5-min. time periods held by both parties might be abandoned.

Great Debate film clips were being used in paid political programs. Nixon's campaign director, Robert Finch, complained that a 5-min. Kennedy commercial seen on TV Oct. 20 included spliced film from the first TV debate which made it appear that Nixon was agreeing with Kennedy statements. "Vicious political trickery of the most contemptible sort," said Finch.

The debates also left a financial problem in their wake. Not yet resolved is the question of payment for the extra network lines involved in ABC's origination of the Oct. 13 (3rd in series) debate show. ABC, N.Y. sources told us, wants CBS and NBC to help split the above-normal line charges resulting from the N.Y.-and-Los Angeles origination of the program. Since no formal inter-network deal was ever worked out, the situation, as one ABC official admitted, is "delicate," particularly since ABC also assumed the origination of the Oct. 21 telecast.

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To insure continuation of face-to-face TV debates in future campaigns, Radio-TV News Directors Assn. Pres. William Small (of WHAS-TV Louisville) called on Nixon & Kennedy for a future guarantee. Both candidates were asked whether they would be willing to participate in TV debates in 1964 or to have others do so, if neither is up for re-election. "I feel it is important now that the next President indicate his feelings on a similar series in 1964. If the candidates don't go on record prior to Nov. 8, the ultimate winner may well yield to the pressure of advisers and decline to debate in the future," Small stated.

Hogan's Quiz Kids: Last fall's quiz scandal bounced back into headlines last week when N.Y. DA Frank S. Hogan lowered the boom on nearly 2 dozen quiz-show winners. Hogan's action was taken on the basis of perjury informations handed up by a N.Y. grand jury (Vol. 16:41 p4). The group surrendering to Hogan included such big-money ex-contestants as Charles Van Doren ($129,000), Elfrida Von Nardroff ($220,500) and Hank Bloomgarden ($98,500). Charged by the grand jury with 2 counts of 2nd-degree perjury in denying they had received questions & answers in advance on *Twenty-One* and *Tic Tac Dough*, members of the group were arraigned before Chief Special Sessions Justice John M. Murtagh. All face a maximum penalty of a year in jail and a $500 fine.

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Large-scale religious public-service project "whose object & scope is without precedent in American broadcasting" will be launched by WFIL-TV & WFIL Philadelphia Thanksgiving Day and continue through Brotherhood Week in February. Under the name, "One Nation Under God," the project will feature weekly special programs from churches & synagogues in prime time; "sermonettes" throughout the broadcast day by prominent clergymen and laymen, including J. Edgar Hoover, Henry Luce, Walt Disney, Rod Serling; spot announcements emphasizing importance of religion today.

American Federation of Musicians cracked down last week in N.Y. on alleged "tracking abuses." Specifically, AFM filed charges against conductor Henry (Hank) Levine and 10 musicians for recording an all-music soundtrack to which a vocal was to be added later. "This practice," said AFM, "is in violation of Federation law and labor contracts with recording companies. Subsequent dubbing of the vocal to produce a completed recording is an unartistic short-cut to further reduce the work hours of musicians, and we are alerting our officers and members in every recording jurisdiction to report such abuses."

First casualty of 1960-61 season will be MCA's 60-min. filmed *Riverboat* series, currently occupying the Mon. 7:30-8:30 p.m. slot on NBC-TV with DuPont, Gold Seal, and Block Drug as sponsors. The series, known backstage at the network as "*Wagon Train* with boats," will be replaced Jan. 23 by a 60-min. Civil War-era telefilm show, *The Canfield Brothers*. This is the NBC-produced series originally titled *The Blue & the Gray*, developed by producer Frank Telford.

Three-point program to cure "TV's ills," as proposed by N.Y. Herald-Tribune Syndicate columnist John Crosby in Nov. *Ladies' Home Journal*, is patterned after Britain's TV system. (1) Commercial sponsorship, *per se*, should be banned, substituting magazine-concept advertising in which advertisers have no authority or control over programming. (2) The FCC should establish a Program Advisory Board to hold networks "genuinely accountable" for their program balance. (3) A non-commercial "National Network" should be established and operated with public funds to provide cultural programming.

Minority political parties will get a helping TV hand from CBS which has scheduled an Oct. 30 report on the subject titled "Other Hats in the Ring." To be produced for the public affairs dept. of CBS News by Bill Kobin, the show will trace 3rd-party activity in America from the "Know-Nothings" of the 19th century through the Dixiecrat movement of 1948. Special guest for the show: Norman Thomas, veteran Socialist Party Presidential candidate.

Networks

Electronic Election: All 3 networks are planning to make extensive use of electronic computers in their election-night coverage. In a sense, the telecasts will act as showcases for the latest computer technology. The lineup:

NBC & RCA: For the first time, NBC will use parent RCA's new 501 data processing system as the "brain" of its election reporting. Studio 8-H will be the network's "Election Central" but special audio-video links will also operate to RCA's N.Y. Electronics Service Center at 45 Wall St. where commentator Richard Harkness will be in charge of what NBC calls "Operation Ballot."

ABC & Remington-Rand: ABC will use the newest Univac equipment in remote pickups from Remington-Rand's N.Y. data processing center, with newsman Don Goddard reporting. The main ABC election commentary will originate in the network's big TV-1 studio on West 66th. St., Manhattan.

CBS & IBM: International Business Machines Corp. and CBS will be partnered on election night, with CBS drawing predictions & analysis from a new 7090 computer located in IBM's midtown Manhattan data center. Walter Cronkite will act as "anchor man," with Edward R. Murrow, European correspondents Eric Sevareid and David Schoenbrun, and CBS News Washington correspondent Howard K. Smith spearheading the news team.

Network Television Billings

August 1960 and January-August 1960

For July report, see TELEVISION DIGEST, Vol. 16:38 p8

Aug. Billings Up 9.1%: Network TV's August gross time billings totaled $50.9 million—9.1% ahead of the $46.6 million billed in Aug. 1959. TvB's latest tabulation shows, however, that normally-upbeat August ran markedly behind July 1960's $55.8-million business. August billings increased the year-to-date total to $442.9 million, compared with $402.8 million for Jan.-Aug. 1959. However, the slowed August performance reduced the cumulative percentage gain to 10% from 10.1% the preceding month.

CBS, as usual, led the networks in dollar volume, both in August ($21.4 million) and year-to-date ($183.2 million). NBC cut the gap, however, with a 4.4% August gain (vs. CBS's 1.5%) to $18 million. ABC was the leader in percentage gains: 38.5% for Aug. over Aug. 1959, 29.3% for Jan.-Aug. over 1959's first 8 months.

NETWORK TELEVISION

	Aug. 1960	Aug. 1959	% Change	Jan.-Aug. 1960	Jan.-Aug. 1959	% Change
ABC	$11,366,100	$ 8,205,520	+38.5	$100,846,330	$ 78,019,506	+29.3
CBS	21,448,482	21,137,261	+ 1.5	183,229,196	174,154,590	+ 5.2
NBC	18,067,503	17,298,527	+ 4.4	158,865,358	150,662,789	+ 5.4
Total	$50,882,085	$46,641,308	+ 9.1	$442,940,884	$402,836,885	+10.0

1960 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	$13,260,010	$23,477,358	$20,980,897	$57,718,265
February	12,677,110	22,977,171	19,923,712	55,577,993
March	13,487,460	24,043,799	21,072,164	58,603,423
April	12,701,240	22,580,032	20,642,038	55,923,310
May	12,876,050	23,209,917	19,414,264	55,500,231
June	11,948,700	22,049,440	18,959,323	52,957,463
July	12,529,660	23,442,997	19,805,457	55,778,114
August	11,366,100	21,448,482	18,067,503	50,882,085

Note: Figures revised as of Sept. 29, 1960. These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on basis of one-time rates or before frequency or cash discounts.

Canada's TV Networks: The Board of Broadcast Governors last week issued final regulations for the operation of privately-owned TV networks in Canada and posted a Nov. 14 deadline for license applications. Public hearings on the applications will be held Nov. 29.

The network regulations are virtually unchanged from those proposed & discussed at BBG's public hearings in September (Vol. 16:38 p8), and define a network as an affiliation of stations for film, tape or interconnected programming. The general regulations limit a station's affiliation to one network, ban a network from using a single program source, and specify a minimum "reserve time" of 8 hours weekly (but suggest 10 hours to start).

BBG emphasized its authority to grant new TV station licenses conditional with affiliation with the CBC network, but noted that station affiliation with a private network would be voluntary. In cases of disputes between network & affiliates, the BBG, under a new ruling, is authorized to adjudicate.

During the September hearings, it was argued that contractual agreements involving reserve time might be misinterpreted as operating a network. In such cases, BBG says, it will require the station operator at a public hearing "to show cause why he should not either file an affiliation agreement or modify his operations."

NETWORK SALES ACTIVITY

ABC-TV

The Spirit of the Alamo, Nov. 14, 9:30-10:30 p.m., one-time special, full sponsorship.
Pontiac (MacManus, John & Adams)

American Bandstand, Mon.-Fri. 4:30-5:30 p.m., part. Nov.
Lehn & Fink (Ted Bates)
Toni (North)

Roaring 20s, Sat. 7:30-8:30 p.m., part. eff. Oct.
Colgate-Palmolive (Ted Bates)

Bugs Bunny, Tue. 7:30-8 p.m., part. eff. Oct.
Mattel (Carson-Roberts)

Naked City, Wed. 10-11 p.m., part. eff. Dec.
Procter & Gamble (Benton & Bowles)

Adventures in Paradise, Mon. 9:30-10:30 p.m., part. eff. Dec.
Procter & Gamble (Benton & Bowles)

The Islanders, Sun. 9:30-10:30 p.m., part. eff. this month.
Procter & Gamble (Benton & Bowles)

Walt Disney Presents, Sun. 6:30-7:30 p.m., part. eff. Dec.
Procter & Gamble (Benton & Bowles)

Paul Winchell Show, Sun. 4-4:30 p.m., co-sponsorship Dec.
Hartz Mountain Products (H. Hartman)

Daytime programming, Mon.-Fri., part. eff. Oct. & Nov.
Bristol-Myers (Gilbert & Benton)
J. B. Williams (Parkson)
Dow Chemical (Norman Craig & Kummel)
National Biscuit (Ted Bates)

CBS-TV

Red Skelton Timex special, Wed. Nov. 30, 8:30-9:30 p.m. one-time special, full sponsorship.
Timex (W. B. Doner)

NBC-TV

Something Special, Sun. Dec. 4, 10-11 p.m., one-time special, with American Child Guidance Foundation.
New England Mutual Life Ins. (BBDO)
Quaker Oats (J. Walter Thompson)
Gerber's Baby Foods (D'Arcy)
Sterling Drug (Dancer-Fitzgerald-Sample)

Advertising

'Brand X' Is For Real: Madison Ave.'s favorite Patsy—the fictitious "Brand X" with which everything from beer to toothpaste has long been invidiously compared—is no longer a backstage advertising joke. In fact, you'd better check with your legal dept. if you're planning "Brand X" comparison commercials. Like the ugly duckling who made good, "Brand X" now has a positive identity. In fact, it has several.

A new Brand X cigaret will go on the market this month with the slogan: "For the man who is satisfied with nothing less than second best." The inventors of the brand & its theme—Wexton Co. Inc. exec. vp Martin Solow, Monroe Greenthal Co. Inc. vp & creative dir. Dave Diener and Wexton copy chief Ed Handman—believe in 2nd place "because first place is too crowded." Budget permitting, the cigaret will begin TV advertising in the immediate future. Planned commercials will build the "2nd place" theme by enclosing pictures of U.S. Vice Presidents in every pack. ("Our cigaret is for the man who as a boy dreamed of becoming a Vice President," said Solow.)

Another Brand X, this one a window cleaner, is already on the market, launched a few weeks ago by Gleema Co. of Cincinnati. "Brand X was chosen as the name," said Gleema Pres. Harry Chafvin Jr., "because it has already had a lot of free publicity." Chafvin's TV plans have not been announced. An Ohio liquor dealer has been using "Brand X" labels on his private-brand whiskey & gin for some time, reports it selling extremely well because "customers have seen it advertised on TV."

At least one other Brand X product, popcorn, is expected to appear on the market in the near future.

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Ad People: Harold Miller elected vp & associate media dir., Grey Advertising, succeeding Eugene A. Accas, now network relations vp . . . Randolph T. McKelvey promoted from vp to senior vp, Young & Rubicam . . . Lee Currlin promoted from vp & associate media dir. to vp-media dept. mgr., Benton & Bowles; Rudy Maffei promoted from asst. to associate media dir. . . . Robert H. Ellis and James J. Jordan Jr. named BBDO vps . . . Milton H. Raymond named senior vp & chmn. of new administrative plans board, Grant Advertising; David Fenwick appointed senior vp & creative supervisor . . . William C. Munro, ex-Foote, Cone & Belding, named D'Arcy mktg. dir. . . . Wilfred S. King elected exec. vp, J. M. Mathes.

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Renault's TV-radio billings, now more than $2 million annually, have been shifted from Kudner to Needham, Louis & Brorby, Chicago ad agency which already has Renault's $2-million-plus print billings. Renault, like most import car lines, has been hard-hit by the 1959-60 sales success of Detroit's compact cars and has planned for some time to consolidate its ad billings with a single agency. N.Y. agency sources last week speculated to us that, if anything, the move suggested budget cutbacks for Renault's broadcast (but not print) spending. In France, Renault has recently put nearly 20% of its auto labor force on layoff as a result of a decline in export sales, principally to the U.S.

General Motors has agreed in an FTC stipulation to eliminate advertised claims that its 1960 Corvair will deliver 33 miles per gallon of gasoline. It also agreed to discontinue boasts that the car averaged 27.03 miles on a gallon of regular gasoline on the "Mobilgas economy run."

Television Digest

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Personals: C. Howard Lane, longtime exec. vp of KOIN-TV Portland, Ore., named pres. of Mount Hood Radio & TV Bcstg. (KOIN-TV & KOIN) to succeed late Ted R. Gamble . . . Alan W. Livingston named a Capitol Records vp, returning to the company after being Cal. National Productions pres. and NBC-TV West Coast programming vp . . . Earl J. Kolb named FTC hearing examiner dir., replacing Everett F. Haycraft, who is retiring after 43 years service . . . Dr. William E. Glenn, GE Labs research physicist who invented thermoplastic recording, wins Ga. Tech's George W. McCarty Award for "outstanding young alumnus of 1960" . . . Lewis P. Johnson is mgr., NBC Radio Spot Sales Eastern office . . . James S. Bacharach named Trendex mkt. services vp . . . Andrew J. McCaffrey named PR dir., WPIX N.Y.

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Martin Block is retiring on Oct. 29, after 30 years as a disc jockey. During the years since he first started spinning records and chatting with musical personalities, his *Make Believe Ballroom* became one of radio's fixtures. Said Block of his retirement: "Some of the young fellows in the business will do well. As for the payola scandal, only good can come from it. It's as if the people making records were suddenly struck with the realization that they can only succeed with quality. The songs are better, the performances are better since the scandal."

Federal Communications Bar Assn. luncheon at Washington's Willard Hotel Oct. 25 will feature a discussion of Communications Act amendments by FCC Chmn. Ford.

Meetings next week: EIA-IRE Radio Fall Meeting (Oct. 31-Nov. 2), Syracuse Hotel • Ohio Assn. of Bcstrs. fall convention (Nov. 3-4), Columbus Athletic Club • AWRT Pennsylvania conference (4), Harrisburg, Pa. • Mo. Bcstrs. Assn. (5-6), Lennox Hotel, St. Louis.

Obituary

Andrew B. Turnbull, 75, president of the Green Bay Newspaper Co. (radio WJPG Green Bay, Wis.) and the Post Publishing Co., Appleton, Wis., died Oct. 17 of a heart attack in Allouez, Wis. Turnbull was the first president of the Green Bay Packers. He is survived by 2 daughters.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

NEXT NEW TUBE SIZE—SQUARE 16-in.? Tube sizes have stopped going up again—and, once more, there's no place to go but down. At request of several set makers (understood to include Admiral & Philco), Corning will begin sampling 16-in. square-cornered 114-degree tube bulbs in December.

Following historical pattern of tube sizes—steady increases up to a plateau, then a return to smaller sizes—industry again shows interest in "something smaller." Still, it's doubtful whether this interest will be universal or strong enough to make possible production of 16-in. tubes at low enough price to warrant production. Upward trend in sizes leveled off at 23-in., and glass & tube makers have shelved plans for 26-in. rectangular tube because of insufficient industry interest (Vol. 16:31 p17).

New 16-in. tube would be designed for low-end portables and battery portables. At least initially, it would be available in non-bonded version only.

Is there any market for 16-in. tube for conventional-type portables? There may be, according to survey made by Corning and relayed to tube makers, indicating rather surprising potential popularity. In 2 separate tests, groups of consumers were shown 2 portable sets—one with 19-in. and the other with prototype of 16-in. square-cornered tube. In one case 60% said they favored 19-in., 36% favored 16-in. (4% having no preference); in the other test 59% liked the 19-in., 38% the 16-in.

Importance of portability was established by affixing signs to the sets giving respective weight. For the first test group, the 19-in. was labeled "39 lb.," the 16-in. "25 lb." Then the voting changed—51% preferring the 19-in. and 46% choosing the 16-in. With the 19-in. still labeled "39 lb." and the 16-in. labeled "31 lb.," the 2nd group favored the 19-in. more strongly—69%, vs. 28% for the 16-in.

Tests also seemed to show that price is secondary factor to other important features. With the 19-in. set tagged at $219 (and 39 lb.) and the 16-in. at $189 (and 25 lb.), result was almost even—49% choosing the 19-in. and 48% the 16-in. For the other test group, the 19-in. price tag was kept at $219 (and weight at 39 lb.), but 16-in. price was reduced to $169 and weight raised to 31 lb. Vote then was overwhelmingly for 19-in. set —68% to 31%—despite $50 price differential.

Cost obviously will be important determinant in whether industry buys 16-in. tube. And this is the big rub: It's understood that Corning has told manufacturers price of 16-in. bulb would be higher than the 23-in. if it were produced in quantities similar to the old 14-in. tube, that at even double those quantities, it still would be priced somewhat higher than 19-in. bulb. So it's obvious that unless there's an all-out industry slide toward the 16-in., there's not too much possibility of its being produced at all.

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Price increase in 19-in. tubes now seems certain during first quarter of next year, based on rise understood to be in the works by Kimble Glass Co. and presumably due to be followed by Corning. They'll result in hike of $1 or more in price of finished tubes, which, translated to retail, could mean boost of $4-5 in prices of 19-in. sets. If, as some manufacturers predict, there'll be general TV price increase early next year (Vol. 16:42 p17), this rise would be incorporated in any new price levels.

Actually, 19-in. tube is something of a bargain today. Non-bonded version (114 degrees) now sells to set makers at $16—even less than former price of 110-degree 17-in. ($16.25) when that was standard tube for portables. The 23-in. non-bonded tube (114 degree) now costs $21.25, exactly same price as 21-in. 110-degree, while the 110-degree 23-in. bonded tube costs $24.75.

New 19-in. tube is coming out in next 30 days—with 92-degree deflection angle, making possible lower-cost (but deeper) sets because of lower voltage requirements. It is companion to 92-degree 23-in. tube, already on market (which replaced 90-degree 23-in. tube.)

Note: RCA is due to introduce improved version of its 21-in. color tube in December. Best information indicates it will still be same round shadow-mask tube but with new phosphors giving brighter and better color & b&w renditions. RCA tube officials decline comment on this development except to state that "we are always working on new designs in every area of color performance, including tubes," but that "the present shadow-mask tube is the best that has been discovered."

TV-RADIO PRODUCTION: EIA statistics for the week ended Oct. 14 (41st week of 1960):

	Oct. 7-14	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	124,587	131,583	185,390	4,624,836	4,856,483
Total radio	433,493	426,968	447,496	13,263,868	11,805,476
auto radio	156,510	169,171	133,639	5,107,517	4,422,144

AUGUST PHONO SALES HIGH: Retail unit sales of phonos in August were 13% ahead of Aug. 1959—unlike TV sales, which showed a 13% decline (Vol. 16:41 p14)—according to latest EIA figures. The rise from a year ago was not quite so sharp, however, as July's 15% increase. Cumulative retail sales for 8 months were 16% ahead of last year in units, but probably up more sharply in terms of dollar volume because of the higher proportion of stereo to monophonic units (better than 3-to-1 so far this year as opposed to nearly 50-50 in last year's first 8 months).

Factory sales continued to run well ahead of last year in August. For the 8 months, factory sales slightly exceeded retail sales this year, while last year they were a shade lower than retail sales. EIA data for 8 months:

PHONO FACTORY SALES

	1960			1959		
Month	Mono	Stereo	Total	Mono	Stereo	Total
January	118,400	341,329	459,729	184,147	177,336	361,483
February	92,649	324,666	417,315	164,873	188,750	353,623
March	63,264	242,523	305,787	119,075	168,117	287,192
April	30,962	142,409	173,371	47,153	125,111	172,264
May	36,793	146,176	182,962	33,356	89,827	123,183
June	69,293	198,407	267,700	44,976	152,900	197,876
July	70,992	222,559	293,551	44,591	158,668	203,259
August	109,321	307,517	410,838	65,179	277,545	342,724
TOTAL	591,674	1,925,586	2,517,260	703,350	1,338,254	2,041,604

PHONO RETAIL SALES

	1960			1959		
Month	Mono	Stereo	Total	Mono	Stereo	Total
January	150,688	368,964	449,923	231,429	159,214	390,643
February	102,063	347,860	448,128	171,127	156,477	327,604
March	61,249	249,497	310,746	139,577	140,075	279,652
April	41,503	152,141	193,644	94,226	118,197	212,423
May	39,734	141,080	180,814	70,228	82,765	152,993
June	44,925	165,339	210,264	66,979	100,982	167,961
July	58,787	180,949	239,736	82,742	124,979	207,721
August	79,364	257,581	336,945	98,132	198,926	297,058
TOTAL	578,313	1,863,411	2,441,724	954,440	1,081,615	2,046,055

* * *

Factory sales of transistors climbed in August to 9,732,993 units at more than $22.7 million—topping slow July by more than 2.6 million units at $4.6 million. The August sales & dollar volume also were ahead of the year-ago levels by about the same margins. The EIA's monthly figures on factory sales of transistors:

	1960		1959	
	Units	Dollars	Units	Dollars
January	9,606,630	$24,714,580	5,195,317	$13,243,224
February	9,527,662	24,831,570	5,393,377	14,550,056
March	12,021,506	28,700,129	6,310,286	18,117,560
April	9,891,236	23,198,576	5,906,736	16,864,049
May	9,046,237	24,714,580	6,358,097	19,007,293
June	10,392,412	27,341,733	6,934,213	18,031,593
July	7,070,884	18,083,802	6,030,265	15,618,315
August	9,732,993	22,739,969	7,129,696	18,054,138
TOTAL	77,289,560	$193,756,732	49,257,987	$133,486,228

Radio Fall Meeting Agenda: "Electronics in the Consumer Products Market" will be the topic of Edward R. Taylor, Motorola consumer products div. exec. vp, principal speaker at the annual EIA-IRE Radio Fall Meeting Oct. 31-Nov. 2 at the Syracuse Hotel, Syracuse, N.Y. Highlights of technical papers:

Effect on Color TV of Dr. Edwin Land's Color Experiments, C. J. Hirsch, RCA, chmn., EIA Broadcast TV System Committee. Reliability & Quality Control session, J. R. Steen presiding, with participants J. A. Davies & C. D. McCool, GE; E. P. Laffie, CBS Electronics; J. R. Isken, International Resistance; H. C. Bartels & C. B. Tague, Lansdale div., Philco. Tube session, H. R. Terhune presiding: High-Efficiency Power Rectifier Tube, Frank R. Snyder & C. D. McCool, GE; Multi-Unit Tubes for Auto Receivers, N. C. Johnson & B. Lankford, RCA; 10-Pin Miniature Tubes, W. J. Sember & L. R. Maguire, Sylvania.

Semiconductor session, R. M. Cohen, presiding: AGC Characteristics of vhf Germanium Mesa Transistors, Roger L. Weber & R. C. Grimes, Texas Instruments; Variation of Transistor HF Noise Figure & Gain with Life, C. D. Simmons & C. R. Gray, Lansdale; AM-FM Receiver Utilizing Autodyne Converter, H. Thanos & L. Plus, RCA; Transistorized Horizontal Deflection, Douglas W. Taylor, Motorola.

Radio & TV sessions, I. J. Kaar & W. P. Boothroyd, presiding: Nuvistor Triode in UHF Tuners, C. Gonzalez, RCA; Phase-Splitter Video Amplifier for Transistor TV, Z. Wiencek, Warwick; Power Sources for Low-Heater-Power Tubes in Transistorized Receivers, B. Soltoff & C. Tyson, Philco; Benefits of a New TV Aspect Ratio, W. D. Schuster, Sylvania, & C. E. Torsch, Rola Co.; Enhancement of Band-Limited TV Images, J. E. Hefele, Bell Labs; A TV Stereo System, R. B. Dome, GE; Compatible AM Stereocasting, J. Avins, RCA; Transistorized AM-FM Receiver Using MADT Transistors, T. C. Lawson & J. Heinchon, Philco; New Concept in Citizens Band Systems, H. L. Richardson, Sylvania.

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Gross National Product dropped 0.5% in 3rd quarter 1960, President Eisenhower's Council of Economic Advisors estimated last week. The estimate substantiated other indicators that consumers spent less, although their incomes were up. Consumer spending, according to the estimate, was down particularly in non-durables (food, clothing, etc.), probably traceable to lower food prices. The new figures indicated that this decline in consumer non-durable spending wasn't compensated by a rise in spending for durables—but that the money went into savings instead. Personal savings increased by an annual rate of nearly $4 billion in the 3rd quarter, equal to 8.1% of personal income after taxes.

TRAV-LER'S PRIVATE BRANDS: One of the "smaller" TV-radio-phono manufacturers—20-year-old TV pioneer Trav-Ler Radio Corp.—has revealed that half of its business now is in private brands, up from only 1.4% just 5 years ago.

In a prospectus for its 15-year, 6½% sinking-fund debentures due 1975 (Vol. 16:40 p19), offered by Lee Higginson Corp. and associates, Trav-Ler gives these facts about its growing private-label business:

From 1.4% of net sales in 1955, private-brand business grew to 4% in the period from Jan. 1 to April 30, 1956, to 4.2% in fiscal 1957 (ended April 30), 23.6% in fiscal 1958, 40.3% in fiscal 1959 and 49.5% in fiscal 1960. Trav-Ler says it manufactures private-brand products for Western Auto Supply, CBS Electronics & CBS International, Decca, Coast-to-Coast Stores, Gamble-Skogmo, the May Co., R. H. Macy. Products made for each are unspecified. "The 3 largest of such purchasers," says the prospectus, "accounted for approximately 18%, 11% & 7%, respectively, of the company's total net sales in fiscal year ended April 30, '60."

Other highlights of Trav-Ler's business as reported in the prospectus:

Net sales & profits for 3 months ended July 31 were down from the same 1959 period (as reported in Vol. 16:41 p20)—$4,784,250 & $104,718 in 1960 vs. $5,191,954 & $185,418 in 1959. These declines, says the prospectus, "reflect a condition which the company believes to be general in the industry for customers to take deliveries less rapidly this year than last year. In addition, the product mix for the first quarter of the current fiscal year contains a relatively larger proportion of lower-profit items. The company estimates that since July 31, 1960, the decline in gross sales & net income has continued as a result of the factors mentioned above."

Increased importance of phonos in Trav-Ler's operations this year is shown in the breakdown of product mix in terms of net dollar sales. For the 3-month period ended July 31, 1960 (compared with similar period ended July 31, 1959 in parentheses), these sales figures are given for product categories:

TV receivers $1,400,571 ($2,066,634), radios $333,918 ($589,339), phonos $1,011,585 ($233,115), hi-fi phonos $1,097,532 ($1,571,870), radio-phono & TV-radio-phono combinations $242,406 ($299,645), tape recorders $413,667 ($173,445), miscellaneous $284,571 ($257,906). Breakdown of sales in the same categories for fiscal year ended April 30, 1960: TV $9,697,323, radios $1,557,025, phonos $1,545,272, hi fi $5,283,019, combinations $1,079,605, recorders $1,505,292, miscellaneous $779,936.

The company produces & finishes 95% of all wooden, and 100% of all fabricoid-covered TV, radio & phono cabinets in its production, produces 75% of its own dies. Its products are marketed through some 30 independent distributors & 20 sales reps. Fiscal 1960 salaries to top executives listed in prospectus: Pres.-treas. Joe Friedman, $75,000; exec. vp-secy. Ellis Friedman, $64,360. Joe Friedman owns 30.69% of the company's common stock directly and benefically, while Mrs. Jeanette Friedman owns 10.98%, the other 6 officers & directors as a group holding 45.34%.

Consolidated balance sheet lists total assets of $8,284,360, total current assets of $7,256,317. Current liabilities total $4,212,309.

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Sylvania is producing a new line of 3-in. to 27-in. industrial & military cathode ray tubes with bonded faceplates.

SARNOFF LAUDS JAPAN: RCA Chmn. David Sarnoff last week applauded Nippon's electronics achievements and approved U.S.-Japanese competition as mutually beneficial "because of the stimulus it gives our own efforts & because of the economic strength it provides to us both."

In Tokyo, addressing the Japanese Federation of Economic Organizations, Sarnoff declared: "The field of electronics is broad enough to offer unlimited opportunities to anyone who can contribute to its advance. It is my conviction that the wisest policy of electronic research is one based not upon concealing knowledge, but upon the widest & swiftest dissemination of knowledge, so that all may benefit. This has long been the policy of my company. We like to be first when we can, but we are not distressed when others are first.

"In electronics today," he continued, "we need a further international expansion of research facilities, an even broader exchange of scientific knowledge, and further strengthening of arrangements for the utilization of new developments."

In an obvious reference to American industry's agitation over Japan's intensified product invasion, Sarnoff noted: "In the few days that I have been here [Vol. 16:42 p21], I have been honored by meeting many of Japan's great industrial & political leaders. I have full confidence in their ability to shape a course of moderation & wisdom in their export trade with the U.S. Reasonable standards of competition will enable both of us to reap the rewards of the vast advances in the electronics arts."

Sarnoff praised the Japanese electronics industry for its rapid advance which, he said, has increased production 7-fold in the past 5 years, to a level of more than $1 billion a year.

"Japan's progress in electronics," he continued, "is best symbolized by the growth of TV. Almost alone, I am told, TV initiated the upsurge in Japanese consumer sales. One out of every 5 TV sets installed throughout the world last year was in Japan."

The RCA chairman noted that Japan's gross national product has almost tripled over the past decade, and that "Japan has emerged as one of the world's foremost industrial powers." Looking ahead, he forecast: "Electronics & other scientific endeavors are uniquely suited to your genius & skills, and they can provide the means for bringing Japan to new heights of progress, prosperity and prestige. With your talents already so vigorously engaged in these enterprises, I have every confidence that you will achieve these goals."

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Japan is appropriating "additional funds to help the Overseas Communications Cooperation Assn. build 10-kw TV broadcasting stations on Ceylon & Taiwan," reports Oct. 14 *Electronics*. "The Ministry of International Trade & Industry appropriated $140,000. OCCA member firms will contribute another $140,000. Tokyo observers see this as an obvious attempt to help get rid of the monthly TV production of some 300,000 sets which is threatening to flood the domestic Japanese market. MITI action came faster than usual in an attempt to make an end run around RCA, now reportedly offering easy terms to the Chinese Nationalist govt. to set up a TV bestg. company on Taiwan."

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Channel-Master introduces an 8-transistor Japanese-made table or personal radio at $59.95.

On Labor's Front: The IUE made peace with Westinghouse last week but continued at odds with GE. A tentative agreement on a new 3-year contract was reached Oct. 20 by the union & Westinghouse 32 hours before a threatened strike by 39,500 (of Westinghouse's 116,000) employes at 38 plants. The terms were ratified by IUE's board Oct. 21.

The new agreement provides 2 salary boosts of 2-to-10¢ each, effective Oct. 17, 1960 & April 16, 1962; higher monthly pensions; increased holidays & vacations, other benefits. The contract excludes a cost-of-living escalator clause, contained in the previous 5-year contract, and, according to Westinghouse, will cost the company much less than under IUE's original demands and no more than the contract proposed by Westinghouse Sept. 6.

IUE's strike at GE was in its 21st day as we went to press, but there were signs, strengthened by the Westinghouse settlement, that the end might be in sight. At GE's big Schenectady plant, 8,700 IUE members accepted a company "truce" proposal and went back to work—evidence that strike fatigue was setting in.

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Shipments of semiconductor devices for the first quarter of 1960 totaled $136.6 million, the Commerce Department's Business & Defense Services Administration reported last week in an official correction of its recent table of first-quarter component sales. To correct the table carried in our Oct. 10 issue (Vol. 16:41 p16), these changes should be made: Semiconductor devices, total quantity 73,430,000 units, of which 22,499,000 went to military and 50,931,000 to non-military customers. In dollar value, the shipments were worth $136.6 million—$66.4 million military, $70.2 million non-military.

Westinghouse's "Curio Gallery" of hand-made decorator TV bases—designed as a promotion and shown for the first time at last July's Music Show (Vol. 16:29 p14)—is going into actual production. Four of the 7 Curio bases shown then are being introduced in production versions in distributor showings in 13 cities which began last week. All of the Curio models accommodate 19-in. Trendsetter TV sets. Also being shown by Westinghouse are 2 new 23-in. consoles and a new 19-in. portable.

Motorola has named 17 distributor salesmen & a regional manager winners of a contest which will send them on a "people-to-people" tour of Europe. The winners & their wives will sightsee England, Spain, Portugal and Tangiers, visit electronics factories, meet with foreign distributors & salesmen. Prior to departure, the Motorola "Ambassadors" will meet with State Department officials & UN representatives of the countries they will visit.

Sign of the radio times: Ads for Japanese radios outnumber those for U.S. brands by 8 pages to 5 in *Home Furnishings Daily's* Christmas Merchandising section Oct. 17. Japanese brands advertising: Toshiba (4 pages), Hitachi (2), Sony, Matsushita. U.S. brands advertised (radio only): Admiral (2 pages), Zenith (2), Sylvania.

Westclox enters radio market with a 6-transistor clock radio, incorporating a key-wound clock, at $44.95 ($49.95 with leather case, earphone & battery). Starting in Ohio & Pittsburgh markets, the General Time Corp. division plans to extend into national distribution next year. The firm did not state whether its radios are U.S.-made or imported.

New radio tuner has been patented by Emerson Radio's technical products div.—the Rotary-Axial Tuner—according to exec. vp Dorman D. Israel, who says it is completely linear, relatively inexpensive and "inherently miniaturized."

Trade Personals: Clarence H. Hopper, former CBS vp-facilities and onetime Arma mfg. vp, appointed president, CBS Electronics (phonos, tubes, semiconductors), succeeding Arthur L. Chapman, who joins CBS N.Y. hq staff, continuing as a CBS Inc. vp . . . **James M. Toney**, RCA Sales Corp. vp in charge of product planning & development, reassigned to staff of Chmn.-Pres. W. Walter Watts, in charge of special projects; **C. Richard Johnston**, who joined RCA corporate staff last year as mgr. of mktg. research after research posts at Ford and Chrysler, named mgr., product planning & development, RCA Sales Corp.; **J. M. (Jack) Williams** promoted to ad & sales promotion vp, RCA Sales Corp.

George Voigt named to new post of govt. relations dir., Zenith Radio Corp. military products . . . **Z. W. Pique** resigns as corporate mktg. vp, Hoffman Electronics; **Lawrence Mendelsohn** resigns as mfg. vp, military products div. . . . **E. O. Welker** appointed to the new post of RCA Victor Record div. magnetic tape products mktg. mgr.; **J. Y. Burgess Jr.** promoted from record div. commercial sales mgr. to commercial sales vp . . . **A. B. Pollock** named TV instrument & cabinet mfg. operations mgr., RCA Victor Home Instruments, Bloomington, Ind., assuming also responsibility for production, Monticello (Ind.) plant; **J. A. Scarlett** appointed mgr., radio-"Victrola" instruments & components mgr., operations (Indianapolis & Cambridge plants).

Philip Dechert, Philco gen. counsel, named chmn., EIA law committee . . . **Sheldon Newberger** promoted from systems engineering mgr. to operations div. dir., Adler Electronics . . . **Carl H. Heydeman** named to new post of international sales dir., TelePrompTer . . . **George Alexandrovich** named chief engineer, Fairchild Recording Equipment Corp. . . . **Dr. Myron S. Heidingsfield**, ex-RCA consumer products div. mkt. research mgr., named Villanova U. School of Commerce associate dean . . . **Arthur T. Stephan**, ex-FXR, named Crosby-Teletronics controller.

Jack Frietsch named product mgr. for all electronic product lines of Philco's consumer products div.; formerly mgr. of radio & hi-fi product development, he adds responsibility for TV, taking over duties of **Jack Siegrist**, resigned. Frietsch will be assisted by **William Balderston Jr.**, mgr. for TV line development, and **Thomas Fisher**, for home radio & phono . . . **Edward J. Whalen**, former dir. of contract administration for ITT Labs & Communications Systems, elected ITT secy. . . . **L. H. Orpin**, ex-RCA, rejoins Stromberg-Carlson as gen. mgr., Stromberg-Carlson-San Diego . . . **Ozzie Jaeger** named military relations mgr., Westinghouse semiconductor dept.

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Obituary

George P. Aldridge, 62, former sales vp of RCA's now-defunct Radiomarine Corp. of America, died of a heart attack Oct. 17 at his home in Haddonfield, N.J. Starting his 32-year career with RCA as a shipboard radio operator, he became vp of Radiomarine in 1951. After the division was disbanded in 1956, he was assigned to a marketing post in RCA's defense electronic-products div., Moorestown, N.J. He is survived by his wife, 2 sons and a grandson.

Charles K. Woodbridge, 79, chairman of the Dictaphone Corp., died Oct. 16 in the London Clinic, London, England. While he was mgr. of the Dictaphone div. of the old Columbia Graphaphone Co. in 1922, he helped organize Dictaphone as a separate firm and became its first president. He previously had been president of Electric Refrigeration Corp. and a vp of Remington Rand.

New plants & expansions: Sylvania is constructing at Emporium, Pa. a 42,000-sq.-ft. R&D building for electron tubes. Slated for mid-1961 occupancy, it's the first of a group of R&D buildings to be erected on the site by 1963. • **Zenith** will break ground next month at Paris, Ill. for a 100,000-sq.-ft. radio & components production plant. Pending completion of the plant next June, Zenith is occupying rented space in Paris. • **RCA** has opened an electronic data processing center in Chicago's Morton Salt Bldg. Its facilities will be available to local industries & businesses on a round-the-clock basis. The Chicago center is RCA's 4th in an eventual coast-to-coast chain. • **Adler Electronics** will open a 55,000-sq.-ft. production plant at Pelham, N.Y. Nov. 1. It will furnish a major part of Adler manufacturing, doubling present production capacity.

Radio which is worn in the ear has been introduced by Micro-Ceiver Inc., 24 Van Brunt St., Englewood, N.J. The entire 4-transistor set, including batteries, weighs less than an ounce and is smaller than a book of matches. It will retail for $19.95, including batteries.

Finance

RCA PROFITS LAG: Another sales-up-profits-down financial report was filed by an electronics giant last week. RCA reported that net income during 1960's first 3 quarters dropped 12% from a year ago—despite an 8% sales rise to a record $1,061 million (see financial table). The same profit-lag pattern was evident in the September quarter. Sales rose to $354 million from $344.5 million in July-Sept. 1959, but profits fell to $6 million from $7.9 million. The profit drain: a heavy investment in computers.

Explained RCA Chmn. David Sarnoff & Pres. John L. Burns: "During the first 9 months of 1960, RCA has intensified its sales & manufacturing program in electronic data processing. The extent of our successful advance in this highly competitive field is indicated by the fact that orders for data-processing systems, in recent months, have exceeded our most optimistic forecasts. A substantial investment has therefore been required to meet the demands of American business, industry and govt. for these systems.

"Were it not for this investment in what we consider one of the most promising electronic growth areas, RCA's profits for the first 9 months of 1960 would have been at a near-record level because of the outstanding performance of various other major operating units of the corporation" —a performance which for the first time pushed RCA sales above the billion-dollar mark for the 9-month period.

* * *

Westinghouse 3rd-quarter returns followed the same pattern: sales up, profit down. Compared with a year ago, Westinghouse sales in the September quarter increased 2% to $503 million—but earnings dropped 8% to $20 million (see financial table).

The 3rd-quarter performance sharply whittled the results of the first half (Vol. 16:29 p19), which closed with a profit gain of 18% on a 4% sales rise. For 1960's first 9 months, cumulative earnings totaled $60.7 million—only 8% higher than Jan.-Sept. 1959's $56-million profit. Year-to-date sales slipped from 4% to 3% ahead of a year ago.

Pres. Mark W. Cresap Jr. said the profit drop in the September quarter is "accounted for by reduced sales volume & prices of consumer products and by a general easing of prices for other products."

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Oct. 20, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	22	24⅝
Aerovox	7½	8⅝
Allied Radio	22¼	24⅛
Astron Corp.	2	2⅜
Baird Atomic	23¼	25¼
British Industries	15¼	16¾
CGS Labs	9	10½
Cetron	6	6⅞
Control Data Corp.	42½	45⅝
Cook Elec.	14⅝	15¾
Craig Systems	14¾	16¼
Dictaphone	31½	35⅛
Digitronics	20¼	22¼
Eastern Ind.	11⅝	12¾
Eitel-McCullough	20	21¾
Elco Corp.	16¾	18⅜
Electro Instruments	23½	26¼
Electro Voice	10	11¼
Electronic Associates	26½	28⅞
Erie Resistor	8¾	9⅝
Executone	27	30⅜
Farrington Mfg.	30½	33
Fischer & Porter	15¾	17½
FXR	41½	45⅛
General Devices	11½	12¾
G-L Electronics	7½	8⅝
Granco Products	3⅝	4¼
Haydu	⅛	5/16
Hewlett-Packard	21¾	23⅝
High Voltage Eng.	142	152
Infrared Industries	17¾	19⅜
International Rectifier	21¼	23
Interstate Engineering	21⅝	23⅛
Itek	50	54½
Jerrold	7¼	8⅛
Lab for Electronics	36⅜	39⅝
Lel Inc.	5	5¾
LFE Inc.	11½	—
Magna Theater	2¾	3-5/16
Magnetics Inc.	9¼	10¾
Maxson (W.L.)	7⅞	8¾
Meredith Pub.	44	47¾
Metropolitan Bcstg.	17¾	19⅛
Milgo Electronics	16	17⅞
Narda Microwave	5	5¾
Nuclear of Chicago	32¼	34⅞
Official Films	2	2¼
Pacific Automation	5⅜	6⅜
Pacific Mercury	7	7⅝
Perkin-Elmer	39¼	42
Philips Lamp	162¾	168½
Pyramid Electric	2¾	3-3/16
Radiation Inc.	21	23
Howard W. Sams	37	40¼
Sanders Associates	25½	27¾
Silicon Transistor	5⅝	6½
Soroban Engineering	28	30⅝
Soundscriber	12	13⅝
Speer Carbon	20	21¾
Sprague Electric	46	49¼
Sterling TV	1⅜	1⅞
Taft Bcstg.	12½	13⅞
Taylor Instrument	35	38¼
Technology Inst.	9	10
Tele-Broadcasters	¾	1-3/16
Telechrome	11¼	12⅝
Telecomputing	6⅝	7⅝
Telemeter	10¾	11⅞
Time Inc.	59½	63
Tracerlab	8¾	10
United Artists	6¾	7½
United Control	22	24½
Universal Trans.	1⅛	1⅝
Vitro	11¼	12¼
Vocaline	2⅝	3-1/16
Wells-Gardner	15⅜	16⅝
Wometco Ent.	12	13⅛

Reports & comments available: Standard Kollsman Industries, report, W. E. Hutton & Co., 14 wall St., N.Y. 5 • Electronics Research Associates, report, Shearson, Hammil & Co., 14 Wall St., N.Y. 5 • Lionel Corp., prospectus, Granbery, Marache & Co., 67 Wall St., N.Y. 5.

GT&E expects its 1960 profit to increase to approximately $74 million from $72,253,000 in 1959. Addressing the Kansas City Society of Financial Analysts, Chmn. Donald C. Power said revenues this year would rise about 6.5% to around $1.15 billion—including some $440 million Sylvania sales.

Metropolitan Bcstg. Corp. expects its earnings to increase to $1.25 a share this year, up from 91¢ in 1959. Chmn.-Pres. John W. Kluge believes 1960 sales will total $50 million. First 9 months' volume topped $30 million.

Columbia Pictures is offering employes 68,352 shares of common at $20 per share. The offer closes Nov. 4.

Collins Radio common stock trading on Boston & Philadelphia-Baltimore exchanges on an unlisted basis has been approved by SEC.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Cetron Electronic	Stk.	25%	Nov. 15	Nov. 1
Electronic Investment	—	$0.03	Nov. 30	Nov. 1
Oak Mfg.	Q	.25	Dec. 15	Dec. 1
Taft Bcstg.	Q	.10	Dec. 14	Nov. 15
Thompson Ramo Woold.	Q	.35	Dec. 15	Nov. 30
Wometco "A"	Q	.17½	Dec. 15	Dec. 1
Wometco "B"	Q	.06½	Dec. 15	Dec. 1

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Amphenol-Borg Electronics	1960—9 mo. to Sep. 30	$ 45,682,420	$ 4,799,017	$ 2,307,017	$1.96	1,179,599
	1959—9 mo. to Sep. 30	41,750,024	4,238,389	2,075,389	1.77	1,171,794
	1960—qtr. to Sep. 30	14,278,615	1,463,760	708,760	.60	1,179,599
	1959—qtr. to Sep. 30	13,697,012	1,307,101	711,101	.60	1,171,794
Burroughs	1960—9 mo. to Sep. 30	287,320,000	—	6,198,000	.93	—
	1959—9 mo. to Sep. 30	256,203,000	—	5,312,000	.80	—
	1960—qtr. to Sep. 30	85,819,000	—	1,154,000	.17	—
	1959—qtr. to Sep. 30	88,404,000	—	2,104,000	.32	—
Daystrom	1960—6 mo. to Sep. 30	44,576,000	1,610,000	873,000	.70[10]	1,254,349
	1959—6 mo. to Sep. 30	41,350,000	1,625,000	802,000	.64[10]	914,013
	1960—qtr. to Sep. 30	22,119,000	—	528,000	.43[10]	1,254,349
	1959—qtr. to Sep. 30..	20,111,000	—	440,000	.35[10]	914,013
Fairchild Camera & Instrument	1960—9 mo. to Sep. 30[1]	49,468,000	—	2,918,000	2.39[3]	1,219,206
	1959—9 mo. to Sep. 30[2]	30,386,000	—	1,375,000	1.13[3]	991,438
	1960—qtr. to Sep. 30[1]	19,183,000	—	1,236,000[6]	1.01[3]	1,219,206
	1959—qtr. to Sep. 30[2]	11,645,000	—	580,000	.48[3]	991,438
Minneapolis-Honeywell	1960—9 mo. to Sep. 30	312,806,497	39,899,826	18,358,826	2.62	7,006,403
	1959—9 mo. to Sep. 30	273,802,961	46,310,657	20,780,657	2.97	6,994,853
	1960—qtr. to Sep. 30	107,066,497	13,945,560	6,374,560	.91	7,006,403
	1959—qtr. to Sep. 30	98,151,670	19,010,961	8,494,961	1.21	6,994,853
Raytheon	1960—9 mo. to Sep. 30	402,830,000	—	6,139,000[5]	1.58[4]	3,725,411
	1959—9 mo. to Sep. 30	345,764,000	—	7,674,000	2.16[4]	3,513,237
	1960—qtr. to Sep. 30	125,266,000	—	1,952,000[5]	.50[4]	3,725,411
	1959—qtr. to Sep. 30	110,601,000	—	2,562,000	.71[4]	3,513,237
RCA Story on p. 19.	1960—9 mo. to Sep. 30	1,061,000,000[8]	46,800,000	24,100,000	1.46	14,882,000[7]
	1959—9 mo. to Sep. 30	978,200,000	54,300,000	27,300,000	1.80	13,873,000[7]
	1960—qtr. to Sep. 30	354,000,000	11,400,000	6,000,000	.32	14,882,000[7]
	1959—qtr. to Sep. 30	344,500,000	15,500,000	7,900,000	.51	13,873,000[7]
Storer Bcstg.	1960—9 mo. to Sep. 30	—	—	3,554,011	1.44	2,474,750
	1959—9 mo. to Sep. 30	—	—	3,580,268[8]	1.45	2,474,750
	1960—qtr. to Sep. 30	—	—	733,072	.30	2,474,750
	1959—qtr. to Sep. 30	—	—	865,719	.35	2,474,750
Taft Bcstg.	1960—6 mo. to Sep. 30	5,350,221	—	622,488	.42	—
	1959—6 mo. to Sep. 30	4,725,704	—	643,380	.43	—
	1960—qtr. to Sep. 30	2,475,346	—	192,716	.13	—
	1959—qtr. to Sep. 30	2,226,940	—	281,290	.19	—
Westinghouse Story on p. 19.	1960—9 mo. to Sep. 30	1,457,233,000	115,780,000	60,680,000	1.71[4]	34,791,367
	1959—9 mo. to Sep. 30	1,408,393,000	110,825,000	56,225,000	1.59[4]	34,631,462[9]
	1960—qtr. to Sep. 30	503,289,000	41,826,000	20,226,000	.57[4]	34,791,367
	1959—qtr. to Sep. 30	494,189,000	44,875,000	22,075,000	.63[4]	34,631,462[9]

Notes: [1] Includes operations of Allen B. Du Mont Labs from July 5, 1960. [2] Adjusted to include operations of Fairchild Semiconductor Corp. [3] Based on 1,219,206 shares outstanding Sep. 30, 1960. [4] After preferred dividends. [5] Excludes special profit of $5,040,000 ($1.35 a share) from European production of Raytheon-developed Hawk missile. [6] Record. [7] Average. [8] Includes $581,853 profit from sale of radio WAGA Atlanta. [9] Adjusted for Feb. 1960 2-for-1 split. [10] Based on 1,254,349 shares outstanding Sep. 30, 1960.

Selkirk Holdings Ltd., Edmonton, Canada concern which acquired the TV-radio interests of Taylor, Pearson and Carson (Canada) Ltd. in August 1959, reports a net profit of $142,820 for its first fiscal year ended June 30. Selkirk's TV-radio holdings: 100% of Lethbridge Bcstg., which operates radio CJOC Lethbridge and owns 50% of Lethbridge TV, operator of CJLH-TV; 40% of Edmonton Bcstg. (radio CJCA Edmonton); 40% of Calgary Bcstg. (radio CFAC Calgary); 38% of Northern Bcstg. (radio CFGP Grande Prairie); 13.33% of Calgary TV (CHCT-TV Calgary); 27.6% of Wentworth Radio Bcstg., which operates radio CKOC Hamilton and owns 25% of Niagara TV, operator of CHCH-TV Hamilton; 49% of Edmonton Video, unsuccessful applicant for TV in Edmonton. Selkirk Pres. H. E. Pearson reports the company is carrying on negotiations to expand holdings in broadcasting and other fields.

MPO Videotronics is now listed for trading on the American Stock Exchange. Symbol: MPO.A.

Itek, parent of Hermes Electronics, scored record sales & earnings in its 1960 fiscal year ended Sept. 30. Pres. Richard S. Leghorn estimated a net of more than $900,000 (about 85¢ a share on 1,104,000 shares) on sales of close to $35 million. This compares with fiscal-1959's profit of 57¢ a share (838,205 shares) on sales of $25 million. For fiscal 1961, Leghorn forecasts sales of $45-to-50 million and another 50% increase in per-share earnings. Itek's business last year was 60% commercial, 40% military. The company is aiming to reduce the military portion to less than one-third of total volume.

Electronic & Missile Facilities Inc., 2 Lafayette St., N.Y., has filed a registration statement with SEC (File 2-17089), proposing to offer 260,000 common shares publicly through underwriters headed by Hardy & Co.—price & terms to be specified later. There are 260,000 shares outstanding, owned 50% each by Pres. Arnold H. Kagan & exec. vp Nathan Cohen.

WEEKLY **Television Digest**

OCT 31 1960

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Auxiliary Services

PAY-TV HOPES & FEARS explored in week-long hearing, with FCC go-ahead still in the works (pp. 1 & 4).

AFTRA's NEW PAY-TV SCALES, worked out with Telemeter, call for 150% of commercial network scales plus 5% slice of producer's gross for actors, plus free TV & overseas payments (p. 2).

Stations

NAB FAILS TO CALL OFF "WATCHDOG" demands by Sen. Yarborough (D-Tex.) that all stations report all equal-time beefs to his Sec. 315 investigating unit p. (3).

MAGNUSON SOOTHES BROADCASTERS with assurances that Congress wants to make things simpler—not tougher (p. 10).

Film & Tape

MCA CHALLENGES FCC TV-QUIZ RULES: Court test of Commission rules is planned as result of Hollywood hearings. Plug specialists also refuse to talk. (pp. 3 & 7).

FILM PLUGOLA BANS ANALYZED for Hollywood TV producers by lawyers in opinion on Harris-Pastore Act (p. 8).

POST-1948 PRICING MAY BE HIGH, but distributors of new-movie packages report that station buyers in a number of markets are picking them up (p. 9).

THE 3 PRICES OF FILM: Hollywood TV film-makers, have a wide choice of budgets, depending on amount of quality wanted (p. 9).

Advertising

SCIENCE FICTION ON TV is deplored by FTC's Kintner, who warns agencies that commercials citing "independent tests" must be based on fact, not fancy (p. 5).

TV & RADIO LEAD IN AUGUST with largest percentages of gain over August 1959, among major media (p. 7).

Consumer Electronics

FM STEREO DELAYS possible, as FCC receives NSRC field-test data. No system shows up superior in all respects. Report casts doubt on stereo-mono "compatibility" (pp. 15 & 18).

TV-RADIO EXPORTS & IMPORTS both down in July from June. More than 12,000 TV sets & chassis exported in July, 380,661 transistor radios imported (p. 17).

JAPANESE PRODUCTION STAYS UP, reaching $565 million in first 1960 half—40% higher than in first 6 months last year, but leveling off from first quarter (p. 17).

LABOR NEWS: GE & IUE agree on new 3-year pact, ending 3-week strike. Westinghouse signs new contract with UE (p. 18).

FCC

FORD REVIEWS THAT NEW LAW, cautioning Washington communications lawyers that full impact of Harris-Pastore Act isn't felt yet, and many problems lie ahead (p. 12).

AGENCY "INFORMALITY" URGED by Judge Prettyman, who heads White House study of agency problems. Some regulatory procedures are "too technical," he says (p. 12).

Programming

FIRST NIELSENS OF NEW PROGRAM SEASON reveal that few newcomers have made it into top average-audience ranks, and most were helped by being adjacent to popular veterans (p. 13).

BBC's BEACHHEAD IN U.S. PROGRAM MARKET has been scored with 15-program series of Shakespeare dramas bought by Metropolitan Bcstg. Corp. and ETV stations. More on the way (p. 13).

Other Departments

TECHNOLOGY (p. 12). **NETWORKS** (p. 14). **PERSONALS** (p. 14) **FINANCE** (p. 19).

PAY-TV HOPES & FEARS: Scarcely anyone doubted—either before or after last week's hearing—that FCC would give RKO General's Hartford Phonevision Co. a go-ahead to test pay TV on its WHCT Hartford. However, theater owners' counsel Marcus Cohn managed to achieve certain degree of success in dousing project with enough cold water of skepticism to guarantee a slower takeoff than might otherwise have been possible.

It will take 6 months or so to clear legal "due process" underbrush so that RKO & Zenith may actually move. But attorneys say that it would have taken 1-to-2 years if case had been handled conventionally by an examiner instead of FCC en banc.

Hearing was primarily a duel of Cohn vs. RKO General Pres. Thomas O'Neil & his counsel E. Theodore Pierson. O'Neil's basic position, frequently successfully maintained, was that the whole business is an experiment and that he didn't & couldn't have the answers Cohn sought. Thus, "I don't know" was the response ending many questions. (For highlights of testimony, see p. 4).

Nonetheless, Cohn managed to expose some gaps in O'Neil's knowledge of project. For example, O'Neil didn't know what Zenith's program-procurement arm, Teco, was doing to get shows for him—or even what "Teco" means (TV Entertainment Co.).

Cohn hit a headline natural when he pointed out that many top boxoffice movies today rely heavily on sexual themes—illicit, licit, homo-, hetero-, amazing, etc.—and he listed such doozies as "Suddenly Last Summer," "From the Terrace," "The Apartment," "Summer Place." O'Neil didn't know much about them but gave assurances that "dirty 4-letter words" and "pornography" wouldn't be telecast.

Cohn also made much of fact that system wouldn't offer color or wide screen, that some pictures have "controversial" themes, that there's problem of refunds for decoder & set breakdowns, that some subscribers might "bootleg" signals or charge for viewing, that subscribers would be distracted by ringing phones & doorbells, that test may violate Paramount anti-trust decree, etc.

If we read Commission's attitude right, it's this: "Mebbe so—but let's find out."

If it were solely up to FCC, we'd predict that test would be well underway by end of 1961. But Congress is the explosive imponderable. Rep. Celler (D-N.Y.), chmn. of Judiciary Committee and long-time toll-TV foe, reminded everyone of that by writing to FCC Chmn. Ford last week, urging him to pass buck to Congress. He said many Congressmen oppose tests which offer "gravest danger" of causing "total destruction of free TV."

You'll recall that Rep. Harris (D-Ark.), chmn. of Commerce Committee, once snatched ball from Commission and last year virtually dictated terms of tests—which at that time were considered so stringent that it was doubted anyone would apply (Vol. 15:13 p1). (Matter of fact, over-all tone of presentations by O'Neil and his associates last week was one of restraint, scarcely the zing of real zealots.)

Harris has indicated he's resigned to a test—but there are a lot of committees in Congress, and a lot more anti-pay-TV constituents with influence than there are powerful pro-pay-TV forces. FCC, regardless of its composition & leadership, always accords Congress considerable deference—frequently delaying decisions pending Congressional hearings. Furthermore, who has the ear of next President?

• • • •

Ford vowed hearing wouldn't run beyond a week, held a night session Oct. 27 to guarantee it. He became irked at long arguments among counsel, impatient at times with "irrelevant" questions by Cohn & Commission's own counsel Louis Stephens.

Audience numbered 70-80 at start, dropped to 30-40 hard-core observers and dozen reporters.

Commissioners asked relatively few questions, leaving impression on many that they believed hearing was necessary only for legal reasons and to "make a record" for their own protection.

Theater owners never did offer witness of their own. Prospective witness Arthur L. Mayer (Vol. 16:43 p3) listened to proceedings for a while, finally told us he couldn't hang around indifinitely, left. Incidentally, he said he doesn't go along with Hollywood's sex binge, wouldn't want his granddaughter to see much of its "product." "Others go along with me," he said. "Willie Wyler, who made 'Ben-Hur,' told me he wouldn't want his grandchildren to see the picture."

AFTRA'S NEW PAY-TV SCALES: Precedent-setting pay-TV contract covering performance by AFTRA talent in taped or live pay-TV specials has been drafted by the union and International Telemeter.

Contract represents significant AFTRA victory for TV talent. Under new deal, actors will not only be paid for their work but are in for "a piece of the action" at the pay-TV box office.

Details of AFTRA-Telemeter contract: Talent will be paid 150% of minimum applicable network commercial (not sustaining) rate, with that extra 50% credited toward pay-TV reruns. Also 5% of producer's gross will go to AFTRA pool for performers for an unlimited number of years.

There's even a free-TV angle to the deal. If a Telemeter pay-TV tape production finds its way into free TV subsequently as a special, actors will be paid 100% of regular network scale. And AFTRA's current international rates will cover any foreign free-TV telecasts.

New scale will apply to several projects in the works at Telemeter. Among them: A tape of the N.Y. City Center production of Gilbert & Sullivan's "The Mikado" and "several" Broadway musicals. Telemeter has already taped, in N.Y., a production of Gian-Carlo Menotti's opera, "The Consul," under a provisional AFTRA-Telemeter agreement (Vol. 16:20 p4) which will now be replaced by the new contract. (For report on AFTRA-network negotiations, see p. 14.)

NAB FAILS TO CALL OFF 'WATCHDOG': NAB got almost nowhere last week with its outraged protests against the demands by Sen. Yarborough (D-Tex.) that all TV & radio stations submit any & all political-discrimination complaints to his equal-time investigators (Vol. 16:43 p3).

Only one small concession was won by NAB Policy Committee Chmn. Clair R. McCollough in dispute with Senate's Sec. 315 "watchdog" unit over extra-added election-year harassment of broadcasters: Stations were advised they needn't keep logs of telephoned beefs if they weren't already doing so.

Otherwise "all oral & written complaints" must be filed within 24 hours if they touch on candidates' requests for equal time or on "requests for availability of time for political spokesmen & parties," McCollough said after marching up to Capitol Hill & down again Oct. 24.

Immediate parley with Yarborough himself on "clarification" of demands on stations had been sought by McCollough. But Yarborough stayed in Texas, making campaign speeches. Accompanied by squad of available NAB staffers, McCollough met instead in Yarborough's Washington offices with majority counsel Creekmore Fath of Commerce Freedom of Communications Subcommittee.

Failure of NAB mission was reported in advisory messages to members who had been saddled with unexpected end-of-campaign paper work. "We assured Mr. Fath that the industry was most anxious to cooperate, and that he would find little, if any, evidence of industry discrimination," McCollough said.

Fact that FCC already had required equal-time reports from all licensees was pointed out to Fath at conference in Suite 460 of Old Senate Office Bldg. But "watchdog" unit's chief investigator was unimpressed by argument that Chmn. Yarborough's demands on stations constituted uncalled-for duplication. McCollough reported: "While some of this information comes within the scope of the FCC questionnaire issued last August, Mr. Fath said that he was interested in receiving this information now so that any irregularities can be corrected before Election Day."

Stations responded with alacrity to word that Yarborough's "watchdog" force hadn't retreated. Up until then, there had been little business for Fath & his tiny staff. They were soon given overtime loads of it. By last week's end—barely 2 weeks ahead of election week—they were snowed under by reports of equal-time complaints (trivial or not) from TV & radio managements.

"I've got a stack here 5 feet high," Fath told us. "The response is tremendous." He hadn't had time yet to go through all of his suddenly piled-up mail—or to decide on which reports might be worth pursuing in last-minute attempts to bring misbehaving stations in line with Sec. 315. But Fath insisted he already had seen enough to indicate that "there are some major complaints about fairness and some major complaints about availability."

More than 100 reports from stations came in Oct. 28 alone, Fath said, adding: "They range all over, and some of them present a variety of situations which nobody had anticipated." Among those baffling Fath: Case of TV sportscaster who didn't give political counsel along with scores of football games, but did wear huge campaign button to help viewers decide how to vote for President. Case of station which editorialized on campaign issues and dutifully offered series of 50 one-min. spots to local political committee for opposing views—but under conditions so rigid that locals couldn't get help from state party leaders in preparing spots.

Fath said he was working closely with FCC on "major" complaints. As for others, he was busy sending out telegrams and putting in telephone calls to stations. And he was able to report at end of week that 2 complaints had been settled easily. "Everyone seems to be anxious to clean it up," he said.

MCA TO CHALLENGE FCC IN COURT: Music Corporation of America, facing court action by FCC following the refusal of Taft Schreiber to testify at the Commission's TV-film hearing, plans to make its own court challenge of the Commission's position. A long-drawn-out court fight is in prospect.

In Washington last week counsel for the MCA vp (and Revue Studios pres.) filed a protest with FCC against conduct by examiner James D. Cunningham in the heated exchange which preceded Schreiber's walkout from the Hollywood hearing a week earlier (Vol. 16:43 p2).

Asking for a review of the circumstances of the hearing hassle, the FCC petition argued that Schreiber & MCA attorney Allen Susman acted within their rights under the 1946 Administrative Procedure Act, and that Cunningham should be told what the law means.

Moreover, petition said, FCC has no jurisdiction over TV production & agency companies, and Cunningham had no authority to demand "trade secrets" involved in series which MCA represents as packager & sales agent. The petition repeated, however, that MCA will supply information asked by Cunningham on a "confidential" basis.

In Hollywood, Susman outlined the agency's position to us in this manner: "MCA has at no time refused to furnish information to which the FCC is entitled. MCA has requested only that confidential information should be maintained in confidence by the FCC and that MCA not be deprived of the right granted to it under the federal Administrative Procedure Act to be represented & advised by counsel. In my considered judgment, MCA's position is correct."

FCC representatives found their 2-weeks-plus hearing in Hollywood productive, particularly with regard to the subject of network involvement in TV film shows. Highlights of the testimony were the disclosures of deep financial penetration by the networks into show participation, operations of the giant William Morris & MCA talent agencies, and the lack of control by station licensees over the content of filmed shows. This week's hearing featured non-talkative Hollywood plug merchants (see p. 7).

Auxiliary Services

More about

PAY-TV PLANS & PORTENTS: "Flexibility" & "experiment" were the key words in RKO General Pres. Thomas O'Neil's testimony during last week's hearing on his Hartford Phonevision Co.'s plans for a test of pay TV through WHCT (Ch. 18) Hartford. But "deception" & "uncertainty" were the labels his theater-exhibitor opponents—represented by Washington lawyer Marcus Cohn—sought to pin on him (see p. 1).

Here are the highlights of O'Neil's presentation, including newly-elicited material & recapitulating data presented in his original application to the FCC (Vol. 16:26 p2):

¶ Test would be for 3 years, Hartford only.

¶ Maximum of 50,000 decoder-equipped homes is contemplated, out of 600,000 TV homes in the service area.

¶ Loss of at least $1 million is expected in the test.

¶ Subscribers would be charged maximum of $10 for decoder installation.

¶ Price per program would be 25¢ to $3.50, with movies running 75¢ to $1.50.

¶ If each home buys $2.50 worth of programs weekly, the system will be successful.

¶ Station would carry 40 hours of pay programs weekly, plus 30 hours of conventional free fare.

¶ Most pay programs would be feature films of "box-office" caliber.

¶ No shows now on TV would be used.

¶ Station wouldn't bid for anything that regular TV would want & could afford. The reason is "selfish": "We don't want to alienate the people of Hartford by depriving them of what they could get free."

¶ Movies would run 7-to-11 nightly and be shown twice a night, subscriber getting both for a single payment. There would be 3 changes weekly.

¶ Other pay fare would include legitimate plays, opera, ballet, sports not available on free TV, symphony, 6 hours of educational programs weekly.

¶ The only free programs WHCT would eliminate, of the type not available on other area stations, are *Harness Racing, Piano Pops & Open End.*

¶ If WHCT doesn't make a success of pay TV, it will cease operating rather than continue losses. The station was bought for pay TV only.

¶ Decoders won't handle color.

¶ Zenith says it can install 1,000 decoders weekly.

¶ Subscribers may or may not be charged up to 75¢ weekly for maintenance of the decoder. If they are so charged, decoders will be left in homes even if subscribers buy no programs.

¶ Both RKO and Zenith-affiliated Teco will seek program fare, and there is reasonable assurance that first-run movies will be available, based on RKO's discussions with major producers. Teco will supply movies to other TV organizations, such as closed-circuit operators. Teco doesn't plan program production but may decide to enter the field.

¶ Decoders will be installed anywhere the signal is strong enough. No discrimination in subscriber selection will be practiced.

¶ Decoders are being supplied by Zenith on the basis of a "direct cost" plus 12½% for "indirect costs."

¶ RKO believes that no aid & comfort would be given to its opponents if it made public the number of subscribers it obtained, revenues per program & the number of programs bought by customers each week. It wouldn't want to disclose its losses, terms with program suppliers and a breakdown between its pay-TV & its regular operations—at least initially.

¶ No special-for-TV movie fare is contemplated.

¶ Movies "probably would not be cut" for pay TV, but no "4-letter words" or "pornography" would be presented. In legitimate plays, producers would eliminate such material or the plays wouldn't be accepted. "We would observe our obligations as a licensee."

¶ "A certain amount of product" would be offered for minority groups, including opera & symphony.

¶ "First nighter" legitimate premieres would be offered live, if possible, otherwise taped or filmed.

¶ "We're not interested in TV spectaculars, such as 'The Debbie Reynolds Show.'"

¶ There are no plans for basketball, golf, tennis or horse racing.

¶ If "controversial" movies or plays are presented, "I'd have to consult my counsel" before deciding whether material with a conflicting view must be offered.

¶ "We wouldn't even want to look at" any movies not cleared by "the Hays Office."

¶ The station is not an NAB member.

¶ If the decoder broke down, the subscriber would be given his money back. If the set broke down, there would be case-by-case "negotiations with the subscriber" to determine whether refund for a program would be made.

¶ RKO would be willing to employ an independent

research outfit, after consulting with FCC, to make a "before & after" survey—although it could not pledge "unlimited" funds for the purpose.

¶ WHCT free-TV promotional spots for pay-TV programs wouldn't be logged "commercial" unless FCC says they should be.

¶ TV opera isn't as good as regular opera.

NAB's offering, through TV vp Charles Tower, was fairly brief and not particularly exciting, principally because this kind of hearing prohibits wide-ranging presentations of opinion, argument, predictions, etc. Tower asserted that if pay TV reduces the supply of programs & talent to free TV, audience & revenues will drop. If the drop is 15-20% in prime time, he said, there would be "a very measurable impact."

FCC counsel Louis Stephens said Tower's testimony was "of limited value." Chmn. Ford said that the Commission heard the testimony and would give it whatever weight it thought it should have.

Zenith Pres. Joseph Wright, onetime asst. gen. counsel of FTC and secy. of former Sen. Wheeler (D-Mont.), testified that Zenith has invested about $10 million in pay TV, hopes to get it back and make some profit. "We're going to find out within a fairly short time whether this is something the public really wants," he said. It could turn out that "we made a mistake," he added.

Zenith promoter Ted Leitzell was billed as a villain by the opposition. Anti-Phonevision exhibits produced by Cohn included copies of Zenith-inspired brochure, *Hartford Times* ad and column in newspaper bylined by Wright (but ghosted by Leitzell) which promised many pay-TV goodies at negligible cost to viewers. Stephens got a promise from Wright that hereafter all Zenith-written promotion for Hartford Phonevision will be submitted to RKO General for check on "suitability" before it's released. He later got similar assurances from Teco Pres. Pieter van Beek.

Van Beek, who gets 60% of his salary from Zenith, listed contacts he had made with movie & legitimate theater producers, said they were quite interested but that no definite agreements could be made on availability of program material until the pay test was authorized. He said Teco would make programs available to wired pay-TV systems as well as to broadcast systems. He acknowledged that it would make a profit from 2 sources: Sale of programs and revenues from pay-TV franchisers.

Show producer Leland Hayward, consultant to Teco, said he would run these movies on pay TV: "Psycho," "The Apartment" & Ben-Hur." He wouldn't carry "Elmer Gantry," he said—because it's "too dull."

There was a big legal hassle over whether to introduce the Teco-Hayward contract into the record, making it public. Chmn. Ford spent his whole lunch period Oct. 28 in the library, boning up, preparing to rule—but Cohn finally offered the contract with the key terms clipped out, and it went into the record.

Hayward will get "X" dollars plus a choice of one of 3 investment opportunities: A chance to buy 12½% of a projected Teco subsidiary, a Phonevision franchise for a city no larger than "Y" in size, or "some other" pay-TV investment that may arise. His job is to recommend a program schedule and methods of effectuating it.

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CATV-microwave application to FCC by CATV operator Mid-Kansas Inc. has been protested by WIBW-TV Topeka on grounds that its program property rights would be infringed by competition in Junction City, Manhattan, "and possibly other locations."

Advertising

SCIENCE FICTION ON TV: Commercials which start out with such bang-bang boasts as "science proves—" or "leading doctors say—" are causing increasing pain at FTC, Chmn. Earl W. Kintner complained last week.

It's high time that sponsors & advertising agency copywriters get a grip on themselves and refrain from flights of science fancy on TV, he told a N.Y. meeting of the Assn. of Consulting Chemists & Chemical Engineers. If they don't, Kintner warned, they're going to find themselves in FTC trouble.

TV claims that "independent tests prove" something or other about a product are being checked with more & more care by skeptical FTC staffers who ask these questions, Kintner said:

"(1) Has the experiment been properly designed?

"(2) Has the experiment been performed correctly?

"(3) Have a significant number of tests been conducted?

"(4) Have the test results been recorded accurately? Are the results internally consistent & coherent?

"(5) Do the test results warrant the conclusion drawn?

"(6) Can the conclusion be expressed in a meaningful, accurate way to consumers who lack scientific training?"

Kintner didn't blame testing labs for all the misrepresentations which he said have been made after an advertiser has been given reports on products. "It has been our experience that the advertising agency often enters the picture at this point," he said. "Members of the agency staff often participate in the statement of conclusions and, in some instances, the agency has simply asked the scientist for his test results, and then proceeded to state the conclusions without consultation."

Some TV demonstrations have " 'proved' facts that are demonstrably false," Kintner said, giving some citations:

"For instance, stomach acid will not burn a large gaping hole with charred edges in a cloth napkin.

"Other demonstrations show, in an atmosphere of hushed breathlessness, facts which are true but which are totally irrelevant to the claim of efficacy made for the advertised product.

"A demonstration that a product will remove a residue deposited on a surface does not support a claim of efficacy if a flick of a dry cloth or a swipe of a finger will also remove the residue."

Kintner said that it's "unfortunately" true that "the words 'science' & 'scientists' and pictures of laboratory garb immediately engender a suspension of disbelief" among many TV viewers.

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Over-commercialization threatens the TV-radio industry, and stations should "drastically revise their broadcast schedules" to avoid the danger. So warned Young & Rubicam vp William E. Matthews at an Assn. of Broadcast Executives meeting in Dallas Oct. 26. Matthews, dir. of the agency's media relations & planning operations, said "triple spotting at station breaks has become quadruple, and with closing & opening commercials a sequence of 5 or 6 announcements are fired at the audience without explanation or apology." The popular habit of doubling-up shorter announcements, he said, creates "a confused competition for attention, destroying the value of all." FCC rulings and industry codes (such as NAB's) are "evaded all too frequently," he charged.

Sees Sad Future for Newspapers: Carl E. Lindstrom, former exec. editor of the Hartford (Conn.) *Times*, and professor of journalism at U. of Mich., takes a dim view of the press in *The Fading American Newspaper* (288 pp., $3.95), published a few days ago by Doubleday. Says he: "Electronic & film transmission of news, even new reproduction methods, are leaving the press behind."

Why? "Most of the ills & failures of modern journalism can be attributed to the fading consciousness of the newspaper function to supply news . . . At a time when newspapers are trying more than ever to please everybody, they are losing acceptance. Publishers do not want to hear that population figures are rising at a much greater rate than circulation."

"The newspaper press," asserts Lindstrom, "has all the attributes of the dinosaur. It is obsolescent in an era when decay is frighteningly quick. It is much too costly and too big for what it does; it eats too much in manpower; it works too little; it is unspeakably ineffectual, laboring at top speed to produce news hours behind electronic journalism."

Broadcasters will find interest in Lindstrom's admonition that "the concern of the newspaper should be more than just to report the styles, manners, tastes, deportment and caprices of mankind. Its function is to help establish real criteria of taste & style; to establish manners; to encourage & keep alive the civic conscience; to create a climate favorable to cultural life. The common man is to be respected, but editors should not accept him as their leader when it is he who needs leadership."

Still another point of interest to *all* media in Lindstrom's book: "By comparison with other industries, the amount of research done by the newspaper industry is negligible. For an industry that grosses more than $4 billion a year, such neglect of the principles of self-preservation is to court disaster."

* * *

Newspaper ads have "deteriorated" in terms of punch & impact in ad copy, possibly because ad agencies are more concerned with "glamorous" ad media, namely "the golden girl of TV or the full-color gatefold in magazines." This charge was made by Kenyon & Eckhardt exec. committee Chmn. Edwin Cox Oct. 27 to executives gathered in N.Y. for the 2nd Annual Seminar on National Newspaper Advertising, staged by the bureau of advertising of ANPA, with ANA and 4A assistance. Another comment of interest at the meeting—MacManus, John & Adams Pres. Ernest A. Jones, discussing surveys which show reading as a "diminishing art": "What happens to publishing & advertising if generalized reading becomes as esoteric as bird-watching or the ballet?"

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Ad People: Randolph T. McKelve named senior vp, Young & Rubicam. Miguel H. Martinez former mgr. of Y&R office in Caracas, Venezuela, named vp & mgr., Mexico City office . . . Jack Cantwell, ex-Compton, named Sullivan, Stauffer, Colwell & Bayles vp . . . George L. Vales, ex-NBC, named Leon Burnett program producer . . . **Jeanette LeBrecht** named vp-chief media buyer, Grant Advertising.

William E. McKeachie retires at the end of this year as pres. of McCann-Marschalk, after 31 years with parent McCann-Erickson Inc.; McCann-Marschalk Chmn. **Stuart D. Watson** also will serve as pres. . . . **Jack K. Carver**, ex-Doherty, Clifford, Steers & Shenfield, named associate media dir., Lennen & Newell.

How the Magazines Are Doing: Single copy sales of the 169 major magazines dropped 0.9% in the first 6 months of this year as against the first half of last year, reveals the latest *Gallagher Report*. Subscription sales of these publications, however, rose 6.7%—giving the field a total circulation increase of 3.8%. (This compares with last year's increase of 4.2%.)

Single copy sales are now 34.6% of all magazine circulation, down from the 45.8% of 10 years ago—a significant point for those who consider single-copy circulation more desirable than subscription, which lends itself more readily to high-pressure promotion (cut rates, agents, etc.).

Cut-rate subscriptions mounted to the point where they now represent 97.1% of all *Reader's Digest* subscriptions sold in the first 6 months of 1960; 82.6% of *Life*'s; 78.6% of *Time*'s; 63.8% of *Newsweek*'s.

The 10 largest-circulation magazines of the country maintained their status in the first half of 1960, except that *Ladies' Home Journal* took 4th place away from *SatEve-Post* and *McCall*'s took 6th from *Look*. The others: *Reader's Digest*, first; *TV Guide*, 2nd; *Life*, 3rd; *Every Woman's Family Circle*, 8th; *Better Homes & Gardens*, 9th; *Good Housekeeping*, 10th.

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Product-protection hassle arose last week at ABC-TV, with Ralston Purina emerging as the victor. Ralston, sponsor of *Expedition* (Tue. 7-7:30 p.m.), learned that General Foods, a participating sponsor in Bugs Bunny (Tue. 7:30-8 p.m.), intended to use an opening commercial featuring Post cereals. Ralston immediately protested, pointing out that ABC's nighttime contracts call for 15-min. leeway on competing products on back-to-back shows. Ralston gave ABC 24 hours to reply; then, when ABC failed to do so, brought in its lawyers and filed a show-cause order in N.Y. Supreme Court. Result: no Post commercials within 15 minutes of *Expedition*—and a new legal precedent to backstop multi-product network advertisers.

Top 11 ad agencies placed 60% of network TV total time billings during the first half 1960, reports a survey by *Advertising Age*. Ted Bates was in first place with 11% of net TV time; J. Walter Thompson (9%) and Young & Rubicam (7%) placed 2nd & 3rd. Figure estimates, in an Oct. 24 *Advertising Age* report, showed: Bates, $37 million gross time billings; JWT, $29; Y&R, $23; Dancer-Fitzgerald-Sample, $21. CBS & ABC share the bulk of the Bates TV spending while JWT sends most of its TV business to NBC. Rest of the top 11: Benton & Bowles, $20 million; BBDO, $18; Leo Burnett, $14; McCann-Erickson, $12,; Lennen & Newell, $10; Compton, $9; W. Esty Co. $9.

Another client-financed pilot of MGM-TV's proposed *Father of the Bride* telefilm series is due to be made shortly. This time, the show's "angel" will be General Mills, which for approximately $75,000 will hold rights for the 1961-62 season and have participation in rerun residuals. Cast of the newest *FOTB* pilot (it's based on a 1950 MGM feature which starred Elizabeth Taylor & Spencer Tracy) will be headed by Leon Ames. Two seasons ago, General Foods invested nearly $100,000 in an *FOTB* pilot starring Jim Backus. General Foods didn't like it, never used it, and MGM was unable to sell a series based on it.

An estimated 550 ad-agency executives last week viewed screenings by KTTV Los Angeles of outstanding film & tape commercials. They were the top selections from more than 1,350 entries submitted at the American TV Commercials Festival & Forum in N.Y. last May.

TV-Radio Lead In August: National ad volume rose only 5% in August above the Aug.-1959 level despite solid gains by network radio (39%) & TV (19%), reports *Printers' Ink*. The broadcast-media gains were neutralized by newspapers' 9% decline & magazines' modest 2% rise, the latest index shows.

Year-to-date business slipped slightly from the preceding month's 9% lead (Vol. 16:40 p12) to 8% ahead of 1959's Jan.-Aug. business. All major media showed cumulative gains, led by magazines (13%), network TV (10%), and business papers (8%).

Network radio, buoyed by 3 consecutive & sizable gains over corresponding 1959 months, rose 1% above Jan.-Aug. 1959. This marks the first month since July 1958 that network radio has pulled ahead cumulatively.

With the exception of business papers & outdoor, all major media showed declines in Aug. from July business: network radio, down 11%; network TV & magazines, down 8%; newspapers, off 2%.

Medium	Index Aug. 1960	Index Aug. 1959	% Change from 1 month ago	% Change from 1 year ago	% Cumulative Change
General Index	236	225	— 4	+ 5	+ 8
Total Magazines	179	175	— 8	+ 2	+13
Weekly	191	194	—14	— 2	+17
Women's	144	128	+ 6	+13	+ 9
General Monthly	233	220	— 7	+ 6	+11
Farm	84	109	— 3	—23	— 5
Newspapers	198	218	— 2	— 9	+ 3
Network Television	502	422	— 8	+19	+10
Network Radio	25	18	—11	+39	+ 1
Business Papers	259	232	+ 4	+12	+ 8
Outdoor	169	151	+ 2	+12	+ 6
	1st Qtr. '60	1st Qtr. '59	4th Qtr. '59	1 year ago	
Spot TV*	762	672	+ 3	+13	+13

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-1959 except for the TV base, which covers the years 1950-52. Spot TV is not reflected in the general index. *Spot TV data, although shown monthly, reports the first quarter's activity.

News reps: KMOS-TV Sedalia, Mo. to Gill-Perna Oct. 1 from Bob Dore • KNOP North Platte, Neb. to Gill-Perna Oct. 1 from Bob Dore • KRSD-TV Rapid City, S.D. to Jack Masla Aug. 1 from Meeker.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WNEW-TV New York	$3000 to $3600	$478 to $600	Sept. 1
KDKA-TV Pittsburgh	2400 to 2500	600 to 650	Sept. 11
KSTP-TV St. Paul	1650 to 1800	420 to 450	Oct. 1
WBEN-TV Buffalo	1250 to 1400	250 to 325	Nov. 1
KHOU-TV Houston	1200 to 1300	300 to 350	Oct. 15
KTRK-TV Houston	1100 to 1300	300 to 350	Oct. 16
WRGB Schenectady	1250 (no change)	250 to 275	[1]
WFBC-TV Greenville, S.C.	650 to 750	135 to 160	Oct. 1
WDBJ-TV Roanoke	700 (no change)	190 to 200	Sept. 1
KJEO Fresno	700 (no change)	175 to 200[2]	Oct. 1
KTVR Denver	500 to 550	100 to 120	Sept. 15
KARK-TV Little Rock	500 (no change)	110 to 120	Oct. 1
KTHV Little Rock	500 (no change)	110 to 120	Oct. 1
KATV Little Rock	450 (no change)	100 to 120	Oct. 1
WJBF Augusta, Ga.	400 to 450	100 to 120	Nov. 1
KELP-TV El Paso	300 to 400	60 to 90	Oct. 1
WTOC-TV Savannah, Ga.	300 to 350	60 (no change)	Sept. 1
WINK-TV Fort Myers	165 to 200	36 to 48	Nov. 1
WICD[3] Danville, Ill.	150 to 175	25 to 39.40	Oct. 1

[1]Not reported. [2]Min. only, 20 sec. remains $175. [3]Formerly WDAN-TV.

Foreign

No TV representatives were named to Britain's 12-member Pilkington Committee (Vol. 16:34 p13) which has been established by the Postmaster General to chart the future of English TV & radio. The Committee, headed by industrialist Sir Harry Pilkington, will study & make recommendations on such new broadcast services as pay TV, closed-circuit, a 3rd channel.

Film & Tape

More about

PLUG SPECIALISTS WON'T TALK EITHER: Hollywood specialists in the art of the sneak plug refused last week to testify before the FCC hearing on various aspects of the TV-film industry. Their refusal, on advice of counsel, followed denial of a motion to quash their subpoenas. The FCC will seek U.S. district court action to require them to testify.

Oliver B. Schwab, representing all those who declined to testify, told hearing examiner James D. Cunningham he planned to appeal the examiner's denial of his motion. He requested a stipulation that his clients be allowed to take the stand & then refuse to testify, on his advice.

Schwab's clients were Dick Fishell of Dick Fishell and Associates, Betty Langley and Mary Rothschild. Not served because they were out of town or hadn't yet been located by the U.S. marshal: Fred Kline of the Fred Kline Agency, Carol Prince, Jimmy Cross, Donna Rappa, Stan Lawrence and Vici Raaf. Cunningham instructed FCC counsel Ashbrook Bryant to make certain that subpoenas were served on the missing persons.

Schwab based his motion for quashing the subpoenas on the grounds that (1) the information sought was confidential & beyond the scope of the FCC hearing; (2) his clients were in the public relations business, not in broadcasting; (3) ground rules of the hearing deprived his clients of counsel—which was not due process of law. (While the hearing allowed counsel to advise & consult with their clients when the latter were on the witness stand, the attorneys were not permitted to speak for them.) This, said Schwab, is not Russia, but a democracy, and a hearing should be conducted democratically. He also mentioned the cost to the taxpayers.

Reply by FCC Attorney

FCC attorney Ashbrook replied that although Schwab contended that the client lists being sought were confidential, the *Wall St. Journal* last year had carried a list of 93 Fischell clients in an article about plug specialists. Moreover, he pointed out, Adolphe Wenland had previously testified freely regarding this field.

He described Schwab as "uninformed" in having said the Administration Procedure Act requires participation by an attorney in such hearings. The procedure followed, asserted Bryant, was identical with that followed by all Government agencies & Congress, and it had been upheld in the courts.

He added that those involved were paid to insert promotional material in broadcast programs, and consequently were suitable subjects for FCC scrutiny. "The FCC doesn't have & doesn't want the right to censor, but it does want to know where the responsibility lies for decisions on all broadcast matter," he said. Sec. 317, he pointed out, requires disclosure of all plugs on shows, and FCC cannot write rules & regulations for this section without first conducting hearings to determine industry practices.

On the following day (Tue.), Cunningham denied the motion to quash, holding that: (1) the scope of non-judicatory hearings is broad, and the FCC intends to obtain all facts & matter pertaining "even remotely" to promotion & publicity used in broadcasting ("on the basis of the witnesses' testimonies & documents, the FCC will be in a position to determine whether to adopt new rules or seek additional legislation"); (2) the records would be wholly de-

ficient without the requested data; and (3) "there is no doubt in my mind of the validity of the ground rules, nor has any witness been deprived of advice of counsel."

Cunningham mentioned the refusal of MCA vp Taft Schreiber to testify on the grounds that he was deprived of counsel. "Sooner or later," commented the examiner, "Schreiber will appear and his testimony made a part of the record." He also told Schwab he did not agree that the data sought was of a confidential nature.

The hearing was wrapped up with Bryant expressing his appreciation to those witnesses & companies that had voluntarily appeared and given detailed information. Such cooperation, said Bryant, "was uniform until recently"—an obvious allusion to the refusal of Schreiber (see p. 3) and the plug specialists to testify. TV film "is a highly complex operation & function in our society . . . Our hope is that this joint venture between the government & industry has resulted in a record which will be of material assistance to the FCC & Congress in their efforts to create a fair & equitable pattern for the industry," he concluded.

Cunningham said he would prepare a memorandum & opinion regarding Schreiber & MCA, proposing that the Commission institute court proceedings aimed at compliance with Commission requests that the executive testify. Despite Schreiber's refusal to give the FCC a list of packages represented by MCA, the FCC attorneys later read into the record a list of 17 MCA packages obtained from the networks. They were *The Adventures of Ozzie & Harriet, Take A Good Look, Leave It to Beaver, My 3 Sons*, all ABC-TV; *The Ed Sullivan Show, Bringing Up Buddy, Checkmate*, all CBS-TV; *Riverboat, Wells Fargo, Wagon Train, This Is Your Life, Laramie, Alfred Hitchcock Presents, Thriller, The Deputy, The Tall Man, Bachelor Father*, all NBC-TV.

An interested observer in the closing days of the hearing was Nicholas Zapple, communications counsel for Sen. Magnuson's (D-Wash.) Interstate & Foreign Commerce Committee. He obtained a record of the proceedings for reporting back to the Senate committee.

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Production in N.Y., a touchy point with Eastern producers & TV critics since the bulk of shows moved to the coast, got another boost last week with CBS-TV ordering full scale N.Y. production of two 60-min. shows. Twenty-six 60-min. film episodes of *Defender* and an indeterminate number of 60-min. taped segments of *Diagnosis: Unknown* are scheduled as possible mid-season replacements. *Defender* will be produced by Herbert Brodkin and Reginald Rose, based on Rose's 2-part *Studio One* drama of a few seasons ago. Producer Bob Banner is supervising *Diagnosis: Unknown*. Production dates will be set this week or next.

Ted Granik, who has been conducting a telefilm production romance unsuccessfully with the N.Y. Police Dept. for nearly 5 years, may at last be headed for a TV altar. Last week, Granik, creator of *American Forum of the Air*, announced he planned to film shortly a pilot in N.Y. titled *Green Light 27*. The projected series, evolved in a cooperation-&-advice deal with the Patrolmen's Benevolent Assn., will dramatize "the history of police precincts."

John Crosby, one of TV's best known & severest newspaper critics, just about abandoned the field last week. The *N.Y. Herald Tribune* and its syndicate announced that his 4-times-a-week column would henceforth be devoted to general subjects and not merely TV. He did promise to give further attention to TV when occasion warrants.

Film Plugola Bans Analyzed: Worried producers of TV films (and of theatrical movies which may be seen on home screens) have been advised in a 23-page legal opinion that the new Harris-Pastore Act which outlaws payola won't put them out of business.

Following up an FCC-producer conference on the implications of the law (S-1898) for Hollywood (Vol. 16:39 p6), the Washington communications law firm of Haley, Wollenberg & Bader dissected the text, reviewed the legislative history and concluded film makers may stop fretting.

In letters to the Motion Picture Assn. of America & 8 producers (with copies to FCC members as "assistance to the Commission in formulating its initial rulemaking proposals" on payola-plugola interpretations), the lawyers laid out these ground rules:

(1) The Harris-Pastore Act isn't retroactive from its Sept. 13 effective date, so that TV film producers aren't required to make disclosures of prop deals made before.

(2) In any event, the law explicitly covers only films "intended for broadcasting"—not movies produced for theatrical exhibition.

(3) "Such a film does not become 'intended for broadcasting's simply because of a possible eventuality that an attempt may be made to sell the film for broadcasting purposes years after the initial release of the film for theatrical purposes."

(4) "Congress was patently not undertaking to regulate the theatrical motion picture industry or its practices."

(5) "Any prop furnished solely for use on a TV program and not accorded any unusual or special prominence beyond the identification which is normal & appropriate . . . does not create the need for disclosure."

Recipients of the legal advice in addition to the MPAA & FCC were Allied Artists, Columbia Pictures, MGM, Paramount Pictures, 20th Century-Fox, United Artists, Walt Disney Productions and Warner Bros. Appended to the letters were copies of the House Commerce Committee's list of 27 examples of what constitutes (and what doesn't constitute) payola & plugola as forbidden by the law.

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WGAW Recalls 6 Officers: Six officials of the TV-radio branch of Writers Guild of America West were ousted last week. It was the first recall in the Guild's history. The move climaxed months of internal wrangling within the Guild—its negotiating committee & most of the membership *vs.* 7 TV-radio board members & a minority of writers. Recalled were Pres. Kay Leonard, vp Joel Kane, Sterling Silliphant, Richard Collins, Stanley Niss and Fran Van Hartesveldt.

Sole survivor of the campaign to eject board members is Phil Leslie, who remains on the board as secy.-treas. With him are Hy Freedman, Fenton Earnshaw, David Harmon and Nate Monaster. The board members will appoint 3 more members to constitute a quorum which will then name a nominating committee. This committee will nominate candidates for 3 other board positions, to be filled at a special election.

This was the 4th & conclusive vote between the warring Guild factions. The first 2 had come over Alliance proposals to end the writers' strike against TV, and offers accepted by the board but rejected by the membership. The third came when members overwhelmingly voted that Sam Newman of the negotiating committee should be the WGAW representative on the industry fact-finding committee to determine a royalty percentage for writers, a move rejected by the TV-radio board.

POST-1948 PRICING (Cont.): Although many big-city film buyers are keeping their wallets zipped when offered premium-priced packages of post-1948 movies (Vol. 16:42 p14), the sales drives launched by feature distributors on new-movie packages are showing some tangible results.

Lopert Pictures, a United Artists offshoot which specializes in foreign films, beat several of its bigger rivals (Screen Gems, 20th Century-Fox, MGM) to the punch in scoring the season's first major sale of a post-1948 picture for network telecasting. The film is Albert Lamorisse's French-made, Oscar-winning featurette (34 mins.) "The Red Balloon." Trimmed to fit in a 30-min. format, it will be seen later this season as a one-time special on *GE Theatre* (CBS-TV), although probably not in color. According to Lopert Pictures, gen. mgr. Bob Morin signed the deal with BBDO (GE's agency) "within 24 hours after 'The Red Balloon' became available to TV." Other network-level post-1948 deals, meanwhile, remain in the talk stage.

NTA, one of the earliest starters in the current post-1948 sales derby, has scored sales on its 20th Century-Fox package in more than 30 markets so far. According to NTA's figures, the sales are being made at an average rate of more than one market per day since the package was released and at prices "about 50% above normal feature pricing." One of NTA's biggest deals involves the sale of a 180-title group to Corinthian-owned WISH-TV Indianapolis (including 61 post-1948 20th-Fox films) for approximately $200,000.

A gimmick that has proved a surprise success in selling the package, NTA told us last week, is a 60-min. one-shot show, "Post-1948 Quiz." Based on clips from movie trailers, the show's format calls for the use of local announcer-hosts and involves home-viewer identification of stars & storylines in the package with winners receiving merchandise prizes. Most stations purchasing NTA's 20th-Fox group, we're told, have requested the use of the special, originally air-tested on WNTA-TV N.Y.

Other distributors also report an early round of sales successes in post-1948 selling, primarily with small, hand-picked packages. UAA's 26-title post-1948 package has been bought by stations in 35 markets so far. Programs for TV Inc., currently selling a package of J. Arthur Rank British-made post-1948s, has scored sales in about 15 markets (including N.Y., Los Angeles & Detroit) for a total gross of over $1 million.

Also past the million mark in sales is Flamingo Films' "festival package" of 30 post-1948 foreign films ("The Last Bridge," "Little World of Don Camillo," etc.) which last week was purchased by WTAE Pittsburgh, Pa. and WCAX-TV Burlington, Vt.

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People (N.Y.): Jack Sobel named Screen Gems national sales mgr. . . . Roslyn Karan has been named Trans-Lux coordinator of programming, promotion and merchandising for the Encyclopaedia Britannica Film Library . . . Charles N. Hill, former CBS director of *Person to Person*, has joined NBC to direct *The Nation's Future*, the new Irving Gitlin-produced series of debates on important issues, due Nov. 12 . . . Jean Hendrix, asst. to the gen. mgr. & program dir. of WSB-TV Atlanta, has received CBS Films' trophy for outstanding achievement in creative merchandising and promotion of syndicated programs . . . Gabe Sumner has been appointed United Artists publicity mgr.

THE 3 PRICES OF FILM: While $50,000 is regarded today as the price of an average 30-min. TV film (Vol. 16:40 p20), Hollywood producers operate on a variety of budgets—as high as $65,000 and as low as $32,500.

What a film will cost depends on the sponsor's needs—does he want an economy series merely to be on TV, or a high-budget show to link his product with quality? It depends, too, on the market at which the producer is aiming his series. If the film maker is going into the riskier syndication field, it's likely that he'll bring it in at as low a cost as possible, to recoup his investment fast.

For the high-budget ($65,000) half-hour series, above-the-line costs (talent, story, etc.) always range higher because the advertiser expects a name-actor star, a better-than-average producer, story and cast. A producer & his staff earn about $2,500 on an average show, but get $6,500 for the high-budget species. Similarly, the cast averages (about $11,000) rises to $18,000. (One reason: An average-budgeter is filmed in 2 days, a high-budgeter in 3.). And story costs ($2,750) can range up to $3,500.

At the other extreme, the low-budgeted ($32,500) series again places the differential in the above-the-line costs—with the figures descending to $1,500 for producer & staff; $5,000 for cast; $1,250 for story.

Sometimes an ambitious story line or production will send costs above even their high-budget limitations. The producing company usually makes this up by turning in subsequent films for less than budget—for, as a rule, the extra cost of an over-budget series must be met by the producer. However, in the high-budget bracket there's little tendency to cut corners. One way to do so without cutting quality is to grant ownership participation to the star, who then works for less salary.

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Four Star Television has begun production on 4 segments of its 60-min ABC-TV series, *The Corruptors*. Leonard Ackerman and John Burrows co-produce. It will also pilot *The Atoner*, which will be shown on the company's *Dick Powell's Zane Grey Theater* series. Four Star has also resumed production of *The Westerner*, starring Brian Keith, following a 3-months hiatus.

Screen Actors Guild's annual election will be held Nov. 21. Three independent candidates Michael Jeffers, Michael Lally, Glenn Taylor have filed for election to the board, challenging candidates nominated by SAG's nominating committee. George Chandler is unopposed for re-election as president.

20th Century-Fox TV will produce a 60-min. pilot (adventure localed in Africa) for ABC-TV. William Self is exec. producer. No title or cast as yet.

Robert Horton is back at work as co-star with Ward Bond in Revue Studio's *Wagon Train*, following his walk-out & suspension.

Producer Collier Young has video-taped the first segment of *Crime & Punishment*—at San Quentin prison, with newsman Clete Roberts interviewing inmates.

People (L.A.): Sol Baer Fielding named exec. asst. to producer Herbert Leonard on *Route 66* and *Naked City* . . . Harry Sosnik and Bud Yorkin named co-chmn. of 1960-61 Emmy awards production committee for ATAS telecast on NBC-TV next May . . . Desilu Productions has signed writers Bob Weiskopf and Bob Schiller to 3-year contracts as writer-creators.

Stations

Magnuson Soothes Broadcasters: The TV-radio industry hollers too much about federal interference before it's hurt, Senate Commerce Committee Chmn. Magnuson (D-Wash.) told the Seattle chapter of the National Academy of TV Arts & Sciences last week.

"Is govt. control destroying the American broadcasting system?" he was asked in a workshop panel discussion of industry problems at the U. of Wash. Nonsense, Magnuson answered: Congressional investigations & legislation are intended to simplify rather than compound controls.

"Don't worry," Magnuson told his openly skeptical audience of broadcasters. "What we're driving at is to reduce complexities." He added: "No Congressman or Senator that I know is interested in getting into the program field in regulation of the industry."

He was questioned sharply by other NATAS panelists about intentions of the Commerce Freedom of Communications Subcommittee in asking stations for reports on all political equal-time complaints (see p. 3). But Magnuson defended the move as "necessary." He said the "watchdog" unit needs to know how well broadcasters are complying with the Communications Act's Sec. 315, and that he'd already heard of some equal-time incidents.

But Magnuson said broadcasters generally have nothing to fear from a full-scale investigation of slow procedures of FCC & other regulatory agencies which his Committee plans to start early next year (Vol. 16:33 p3).

FCC "is the most complicated commission that ever existed" and is overdue for some streamlining, Magnuson said. He complained that it stalls too often when confronted with controversial issues, acts "emotionally," and runs to Congress for legislation instead of solving its own problems.

Backing up Magnuson on the platform were his committee's communications counsel Nicholas Zapple (see p. 7) and special TV counsel Kenneth Cox. Other panel participants included Max Bic (KTNT-TV Tacoma-Seattle), Otto Brandt (KING-TV Seattle), Lincoln W. Miller (KIRO-TV Seattle), Frank Rosenquist (KOMO-TV Seattle), Washington communications lawyer Andrew G. Haley.

FCC's 1959 clear-channel AM decision stands, the Court of Appeals ruled last week, rejecting the appeals by Clear Channel Bcstg. Service & WSM Nashville. In a short decision, Judges Edgerton, Bazelon & Washington stated: "The gist of petitioners' present complaint is that the Commission's final order is inconsistent with what they claim was the original aim of the proceedings—to reduce the interference suffered by petitioners' Class I stations from the operations of Class II stations—and actually tends to increase such interference. The Commission denies this, saying that petitioners will now have a measure of protection, whereas previously they had none. We think the Commission has the better of the argument. . . . To be sure, the evidence might perhaps have justified some other solution, more favorable to the petitioners. But the interests of Class I stations were weighed by the Commission against those of other classes, and we cannot say, on the record before us, that the result reached was arbitrary, capricious, or an abuse of the Commission's discretion. The solution reached, which the Commission concluded was 'a reasonable balance' between 'permitting excessive interference & imposing prohibitive restrictions on class II stations,' was adequately based on the evidence, and within the broad powers of the Commission."

Radio's First Presidential Endorsement: "History's first radio editorial supporting a candidate for the U.S. Presidency" was claimed by radio WMCA N.Y. last week. In a pair of 10-min. editorials Oct. 26 & 27, that station's Chmn. Nathan Straus endorsed Sen. John F. Kennedy as the Presidential choice of the independent station. "This is an editorial which would have been illegal a decade ago," Straus declared, adding: "WMCA believes that its responsibility to the community includes the obligation to speak out on the most important question of the moment."

"Courageous," "disgusting" and "good job" were among listener telephone reactions. Some listeners threatened to complain to the FCC, not realizing that FCC has encouraged station editorializing.

WMCA took no chances with Sec. 315; it offered Republican candidates Nixon & Lodge equal time if they wanted it. At week's end neither had accepted the offer and WMCA told us it didn't expect they would. The editorials were also aired on WMCA-owned WBNY Buffalo, N.Y.

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Radio in the 1960s will survive TV competition and expand, but stations must start improving variety & depth of their programming, broadcasters at the 4th & 5th NAB fall conferences (Vol. 16:43 p11) were told last week. Special speakers at Oct. 24-25 NAB staff seminars in Denver and Oct. 27-28 sessions in Omaha included radio station executives who put it on the line. Good stations can't be run "with a stack of 40 records, a copy of *Billboard* magazine and a newsprinter," said Thad M. Sandstrom (WIBW Topeka) in Denver. In Omaha, F. Ernest Lackey (WHOP Hopkinsville, Ky.) said: "It is my fond belief that the fast-buck operators will find the going rougher in the decade ahead as good stations tend to expand their services to the listener, while the TNT—time, news, temperature—rock-&-rollers fade from the scene." NAB staffers return to Washington for the 6th conference Nov. 14-15 at the Statler-Hilton Hotel. The 8-conference fall series will wind up in Chicago (Nov 21-22) & N.Y. (Nov. 28-29). Attendance at the conferences so far has been running 15% ahead of 1959. NAB's count of delegates at the first 5 sessions: 1,101.

KXTV Sacramento continues operation despite a strike by AFTRA & NABET, now entering its 5th week. Owner Corinthian Bcstg. Co. states that the strike "is strictly an economic one." It does not contend the strike is illegal, as was erroneously reported last week in these pages. A company spokesman said: "We have lived up to the contract we inherited [from the former owners of the station]. We must be competitively geared to other stations in the area." The strike is an outgrowth of stalemated negotiations for a new contract. The official also stated that the recent resignation of former vp-station mgr. Richard P. Hogue in a "difference of opinion over management policy" had nothing to do with the terms of the station's union contracts. As far as Corinthian is concerned, the management official stated, the contract dispute is still in the hands of govt. conciliators. Violence had flared in the strike when a policeman was injured by a homemade bomb he removed from the automobile of a KXTV employe. A NABET member was questioned by police about the incident, but no charges were filed.

KFSD-TV & KFSD San Diego have been bought by United Artists for about $7 million, through broker Howard Stark. They're UA's first broadcast acquisitions.

NEW & UPCOMING STATIONS: CBUAT (Ch. 11) Trail, B.C. begins test transmissions Nov. 1, preparing to start with full programming Nov. 15 as CBC o&o low-power satellite to CBC's CBUT (Ch. 2) Vancouver. It has a 150-watt Canadian GE transmitter and will be operated as an automatic unattended repeater. It will be included as bonus to CBUT, which has $680 base hour. New starter brings Canadian operating total to 74 outlets.

Next U.S. starter may be WXTV (Ch. 45) Youngstown, O., which received program test authorization Oct. 21 and plans to begin programming as an independent by Nov. 15.

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In our continuing survey of upcoming stations, these are the latest reports received from principals:

KVOG-TV (Ch. 9) Ogden, Utah received a 5-kw Gates transmitter Sept. 23 and plans to start this Nov. as an independent outlet. Owner is radio KVOG. Studio-transmitter building construction has been completed and 6-bay RCA antenna has been installed on 400-ft. Utility tower. Base hour will be $325. Rep will be Grant Webb.

KCSD-TV (Ch. 19) Kansas City, Mo. has changed target to Dec. 15 for programming as the non-commercial outlet of School Dist. 19 there, reports J. Glenn Travis, admin. asst. to the school supt. A GE 1-kw transmitter arrived Sept. 27 for installation in City Hall and a GE antenna is being installed on stub tower on top of building. Studios in Board of Education Bldg. are 25% complete.

KCDA (Ch. 3) Douglas, Ariz. has its studio-transmitter building ready for a 250-watt Electron transmitter scheduled for arrival in December when the station plans to begin programming, according to Mike Ling, national sales mgr. of grantee Electron Corp. Rohn 100-ft. tower is scheduled to be ready in November for Alford antenna, which is due in December. Network affiliation hasn't been signed, nor has base hourly rate been set. Rep not chosen.

KIFI-TV (Ch. 8) Idaho Falls, Ida. now has FCC approval for a start with maximum 316-kw ERP. It plans Jan. 1 programming, writes James M. Brady, pres.-gen. mgr. Grantee Eastern Idaho Bcstg. & Television Co. also owns radio KIFI. Work has started on transmitter house at site adjacent to KID-TV on East Butte, and it's scheduled for completion by mid-Nov. GE 28-kw transmitter & antenna are scheduled to arrive Nov. 1 when the 100-ft. tower furnished by Tower Construction Co. is also scheduled to be ready for use. Base hour will be $275. Rep not chosen.

WIPM-TV (Ch. 3) Mayaguez, P.R. has changed target to December for operation as non-commercial outlet of P.R. Dept. of Education, writes R. Delgado Marquez, gen. mgr. of the Dept.'s other station, WIPR-TV (Ch. 6, educational) San Juan. It has a 6-kw RCA transmitter ready. Antenna won't be installed on the 202-ft. Ideco tower until Nov.

KUSD-TV (Ch. 2, educational) Vermillion, S.D. plans March 1 tests, reports Martin Busch, KUSD radio-TV-film dir., for owner State U. of S.D. It has a 250-watt Sarkes Tarzian transmitter on order and will use a 150-ft. self-supporting tower furnished by Tower Construction Co. It will abandon the closed-circuit system which has been in operation for 3 years, and these studios will be turned over for use by KUSD-TV this spring.

KTXT-TV (Ch. 5) Lubbock, Tex., planned as a non-commercial educational outlet, hasn't set a target date. Its plans are dependent upon legislative action next year, according to R. L. Goodwin, pres. of grantee Texas Technological College.

CJCH-TV (Ch. 5) Halifax, N.S. has a 5-kw Canadian GE transmitter scheduled to arrive Nov. 1-15. It plans Jan. 1 programming, writes A. D. Grayston, promotions mgr. for radio CJCH. Construction has begun on both studio building & transmitter house. Construction work on the 600-ft. Wind Turbine tower is scheduled to start Nov. 1. GE antenna is due to arrive Nov. 30. Base hour will be $300. Reps will be Young, Paul Mulvihill (Montreal & Toronto), A. J. Messner (Winnipeg) and Scharf Bcst. Sales (Vancouver).

CFTO-TV (Ch. 9) Toronto has a 50-kw RCA transmitter at a site 13 mi. from downtown and plans Jan. 1 start as a French-language outlet, reports John Bassett, publisher of the *Toronto Telegram*, which holds 51% voting control. Work on guyed 815-ft. Microwave tower is half completed. It will be equipped with color telecasting facilities despite BBG ruling that the country is not ready for color. Base hourly rate will be $1,150. Rep not chosen.

CFTM-TV (Ch. 10) Montreal, Que. has ordered a Marconi 18-kw transmitter for Dec. 1 delivery, plans to program as a French outlet by the end of January, writes station mgr. Roland Giguere for owner Tele-Metropole Corp. (Paul L'Anglais and associates). It will use a temporary 125-ft. tower, and will move next spring to a special installation providing space for all Montreal TV & FM stations. Base hour will be $1,000. Reps will be Forjoe, Paul L'Anglais Inc., Stovin-Byles.

CJOH-TV (Ch. 13) Ottawa, Ont. has an 18-kw Marconi transmitter scheduled for Jan. delivery. It plans March 31 programming, using temporary studio, reports Pres. E. L. Bushnell. Transmitter house, now under construction, is scheduled for completion by Dec. 10. Work on permanent studios began Sept. 19, but they won't be ready until next July. The station will use a 600-ft. Microtower. Base hour will be $475. Rep will be Stovin-Byles.

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FCC hearing begins this week (Mon., Oct. 31) in Los Angeles on the question of who controls KRLA Pasadena —station Pres. Donald Cooke or his brother, Jack, a Canadian. (The law prohibits ownership or control of a U.S. station by non-citizens.) Donald Cooke will also be asked whether an on-the-air contest to identify the voice of disc jockey Perry Allen was constructed with intent to delude the public. The Commission will, in addition, investigate the station's programming and its application for transfer of the frequency from Pacific Bcst. Corp. (KXLA) to Eleven Ten Bcstg. Corp., the present owner. FCC chief hearing examiner James D. Cunningham, who presided over the recent investigation of the TV-film industry (Vol. 16:42 et seq.), will run the KRLA hearings.

Political TV stew, embroiling Canada's BBG & CHEX-TV Peterborough, Ont., cooked to a boil last week amid charges of pressure & favoritism and demands for ouster of BBG Chmn. Dr. Andrew Stewart. Donald Munro, local Liberal candidate, charged that CHEX-TV first rejected film clips of both Liberal & Conservative candidates (on grounds the films infringed on Canada's Broadcasting Act), then, as the result of pressure on BBG by a top Conservative official, accepted only the Conservative Party's films for telecasting. (The Broadcasting Act states "no station shall broadcast in dramatized form any program, advertisement or announcement of a partisan political character.") Socialist CCF Party leader Haze Argue said he'd demand a Parliamentary inquiry when that body convenes Nov. 17.

Metropolitan Bcstg. Corp. opens a Phila. office at 12 S. 12th St. (Walnut 5-2828), under vp Benedict Gimbel Jr.

The FCC

FORD REVIEWS THAT NEW LAW: It's too early to tell what impacts this year's Harris-Pastore anti-payola law may have on the broadcasting industry, but it's already apparent that the Communications Act amendments raise as well as resolve TV & radio problems, FCC Chmn. Ford said last week.

"We are in a transition period," he told the Federal Communications Bar Assn. in a Washington luncheon speech reciting "some of the things the Commission is doing to carry out its new responsibilities and some of the problems encountered."

Ford's section-by-section review of the omnibus statute included such points as these:

On payola & plugola: There are "a good many ramifications," including the law's application to TV film production (see p. 7), and FCC has a lot of work to do "before rules are finally adopted." Commission may come up ultimately with a Q-&-A guide.

On quiz rigging: "It would appear that an effective deterrent now exists for the rigged quiz show, and I would hope that the broadcast industry has seen the last of this kind of 'entertainment.' "

On forfeiture penalties: "It is perhaps too early to predict specific situations in which the forfeiture provisions would be invoked. Certainly, no case has come before us in the few weeks the law has been in force which seemed appropriate for the imposition of this sanction."

On mergers & payoffs: Definitions of "merger & bona fide merger" and "legitimate & prudent expenditures" raise questions which haven't yet been settled. FCC already is confronted with "somewhat difficult" problems involving agreements for mergers or payments drawn up before the law was enacted.

On less-than-3-year licenses: The Commission is "aware that a renewal for less than 3 years might subject the licensee to certain competitive disadvantages, but I am sure that this authority will be used judiciously."

On pre-grant protests: "Far-reaching changes in our procedures which [rewritten Sec. 309 of the Communications Act] brings about are not going to be accomplished painlessly, and there may even be a temporary slowing down in the handling of applications as cases of first impression under its provisions are considered."

On local license hearings: "We will be more inclined than in the past to designate such proceedings in the area served by the station in question—providing, of course, funds are available."

In short, Ford told the communications lawyers, time will tell: "In terms of specifics, there is little that can be said with certainty at this time about the impact of the new legislation--particularly about those sections which affect most closely the processes of the Commission."

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Experimental station in Saugus, Cal., proposed by Telemeter to test technical aspects of coded signals, has been opposed by KEYT (Ch. 3) Santa Barbara. The proposed station would also operate on Ch. 3, and KEYT stated that it would create interference within its Grade B service area. KEYT claimed that other frequencies could be used, giving all regular stations more protection.

Shift of WRBL-TV Columbus, Ga. from Ch. 4 to Ch. 3 was authorized Oct. 27 when FCC granted program-test authorization for the station to operate on lower channel.

Agency 'Informality' Urged: One trouble with federal regulatory agencies—such as FCC—may be that they try too often to operate in a rigidly-confined judicial atmosphere. A jurist who handles Commission cases made that suggestion last week.

Court of Appeals Judge E. Barrett Prettyman, named by President Eisenhower to direct the White House Conference on Administrative Procedure, took issue with agency critics who contend that what's needed is more court-like processes. On the contrary, he said, agency work might be speeded up by more informal procedures, particularly "in certain areas." He didn't single out FCC, but pointed to agency red tape involved with such problems as evaluation of cases, statistics and reports. "These matters are not necessarily judicial problems," Prettyman said, following a meeting in his chambers with the White House Conference's organizing committee (Vol. 16:43 p6). "In certain areas the agencies are too technical."

Other agency problems cited by Prettyman: (1) Selection & powers of hearing examiners. (2) Codes of agency ethics. (3) Mixed-up legislative, judicial and regulatory procedures. (4) *Ex-parte* proceedings. (5) Delays in case adjudication.

He called on the organizing committee to come up with recommendations for an agenda for a continuing, permanent agency-lawyer setup at its next meeting Nov. 21 in Washington. The judge, who headed up a similar 1953-54 White House study of regulatory processes, said the new President's Conference should be modeled after judicial conferences organized recently in 10 federal judicial circuits.

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Technology

Calling All Engineers: In light of the GOP-Democratic disagreements over the size of the crowds being drawn by their whistle-stopping candidates, we offer the following suggestion—an electronic Crowd Counter.

Although TV & radio have a host of systems for measuring the unseen audience, there's no accepted method for weighing the seen. Hence the wide disparity between estimates by Democratic sheriffs & Republican police chiefs.

Though we're not engineers, it seems to us that there must be electronic techniques adaptable to cranium counting—radar, ultrasonic, infra-red, etc. A device mounted in a helicopter, on a tall building or in a vehicle could scan the mob and come up with a quick, accurate count.

It's acknowledged that some craniums are harder, thicker and less absorptive than others—as both Democrats & Republicans charge—but we believe that the nation's engineers are sufficiently ingenious to devise a system with parameters (as they call them) to encompass reasonable excursions from the norm.

It's recognized that an accurate Nose Numberer may not be welcomed in all quarters—that some officials may prefer to continue making their own estimates for public dissemination. However, it seems reasonable that a good Mass Measurer should attain general acceptance.

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Satellite communciations prospects (Vol. 16:34 p1) are being explored by a British team of experts who arrived in Washington Oct. 23 for consultations with govt. agencies & private firms here.

RCA shipped a 25-kw transmitter Sept. 22 to WMVS-TV (Ch. 10 educational) Milwaukee, which is planning boost to 316 kw. RCA has also shipped 2 TV tape recorders to KDKA-TV Pittsburgh and to Radio Tupi, Brazil.

Programming

FIRST NIELSEN OF SEASON: Admen last week were busily combing through the initial full-scale report on the program behavior of the 1960-61 season—A. C. Nielsen Co.'s first national report for October. In general, after adjustments were made for the shift in Nielsen's new reporting tactics, program behavior was about the same this season as last. (Programs are now measured nationally on a base of 100% of U.S. TV homes; formerly each program's audience was measured against the percent of U.S. TV homes that could receive that program.) Westerns, dramas, suspense shows, and the rest, were doing generally what they did a year ago, and the amount of public attention to network TV programming was similar. Highspots:

1. In the "top 15" (nighttime average audience) are 12 program veterans—including a network-rerun cycle of *Father Knows Best* in 6th place—and only 3 new shows, none in top positions. The 1-2-3 leaders wear familiar faces: *Gunsmoke*; *Have Gun, Will Travel*; *Wagon Train.*

2. Of the 3 new shows which hit the rating bigtime, 2 (*Tom Ewell Show* in 5th place; *My Three Sons* in 15th) are comedies. The 3rd is a 60-min. private-eye series (*Checkmate*, 11th). Nearly all of the successful new shows appear to owe a large debt to the factor of time period occupied, particularly when serving as the lead-in or lead-out show to one of the top favorites.

3. Strong Westerns are far from dead. In its debut week (the Sept. 29 rating week), NBC's *Outlaws* pulled a surprise 18.7 AA against a 9.8 for *Witness* on CBS in the 7:30-8:30 Thu. period, and topped the average of a pair of 30-min. comedies, *Guestward Ho* with a 12.6 and a new cycle of *The Donna Reed Show* with a 19.2, on ABC-TV.

4. A good adjacency continues to be a solid rating asset. Serving as the lead-in show for *Red Skelton* (4th-rated show in the AA leaders), *The Tom Ewell Show*, a comedy newcomer in CBS' 9-9:30 p.m. slot, drew a 26.4 (for 5th-rated AA position). *Skelton* drew a 28.5. Critics were generally lukewarm toward Ewell's show, but this appeared to be more than canceled by being next to *Skelton.*

5. Similarly, the new *Pete & Gladys* show benefits by being the lead-in to *Father Knows Best* on Mon. nights, *Checkmate* is helped by preceding *Have Gun, Will Travel*, and *Flintstones* is aided by acting as the Fri.-night warmup for *77 Sunset Strip.*

6. The first Nielsen scorecard on the Nixon-Kennedy debates was also tallied. Carried by all 3 TV networks (and 4 radio networks), the Sept. 26 show reached a total TV audience—those who watched 5 mins. or longer—of slightly more than 30 million homes. The initial debate held its audience nicely; at any average moment, 59.5% of U.S. TV homes were tuned in.

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Postscript to Susskind-Khrushchev on *Open End*: A. C. Nielsen Co.'s survey of the show's N.Y. audience revealed that it had twice as many viewers among "professional" (doctors, lawyers, etc.) people as among non-professionals, and the audience was 3 times as large among upper-income (above $6,000 annually) families as among lower-income.

Broadcasts in Esperanto have been started by the Voice of America, whose overseas programs are transmitted regularly in 36 languages. The constructed international language is used by some 600,000 persons.

Bard Beachhead for BBC: An extensive new sales campaign is being launched in the U.S. this fall by BBC-TV, which is eager to drum up export sales for shows produced at its new TV center in London. Spearheading the invasion is a package of 15 taped Shakespearean programs (13 are 60 min.; 2 are 75 min.) which BBC has sold to Metropolitan Bcstg. Corp. The series, which spans an 86-year period of blood-soaked intrigue in English history, starting with Richard II, is drawn—rather like a historical soap opera—from 5 of Shakespeare's plays. It will start on WNEW-TV N.Y. and WTTG Washington in early Dec.

BBC's N.Y. office has also signed a syndication deal for the series with National ETV & Radio Center whereby some 50-odd NET outlets will telecast the series next spring. Meanwhile, the series is available from BBC for other commercial or ETV telecasting on 16 or 35-mm kinescopes or on U.S.-standard tapes.

The Shakespeare series, *An Age of Kings*, isn't the only BBC fare that will be promoted this fall in a reverse of the U.S.-to-Britain program sales trend. BBC's Ronald Waldman, who heads overseas sales operations for the govt.-controlled TV-radio network, arrived in N.Y. Oct. 26 to begin an intensive round of sales calls. Much of the sales pressure will probably center on *Inspector Maigret*, a 39-episode taped suspense series based on the Simenon novels, available to U.S. buyers next spring.

Currently, BBC has a foothold in the U.S. program market through co-production deals with NBC's CNP for *Royal Canadian Mounted Police* and with NTA for *The Third Man.* Both 30-min. film shows are in active TV syndication. BBC has also made available some of its public-affairs programs to WNTA-TV N.Y. and has a deal with NBC-TV for transatlantic newsfilm feeds via cable.

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Corinthian Bcstg. Corp. Pres. C. Wrede Petersmeyer and project dir. Herman Land revealed details last week of a post-convention study in Corinthian's markets. The company, whose 5 TV outlets fielded a large team of newsmen at both conventions last July, achieved 100% sponsorship & "practically no monetary loss" in its grass-roots TV coverage of convention politicking. The station group has every intention of covering the 1964 conventions in a similar manner, said Petersmeyer. At the same meeting, Gilbert Seldes, dir., Annenberg School of Communications, U. of Pa., said: "The addition of special coverage to the big and still-necessary large-scale coverage is a vital experiment. There is, of course, a danger in fragmentation, so that you cannot see the structure. The answer is the difference between thinking big & thinking profoundly."

Many-a-slip Dept.: Philip Morris is putting considerable TV backing behind its new "Commander" cigaret brand. However, Navy buffs point out, its commercials feature the 3-star insignia of a vice admiral . . . CBS-TV's Oct. 24 Presidential entertainment special, "The Right Man," used large-space newspaper tune-in ads showing actor Paul Ford, wearing a Coolidge-type Indian war bonnet, as "the perfect candidate." At the last minute, however, Ford's 90-sec. comedy sequence was cut for time. He was never seen on the show—but his name appeared in the credits anyway . . . On CBS Radio's *World News Roundup* last week, newscaster Dallas Townsend came on at the end of the show to correct a mistake in which he had referred to the President's tour as "political." Apologized Townsend: "I referred by accident to President Eisenhower's current political tour as . . . (long pause) current tour as political. It is non-political."

Networks

Talent Summit Meeting: After 6 weeks of conferences, special meetings and frustrated efforts, AFTRA-network negotiations are beginning to resemble, more & more, the Geneva disarmament talks. The only point on which both sides have agreed conclusively: Networks will not audition school-age children during school hours. Time is running out, however, inasmuch as AFTRA's contract with the networks expires Nov. 15. The union reportedly is planning an all-out final negotiation effort on the eve of contract expiration—at a time when AFTRA believes it will be holding the bargaining advantage.

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Radio success in the TV age was claimed last week by NBC Radio, as the now-in-the-black (Vol. 16:39 p9) network unwrapped these (among other) figures: Cost-per-1,000 on NBC Radio now run as little as 36¢ (for hourly newscasts) and 46¢ in the weekend *Monitor* show. Of the 10 top national radio advertisers, 8 (including Pepsi-Cola, Chevrolet, Metropolitan Life and Liggett & Myers) are NBC Radio clients. In a 4-week period, NBC Radio newscasts reach 12.5 million homes.

Local Winston Churchill documentary has been postponed by WNEW-TV N.Y. as the result of a "friendly suggestion" from competitor (& co-producer of the *Winston Churchill Memoirs* series) ABC-TV. The network's Churchill series is scheduled to debut Nov. 27. A call from ABC-TV Pres. Oliver Treyz apparently triggered a rescheduling of WNEW-TV's show to Dec. 18 from Nov. 27. Said Treyz: "It might be a little confusing for viewers."

NETWORK SALES ACTIVITY

ABC-TV

American Bandstand, Mon.-Fri. 4-5:30 p.m., part. eff. Feb.
International Shoe (Krupnick)

Daytime programming, Mon.-Fri., first 2 part. eff. this month, second 2 eff. Dec.
General Mills (BBDO)
Ex-Lax (Warwick & Legler)
Coleman (Potts-Woodbury)
Paper Novelty Mfg. (Zlowe)

Election night coverage, Tue. Nov. 8, 9 p.m. to end, part.
Continental Oil (Benton & Bowles)
Union Carbide (William Esty)

CBS-TV

Money and the Next President (*CBS Reports*), Thu. Oct. 27, 8:30-9:30 p.m., full sponsorship.
Commander cigarets (Leo Burnett)

Face the Nation, Mon. 10:30-11p.m., co-spon. eff. Nov. 14.
Shick (Benton & Bowles)
Knomark (Mogul, Williams & Saylor)

Sun. Sports Spectacular, Sun. 2:30-4 p.m., part. eff. Jan. 8.
Liggett & Myers Tobacco (D-F-S)

NBC-TV

Texaco Huntley-Brinkley Report, Mon.-Fri., 6:45-7 p.m., full sponsorship renewal.
Texaco (Cunningham & Walsh)

NBC News Election coverage, Tue. Nov. 8, 9 p.m. to conclusion, 1/6 participation.
Cowles Magazines (McCann-Erickson)

Jack Paar, Mon.-Fri. 11:15 p.m.-1a.m., part. eff. Oct. 31.
Adam Hats (Mogul, Williams & Saylor)

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Personals: John Gemma named chief of CBS-TV network operations at TV City, Hollywood; he's succeeded as operations mgr. of KNXT Los Angeles by Richard Marsh . . . W. C. (Bud) Prather promoted to technical operations dir. of NBC's WNBQ & WMAQ Chicago, succeeding Howard C. Luttgens, who retired after 34 years with NBC . . . Bob Lyte, ex-Tribune Publishing (KTNT-TV & KTNT Tacoma, *Tacoma News Tribune*) appointed ad dir. & film buyer of WLBW-TV, due to take over Miami Ch. 10 from WPST-TV pending decision by Appeals Court (Vol. 16:41 p5) . . . Phil Lewis, ex-WNTA-TV N.Y., named news dir. of KYW-TV Cleveland, succeeding Gary Franklin, resigned.

Grady Jackson (Jack) Burney Jr., research mgr. of WBTV Charlotte, N.C., elected TvB research advisory committee chmn., succeeding Melvin A. Goldberg.

Warren J. Boorom resigns as RAB's vp-member service dir. to become ad & promotion dir., Metropolitan Bcstg. Corp.; succeeded as member service dir. by Patrick Rheaume . . . M. L. Plessner named ad, promotion & PR dir., KPLR-TV St. Louis . . . C. Braxton Valentine Jr., ex-Internal Revenue Service, joins Washington law firm of Weaver & Glassie.

R. E. Misener, gen. mgr. CFCF-TV Montreal, has been elected pres. Central Canada Broadcasters Association, succeeding S. C. Ritchie, CKLW Windsor, Ont. John Moore, CHLO St. Thomas, and Wm. McGregor, CKCO-TV Kitchener, elected vps. Stuart MacKay, pres. All-Canada Radio & TV Ltd., told the conference 1,000 jobs will be open in 1961 in Canadian radio-TV broadcasting.

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Purchase of "Television Magazine," monthly TV trade publication founded in 1944 by the late Frederick A. Kugel, was announced late last week by Mrs. Frederick A. Kugel and Sol Taishoff, pres. of Broadcasting Publications Inc., publishers of *Broadcasting*. According to Taishoff, *Television* will continue publication from its present N.Y. hq as a "separate corporate entity," and with "no immediate changes contemplated in personnel, format or editorial & operating policy."

Obituary

H. P. Somerville, 71, who retired 3 years ago as BMI vp, died Oct. 27 in N.Y. as a result of a fall a month ago. He is survived by his wife, a daughter and 5 grandchildren.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

NEW DELAYS POSSIBLE IN FM STEREO: There's less optimism at FCC now about possibility of posting FM stereo broadcast standards by year's end. And for the first time we're hearing suggestions that there could be a verdict of "not ready" or "more study."

National Stereophonic Radio Committee's report on its field tests of 6 proposed FM stereo systems last summer in Uniontown, Pa. was filed last week with FCC as the deadline passed for system comments. Comprehensive as it is, NSRC's 4-in. thick compendium of field-test curves & measurements—like other industry filings—leaves many important questions unanswered. The report, prepared under NSRC field-test chief, NAB engineering-dept. mgr. A. Prose Walker, points up difficulties in selection of best stereo system: No one system showed up vastly superior to the others in all respects.

Despite high priority being given by FCC to FM stereo action, Commission staffers now say only that they "hope" Commission will reach decision this year. And it's becoming clearer (particularly in light of field-test results) that the word "decision" covers much territory.

It could mean selection of a specific system, but there now seems more inclination to include these alternatives: (1) FCC could "decide not to decide"—state that it hasn't sufficient information, wants more tests or proposals. (2) It could rule that none of the proposed systems meets its definition of "compatible"—that they produce unacceptable signal on conventional monophonic FM sets.

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Which systems came out best in field tests is controversial, even among field-test panel members. On the surface, on basis of detailed perusal of report, it would appear that Crosby, GE & Zenith systems demonstrated most desirable characteristics in greatest number of test measurements. But individual comments, filed by other system proponents (Calbest, EMI, Multiplex Development) in appendix to report, leave no doubt that they feel their systems didn't make best possible showings because of unexpected equipment deficiencies & breakdowns, test-equipment troubles, etc.

Although FCC just received field-test data, Commission staffers were present at all NSRC meetings and through entire field-test period. Brunt of FM stereo staff work will fall on Harold L. Kassens, chief of Commission's Aural Existing Facilities Branch, who served on NSRC in advisor & observer capacity. It's said by panel members that Kassens was only person who was continually present at all of last summer's midnight-to-dawn field tests at Uniontown, Pa. Wee-small-hour work was required because originating station for field tests—Pittsburgh's KDKA-FM—could conduct experimental transmissions only in non-broadcast hours.

Along with field-test report, FCC received big batch of tape recordings made at Uniontown field tests for each of the 6 proposed stereo systems—both stereo & monophonic reception at various field strengths. One of toughest jobs for Commission will be listening to these tapes and comparing subjective judgments of quality with field-test measurements for each system. Here are some of the more knotty problems FCC will have to decide in its stereo deliberations:

(1) Can stereo broadcasting be compatible with monophonic sets? There are 10-to-14-million standard FM sets now in use. Owners of these sets must be protected when stereocasts begin—that is, they must be able to receive good quality monophonic programs from stereo broadcasts. New information, gathered mainly by Bell Telephone Labs and reported to FCC last week in report of field-test subcommittee No. 6, casts doubt on concept of adding both stereo channels together to produce a good-quality monophonic signal. Subcommittee found that quality of many stereo discs is degraded when used for monophonic programming, mainly due to phase differences between the 2 sound channels.

"The majority" of stereo discs are "acceptable for compatible stereophonic & monophonic broadcasting," said the subcommittee—but it noted that it found 8 of 32 (or 1 in 4) stereo records "afforded definitely

inferior monophonic reproduction." Whether further degradation is added to monophonic sound due to other phase shifts in the various stereo broadcasting & reception systems is up to FCC to determine. As to records themselves, subcommittee concluded that "improvements will come when the record companies take note of compatible stereo broadcasting and the need for compatible records."

(2) What are the effects of interference on stereo broadcasts? Co-channel & adjacent-channel interference and what they do to stereo signals couldn't be measured by field-test panel, which instead asked system proponents to file their own lab measurements with Commission. It's also probable that FCC engineers will have to conduct own tests in this field.

(3) Should stereo broadcasters be permitted other multiplex operations? This is important basic policy question—involving such multiplex services as functional music, storecasting, etc. Crosby system—considered by some the highest-fidelity stereo system proposed—leaves no room for these other Subsidiary Communications Authorization (SCA) services, and its adoption would require FM broadcasters to choose between stereo and other multiplex services. All 5 of the other systems tested would let broadcaster transmit stereo to FM listeners simultaneously with and in addition to regular point-to-point multiplex services.

More than 200 FM outlets are now authorized to conduct various SCA multiplex services. Therefore, there's feeling that Crosby system would have to show up markedly superior to all other systems in order to gain FCC approval as the one FM stereo system. In view of recent Bell Labs & RCA studies of "good stereo"—which showed that acceptable stereo must have separation only as high as 10 kc (Vol. 16:42 p17)—it would seem that FCC may lean away from Crosby proposal. Crosby system's ace is maintaining stereo separation across the entire audio band, while some of the other systems lose separation at 7, 8 or 10 kc.

"Crosby is a Cadillac; the others are Fords & Chevys," is the way one NSRC engineer put it to us. "They'll both get you there. Crosby will have to show up awfully, awfully superior to make the Commission decide to sacrifice SCA multiplexing for a stereo system, when it could have both."

Organized lobbying for Crosby system by hi-fi enthusiasts is beginning to show up at FCC. Commission has received about 500 letters, mainly from readers of "Hi Fi & Stereo Review," which recently ran editorial urging readers to write FCC in behalf of Crosby system. Since these letters aren't "comments" in conventional sense, best guess is that they'll be "noted & filed" by Commission.

There's some talk of a "modified Crosby system," which would permit SCA multiplexing by curtailing stereo separation at high end of audio spectrum. This, of course, is a possibility, as are other types of "hybrid" systems not specifically tested by NSRC. Commission will consider at least 2 systems not included in NSRC reports: (1) The one Philco proposed, then withdrew from NSRC consideration, but which is still on file with FCC. (2) The proposed FM stereo specifications submitted by RCA, which isn't an NSRC member.

Manufacturing & marketing questions also will enter into FCC's decision—albeit indirectly. Among these considerations: How economically can FM stereo radios for each system be manufactured? Can standard FM radios be converted easily to the various systems?

These & other imponderables begin to suggest that FCC has big, big job ahead. There's no doubt Commission intends to proceed with utmost dispatch, as soon as counter-comments are filed Nov. 7—but field-test results and the controversy they are stirring up are indicative that final decision won't be easy, and it may not be soon.

For other stereo FM comments received by FCC last week, see p. 18.

TV-RADIO PRODUCTION: EIA statistics for the week ended Oct. 21 (42nd week of 1960):

	Oct. 14-21	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	119,634	124,587	180,048	4,748,925	5,036,889
Total radio	407,078	433,493	459,861	13,675,916	12,266,111
auto radio	145,588	156,510	135,912	5,252,191	4,557,978

Televideo Corp. of America, which operates Picture Tube Mart in Culver City, Cal., has been ordered in an initial FTC decision to stop selling rebuilt TV picture tubes without disclosing that they contain used parts. FTC said the company failed to answer a June 27 complaint charging "material facts" about its tubes weren't revealed to buyers.

Rebuilt TV picture tubes have been misrepresented as new by National Television Tube Inc., Saddle Brook, N.J., and National Tube Corp., South Norwalk, Conn., FTC charged in separate complaints against the manufacturers. The complaints said the alleged practices diverted trade unfairly from competitors in violation of the FTC Act.

TV-RADIO EXPORTS & IMPORTS: Exports of TV sets dropped in July for the 3rd consecutive month, according to official Commerce Dept. figures. Shipments of complete TV sets during the month totaled 5,335 units (vs. June's 6,653 & May's 10,526), with TV chassis exports at 6,839 (from June's 7,634, May's 577). July is the traditional "vacation month" when many U.S. TV plants shut down.

July's TV set exports were valued at $717,574. Shipments worth $1,000 or more went to some 30 countries—including 4 sets valued at $1,030 to Soviet Russia. Largest shipments went to: Canada, 1,031 sets (at $144,498); Peru, 725 ($85,416); Venezuela, 655 ($96,859); Costa Rica, 604 ($74,064); Panama, 420 ($56,579); Lebanon, 385 ($58,804). Cuba received but 28 sets (at $1,328)—a far cry from the rate of last year, when 28,303 sets were shipped to Cuba at a total value of more than $3.6 million.

TV chassis exports were valued at $360,802; went largely to 4 countries: Italy, 3,040 ($163,524); Peru, 1,360 ($66,228); Mexico, 1,135 ($63,450); Canada, 1,052 ($49,569).

Among other July electronics exports:

Home radios, 5,884 at $191,814, of which more than half (3,476 at $93,890) went to Canada. Home radio chassis, 2,413 at $40,530, with 1,000 going to Viet Nam at $26,730 and 1,000 to Mexico at $8,600. Auto radios, 5,625 at $111,641, including 2,526 ($40,498) to Canada and 2,161 ($39,576) to Mexico. Radio-phonos, 177 at $26,618. Picture tubes, 116,805 at $2,461,636, major customers being Argentina, Italy, Sweden, Denmark & France. Receiving tubes, 1,469,697 at $1,151,641, major shipments going to Mexico, Brazil, Canada & Argentina. Transistors & diodes, 923,990 at $1,527,431, principally to France, Canada, Sweden, Italy & U.K. Recorders & parts, $1,003,429. Phonos, 1,253 at $92,707. Phono parts, $501,548.

TV Transmitter Exports

TV transmitting equipment exports totaled $375,641, of which $109,654 went to Canada. Countries which currently have no TV stations but which received transmitting equipment in July were Syria ($82,845) and Israel ($15,952). TV studio equipment exports totaled $766,983, AM & FM transmitting gear $158,972, audio broadcast equipment $118,990.

* * *

Electronic imports generally were lower in June, too. Principal categories:

Transistor radios, 380,661 at $3,711,430, of which 369,827 came from Japan, 10,762 from West Germany. Other portable radios, 33,878 at $161,602, with 31,127 from Japan, 1,386 from Netherlands. Other radios, 84,355 at $760,535, with 71,738 coming from Japan. Radio-phonos, 8,392 at $626,795, with 4,723 ($458,124) from Germany, 3,554 ($162,578) from Japan. Record-players & parts, $692,458 (from Germany, Japan & Switzerland). Phonos, 2,158 at $60,454, from Japan (922), U.K. (801), Norway (333).

TV cameras & parts, $155,992, all from U.K. "TV tubes & parts," $79,472, from U.K., Switzerland & West Germany. Other TV apparatus & parts, $180,000, largest amount ($67,558) coming from France. Other radio apparatus & parts, $1,316,896, including $511,316 from Canada, $399,459 from Japan, $203,282 from West Germany. "Radio tubes," 2,225,270 at $806,418, of which 1,190,022 at $311,754 were from Japan, with other major quantities from Netherlands, U.K. & West Germany. No figures are given on imports of TV sets or transistors.

Japanese Production Stays Up: Electronic output in Japan totaled $565 million in the first 1960 half—up 40% from the figure reported for the first 6 months of 1959—the U.S. Commerce Dept. reported.

Production in this year's 2nd quarter leveled off somewhat from first-quarter heights, which were 53% above estimates for the corresponding 1959 period (Vol. 16:34 p16). Total value of the April-June 1960 output was only $1 million more than in the Jan.-March quarter.

Citing U.S. embassy reports from Tokyo, the electronics div. of Commerce's Business & Defense Services Administration said the first-half electronics industry expansion in Japan can be attributed partly to export increases—"but more basically" to high investments in companies there and to increases in consumer demand.

A BDSA breakdown of increases in electronic products in the first 1960 half vs. the first 1959 half gave this picture: All consumer items, 43%; TV receivers, 36%; radio receivers with 3 or more transistors, 80%; radio-phonos, 139%; receiving tubes, 63%; transistors, 48%.

* * *

Japan has stopped exporting TV & radio tubes to Canada, following consultations between the two governments about the penetration of the Dominion market by Nippon manufacturers. The report is from Finance Minister Donald M. Fleming, who says the suspension will continue through 1960, "or until such time as satisfactory quotas can be arranged." It applies to all shipments except those already in transit. Fleming adds that "consultations will continue between the two governments & the industries concerned with a view to reaching mutually satisfactory arrangements for the control of shipments to Canada on a more orderly basis in the future." During the first 7 months of this year, Japanese shipments of TV & radio tubes to Canada were more than double the year-ago volume—climbing to 2,589,000 units, vs. 2,324,000 tubes for all '59.

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Electronic wristwatch that uses a transistor, electronic circuitry and a 1.3-volt mercury cell in lieu of the conventional watch movement, was introduced by Bulova last week in a coast-to-coast closed-circuit TV press conference. The transistorized Bulova, named Accutron, has a price range of $175-to-395 for 12 different models. The company said the tiny power cell, which retails for $1.50, will operate the watch for more than a year. The closed-circuit TV conference, produced by TNT, originated in N.Y.'s Statler Hilton hotel and linked a press audience in 13 cities, including Toronto, Canada. The electronic press conference was the second for TNT, which says it debuted the first when introducing the Ford Falcon last year (Vol. 15:34 p20).

Emerson introduced new color console, a 19-in. TV-radio-phono combo and 2 stereo instruments as drop-ins last week. The 21-in. color set, available in mahogany or fruitwood hardwoods, lists at $750. The one-piece 19-in. lowboy TV-radio-stereo unit, designed to fit into limited space, is priced at $358. A new 40-watt stereo-radio combination is $368 and a second combination features reverberation, at $298.

First rent-all products stores of new Hertz subsidiary, Hertz Rent-All Corp. (Vol. 16:40 p15), are slated for Nov. 4 opening in Chicago. Vp-gen. mgr. Harlan Liss reports that 2 Chicago stores will be founded initially, followed by 2 others later. The Hertz subsidiary plans a nationwide chain to rent a broad range of merchandise, including TVs & radios. Rental for 17-in. portable: $5 wkly., $15 monthly.

FM STEREO COMMENTS: Small flurry of comments by FM stereo system proponents and others drifted down on FCC at last week's end as deadline passed for filings. Biggest document received was the NSRC field-test report (see p. 15). Highlights of other comments:

Three of the proponents whose systems were classified & tested by NSRC are known to have filed comments by deadline—although others may show up next week. GE urged the Commission to authorize its system, which it said "proved capable of providing a superior broadcasting service with simple & inexpensive additions to transmitting & receiving equipment."

In its own interpretation of NSRC field tests, GE stated that its system "produced the best stereophonic separation and was the only system that fully met minimum stereophonic requirements outlined by NSRC Panel 6 (field testing). In addition, said GE, its system "proved best in fidelity, both in monophonic & stereophonic sound," showed excellent signal-to-noise characteristics and demonstrated that "the SCA performance was the same whether the main broadcast was stereophonic or monophonic."

Zenith urged FCC to authorize stereo and to adopt the Zenith system. It stated that its system has all the capabilities for high-quality performance and is fully compatible with present monophonic services & "suitably regulated SCA services," and that transmitter requirements are "modest & practical," receivers "simple & versatile."

Multiplex Development Corp. (William Halstead) requested "serious consideration" of its field-tested system utilizing the "Phantodyne" stereo matrix system.

A few FM broadcasters were heard from. WCRB Boston favored the Multiplex Development (Halstead) system and urged its adoption in a slightly modified version. High Fidelity Bcstrs. Inc., Bethesda, Md. FM CP-holder, said it will use any system FCC adopts but urged Commission to approve a system based on "quality of signal delivered to the listener."

There was some concern lest stereo subcarrier frequencies might conflict with remote transmitter control. KRCW (FM) Santa Barbara asked FCC not to permit subcarrier in the 16-28-kc range. The station said its transmitter is remotely controlled by control tones in the 17-23-kc band and use of such frequencies for stereo would deprive it and other stations of remote control. Moseley Associates, manufacturer of remote-control devices, also of Santa Barbara, entered a similar plea.

* * *

Members of NSRC's field-test panel, which last week submitted its report on tests of FM stereo systems to FCC (see p. 15): A. Prose Walker, NAB, chmn.; R. H. Beville, WWDC Washington, vice chmn.; John Carroll, *Electronics*, secy.; L. B. Arguimbau, of Bolt, Beranek & Newman; W. H. Beaubein, A. Csicsatka & R. M. Linz, GE; K. F. Becker & W. T. Wintringham, Bell Labs; W. P. Boothroyd, Philco; R. W. Burden, WRNW-FM Mt. Kisko, N.Y.; M. G. Crosby, B. C. Coffman & L. Feldman, Crosby-Teletronics; S. Decker, Magnavox; L. B. Dodds & P. B. Vanderlyn, EMI; U. Dols, Warwick; C. G. Eilers, Zenith; H. Fremont & H. N. Parker, Calbest; R. E. Furst, Harman-Kardon; A. C. Goodnow & F. J. Schaefer, Westinghouse; Ralph N. Harmon, Westinghouse Bcstg. Co.; W. S. Halstead, Multiplex Services Co.; R. A. Isberg, Ampex Professional Products; F. L. Mergner & G. E. Meyer, Fisher; H. Pyle, Delco; B. F. Tyson, Sylvania; D. R. von Recklinghausen, H. H. Scott Inc.; Harold L. Kassens & J. T. Robinson, FCC (advisory).

Labor News: IUE and GE settled their differences with a new 3-year contract Oct. 22, ending the strike by 70,000 employes at 55 plants (out of a total of 240,000 at 166 plants). It had begun midnight Oct. 1 (Vol. 16:40 p15). The agreement provides an immediate 3% wage boost, eliminates the cost-of-living escalator clause desired by the union, and gives IUE 30 days in which to select one of 3 wage & benefit options proposed by GE during the pre-strike negotiations.

End of the strike did not bring complete peace to GE, however. At week's end, the company was still embroiled in a charge & countercharge tussle with Philadelphia Mayor Richardson Dilworth, each criticizing the other's views on picketing during the strike.

GE last week also reached tentative agreement on a new 3-year pact with the independent United Electrical Workers, which claims to represent 24,000 employes in 14 plants (vs. GE's claim of 10,000 in 13 plants). The new contract, subject to ratification by UE membership, is similar to the GE-IUE agreement.

Westinghouse, which settled with IUE Oct. 20 (Vol. 16:43 p18), last week signed a new 3-year agreement with UE, which represents about 8,000 employes in 7 plants. The terms were similar to those contained in Westinghouse's new 3-year pact with IUE.

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Trade Personals: Donald F. Clemens, ex-RCA, Motorola & BBDO, joins Westclox mktg. dept. as product mgr. for its new clock-radio line . . . **Orphie Bridges**, Arvin vp, named chmn. of new radio section of EIA Consumer Products Div. . . . **Morris E. Boyles**, ex-engineering administration mgr., promoted to components engineering mgr., GE TV receiver dept. . . . **Thornton S. Adams**, ex-Spiegel, appointed to new post of mktg. dir., Allied Radio.

Walter C. Davidson, former Los Angeles management consultant & adman, named product mgr. of closed-circuit TV systems, ITT industrial products div., San Fernando, Cal.; **Fred Twomey**, ex-vp-gen. mgr. of Air Associates Inc., named ITT mgr. of avionic products, a new post . . . **James Fooskas & Charles C. Weston** appointed International Resistance accounting & budget directors . . . **Arthur N. Hausman** named vp & research dir., Ampex Corp.

Paul Lebenbaum Jr., ex-GE, named mgr., ITT components div. Palo Alto plant . . . **Paul R. Bunker** named Magnecord products sales mgr., Midwestern Instruments . . . **Capt. William I. Bull** (USN ret.) named asst. to pres. for semiconductor operations, Hoffman Electronics.

Robert G. Swain, promoted from Eastern regional sales mgr. to new post of semiconductors product planning mgr., CBS Electronics . . . **James R. Weiner**, ex-Lockheed Missiles and Remington-Rand Univac, appointed to new post of engineering vp, Philco govt. & industrial group . . . **Edward J. Hart** appointed RCA microwave dept. mgr. . . . **R. V. Miraldi** named plant mgr., RCA defense electronic products Cambridge, Ohio plant.

Lloyd S. Miller, AT&T Washington office dir., elected a vp . . . **Joe P. Schindler** named to new post of mktg. dir., Polarad Electronics . . . **Chester (Chet) Jur**, ex-Packard Bell, named sales mgr., Rutherford Electronics communications div. (pulse instrumentation), Culver City, Cal.

Obituary

Sophie Nack, who headed the Chicago PR firm which handled promotion & publicity for the annual Electronic Parts Distributors Show, has died in Flint, Mich., after several months illness.

Finance

Siegler Corp., parent of Olympic Radio & TV, reports a decline in sales & profits for fiscal 1961's first quarter (ended Sept. 30) compared with a year ago (see financial table). Olympic contributed to the decline, Pres. John G. Brooks noted. However, he pointed out, Olympic's 8.5% drop in TV sales for the quarter compared with a 13.7% setback for the TV industry. For the first 9 months of the calendar year, Olympic's unit sales of TV's gained 7.4% vs. an industry decline of 2.5%. Brooks said Olympic's consumer-goods dollar volume was down only 3% from a year ago. But he pointed out that TV prices had been increased from the 1959 level. TV (including color sets which Olympic began began shipping during the quarter), hi-fi and other commercial electronic products produce about 50% of Siegler's sales; 25% are military products, the balance from heating & air conditioning equipment.

Magnavox, bucking an industry trend, posted higher profits as well as sales for the September quarter and the 9 months to Sept. 30 (see financial table). Pres. Frank Freimann attributed the sales rise to a 50% increase in volume registered by the government & industrial electronic div. Third-quarter sales of consumer products slipped 10% from a year ago, attributable, Freimann said, to both an "industrywide sales decline" & delays in shipments caused by a fire in a supplier's plant. October sales of consumer products "improved," he said, and the 4th-quarter picture "looks favorable." Freimann expects Magnavox's new 27-in. TVs, now being shipped to dealers, to "stimulate" 4th-quarter sales.

Magnavox has filed an SEC registration statement (File 2-17212) covering 149,184 common stock shares to be offered employes under restricted option plans.

Loral Electronics Corp., N.Y. research & development company whose business is mostly military, plans public sale of $5 million of convertible subordinated debentures due 1980. An SEC registration statement (File 2-17244) listed underwriters as Kidder, Peabody & Co., Lehman Bros. and Model, Roland & Stone. The price & interest rate weren't specified in the SEC application.

Pioneer Electronics Corp., Los Angeles manufacturer of replacement TV picture tubes, plans a subscription offering of 217,902 common shares to holders of outstanding stock for $1 per share on a basis of one new share for each share held. An SEC registration statement (File 2-17235) said no underwriting is involved.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Desilu Productions ...	Q	$0.15	Nov. 25	Nov. 11
Emerson	Stk.	3%	Dec. 15	Nov. 14
Filmways	Stk.	2%	Dec. 2	Nov. 4
IBM	Q	.75	Dec. 10	Nov. 10
Internatl Resistance ..	Q	.07½	Dec. 1	Nov. 15
P. R. Mallory	Q	.35	Dec. 10	Nov. 16
P. R. Mallory	Stk.	2%	Dec. 20	Nov. 16
National Video "A" ..	Q	.22½	Nov. 21	Nov. 4
Sperry Rand	Q	.20	Dec. 31	Nov. 15
Stanley Warner	Q	.30	Nov. 25	Nov. 9
Stewart-Warner	Q	.35	Dec. 10	Nov. 18
TV Shares Managem't	SA	.20	Nov. 16	Oct. 31
TV Shares Managem't	Ex.	.10	Nov. 16	Oct. 31
Tung-Sol	Q	.35	Dec. 2	Nov. 10
Westinghouse	Q	.30	Dec. 1	Nov. 7
Whirlpool	Q	.35	Dec. 31	Dec. 9

Reports & comments available: United Artists, report, Auchincloss, Parker & Redpath, 2 Broadway, N.Y. 4 • Douglas Microwave, comments, Bruno-Lenchner, Bigclow Square, Pittsburgh 19 • Stelma, review, Amos Treat & Co., 79 Wall St., N.Y. 5 • Decca Records, discussion, Hill, Darlington & Grimm, 40 Wall St., N.Y. 5 • Litton Industries, report, Cooley & Co., 100 Pearl St., Hartford 4 • Columbia Pictures, review, Purcell & Co., 50 Broadway, N.Y. 4 • NAFI Corp., prospectus, Shields & Co., 44 Wall St., N.Y. 5 • Electronics Capital Corp., report, Hayden, Stone & Co., 25 Broad St., N.Y. 4 • AT&T, prospectus, Morgan Stanley & Co., 2 Wall St., N.Y. 5 • Daystrom, prospectus, Goldman, Sachs & Co., 20 Broad St., N.Y. 5 • Electronics International Capital Ltd., prospectus, Bear, Stearns & Co., One Wall St., N.Y. 5 • Scantlin Electronics, prospectus, Carl M. Loeb, Rhoades & Co., 42 Wall St., N.Y. 5 • Vogue Instrument Corp., offering circular, S. S. Samet & Co., 170 Broadway, N.Y. 38 • Electro-Science Investors, prospectus, Kidder, Peabody & Co., 17 Wall St., N.Y. 5. • Electronics Industry, profile in Oct. *Perspective*, published by Calvin Bullock, One Wall St., N.Y. 5.

Daystrom, Murray Hill, N.J. manufacturer of electronic equipment & components, is offering for public sale $10 million of 20-year 5¼% sinking fund debentures. The debentures are due Oct. 1, 1980, are priced at 100, and are non-callable for 5 years for a lower-cost financing. The offering is through an underwriting group managed jointly by Goldman, Sacks & Co., R. W. Pressprich & Co.

Espey Mfg. & Electronics is now listed for trading on the American Stock Exchange. Symbol: ESP.

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Oct. 27, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a quide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	20½	23
Aerovox	6¾	7⅞
Allied Radio	21¼	23
Astron Corp.	1¾	2¼
Baird Atomic	21	23
British Industries	13	14⅝
CGS Labs	9	10½
Cetron	4	4¾
Control Data Corp.	39¾	42¾
Cook Elec.	14	15⅛
Craig Systems	13	14⅝
Dictaphone	31	34⅝
Digitronics	17½	9⅜
Eastern Ind.	10	11½
Eitel-McCullough	18	19⅜
Elco Corp.	14½	16¼
Electro Instruments	19½	22
Electro Voice	8½	10
Electronic Associates	24½	26¾
Erie Resistor	8¼	9⅛
Executone	23	26¼
Farrington Mfg.	25½	27¾
Fischer & Porter	14½	16¼
FXR	36½	40⅜
General Devices	10½	11¾
G-L Electronics	7¼	8⅜
Granco Products	3½	4⅛
Gross Telecasting	18½	20⅜
Haydu	⅜	5/16
Hewlett-Packard	9¼	21
High Voltage Eng.	123	135
Infrared Industries	17	18⅞
International Rectifier	18¾	19⅞
Interstate Engineering	19	20⅝
Itek	44½	48¾
Jerrold	6	6⅞
Lab for Electronics	35¼	38
Lel Inc.	4¾	5½
Magna Theater	2½	2-15/16
Magnetics Inc.	8½	10
Maxson (W.L.)	7¼	8⅜
Meredith Pub.	42	45⅝
Metropolitan Bcstg.	16⅞	18⅛
Milgo Electronics	15¾	17
Narda Microwave	4½	5¼
Nuclear of Chicago	29½	32½
Official Films	1⅞	2¼
Pacific Automation	5¼	6⅛
Pacific Mercury	6⅝	7⅜
Perkin-Elmer	37¼	40⅛
Philips Lamp	160½	166¼
Pyramid Electric	2¼	2⅞
Radiation Inc.	17¾	19⅛
Howard W. Sams	33½	36⅝
Sanders Associates	24½	26¾
Silicon Transistor	5⅛	5¾
Soroban Engineering	32½	35⅝
Soundscriber	11	12⅝
Speer Carbon	18	19⅞
Sprague Electric	43½	46⅝
Sterling TV	1⅜	1⅞
Taft Bcstg.	11¾	13⅛
Taylor Instrument	34	36¾
Technology Inst.	7¾	9
Tele-Broadcasters	⅝	1-1/16
Telechrome	11	12¼
Telecomputing	6	6¾
Telemeter	10¼	11¼
Time Inc.	59½	63
Tracerlab	9	10¼
United Artists	6¾	7½
United Control	19¾	21¼
Universal Trans.	1	1⅜
Vitro	9¾	10¾
Vocaline	2⅝	2¾
Wells-Gardner	14¾	16⅛
WJR Goodwill	8½	10
Wometco Ent.	11⅞	12⅞

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Allied Radio	1960—year to July 31	$ 34,821,953	—	$1,284,204	$1.25	—
	1959—year to July 31	29,682,110	—	1,151,741	1.13	—
America Corp.	1960—9 mo. to Sep. 30	22,980,767	—	932,227	.22[1]	3,183,229
	1959—9 mo. to Sep. 30	20,173,268	—	(317,335)[2]	—	—
AB-PT	1960—9 mo. to Sep. 30	—	$16,173,000	7,522,000[3-5]	1.80[4]	4,149,737
	1959—9 mo. to Sep. 30	—	11,219,000	5,226,000[5]	1.22[4]	4,149,362
	1960—qtr. to Sep. 30	—	3,970,000	1,869,000[6]	.45[4]	4,149,737
	1959—qtr. to Sep. 30	—	2,811,000	1,340,000[6]	.32[4]	4,149,362
Arvin Industries	1960—9 mo. to Sep. 30	49,045,439	1,984,586	958,101	.84	1,132,534
	1959—9 mo. to Sep. 30	50,603,330	3,501,983	1,686,541	1.49	1,129,659
	1960—qtr. to Sep. 30	16,569,205	759,934	364,768	.32	1,132,534
	1959—qtr. to Sep. 30	18,487,559	1,232,016	591,367	.52	1,129,659
Beckman Instruments	1960—qtr. to Sep. 30	15,060,698	1,541,014	741,014	.54	1,381,023
	1959—qtr. to Sep. 30	12,638,315	1,249,516	622,516	.46	1,363,094
Capital Cities Bcstg.	1960—9 mo. to Sep. 30	5,311,362	1,106,102	566,508	.49	1,149,798
	1959—9 mo. to Sep. 30	3,478,251	142,504	134,666	.12	1,149,798
Cohu Electronics	1960—9 mo. to Sep. 30	—	—	145,230	.10	2,360,591[7]
	1959—9 mo. to Sep. 30	—	—	674,968	.48	2,360,591[7]
	1960—qtr. to Sep. 30	—	—	131,598	.09	2,360,591[7]
	1959—qtr. to Sep. 30	—	—	139,865	.10	2,787,027
Dynamics Corp. of America	1960—9 mo. to Sep. 30	34,926,219	2,225,130	1,222,154	.32[1]	2,787,027
	1959—9 mo. to Sep. 30	22,153,579	1,573,790	976,964	.23[1]	2,753,603
GT&E	1960—year to Sep. 30	1,132,000,000	—	73,288,000	1.07[1]	67,836,000[12]
	1959—year to Sep. 30	1,027,000,000	—	68,597,000	1.10[1]	61,278,000[12]
	1960—9 mo. to Sep. 30	830,826,000	—	53,019,000	.76[1]	68,601,000[12]
	1959—9 mo. to Sep. 30	779,928,000	—	51,983,000	.82[1]	62,201,000[12]
International Rectifier	1960—qtr. to Sep. 30	3,337,496	—	280,667	.12	2,405,678[7]
	1959—qtr. to Sep. 30	3,216,197	—	271,283	.11	2,405,678[7]
Ling-Temco Electronics	1960—qtr. to Sep. 30	9,369,000	—	823,000	.33	2,477,463
	1959—qtr. to Sep. 30[8]	40,871,000	—	716,000	.29	2,477,463
Litton Industries	1960—year to July 31	187,761,242	—	7,454,854	1.76	—
	1959—year to July 31	125,525,561	—	4,954,031	1.33	—
Magnavox Story on p. 19.	1960—9 mo. to Sep. 30	79,875,000	7,161,000	3,534,000	1.50	2,360,591[7]
	1959—9 mo. to Sep. 30	72,939,000	4,905,000	2,384,000	1.01	2,360,591[7]
	1960—qtr. to Sep. 30	28,111,000	3,353,000	1,690,000	.72[11]	2,360,591[7]
	1959—qtr. to Sep. 30	25,661,000	2,571,000	1,244,000	.53[11]	2,360,591[7]
Metropolitan Bcstg.	1960—39 wks. to Oct. 2	30,303,176	—	1,035,247	.61	1,699,137
	1959—39 wks. to Oct. 2	11,765,168	—	1,197,097	.77	1,549,012
	1960—13 wks. to Oct. 2	11,125,281	—	287,323	.17	1,699,137
	1959—13 wks. to Oct. 2	3,690,272	—	192,845	.12	1,549,012
MPO Videotronics	1960—9 mo. to July 31	5,487,798	—	186,936	.45	410,000
	1959[9]	—	—	—	—	—
Muter	1960—9 mo. to Sep. 30	8,871,207	201,472	98,726	.12[13]	839,523
	1959—9 mo. to Sep. 30	9,690,656	489,983	237,211	.28[13]	800,313
Siegler Story on p. 19.	1960—qtr. to Sep. 30	20,218,288	—	746,531	.40	1,872,466
	1959—qtr. to Sep. 30	21,189,245	—	815,616	.50	1,634,026
Standard Kollsman Industries	1960—9 mo. to Sep. 30	71,815,551	4,852,209	2,203,580	1.10[10]	2,007,243
	1959—9 mo. to Sep. 30	54,227,527	1,976,997	1,039,497	.52[10]	1,925,779
	1960—qtr. to Sep. 30	26,486,507	1,965,145	825,866	.41[10]	2,007,243
	1959—qtr. to Sep. 30	19,005,960	821,894	399,794	.20[10]	1,925,779
Stewart-Warner	1960—9 mo. to Sep. 30	82,264,260	10,016,574	4,781,574	1.45	3,297,753
	1959—9 mo. to Sep. 30	86,378,258	12,116,867	5,805,867	1.77	1,639,251
	1960—qtr. to Sep. 30	24,515,245	2,760,425	1,320,425	.40	3,297,753
	1959—qtr. to Sep. 30	29,147,639	4,257,003	2,036,003	.62	1,639,251
Thompson Ramo Wooldridge	1960—9 mo. to Sep. 30	313,962,717	14,064,545	6,858,145	2.10[1]	3,150,825
	1959—9 mo. to Sep. 30	301,229,136	13,407,299	6,710,999	2.07[1]	3,119,503
	1960—qtr. to Sep. 30	94,817,558	3,640,584	1,824,284	.55[1]	3,150,825
	1959—qtr. to Sep. 30	101,691,898	3,427,190	1,784,790	.54[1]	3,119,503
Tung-Sol	1960—39 wks. to Oct. 1	51,618,922	2,786,924	1,337,924	1.27	924,521
	1959—39 wks. to Oct. 1	53,088,119	4,470,654	2,109,654	2.10	923,142

Notes: [1] After preferred dividends. [2] After tax credit of $310,000. [3] Record. [4] Based on profit from operations, and after preferred dividends. [5] Excludes gains of $1,351,000 (32¢) in 1960 & $181,000 (4¢) in 1959. [6] Excludes capital gains of $23,000 in 1960 & $182,000 (4¢) in 1959. [7] Average shares outstanding Sep. 30, 1960. [8] Combines reports of Ling-Altec Electronics and Temco Aircraft, which were merged to form Ling-Temco (Vol. 16:22 p20). [9] No comparison available. [10] Based on 2,007,243 shares outstanding Sep. 30, 1960. [11] Adjusted to reflect Nov.-1959 2-for-1 split. [12] Average. [13] Based on 839,523 shares outstanding Sept. 30, 1960.

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

NOV 7 1960

FCC

FCC STUDIES RESTRAINTS ON STATION SALES, considering rule-making vs. transfers of facilities held less than 3 years (pp. 1 & 5).

KWK ST. LOUIS CHARGED with contest "fraud" as FCC starts revocation proceeding, charging treasure-hunt trickery, misrepresentation of prizes, etc. (p. 2).

FCC SEEKS STATIONS' FISCAL FINE PRINT, proposing expansion of Form 324 to elicit greater detail as in pre-1952 practice (p. 3).

FAA, FCC & TOWERS—industry comments show TV-radio vs. aviation, as expected. Joint govt.-industry committee is recommended to set up equitable system (p. 4).

WHITHER FCC PROGRAM HEARING? FCC ponders whether to proceed with other phases of network program inquiry, pending 6-plus months of litigation with reluctant witnesses (p. 5).

Auxiliary Services

SO-SO REPORT ON TORONTO PAY-TV by Canadian research firm says Telemeter shows may have slight popularity edge over free TV, but promoters are far in red (p. 2).

NCTA GOES OUTSIDE INDUSTRY FOR LEADER, picking William G. Dalton of Tyrex Industries as first paid pres. He takes over community antenna job Jan. 1 (p. 5). Dept. (p. 14).

Stations

POLITICIANS VS. BROADCASTERS featured in campaign-windup Sec. 315 disputes. They run the TV & radio gamut from animated cartoons to ghosted voices (p. 3).

PREDICTIONS BY HARRIS underscore threats of action by Congress on "serious problems of public policy" in network regulation & license trafficking (p. 10).

Consumer Electronics

W. R. G. BAKER—"Mr. Electronics"—leaves legacy which includes today's TV system among his important contributions (pp. 15 & 17).

CHALLENGE TO ENGINEERS to come up with new consumer-electronic products, increase reliability of present ones, is hurled by Motorola's Taylor at technical meet (p. 15).

CONSUMER ELECTRONICS' top topics at Radio Fall Meeting: Multi-function tubes, stereo TV & AM, transistor TV (p. 6).

TV DOWN, RADIO UP in retail sales for September; 9-month totals show 4.1 million TVs, 6.35 million home radios sold to consumers (p. 17).

FM STEREO COMMENTS filed by Crosby & EMI; former urges FCC to let broadcasters choose either stereo or SCA multiplexing (p. 18).

3RD-QUARTER SAG in TV-radio industry indicates 1960 may go into books as year in which sales rose & profits fell (p. 19).

Programming

ELECTION TO BE TV-REPORTED by the networks with total staffs of nearly 3,000, aided by latest computers & reporting techniques. Local stations join in vast effort (p. 6).

Advertising

CONGRESS NOT THROUGH YET: "Good sell & good sense" must be shown by broadcasters & advertisers says Hartenbower (p. 11).

Film & Tape

SAG-AFTRA MAY STRIKE against commercials; DGA seeks new contract; AFM signs for wage hike with AMPP (p. 12).

Other Departments

NETWORKS (p. 8). **FOREIGN** (p. 9). **PERSONALS** (p. 14). **EDUCATIONAL TV** (p. 14). **TECHNOLOGY** (p. 14).

FCC STUDIES RESTRAINTS ON STATION SALES: Prodded by Congress & itself, FCC is considering sharp restraints on station sales, aiming to prohibit transfers of stations owned less than 3 years—with exceptions to be allowed for death of principals or other significant extenuating circumstances.

Some Commissioners have groused about quick turnover from time to time, have never done anything about it. Now, however, there seems to be good chance Commission will start rule-making aimed at putting brakes on. House Commerce Committee has been particularly critical of Commission policy, and just last week, Chmn. Harris (D-Ark.) opined that "many radio & TV stations have become speculative properties in the market place, and capital gains rather than public service to the community has become the watchword for some speculators who are broadcasters in name only" (see p. 10). At this reading, at least several Commissioners, perhaps a majority, seem to agree.

If FCC proposes new rules, it's expected to permit sale of stations owned less than 3 years only if: (1) Key owners or managers die or are disabled. (2) Owners don't have enough operating capital. (3) Other significant developments persuade Commission that owners must sell.

FCC has analyzed sales in 1957-59 period, come up with statistics showing what it apparently considers to be too many ownership shifts (for details, see p. 5).

LICENSE-REVOCATION PROCEEDINGS AGAINST KWK: Alleging treasure-hunt program "fraud" against radio KWK St. Louis, FCC started license-revocation proceedings in what could turn out to be a significant case—first important one worked up by its new Complaints & Compliance Div.

Commission said it will hold hearings in St. Louis, starting within 30 days unless good reason for delay is shown. FCC makes 3 charges:

(1) In 2 treasure-hunt contests—June 24-July 18 and July 25-Aug. 15, both this year—KWK didn't hide the prizes ($1,000 & $1,500) until late in the game.

(2) In "Bonus Club" contests, winners were to call special number within 60 seconds—but number was busy on regular station business half the time, so winner frequently failed to complete call.

(3) "Bonus Club" prizes—vacation trips & merchandise—weren't as represented.

All this appears to show, FCC said, that KWK was "perpetrating a fraud" on the public and that its license should be revoked.

Commission moved with unusual speed. On grounds that station was "willful" in its derelictions, FCC didn't first ask it to comment on charges or explain alleged "fraud." Also unusual is the setting of St. Louis as hearing locale, thus giving listeners easy opportunity to testify. An FCC examiner will preside.

Station is owned by Milwaukee Bcstg. Co., operator of radio WEMP Milwaukee. Major stockholders: Andrew M. Spheeris, pres., 650 out of 2,775 shares; Hugh K. Boice Jr., vp, 500 shares; John C. Gagliano, treas., 500 shares. Station mgr. is William Jones Jr.

Last revocation proceeding, against radio KIMN Denver (Vol. 16:26 p10) for alleged obscenity, vulgarity, etc., ended with FCC approval of a cease & desist order and no hearing. Chmn. Ford dissented, would have gone ahead with hearing. Speculation in Washington was that Commission decided against prosecuting KIMN because of concern that it would be charged with attempted "censorship" and because of difficulty in proving "obscenity." In St. Louis case, FCC seems to think facts are more nearly black & white—so far. After studying FCC charges, KWK denied wrongdoing, said that hearing would resolve allegations "to the satisfaction of the Commission."

OUTSIDE REPORT ON TELEMETER: NOT WORKING: Latest look by outside researchers at Telemeter's close-to-chest pay-TV gamble in Toronto suburb Etobicoke (Vol. 16:38 p4) reveals that coin-in-slot shows may be slightly more popular than free-TV entertainment, but promoters are far from break-even point so far.

Telemeter subscribers average 2.4 hours per night watching pay-TV programs—mostly movies—Toronto's market research firm Elliott-Haynes Ltd. reveals in independent report to be released this week. Strictly comparable estimates of free-TV viewing in other Toronto environs weren't made, but national 7-11 p.m. sets-in-use average in Canada works out to about 2 hours.

Pay-as-you see outlay averages only 80¢ per subscriber per week vs. $7.50 per subscriber needed monthly by Telemeter to balance its Etobicoke books, Elliott-Haynes estimated. Subscribers who actually watched pay-TV shows in the week surveyed (Oct. 10-16) shelled out average of $1.22—but more than 1/3 of all subscribers didn't switch to Telemeter at all during the week, thus taking the final average down to the lower 80¢ figure.

"On this basis, pay TV is uneconomical," Elliott-Haynes vp J. Myles Leckie told us. "Telemeter is losing money on this kind of operation." And up until now, he added, Telemeter hasn't come up with an easy, inexpensive, sure-fire method of making coin-box collections. "The collection business seems to be an impossible problem to solve," he said.

Advance copy of report was given to FCC by Toronto firm at request of Broadcast Bureau lawyer Louis Stephens, who wants to put it in record of Hartford Phonevision pay-TV test proceedings (Vol. 16:44 p1). Stephens will meet this week with opposing counsel at hearing—applicant RKO General's W. Theodore Pierson & movie exhibitors' Marcus Cohn—to try to get stipulations accepting it. Deadline for windup filings in Hartford case is Nov. 15.

Sampling of 300 Telemeter subscribers was conducted by Elliott-Haynes in survey of Etobicoke, where 6,000 homes in mile-square area are equipped for pay TV at $5 installation charge. Incomplete answers to series of questions reduced final sampling to 286.

Researchers found 34.3% watched no pay-TV in week-long stretch, when 8 movies were offered. Among rest of sample, 41.4% caught one show, 10.1% took in 2, only 2.5% paid for as many as 3. And survey turned up one unenthusiastic subscriber who had seen only one pay-TV program since Telemeter box was installed in Feb. Ratings for specific movies in 3-day period included 23.8% for Edna Ferber's "Ice Palace," just 4.8% for Marilyn Monroe in "Let's Make Love."

Subscribers weren't asked if they also watched free TV during polling periods—question which Elliott-Haynes plans to explore in follow-up study. Firm has conducted surveys of Telemeter operations for such clients as CBC, commercial telecasters, advertisers, agencies—but it made Oct. study on own hook.

Note: Details of findings of new Etobicoke survey are covered in 4-page report in Oct. issue of Elliott-Haynes publication "Telerating," available this week for $5 from firm at 515 Broadview Ave., Toronto 6, Ont.

FCC SEEKS STATIONS' FISCAL FINE PRINT: Going back to pre-1952 practice, FCC is proposing to ask stations for more extensive financial data in their annual Form 324s. In a notice of rule-making, FCC asked industry comment by Dec. 9 on proposals which would require:

(1) More over-all financial information, including non-broadcast investments, income & income taxes.

(2) Analysis of notes payable, particularly those to former owners.

(3) A "total cost" estimate, differing from present "original cost" system—to reflect fact that when stations are sold, new owners may revaluate tangible broadcast property.

(4) Breakdown of commissions between those paid to agencies & those to reps, segregation of FM income in AM-FM operations, total income from political broadcasting.

(5) Breakdown (TV) of time sales, according to program sponsorship, announcements, participations.

(6) More breakdown of expenses. For example, technical expenses would require figures on tubes, power & light, repairs & maintenance. Program expenses would show costs of program rights, remotes, production. General & administrative expenses would include payments for professional services, pension & welfare benefits, rent, taxes, losses on notes & accounts receivable.

(7) Breakdown of number of employes, by departments.

(8) Specific payments to owners, officers & directors—and what services they were paid for.

According to Commission, data sought is less voluminous than that required up to 1952 when the current "short form" was adopted.

POLITICIANS VS. BROADCASTERS: Performance by TV & radio in 1960 election campaign is one political issue which won't be settled by Nov. 8 election, despite virtually unanimous votes of confidence & thanks to industry for providing unprecedented "Great Debate" by Presidential candidates.

Sticky questions of political fairness on air by stations this year under Communications Act's Sec. 315, from which "Great Debate" series was exempted, will be unfinished business at FCC and on Capitol Hill long after inaugural next January. And it's odds-on bet that, as one result, NAB won't come close to winning its perennial legislative goal—outright repeal of Sec. 315—in 87th Congress.

There've been few complaints from public about TV & radio behavior in campaign. But broadcasters learned once again that no matter what they do in handling touchy election issues & candidates, they can expect to wind up with squawks from politicians that bias is showing & Sec. 315 is violated.

It's taken overtime equal-time work by FCC staffers & Senate "watchdog" investigators (Vol. 16:44 p3) to try to keep up with last-minute beefs by candidates & election managers who say they've uncovered plots by broadcasters to favor other side.

FCC counted 129 separate Sec. 315 protests (most of them involving stations' fairness & treatment of issues) at last week's end, following slow election-year start in Complaints Dept. (Vol. 16:43 p3). Total was higher than in 1956 Presidential campaign.

Fast footwork at FCC seemed to settle most complaints there at staff level, but others will give Commission post-election hangovers. Pile of Sec. 315 reports from stations in offices of Chmn. Yarborough (D-Tex.)

of Senate Commerce Freedom of Communications Subcommittee grew with each mail as Election Day approached. Subcommittee counsel Creekmore Fath told us he had already helped settle "100 complaints more or less" by telephone calls to stations, but that he hadn't had time to count how many reports still were unprocessed.

Dossiers on station reports will spice "watchdog" unit's report, due by next Jan. 31. And Fath said Subcommittee may call hearings late this month or in Dec. for broadcasters involved in some of cases.

Issues raised by complaints included these:

When is a political speech non-political? White House tagged President Eisenhower's Commonwealth Club address in San Francisco Oct. 20 as "non-political." Cal. Democrats said it was blatantly political, demand equal-time on local stations to answer it. FCC ruled equal-time rules didn't apply since President wasn't running for office. But Commission also ruled (in decision which elated staffers because there was no party-line split) that stations must observe other Sec. 315 provisions "for the broadcast of opposing viewpoints of public importance."

Can stations get away with Presidential endorsement? Republicans protested long & loud when radio WMCA N.Y. came out editorially for Democrat John F. Kennedy (Vol. 16:44 p10). GOP National Chmn. Thruston B. Morton demanded equal time. In reply to query from FCC, WMCA said it had offered time to Republican ticket (but got no response), that other Republican spokesmen already had had political innings on station (see p. 7).

Should stations censor political commercials? Republicans called on TV & radio to cancel 5-min. TV film starring Kennedy & retired shipping clerk in discussion of medical aid for aged. "Worse than rigged TV shows," GOP said. Democrats protested Republican spots on West Coast featuring actor, represented as reporter, in discussion of Kennedy's defense-contract plans. "Detestable," Democrats said.

How far can political animated cartoons go? KPIX San Francisco turned down three 60-sec. Republican cartoons featuring Beatnik-type & bucktoothed characters represented as Kennedy enthusiasts. (see p. 11). Other Cal. stations accepted them. "Extremely low level [and] childish viciousness," Democrats cried.

Can unidentified broadcasters speak for candidates? Voice of gen. mgr. Thad Sandstrom of WIBW-TV Topeka was used in re-election commercials for Rep. Avery (R-Kan.), House Commerce Committee member. Avery's Democratic opponent Marshall G. Gardiner said this was "violation of the spirit of Sec. 315." Sandstrom retorted that Gardiner's spots employed voice of newscaster Don Harrison. Sandstrom also volunteered to be recorded voice for Gardiner.

When aren't news shows exempt from Sec. 315? N.J. Assembly Democratic candidate James N. Fazio demanded equal time on WNTA-TV Newark-N.Y. because Republican incumbent Joseph F. Carlino turned up on "Between the Lines" interview-type show. FCC ruled that Congress intended such programs to be free from equal-time requirements so long as they are regularly-scheduled & bona fide.

FAA, FCC & TOWERS—INDUSTRY COMMENTS: FAA's effort to take over FCC's tower approval-&-disapproval function (Vol. 16:43 p4) was greeted with the expected reaction as interested groups filed comments in FAA's rule-making proceeding.

Broadcasters were vigorously con, aircraft operators strongly pro—and there were some groups between, which asked for refinements or relaxation of some proposals.

Broadcast industry agreed that FAA doesn't have legal power to usurp FCC's role, that proposed restrictions are much too severe in any case, that present system works well for both TV-radio & aviation.

There was substantial objection from electric power companies, too. They foresaw problems getting approval of towers for high-voltage lines, smokestacks, heliports, etc. Some small airport operators were worried, fearing that tight rules would prohibit use of their facilities. Dept. of the Air Force "strongly endorsed" proposals, while Navy & Army had primarily technical comments.

Virtually all TV-radio groups plumped for a joint govt.-industry committee to work up satisfactory procedures under FCC's wing. Group would include representatives of FCC, FAA, TV-radio and aviation.

Broadcast interest filings included: Assn. of Federal Communications Consulting Engineers, ABC, NBC, WHAS-TV Louisville, MST, Federal Communications Bar Assn., AT&T, Storer, NAB, Special Industrial Radio Service Assn. Aviation groups included: National Aviation Trades Assn., Air Transport Assn., Air Line Pilots Assn., Aircraft Owners & Pilots Assn., National Business Aircraft Assn., Airport Operators Council.

FAA will now study comments—including FCC's opinion that it must retain authority—then come up with decision.

NCTA GOES OUTSIDE INDUSTRY FOR LEADER: First paid pres. of National Community TV Assn. (at salary said to run about $50,000) will be man who has had no previous connection with broadcasting industry—but who's had long experience in trade organizations.

He's William G. Dalton, 51, pres. of N.Y.'s Tyrex Industries Inc. and National Rayon Institute, who'll come to Washington to take over new NCTA job Jan. 1. His selection from among dozen prospects (Vol. 16: 39 p1) was confirmed last week by NCTA sources.

Dalton is familiar with Washington scene from World War II days, when he worked there for National Assn. of Manufacturers. Prior to joining Tyrex in 1958, he was pres. of American Society of Assn. Executives. He also has been leader in National Association of Refrigerated Warehouses and American Warehousemen's Association.

The FCC

More about

STATION SALES BRAKES: Analyzing recent station sales trends (see p. 1), FCC came up with these figures:

(1) Sales averaged 555 yearly during 1957-59.

(2) In 1958, AMs constituted 83%, FMs 9%, TVs 8%. In one out of 10 cases, more than one station was involved.

(3) In 47% of the time, the seller had owned his properties more than 3 years; in 35%, 1-to-3 years; in 11%, 6-to-12 months; in 7%, less than 6 months.

(4) All-cash purchases were involved in 35% of the cases; no cash in 4%. In 42%, less than 30% of the price was in cash.

(5) In the Jan. 1-Oct. 1, 1960 period, the FCC acted on sales of 287 AMs, 45 FMs, 23 TVs; 75 of these were all-cash, the balance involving installments. In 67 cases, station had been owned less than a year, 129 less than 3.

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Parley on payola rules under the new Harris-Pastore Act was conducted Nov. 4 at FCC by Broadcast Bureau chief Harold G. Cowgill for representatives of NAB & networks, but they won no commitments on Commission interpretations of the law. FCC similarly gave no promises to TV film producers who discussed plugola problems at an earlier Commission-industry conference (Vol. 16:44 p8). NAB-network spokesmen threw out these suggestions for FCC to think about: (1) Payola-plugola bans shouldn't apply to material recorded prior to Sept. 13, effective date of the new law. (2) Pending Commission formulation of definitive rules, broadcasters shouldn't be in peril if they follow a 27-example list of prohibited & permissible practices prepared by the House Commerce Committee. (3) FCC should conduct general rule-making proceedings —and NAB & networks will be ready within 3 weeks to submit detailed recommendations for them. (4) In any event, FCC should get set to make expeditious rulings on payola questions as they arise—much as Commission does now in Sec. 315 equal-time cases.

CPs granted: Ch. 13, Twin Falls, Ida., to Sam H. Bennion • Ch. 27, Portsmouth, Va. to the Christian Bcstg. Network • Ch. 15, Poplar Bluff, Mo., to Turner-Farrar.

WHITHER FCC PROGRAM HEARING? It's expected FCC will back up its examiner James Cunningham in his ruling that MCA and the "plug merchants" should be forced to testify in its network program investigation. They had refused to take the stand in the recently completed Hollywood film hearings.

Thereafter, it can be anticipated the courts will get it —probably a federal district court in Los Angeles or Washington, then the Court of Appeals. And, if there's a Constitutional question, as MCA, *et al.* assert there is, the U.S. Supreme Court will be asked to look at it. So—windup of the phase will probably run 6 months or more.

Last week, an appeal from Cunningham's ruling, similar to that filed by MCA, was submitted to the Commission by Dick Fishell & Associates, through Beverly Hills attorney Oliver B. Schwab. They allege that: (1) They've been denied "effective representation of counsel." (2) The proceeding is outside the scope of the network study authorized by FCC. (3) They'd be required to divulge confidential business information which wouldn't be kept confidential. (4) The subpoenas were vague & ambiguous.

A big FCC problem is whether to go ahead with other phases of its network-programming inquiry, pending resolution of the reluctant-witness problem. Chances are that it will proceed—reluctantly. The major job ahead is to get testimony of network executives, receiving their explanations & comments on all aspects of the "program-selection process" now on the record. Another possible source of testimony is the advertisers themselves.

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U.S.-Mexican TV allocations discussions in Mexico City (Vol. 16:43 p2) produced excellent results, with a "high degree of cooperation" from the Mexicans, according to FCC Comr. Rosel Hyde, who headed the U.S. contingent. He reports that approximately "3 dozen" more vhf assignments were agreed upon—about half for each nation—in the strip 250 miles on each side of the border. All of them comply with existing separation standards, he said, so no problems of final agreement are anticipated. FCC must approve the assignments, then the State Dept. will be asked to negotiate an exchange of notes ratifying the agreement.

FCC's Boston Ch. 5 ex parte decision against WHDH-TV (Vol. 16:29 p1) still stands, the Commission stated last week, in denying the station's petition for a rehearing. The Commission said that WHDH-TV's pleading offered nothing to change its "evaluation of the direct & circumstantial evidence" of wrongdoing on the part of WHDH-TV principals. FCC also said it found no merit in the petition's claims of improprieties by its opponents. Comr. Lee dissented, stating that the Commission should have waited for final clarification of the case by the Court of Appeals. The Court had set aside the FCC's decision, rebuking it for not maintaining the status quo ordered by the Court (Vol. 16:42 p13). One party is dropping out of the case: Du Mont Labs' parent Fairchild Camera & Instrument Corp. is informing the Commission that it's not interested in participating further. The Commission, in a footnote, rapped WHDH-TV for its tactics. "We are not impressed nor do we condone," it said, "that portion of the WHDH reply to oppositions which intimates that the Commission's general counsel suppressed evidence which would have cast discredit on Du Mont, Greater Boston & Massachusetts Bay. The pleading relies entirely on innuendo, and is devoid of specific allegations as to what facts were suppressed. We do not believe that the tactic of insinuation, without quite accusing opposing counsel of such unethical & improper conduct, is calculated to inspire confidence in the balance of petitioner's pleading."

New England uhf channel shifts have been finalized by FCC to permit the addition of commercial Ch. 26 in Hanover, N.H. The efforts of WATR-TV (Ch. 53) Waterbury, Conn. to shift to Ch. 20 must await the outcome of a show-cause order which would require ETV grantee WEDH (Ch. 24) Hartford to find a site at least 20 miles from WATR-TV's proposed site.

Uhf translators granted: Ch. 78, Santa Rosa, N.M., to Santa Rosa Chamber of Commerce • Ch. 77, Palm Springs, Cal., to Palm Springs Translator Station Inc. • Ch. 72, Trancas, Cal., to Translator Systems • Ch. 80, Pagosa Springs, Colo., to Pagosa Springs TV Assn.

Grant of KFDM-TV (Ch. 6) Beaumont, Tex. was reaffirmed by FCC in a "second supplemental decision" following a further hearing ordered by the Court of Appeals last year. The Enterprise Co. was denied. In last week's decision, Comrs. Ford, Cross & King didn't participate, and Bartley dissented.

License renewal of WXEX-TV (Ch. 8) Richmond-Petersburg has been contested by South Side Va. Telecasting Corp., which petitioned FCC for reopening of the station's hearing record. South Side said it wanted to show evidence of *ex parte* influence in the grant.

Miami Ch. 10 "influence" decision remained unchanged last week as FCC turned down a petition by North Dade Video Inc., which had asked for rehearing, reconsideration & oral argument. Comr. Lee dissented, while Comrs. Craven & King didn't participate.

Ch. 10 Albany should remain in the hands of WTEN, FCC indicated last week by instructing its staff to draft a decision denying the petition for reconsideration that had been filed by opponent Veterans Bcstg. Co.

Station sales approved by FCC: KPAR-TV (Ch. 12) Sweetwater, Tex., to Texas Key Bcstrs. Inc. for a 10-year lease at $799,440 (Vol. 16:42 p11). KBLR-TV (Ch. 10) Goodland, Kan., to the Standard Electronics div. of Reeves Instrument which assumed some $200,000 in liabilities.

Programming

THE ELECTION—BIGGER, EARLIER, FASTER: That's the 3-network promise to viewers this year on what may well prove to be the season's biggest TV attraction. By several standards, election coverage will set records:

Sales: CBS and NBC have achieved a sell-out position on their election reporting. CBS's coverage has, for months, been sold to Westinghouse. NBC's coverage is multi-sponsored: Cowles magazines, Brown & Williamson, Field Enterprises, B. F. Goodrich, Thos. J. Lipton div. of Lever Bros., Sandura, and Remington-Rand shavers. ABC's coverage was, late last week, only partly-sold (to Continental Oil and Union Carbide for participations.) But, with a plethora of preemptions & stepped-up costs for fancy production, it was doubtful that election coverage would be an in-the-black operation for any network.

Speedy predictions: Networks will be making computer-derived guesses on the election outcome almost as soon as there's any kind of voting sample. ABC stated flatly last week that "the next President of the U.S. will be named" by John Daly, with a helping hand from Univac, in his 6-6:15 p.m. newscast. (In 1952, Univac called the turn for Eisenhower within 4 electoral votes 2 hours before the polls closed. ABC thought Univac had flipped its electronic lid, learned later it was right on target). CBS, which is using an IBM 7090, will probably launch a prediction into orbit as soon as 1% of the nation's total votes have registered—possibly between 6:30-7:30 p.m. NBC, using an RCA 501, expects to name the new chief executive when 5% of the vote from "any 10 states" has been fed to the computer.

Manpower & facilities: A record crop of commentators, technicians, tabulators, etc. will be assembled by the networks to work on the election shows. At latest count, the 3-network figure stands at nearly 3,000. Each network has set up elaborate studio preparations, prepared to dazzle viewers with everything from the latest in electronic computers (Vol. 16:43 p13) to giant state-by-state panoramic electronic boards. Each will use its biggest studio, with ABC utilizing its TV-1 at West 66th St. N.Y. hq, CBS using studio 65 on West 26th St., and NBC employing giant 8-H in the RCA Bldg.

Export coverage: With worldwide attention centered on the election, there'll be considerable cooperation between U.S. & foreign networks. Canada's CBC will have its own staff in NBC's 8-H studio, and will start its first transmissions at 9 p.m. BBC-TV plans to open its London transmitters at 6:30 a.m. Nov. 9 with a full report on the previous night's election. NBC will feed a 2-min. segment of newsfilm of the winning candidate to London via the trans-Atlantic cable system so that British viewers may have a look at the new U.S. President as they breakfast on their kippers & tea.

* * *

Station-group election coverage will be provided to audiences of the 11 TV-radio outlets of Westinghouse Bcstg. Co. by means of an elaborate direct-line telephone ssytem. Although WBC's 5 TV stations are all network affiliates (and will thus receive various network coverage service), WBC has moved its Washington news bureau temporarily to city-owned radio outlet WNYC N.Y. where bureau news chief James L. Snyder will coordinate reports of voting trends in N.Y. state. Other area reports will be bolstered by correspondents from non-WBC markets and "immediate international reactions" from WBC correspon-

dents in London, Paris, Rome, Stockholm and Bonn. WBC has even stationed a direct-wire correspondent at Kennedy hq in Hyannisport, Mass.

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Independent stations are planning, for the most part, to stick to their basic program patterns (syndicated telefilms, off-network reruns, movies, local shows) on election night, sandwiching election results in capsule form between entertainment segments. The plans of the 4 N.Y. non-network channels are typical: WNEW-TV will alternate 30-min. rerun episodes from the *Award Theater* package with 10-min. news segments reporting the national & state races, starting at 8 p.m. WNTA-TV plans a "double exposure" technique, whereby a minimum of 16 election capsules prepared by a news staff headed by Mike Wallace will be televised during program intermissions, and bulletins will be flashed on the lower third of TV screens during regular programs. WOR-TV will feature 1-min. election bulletins every half-hour, starting at 7:30 p.m. in its regular shows, with longer news segments after 10:30 p.m. and a midnight-2 a.m. complete analysis of the election. WPIX, which has sold its election package to Florsheim Shoe Co., will begin its coverage at 7:30 p.m. with a 5-min. summary fed from the editorial room of the *N.Y. Daily News*, and will have 5-min. roundups after each half-hour of regularly scheduled programs thereafter, with continuous coverage beginning at 11 p.m.

* * *

Largest communications hookup in Election Day history will speed TV-radio-newspaper news & picture coverage. AT&T is providing 10,000 miles of additional TV cable—for a total of 94,500 miles to permit telecasts to 317 U.S. cities. AT&T also is furnishing 100,000 miles of additional teletype circuits to service the nation's 3,500 TV & radio stations and 1,750 newspapers.

* * *

Stations will use computers to speed local-level election coverage. Examples: WOOD-TV Grand Rapids, Mich. has installed an IBM Ramac; state & local tallies will be aired at intervals during the evening. KING-TV Seattle, Wash. will also use a Ramac to supplement NBC-TV coverage, and 5-min. reports will be aired throughout the evening.

* * *

Local electronic "brain" will be pressed into service by WISN-TV & WISN Milwaukee to give their audiences early predictions on the outcome of Wisconsin as well as national races. TV-radio teams will report direct from the computer lab of A-C Spark Plug's nearby Oak Creek plant. The computer has been fed with an estimated quarter-million bits of Wisconsin political data dating back to 1848.

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Sizable local task forces of newsmen will be used in a number of cases. WCCO-TV Minneapolis-St. Paul will have its own team of more than 150 reporters handling comments, predictions, victory statements and general information about local races. WGN-TV Chicago boasts a news force of more than 200, who will feed information from the City News Bureau, Republican & Democratic hqs and various election districts in the state.

* * *

Voice of America will use 46 domestic & overseas transmitters—marshalling power equivalent to 60 top U.S. radio stations—to broadcast continuous coverage of election returns here around the globe.

3 Surveys re the 4 Debates: "It may be that the series of 4 televised debates has been a decisive factor in the 1960 campaign," said George Gallup last week in announcing that voter support for Kennedy & Nixon (50-50 in early October) had shifted to 53-47 since the debates. "Gallup Poll evidence," he added, "is that an estimated 85 million adults watched at least one of the 4 debates."

Two other survey houses had footnotes to add to the historic debates last week. A. C. Nielsen reported that a socio-economic breakdown of the audience for the initial (Sept. 26) Nixon-Kennedy debate showed "a larger proportion of smaller, older and higher-income families present than is typical." Details: 62% of the 1-or-2-member TV-owning families were tuned, as compared with 58% of families with 3-or-more members. Over 65% of the TV-owning families with a total income of $8,000-and-over were present in the debate audience, and only 53% of the TV families earning less than $5,000 were viewing.

And Sindlinger & Co. found that the percentage of home viewers increased markedly with each of the 4 debates—from 82.4% of total audience for debate No. 1 through 89.7% (2) & 96.5% (3) to 97% for No. 4. Conversely, out-of-home viewers declined from 17.6% to 3% over the span of 4 debates. Radio experienced a reverse trend: Its home audience declined from 50.6% of total listeners to 45% by debate No. 4. Home listeners were in the razor-thin majority for No. 1 (50.6%) & 2 (51.2%), in the minority for 3 (49.1%) & 4 (45%).

* * *

"Great Debate" in 1964 will be welcomed by John F. Kennedy if he is President and runs for the office again, the Democratic candidate said last week. Kennedy told reporters in Philadelphia that a repeat of the 1960 series would be a good idea, and that, especially for a Democrat, the joint TV appearances are the best political format for getting ideas across to voters. Neither Kennedy nor Vice-President Richard M. Nixon responded directly to telegrams from the Radio-TV News Directors Assn. asking for advance commitments for 1964 debates, however.

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WMCA's Equal-Time Hassle: A flurry of telegrams—from Republican leaders to FCC—and back to WMCA N.Y.—followed that station's official radio endorsement of Kennedy Oct. 26-27 (Vol. 16:44 p10):

Republican State Committee Chmn. Judson Morehouse & campaign mgr. Lyle W. Hornbeck to FCC: "We demand a statement on behalf of Nixon in reply to the partisan electioneering statement made by Nathan Straus under the guise of an editorial."

FCC to WMCA: "We would like your comments with respect to the complaints [as quoted in the FCC wire] by return telegram."

Sounding extremely puzzled, WMCA explained in a 4-page telegram that it had sent a letter to Nixon prior to the broadcast stating: "We would like to place the facilities of WMCA at your disposal at any time which would be convenient for you for commentary or reaction which you or Ambassador Lodge might have." Neither candidate "in any way, shape or form" responded to the invitation. WMCA also pointed out that Attorney-Gen. Louis Lefkowitz & Gov. Nelson Rockefeller were heard on the *Barry Gray Show* the night of the first editorial; "they had 90 minutes in which to respond to & comment upon our 10-min. endorsement... "We believe that we have gone to great lengths to provide fair & balanced treatment . . . We have exceeded all requirements in serving the public interest."

TV penetrates 73% of all farm homes, radio 98%, notes Oct. 31 *Sponsor* in its 9th annual farm report. Other findings: 165 TV stations & 1,472 radios broadcast farm news & information keyed specifically to the farmer • Gross income for farmers in 1959 totaled $46.3 billion, the projected average for the next 5 years is $50 billion annually • There are 4 million farms today vs. 6.5 million at the end of World War I. • Although the number of farms is dwindling, the increase in farm size & value has contributed to "a greater penetration of equipment ownership" and is attracting more advertisers for general products.

Evaluation of mass media is a proper responsibility of schools & teachers, to "help students to distinguish & discriminate among the aspects of our culture being created today" by TV, radio, motion pictures, newspapers and magazines, MPAA Pres. Eric Johnston told the Wis. Education Assn. last week. Describing mass media as an "inescapable & omnipresent" educational force, Johnston declared: "Let the student understand that there is educational value to be found in the mass media. Help him to find it. Help him to select it. Help him to distinguish it from what is meretricious & of little value. Help him to develop good standards of judgment & a keener sense of appreciation of quality."

"The Iceman Cometh," Eugene O'Neill's marathon-length, earthy drama, will make its appearance in NTA's *Play of the Week* series starting Nov. 14. Taped last summer, "Iceman" will be shown as two 120-min. segments, and will be seen at a later-than-usual time period (10:30 p.m. Mon.-Sat.; 10 p.m. Sun.) because of "the mature qualities of the production." The cast will be headed by Jason Robards Jr., whose handling of the show's lead in an off-Broadway production gained him stardom. NTA plans "eventually" to distribute a high-quality kinescope version of the show as a 4-hour art-theater feature film.

WBKB Chicago & BBC are jointly producing a filmed documentary on the Windy City which the ABC outlet & British network will premiere in early-1961 telecasts. Thereafter it will be distributed for exhibition via TV, theaters and schools in the U.S. & Europe. The 60-min. Chicago "portrait" will utilize the combined technical & staff resources of both WBKB & BBC, will be produced & directed by BBC's producer-dir. Denis Mitchell.

Documentary on migratory labor has been produced by Crown Stations (KING-TV Seattle, KGW-TV Portland, Ore., KREM-TV Spokane) as the 5th in a series of specials started in June 1959. Six months in the making, the 60-min. film, "Bitter Harvest," explores problems on migrant farm-labor families in the Pacific northwest. It has been previewed by govt. officials at a Washington showing under auspices of the President's Committee on Migratory Labor and by a San Francisco convention of state health officials.

The National Assn. of Social Workers has commended ABC-TV's daytime series portraying group psychotherapy, *Road to Reality* (Mon.-Fri. 2:30-3 p.m.), for helping the public to understand methods of healing the emotionally ill. The Assn. of Medical Group Psychoanalysts also endorsed the show.

TIO's newest full-page magazine ad features photos of Shakespeare, Alexandre Dumas and Winston Churchill under the headline of "Three Scriptwriters for November." The campaign—to acquaint intellectuals and community leaders with a side of TV they frequently seem ignorant of —is appearing in *Atlantic, Harper's, The Reporter, Saturday Review* and *Harvard Business Review.*

Networks

Guterma's Chickens: Ex-MBS Pres. Alexander L. Guterma was sentenced to 8 months to 2 years in jail and fined $10,000 last week, on charges that he failed to register as a foreign agent when he made a $750,000 deal to use the radio network for Dominican propaganda. In Washington's U.S. District Court, Judge Joseph R. Jackson ordered him to serve the prison term after he completes the nearly-5-year term he is now serving in Atlanta Federal Penitentiary for conspiring to conceal SEC-required facts about F. L. Jacobs Co., which he also headed.

Guterma first pleaded no-defense to charges in the Dominican propaganda case, then tried to switch his plea to not guilty (Vol. 16:30 p9). His former MBS colleague Hal Roach Jr. was fined $500 after he pleaded no-defense in the foreign-registration case (Vol. 16:26 p12).

Woes for Guterma piled up last week. He had no sooner been sentenced in Washington than a N.Y. federal grand jury returned a new indictment against him. Guterma & 5 other men were accused of using the mails for illegal sales of United Dye & Chemical Corp. stock.

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Five major product categories increased network gross time billings in the first 8 months of 1960, against the like period a year ago, TvB reported last week. Marked increases were shown in the following: household furnishings increased 69.6% ($3,942,596 vs. $2,324,634) • apparel, footwear & accessories up 54.5% ($5,061,612 vs. $3,275,739) • insurance up 38.5% ($9,139,035 vs. $6,600,546) • beers & wines showed a 33% rise ($5,294,125 vs. $3,980,557) • candy & soft drinks up 31.3% ($9,816,699 vs. $7,476,990).

NETWORK SALES ACTIVITY

ABC-TV

The Untouchables, Thu. 9:30-10:30 p.m., part. eff. Dec.
Elgin Watch (J. Walter Thompson)

American Bandstand, Mon.-Fri. 4:30-5 p.m., part. eff. Jan.
Warner-Lambert (Lambert & Feasley)

CBS-TV

Thanksgiving Parade Jubilee, Thu. Nov. 24, 10-11:30 A.M., full sponsorship.
Campbell Soup (Needham, Louis & Brorby)

New York Philharmonic West Berlin concert, Thu. Nov. 24, 5-6 p.m., full sponsorship.
Ford (Kenyon & Eckhardt)

New York Philharmonic specials, Sun. Jan. 22 & Feb. 26, 4-5:30 p.m., full sponsorship.
Ford (Kenyon & Eckhardt)

The Influential Americans, Sun. Nov. 13, 9-10 p.m., onetime special, full-sponsorship.
General Electric (Young & Rubicam)

What's My Line?, Sun. 10:30-11 p.m., alt. week sponsorship eff. Dec. 25.
Allstate Insurance (Leo Burnett)

NBC-TV

Election Night coverage, Tue. Nov. 8, 7:30 p.m.-end, part.
Brown & Williamson Tobacco (Ted Bates)
Field Enterprises (Keyes, Madden & Jones)
B. F. Goodrich (BBDO)
Thomas J. Lipton (SSC&B)
Sandura (Hicks & Greist)
Remington Rand electric shaver (Y&R)

The Deputy, Sat. 9-9:30 p.m., part. eff. Jan. 7.
Bristol-Myers (Young & Rubicam)

BURGEONING BBC: Britain's BBC-TV is now giving commercially-sponsored ITA a good run for the money, and currently attracts "about 40% of the regular audience as against 60% for ITA." So we are informed by Ronald Waldman, who heads BBC's international sales & program purchasing operations. In N.Y. last week, Waldman told us that what makes BBC particularly happy is that its scorecard looks even better after examination of the composition of its "peak time" (7-10:30 p.m. there) programming.

"Since 1955, BBC-TV has programmed exactly 33.4% of its peak time with what you'd consider public-affairs programming. This excludes all drama, even Shakespeare. By comparison, the ITA has programmed public-affairs shows in about 9% of its peak time," said Waldman. "We're making audiences look more & more to serious programming for their entertainment."

Waldman feels BBC's export-program position in the U.S. market will improve. For one thing, U.S. audiences, he believes, will become more conditioned to prime-time programming that deals with world problems (such as the *Winston Churchill Memoirs* series due on ABC-TV, which is now being filmed in an active co-production deal with BBC). For another, Waldman believes U.S. networks have created "an electronic program gap" by placing 80% of their nighttime programming this fall in the hands of outside film producers, and audiences will tire of such fare.

Waldman's biggest electronic gap-filler at the moment is the purely-entertainment *Maigret* series (Vol. 16:44 p13), a 60-min. adult-appeal detective show.

BBC's Technical Breakthroughs

BBC is quite aware that the basis of the international program market is film, partly because of its flexibility in production, but mostly because it has become standard throughout the world. To solve the problem of "producing electronically for a worldwide film market," BBC turned to what Waldman calls "our boffins" (i.e., scientific development team). Two major breakthroughs were achieved in a matter of months: (1) BBC can now shoot tapes on British standards (405 lines, 50 cycles) and tape-convert electronically to U.S. (525 lines, 60 cycles) and other TV standards. (2) High-quality 16-mm & 35-mm kinescopes that are "at least 30% better than the best we had before" can be produced by BBC from its own tapes. "Now," Waldman claimed, "we can service our programs to 100% of the world TV market."

In addition to co-production deals with NTA and NBC's CNP for 30-min. series, BBC is also mapping a 30-min. adventure series, *Zero One*, as an international co-productions with MGM (which owns a studio in Britain).

Waldman makes a strong point of the fact that BBC, although it does not accept commercial sponsorship and exists primarily on set-license revenues (over $87 million annually), is not a broadcasting branch of the British govt. "If anything, we are a sort of pay-TV system. We are completely objective & extremely independent politically. Our revenues & profits are plowed back into operations & programming, and we are not dependent upon direct govt. support," Waldman said. "In our program export operations, we are out to be 'commercial' in the sense of making money, not out to propagandize. Our overseas TV program sales were up 120% in the first quarter of 1960 as compared with the same period the year before. We've sold this year about 550 program episodes in 28 countries. Next year we hope to do even better."

Networks may have to pay rent for parade-route stands used for TV coverage of the Presidential inaugural next Jan. 20. A local bipartisan pre-inaugural arrangements committee in Washington has recommended that CBS, NBC and ABC be assessed $10,000 apiece for the special facilities, which will cost $40,000 to construct. The money would be refunded if inauguration income from tickets, etc., should exceed expenses. But the networks are expected to protest the proposal, arguing that one news medium shouldn't be charged for facilities if others aren't. And CBS's Lewis W. Schollenberger, speaking for radio & TV correspondents' galleries at the Capitol, said that in 1957 TV crews in the stands took up less room than other newsmen, newsreel & still photographers and spectators. The extra revenue-raising gimmick was one of several suggested in the committee's report for the inaugural general chairman, who'll be named by the next President. In 1957 there was a $166,372 inaugural deficit.

Texaco "custom-made network" of 108 radio outlets, including both network affiliates & independent stations, will carry the Metropolitan Opera live, starting Dec. 3. The series, with which Texaco has been identified for the past 20 years, will contain the usual intermission features, and will be narrated by Milton Cross. Explained G. H. Johnston, packager of the series: "The tendency on the part of many network-affiliated stations to broadcast the programs on a delayed basis, oftentimes inconvenient to listeners, gave rise to the formation of the new hookup."

Outside-U.S. network sale was scored by ABC-TV last week as the first major deal between a U.S. advertiser & the Central American TV network, which ABC represents and in which it has an interest. Sponsor: Nestlé ("Nido" powdered milk and "Maggi" dehydrated soups). Program: A Spanish-dubbed, 26-week cycle of *Panic*, first half of a 52-week order. CATVN includes outlets in Guatemala, El Salvador, Costa Rica, Honduras and Nicaragua.

Foreign

Mexican commercial standards are enough to turn a U.S. adman's hair gray. Fuller & Smith & Ross vp Norval LaVene, back in his Los Angeles office last week after a series of conferences with FSR's Mexico City affiliate agencies, Sur Publicidad and Robert Otto Co., gave some details. In the interior of Mexico, he reported, radio stations sometimes run as many as 7 commercials back-to-back, and "it's perfectly all right for ads for 2 competitive soft drinks to run in sequence." In small villages, he also reported, 4 or 5 families band together to purchase a TV set, then charge admission to still more families to watch it. Viewers-per-set thus reach "startling" totals, he said.

Italian version of U.S. debates is making a hit with both viewers & politicians. In previous Italian elections, TV was denied to all parties as a campaign outlet. Inasmuch as the only TV network in Italy is govt. controlled and is considered partial to govt. statements, opposition politicians have claimed that the ban was unfair. The new 30-min. program, *Tribuna Elettorale*, is patterned after *Meet the Press* and offers the first equal-time opportunity for TV political debating in Italy's history.

Sweden will have a million TV sets by year's end, the Swedish-American News Exchange predicts. This compares with 100,000 at the beginning of 1958 and 864,000 at mid-year 1960. About one-third of sets sold in Sweden are domestically made, the majority of the remainder coming from Netherlands & West Germany.

Stations

Predictions by Harris: Regulation of networks, and curbs on trafficking in TV & radio licenses will be top items on the investigative agenda of the upcoming 87th Congress, House Commerce Committee Chmn. Harris (D-Ark.) warned again last week.

Elaborating on broadcasting issues that he cited in a filmed talk to NAB's fall conferences (Vol. 16:42 p9)—and in an earlier speech to the Ark. Bcstrs. Assn. (Vol. 16:33 p3)—Harris said domination by networks of programming, and quick-profit station sales are "serious problems."

Harris stressed these points in a Nashville speech at the 9th annual country music festival celebrating the 35th anniversary of *Grand Old Opry*, which originates there at WSM-TV & WSM:

"Today, we are faced with the fact that when it comes to TV, network programming rather than local programming is the order of the day. In TV, network affiliation is the important thing which is prized highly and, if necessary, fought over in the courts . . .

"Further, we must face the fact that many radio & TV stations have become speculative properties in the market place, and capital gains rather than public service to the community has become the watchward for some speculators who are broadcasters in name only.

"Under these circumstances, Congress will have to re-examine some of the premises on which our American system of broadcasting is based.

"Congress must ask & answer such questions as: What happens to the opportunity for local self-expression on radio & TV stations? What happens to the need for developing & using local talent in radio & TV programming? What happens to programs designed to serve minority groups & special tastes?

"Congress will have to determine whether the networks shall be held accountable as co-trustees, together with individual broadcast licensees, in serving the public interest. Congress will further have to decide what limitations should be placed on the transferability of station licenses."

Harris had nothing but praise for *Grand Old Opry*, "one of the oldest—if not the oldest—uninterrupted commercial radio programs." He pointed out that the show "is one of the few regularly scheduled programs broadcast by a network [NBC], which does not originate either in N.Y. or Hollywood." He added that he was aware that "some broadcasters have been outstanding in rendering service to their communities, and I am happy that WSM is prominent among them."

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Sale of KGUN-TV (Ch. 9) Tucson to owners of WEHT (Ch. 50) Evansville, Ind. for $1.9 million by H. U. Garrett, Tom E. & Tolbert Foster and associates, has been confirmed by broker R. C. Crisler, who arranged the deal. Crisler also was broker when Cowles interests sold WHTN-TV (Ch. 13) Huntington, W.Va. for $2 million to Reeves Bcstg. & Development Corp. (Vol. 16:43 p11).

Sales of radio WBNX N.Y. and WFAB South Miami, Fla. to companies headed by Richard Eaton have been approved by FCC on the condition that he disposes of other radio properties to keep within the limit of 7. The price for WBNX was $680,000 plus $60,000 for not competing within 50 miles for 3 years; for WFAB, $70,000.

Upcoming KIFI-TV (Ch. 8) Idaho Falls, Ida., with a January target, has signed for NBC-TV affiliation.

Too Many Cookes at KRLA? Canadian broadcaster Jack Cooke's involvement in KRLA Pasadena, which is owned by his brother, Don, was probed last week by FCC, at a Los Angeles hearing for renewal of license (Vol. 16:44 p11). While Jack Cooke conceded that Broadcast Equipment Corp., which he owns, loaned $553,000 to his brother to help him buy the station (previously KXLA) for $879,000, he pointed out that this arrangement had been approved by FCC when it approved the transfer of ownership to Don Cooke May 1, 1959.

The law forbids ownership or control of a U.S. station, by non-citizens. Jack Cooke, however, does own the physical assets of the station, for which he receives $90,000 a year rent from his brother. This arrangement too, had been approved by FCC.

Under questioning, the Canadian admitted that when the station had financial troubles last year, he loaned his brother $50,000; he has been involved in programming matters, serving for a time as program dir., and also as salesman. He has also helped Donald with budgetary matters, principally on balance sheets, he said.

Jack Cooke testified that a special bill, adopted at the last session of Congress, enabled him to file application for citizenship without the usual waiting period. The bill was introduced by Rep. Walter (D-Pa.) and signed by the President Sept. 14. He added that he was always looking for U.S. businesses, with a particular eye for electronic & plastics companies and publications. He estimated his net worth at between $15 & 20 million. Owner of CKEY Toronto, several Canadian publications, a plastics company, Strand Records and an interest in the Continental Baseball League, he was an unsuccessful bidder for the Detroit Tigers, Philadelphia Athletics (before they moved to Kansas City), Bourne Music Publishing Co., newspapers in Elizabeth N.J. and Beaumont, Tex.

FCC also quizzed both brothers on whether there was intent to deceive the public in an on-the-air disc jockey contest, and on the accuracy of its logs for Oct. 18-24. Chief hearing examiner James D. Cunningham is presiding at the hearing, which continues this week.

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TV families spend $2.40 weekly—just to watch free TV in the fall-winter season. That's the figure we get when we measure the per-hour estimated operating costs of home receivers against the Nielsen-calculated amount of TV viewing done weekly by the average U.S. TV home. In a recent study for Kimble Glass Co., a subsidiary of Owens-Illinois (whose link to TV is through picture-tube envelopes), the operating costs of TV were figured thus: Based on average set-life, a TV receiver costs an average of $29.89 per year. Repairs, figuring a high average, come to $40.36 annually. Average TV electrical consumption is $8.16 annually. As a portion of comprehensive home insurance, a TV set costs about 73¢ each year. House-to-house moving averages about $2 a year. These expenses all add up to an annual cost of $81.14, which, divided by the average number of annual hours of use, gives us a cost-per-hour of 6.2¢. This hourly cost, multiplied by A. C. Nielsen's in-season (fall-winter) level of 40 hours of household TV viewing weekly, provides a weekly cost to the set-owner of $2.40.

FTC payola complaints against these record firms have been settled by agreements on cease-&-desist consent orders: Scepter Music Inc., 1650 Broadway, N.Y. • Old Town Record Corp., 1697 Broadway, N.Y. • B&H Distributing Co., 3959 Woodward Ave., Detroit.

A trio of Republican TV commercials, timed for the last week of the campaign, were rejected by KPIX San Francisco because of content. KRON-TV San Francisco gen. mgr. Harold See approved one of the 60-sec. messages, refused the other 2. The spots are showing in nearly 24 Northern Cal. outlets, from Fresno to Eureka, in a $35,000 drive, handled by the Whitaker & Baxter agency. Democrats termed the spots (designed by Imagination Inc. of San Francisco) as "low-level campaigning." One featured a "Mr. Beatnik," who said in part: "Why man, I dig that cradle-to-the-grave security bit. Nothing to do but stay in your pad and listen to that ring-a-ding jazz all day while Uncle Whiskers pays for the rent & the wine." Another, called "Smilin' Jack," showed a bucktoothed character dragging in saddle bags of money, and saying, with a Back Bay inflection, that the New Frontier is "where none of you little people will have to worry about how to spend your money, 'cause the govt. will spend it for you . . . You've all been living too high off the hog . . . You've been starving your poor old government . . . It's time to tighten belts & pay higher taxes to us superior people who'll be running that New Frontier. After all, if there's one thing I know about, it's how to spend money."

Upcoming facility changes: WSPA-TV (Ch. 7) & WSPA Spartanburg, S.C. expect to move back into re-built hq at 123 N. Converse St., severely damaged by fire last May (16:21 p10) • KBAK-TV (Ch. 29) Bakersfield, Cal. plans to begin operating from new site on Breckenridge Mt. Dec. 1 and boost power to 120 kw • WTOC-TV (Ch. 11) Savannah, Ga. hopes to boost to 316 kw about Jan. 1 • KELP-TV (Ch. 13) El Paso, Tex. expects to start Dec. 1 from new site on Comanche Peak and will boost power to 209 kw • KROC-TV (Ch. 10) Rochester, Minn. has set Dec. 4 as target for move to a new site & boost to 316 kw.

Voice of America station at Greenville, N.C., planned as the most powerful broadcasting facility in the world, probably will be built by 2 Texas firms—Alpha of Texas Inc. and Continental Electronics Mfg. Co. They submitted a low bid of $12,173,000 to the USIA for the project, which survived Congressional cuts in the VOA budget (Vol. 16:35 p6). The Greenville station, scheduled for completion by the end of 1962 at a total cost of $25,345,850, will provide stronger signals for VOA radio programs beamed at Europe, Africa, the Middle East and South America.

Gross Telecasting Inc. (WJIM-TV & WJIM Lansing) has been ordered by NLRB to post studio notices promising that it won't discriminate against employes because of NABET membership activity. Backing up trial examiner Henry S. Sahm, who reported in May that the management of the stations had tried to intimidate union members (Vol. 16:22 p12), NLRB said the company must cease & desist from threatening them with economic reprisals.

Latest price cut on TV tape made by Minnesota Mining & Mfg. Co.—the 4th in the past 2 years—now brings the price of a 60-min. reel (in lots of 48 or more) to $205.57, down from $228.41. Since 1956, the total price reductions have amounted to nearly 33%.

On a related front, Eastman Kodak is increasing the price approximately 10%, eff. Nov. 29, for the 3 currently available 16 mm b-&-w Eastman reversal films (type 7504, tri-x type 7278, plus-x type 7276).

KATV (Ch. 7) Little Rock will have James C. Leake and John Griffin as co-owners (50% each) following FCC approval last week of their purchase of Bryan Mathes' 10% stock for $45,000.

Advertising

Congress Not Through Yet: Broadcasters & advertisers may look for more trouble from govt. agencies & Congressional critics in the next year, NAB TV Code Review Board Chmn. E. K. Hartenbower (KCMO-TV Kansas City) warned last week.

Calling on TV & radio and sponsors to get together for better implementation of NAB's rules of good conduct on the air, he told the 7th annual 4A-sponsored New Products Seminar in N.Y. that nobody should predict that "this unpleasantness will all blow away."

Hartenbower said both industries must aim at combining "enthusiasm with truth [and] good sell with good sense." NAB Code members have been called "prissy, picayune and mid-Victorian" in insisting on compliance with self-regulating restraints in commercials, but it's "easier to edit beforehand than to produce a $20,000 commercial that disgusts the public," he added.

Echoing FTC Chmn. Earl W. Kintner's warning against use of science fiction in commercials (Vol. 16:44 p5), Hartenbower said FTC and network & station clearance editors have common responsibilities to see to it that: (1) A TV demonstration proves a claim in fact. (2) There is no deception of any kind in commercials.

"If 4 out of 5 N.Y. doctors are said to recommend a product, or if brand A works 3½ times as fast as brand Z, surely the broadcast licensee should have the assurance that there are reliable facts & figures to back these claims," the NAB Code spokesman told advertisers at the seminar.

Overall taste in TV commercials has improved during the past year, and "remarkable progress" has been made under the Code, but more needs to be done not only in the area of good taste, but in areas of accuracy, substantiation and derogation of competing products, Hartenbower said.

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Hazel Bishop Inc., longtime TV advertiser, has been challenged by SEC to prove "the accuracy & adequacy" of a stock registration statement covering proposed public sale of 1,274,823 shares held by more than 110 persons & firms. Instituting stop-order proceedings against the N.Y. cosmetic products distributor, SEC said it "has reasonable grounds for believing that Hazel Bishop's prospectus is false & misleading." SEC's 8-point complaint against the company included questions about its advertising expenditures, earnings claims and "general development of the business during the past 5 years." Controlling interest in Hazel Bishop was held at one time by Matthew M. Fox's C&C Television Corp. (now Television Industries Inc.), which made a complex 1958 deal with the cosmetics firm involving use of TV spot time for which Fox had bartered his library of RKO feature films (Vol. 14:21 p8). A hearing for Hazel Bishop had been scheduled for Nov. 1 by SEC, but it was put off until Nov. 10 to give company lawyers time to negotiate stipulations of facts about the firm's operations.

Republican TV expenditures totaled $1,100,942 for national time up to Oct. 27 in the 1960 campaign, the party's TV committee said in a report filed with the Clerk of the House. The report listed collections of $996,917 during the same period, in which TV costs ran below those in the 1956 campaign, when there were no free-time "Great Debate" appearances by Presidential candidates. A spokesman for the Democrats' counterpart TV committee said their report wasn't ready, but it was expected to approximate the Republicans' outlay.

Film & Tape

SAG-AFTRA May Strike Commercials: Strikes are looming against the networks, ad agencies and producers in the area of film & live commercials, following an impasse in the N.Y. negotiations between the networks and Screen Actors Guild and the American Federation of Television & Radio Artists.

In Hollywood, SAG announced it was polling its national membership to seek strike authority. AFTRA will hold membership meetings in N.Y. & Chicago Nov. 11, and Los Angeles Nov. 13 to discuss the critical situation.

SAG, in joint negotiations with AFTRA on the commercial contract, told its members that the employers "have refused to make any offer which we could in good conscience recommend to the membership . . . They have agreed to make pension & welfare payments, their only offer of substance," but "they refuse to correct injustices which exist in the Guild's present commercial contract, and, in fact, their wage offers are substantially below the existing rates for taped commercials."

Strike authorization by members does not, of course, quarantee a strike. When a block in negotiations is reached, it's customary to seek such authorization to enforce the Guild's bargaining position in the deadlock. However, none close to the picture cared to make any predictions about a strike, particularly because this has been a year of strikes in the entertainment field.

The possibility of union-sponsored political "blacklisting" of TV talent emerged meanwhile in N.Y. On the agenda of the Nov. 10 annual AFTRA meeting is a resolution to enforce provisions in the Union constitution which forbid Red-lining or Communist membership by Union members. The proposed measure also calls for expulsion of AFTRA members who invoke the 5th Amendment before a Congressional committee. Blacklisting isn't new (program executives still recall the *Red Channels* hassles of a few years ago), but this would be the first direct AFTRA attempt at self-regulation in the political area, if passed.

* * *

Directors Guild of America, whose contract with the networks expires Dec. 31, is making the first moves toward hammering out a new contract. DGA believes that an early start in negotiations will avoid a stalemate at the last moment, and a set of DGA demands will be presented to network negotiators at a series of N.Y. meetings this week & next. Principally, DGA hopes to equalize directors' scales for live & film and to bring pension & credit provisions for live & tape directors up to film-contract levels.

* * *

Three new members have been appointed to the TV-radio board of Writers Guild of America West, replacing 3 of the 6 ousted in the recent recall election (Vol. 16:44 p8). Named to the posts: Mary McCall Jr., Barry Trivers, Christopher Knopf. Fenton Earnshaw has been named pres. of the board. The board has also appointed a nominating committee to select a slate of writers from the other 3 vacancies on the board, and an election will then be held.

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Selmur Productions, AB-PT's film-&-tape subsidiary, is preparing 2 new live shows. One, a 60-min. live-&-tape variety & interview show, would originate in Las Vegas, Nev., to be seen at 11 p.m., perhaps in the spring. The other, a live circus show, is planned for Sat. a.m., and may start early next year.

Executive Merry-Go-Round: Executive casualties are accumulating again at 3 major studios which have had more than their share of problems in TV film—Paramount, MGM and Twentieth Century-Fox.

MGM-TV vp George Shupert resigned last week in a policy clash—reportedly over a demand for more authority, which was denied by Metro Pres. Joseph R. Vogel. Shupert had virtually closed a deal to bring Roy Huggins in as production chief, supplanting Robert Weitman. But when he was unable to reach Vogel, then in Europe, for approval, Huggins accepted a similar job at 20th Century-Fox TV. Huggins, active in several successful series (*77 Sunset Strip, Maverick, Colt .45*) left Warner Bros. for a deal reported to include participation in film series. (John B. Burns, MGM-TV's dir. of national sales, was named to the new post of gen. sales mgr., after Shupert left.)

Producer Richard Bare *(The Islanders)* also left MGM-TV (replaced by Jaime del Valle) as did producer-creator Gene Wang.

George Gruskin has departed as production executive at Paramount Television, in the wake of a disastrous year during which the studio sold only one pilot. No successor has yet been named. Previously, production vp Bob Cinader had resigned at Paramount TV over policy differences. More recently producer Hal Hudson left Paramount for the same reason, after only 4 months. Hudson joined Ralph Edwards in a TV-film production venture.

The only top-echelon change at an independent studio has been the resignation of Desilu Productions exec. vp Martin Leeds, because of a policy clash with Desi Arnaz.

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American Federation of Musicians and Assn. of Motion Picture Producers signed a new 3½-year contract last week, providing for a wage hike. Telefilms & movies produced by the major studios are covered by the contract, which provides that: (1) Any film produced in the U.S. or Canada will be scored in the U.S. or Canada. (2) No canned music (music not scored by those covered by agreement) will be used in telefilms going into production on or after June 1, 1961. (3) Rerun payments of 1% for movies going into production after Jan. 31, 1960, and which are released to free TV. (4) Pay rates to be increased 5% Oct. 1, 1961, an additional 7% Nov. 1, 1962. (5) Pension contributions of 3% begin at once in musicians' pension fund. (6) Standard AFM soundtrack regulations to be made applicable to all movies produced since 1958. There are no provisions for a musicians' cut of post-1948 movies sold to TV.

Sale of California Studio for approximately $600,000 is being made to a syndicate headed by Los Angeles financier Fred Jordan and producer-writer Phil Rapp. California Studio Pres. Philip J. Krasne told us he expects contracts to be signed "in a week or two." The new owners, Producers Studio, are also signing a lease for the studio's land, owned by the Clune Memorial Trust. Krasne and Jack Gross bought the studio about 10 years ago from the estate of producer Harry Sherman for about $250,000. Since then the studio has added 3 new stages and other expansion. Krasne bought out Gross's interest in July 1959. Rapp will be chmn. & creative head of the new setup. Krasne will produce TV & movies. "I'm a producer, not a landlord," he told us.

703 Ampex Videotape recorders were in use as of Oct. 1, Ampex has announced. Of these, U.S. broadcasters & production firms had 416; U.S. closed-circuit systems, 93; broadcasters & production firms outside the U.S., 194.

HOLLYWOOD ROUNDUP

International Television Film Distributing Co. Inc. sold the Bing Crosby special (on ABC-TV Oct. 5) in the Philippines & Switzerland. It has also sold *You Asked For It* in Thailand, Australia and Hong Kong; *Don't You Believe It* in New Zealand; Western features in Nigeria; *Wonders of the World*, in Thailand, and *Clutch Cargo* cartoons in Australia . . . **Belmont Television** has been formed by Danny Kaye & his wife, Sylvia Fine, for production of TV films. Robert Forrest, ex-NBC-TV, is vp-&-exec. producer.

Major Programs Inc. (Hardie Frieberg, pres.) has been formed to distribute telefilms. Its first series will be 104 five-min. episodes of *Believe It or Not*, produced by Sceptre Productions, (Jack Rabin, pres.) . . . **Six "Twilight Zone"** episodes will be taped at CBS-TV Television City beginning Nov. 8 in a move aimed at shaving costs on the series, most of which is on film . . . **Producer Jack Chertok** is filming TV's first 5-parter, a *Lawless Years* story of Louy K, one-time syndicate chief.

Revue Studios is planning 2 pilots, *Mother Climbs a Tree*, starring Joan Fontaine, (Bill Frye producing) and an untitled series about the national park rangers, to star Jock Mahoney, Richard Irving supervising preparation. Revue has completed another pilot, *17 Battery Place*, starring Ron Randell. Also in preparation at the Universal City lot is *The Lawyer*, a Hubbell Robinson Jr. project.

Two 30-min. series and a 60-min. project are planned by producer Hal Hudson for next season, under the aegis of Ralph Edwards. Hudson recently left Paramount Television, dissatisfied with that company's TV policies. On his agenda: *The Weapon*, an anthology, which may be hosted by Burl Ives.

ZRB Productions has been formed by producers Byron Roberts and Al Zimbalist for TV & movie production. *Taffy* is the title of the TV project . . . **MGM-TV** and Norman Felton are planning a pilot, *Cafe Bravo*, about a private eye in Mexico.

Screen Gems plans to pilot a 60-min. action-adventure series, *Safari*, with African local. William Sackheim is producer . . . **Allied Artists'** Informational Films Div. plans production of a 90-min. TV special about D. W. Griffith.

New pilots include *Metropolitan Squad*, produced by Quinn Martin; *The Story of My Life*, Clarence Darrow's autobiography, MGM-TV and Arena Productions; *Come a-Running*, Harry Tatelman, producer for CBS-TV.

Hubbell Robinson Productions' *Thriller* has been renewed for 13 more weeks by NBC-TV.

People: Stephen McNally and **Robert Harland** signed to star in Four Star Television's *The Corruptors*. Harry Tatelman named producer of *Ichabod*, Revue Studio series planned for the 1961-62 season . . . **James Moore**, ex-Warner Bros., named exec. asst. to Roy Huggins, production chief for 20th Century-Fox TV . . . MCA vp **Karl Kramer**, active in its Revue Studios since its formation, has retired . . . Writer **Mort Lewis** named by Jerry Lewis Productions as creative asst. for TV . . . **Irving Asher**, ex-20th Century-Fox TV vp, plans a comedy series starring Herb Shriner . . . **Joe Hoffman** has left Four Star Television, where he produced *Michael Shayne*.

NEW YORK ROUNDUP

Seven Arts won another legal duel last week. In N.Y. Supreme Court Nov. 2, Judge Owen McGivern denied a motion by Batjac Productions—actor-producer John Wayne's independent production firm—to enjoin 7 Arts and Warner Bros. from distributing several Batjac post-1948 films in TV syndication. Wayne had claimed that Warner Bros., which originally distributed the films theatrically, had no right to license them along with other post-1948 WB films to 7 Arts. Judge McGivern disagreed, stating that WB and 7 Arts were "acting within their rights." The Batjac pictures, 5 of which star Wayne, are: "Big Jim McLain," "Island in the Sky," "Hondo," "The High & the Mighty," "Blood Alley," "Plunder of the Sun," and "Track of the Cat."

Add syndication sales: Ziv-UA's first-run adventure series, *Miami Undercover*, has been sold in 21 markets to date. Major sales include: KABC-TV Los Angeles, KPRC-TV Houston, WLBW-TV Miami . . . UAA has scored more sales for its features & cartoon packages: 11 more stations bought the feature films; 7 stations were added to the *Popeye* & Warner Bros. cartoon package list.

Add syndication sales: Screen Gems' off-network re-run package, *Tightrope*, has been sold in 16 new markets, bringing total sales to 48 . . . UAA scored 9 new station sales for its feature films; 6 new stations bought the *Popeye* & Warner Bros. cartoon packages . . . ITC has sold former U.S. network show, *Halls of Ivy*, to the Canadian Bcstg. Corp. This marks CBC's 5th purchase from ITC in the last year.

Screen Gems has sold a third Hanna-Barbera animated series, *The Yogi Bear Show*, to Kellogg on a national spot basis. The series, featuring the comic star of *Huckleberry Hound*, is scheduled for 130 stations beginning in January. Other Kellogg-sponsored SG series: *Huckleberry Hound*, *Quick Draw McGraw*.

Merritt Enterprises was formed recently in N.Y. by E. Roger Muir, ex-NBC exec. producer of children's programs, who resigned from NBC after 15 years to become pres. of the new program production company. Nick Nicholson, TV producer with NBC for 8 years, also resigned to become Merritt Enterprises vp & treas.

ITC gained syndicated distribution rights to off-network *Broken Arrow* from 20th Century-Fox last week. The 72-episode, 30-min. adventure series, originally aired on ABC-TV, will be offered simultaneously to both U.S. & foreign markets when it goes into syndication next month.

Durham Telefilms, TV distributor & producer, has acquired exclusive domestic TV rights to 3 WPIX N.Y.-produced documentaries: "The Russian Revolution," "The Cold War," and "The Secret Life of Adolf Hitler."

Add syndication sales: MCA-TV has added 10 new stations for its 30-min. series for daytime stripping, *Dr. Hudson's Secret Journal*.

People: William E. Huston has been named Transfilm Caravel vp in charge of TV commercial sales . . . **Peter G. Robinson** and **Leon I. Mirell** have been appointed Selmur Productions program vp and business affairs vp respectively . . . **Jack Heim** has been named 7 Arts special feature sales dir.

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Personals: Glen Akins named asst. mgr. of TV operations, ABC-TV engineering dept., Hollywood; Donald C. McCroskey replaces him as supervisor of TV engineering maintenance . . . Jerry M. Landay named to new post of WBC national news editor; he was radio WBZA Springfield news supervisor . . . Symon B. Cowles named ad dir. WNEW-TV N.Y. . . . Frederick G. Ramback, ex-Pacific Tel & Tel, named Ampex Professional Products national sales mgr., a new post . . . George Etkin named asst. gen. counsel, MBC . . . Edward K. Mills Jr., whose nomination to FCC was withdrawn (Vol. 16:42 p16), sworn in as FTC member by Supreme Court Justice William J. Brennan Jr.

Ed Bonham named local sales mgr., WAVY-TV Norfolk, Va. . . . John Tyler promoted from sales mgr. to gen. mgr., KFDA-TV Amarillo . . . Phil Lewis named news dir. KYW-TV Cleveland.

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Meetings next week: Assn. of National Advertisers annual meeting (Nov. 13-16), The Homestead, Hot Springs, Va. • Bcstrs.' Promotion Assn. annual convention (14-16). NBC Chmn. Robert W. Sarnoff will speak, Sheraton Charles Hotel, New Orleans • RTES timebuying & selling luncheon-seminar (15), Hotel Lexington, N.Y. • TvB annual meeting (15-18), Waldorf-Astoria, N.Y. • RTES newsmaker luncheon (16), Roosevelt Hotel, N.Y. • Tenn. Assn. of Bcstrs. meeting (17-18), Peabody Hotel, Memphis • Freedom of Information conference (17-18), U. of Mo. School of Journalism, Columbia, Mo. • TvB membership luncheon (18). U.S. Steel Pres. Leslie B. Worthington will speak, Waldorf-Astoria, N.Y. • Ore. Assn. of Bcstrs. meeting (18-19), Salem, Ore.

Obituary

The Rev. Dr. Percy Crawford, 57, pastor of radio's *Young People's Church of the Air* and founder of the TV gospel show, *Youth on the March*, died Oct. 31 of a heart attack in Trenton, N.J. He was pres. & owner of educational WPCA-TV Philadelphia (60% religious & educational bcstg.), and pres. & owner of FM stations WMUZ Detroit; WYCA Hammond, Ind.; WDAC Lancaster, Pa. He also had the first coast-to-coast religious radio program (1937). Surviving are his wife, 4 sons and a daughter.

Meetings this week: Maine Assn. of Bcstrs. annual meeting (Nov. 9). Paul O'Friel, radio WBZ (Boston) gen. mgr., will speak, Steckine's Restaurant, Lewiston • WSB Radio-TV News Bcstg. Conference (10), in association with U. of Ga. Henry W. Grady School of Journalism, WSB-TV & WSB Atlanta studios • N.D. Bcstrs. Assn. annual meeting (10-11), Gardner Hotel, Fargo. • Fla. Defense Network (9), DuPont Plaza Hotel, Miami.

Educational Television

More Ford Support for ETV: $686,518 in Ford Foundation grants were announced in October for expansion of science & engineering ETV programs in universities & secondary schools (Vol. 16:31 p6). Existing in-classroom teaching projects, under the Foundation's national program for use of TV in public schools, were granted a total of $500,000. Major gifts to a group of 16 school systems: Fla. West Coast ETV Inc. ($45,000), Ohio State U. Research Foundation ($40,000), Anaheim City School District ($40,000).

In addition, FF gave funds of $136,518 for the activation of ETV channels at several large universities: Michigan State U. ($27,188); Tennessee U. ($25,000); Montana State U. ($21,450). A grant of $44,800 was given to the WGBH Educational Foundation for expansion of ETV facilities. Grants also went to Dade County (Fla.) board of public instruction ($15,000) and to Western Michigan U. ($35,000) to support the release of faculty members from regular duties to teach college-credit courses by TV.

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Some 3 million college students will receive some portion of their education through closed-circuit TV by 1965—a 600% increase over today's estimated 500,000 students who are learning by TV in 130 colleges & institutions. That's the estimate of Ampex ETV specialist Robert Miner, who predicted educational institutions will turn increasingly to TV and video-tape recording to meet the challenge of a projected 50% enrollment increase in the next 5 years. He gave these views during a news conference at the recent NAEB convention in San Francisco.

Technology

U.N. ownership & operation of all international space communications was urged last week by Philco Pres. James M. Skinner Jr. Addressing the Peninsula Mfrs. Assn. in Palo Alto, Cal., he said such international control would further peace & understanding and strengthen the U.N. Under his proposal, each nation would establish a central point from which international TV, voice, telegraph & telephone communciations would be transmitted to U.N.-owned satellites for distribution to the local services of the receiving nation. AT&T has indicated its intention to own & operate satellite communications system (Vol. 16:43 p1).

Advances in the art of radio communications—both in space and over long distances—are expected to result from last week's launching of 90-lb. Explorer VII satellite. It is taking the most extensive direct measurements ever made of the ionosphere—from which is expected to come better understanding of how ionospheric changes occur.

Auxiliary Services

Translator starts: K74BE Hood River, Ore. began Oct. 7 repeating KGW-TV Portland • K77AW Likely, Cal. has Nov. 15 target for start with KOLO-TV Reno.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

W. R. G. BAKER—'MR. ELECTRONICS': The legacy of Dr. W. R. G. Baker, who died Oct. 30 at 67, could be said to include the technical system of American TV. The fact is, there is virtually no branch of electronics which doesn't owe something to his incisive mind and skilled leadership. He also found time to build the IRE into one of the world's strongest engineering associations, to found & direct the engineering activities of the EIA and to plan & operate GE's Electronics Park, among other accomplishments.

One of the industry's great men—the former GE electronics vp who had headed both IRE & EIA—his most important contribution undoubtedly was leadership. As chairman of the first National Television System Committee, he was able to draw together divergent industry views & proposals and come up with a single set of black-&-white TV standards. Heading the 2nd NTSC, he accomplished a similar task with color. These were just 2 of the many intra-industry task forces he led, welding together opposing engineering factions.

Nevertheless, "Doc" Baker wasn't a diplomat in the common sense of the word. He believed in the direct, plain-spoken approach—calling a spade a spade. He succeeded because he was a master at negotiating from fact. And because he was blunt, he made enemies—but even those enemies respected his sharp mind and the extreme power of his personality

A strong & single-minded man, he devoted his entire adult life to electronics, even to the exclusion of hobbies and other outside interests. It was a common sight to see him open his bulging briefcase on a train or a plane—or at any lull in the day's activities—and wedge in a few minutes of work. Until he suffered his first stroke in June 1957, it was his boast that he had never been sick a day in his life. He couldn't afford to be—there were too many important things to do.

For some of Dr. Baker's honors & accomplishments, see p. 17.

THE CHALLENGE FROM THE SALES DEPT.: Challenge to come up with "new ideas" in consumer electronics was thrown out to engineers last week by the consumer-products chief of one of the largest TV-radio-phono manufacturers. Braving the disdain of some engineers for advice from their non-technical brethren, Motorola consumer-products vp Edward R. Taylor (who also is EIA consumer-products div. chairman) listed to an engineering group the products he thinks he can sell to the public—and asked them to get to work.

Addressing EIA-IRE Radio Fall Meeting in Syracuse—attended by some 200 engineers, largely representing consumer-products & component development—the ebullient Taylor refused to concede that consumer electronics has "reached a plateau." For existing products, he forecast good prospects in the next 5 years: TV, from 6 million sets a year to 8 million in 1965; home radios rising from 3.5 to 4.8 million; clock radios, from 2.8 to 3.9 million; portables, from 4.6 to 6.5 million; stereo, from 3 to 5.5 million.

But that's not enough, he warned. "The worst thing we could do would be to accept the status quo." In present product categories, he urged engineers to give priority to increased reliability, looking toward an eventual 5-year service policy for TVs & radios. Miniaturization, too, he cited as important field for improvement: "The day of the Dick Tracy radio transmitter-receiver is going to come." As to TV, he asked them to "design an electronic system" to eliminate the "forests of unsightly outdoor antennas," to extend signals' range beyond line of sight and get rid of blind spots, eliminate flutter caused by aircraft. "Are you as proud as you should be of that picture?"

In other home electronics fields, he suggested: Kitchen computer, which cooks complete meal when punch-card recipe is inserted. Control panel, which "operates every gadget in the home" including laundry, furnace, range, etc. Closed-circuit TV to connect every room in the house. Home TV tape-recorders. Facsimile newspapers. Electronic fire & burglar alarms that work. Electronic ovens at competitive prices.

In the auto, he noted that Chrysler already is substituting electronic alternator for generator and made these added proposals: Devices to heat & cool car electronically. Combination electronic windshield defroster, dryer & wiper. Auto safety devices. "And how about a car clock that keeps time?"

For outdoor recreation: Devices to cut down hunting & swimming casualties. Solar-powered barbecues. Weather detectors for boating fans, etc.

Engineers aren't sitting on their hands, of course. It's good bet that many of these devices & ideas are now in research labs. Technical papers at Radio Fall Meeting sessions gave good idea of areas being explored now by engineers for more immediate improvements in consumer electronics: transistor TV, multi-element tubes, TV & AM, stereo, increased reliability, better TV pictures, citizen's band radio communications for consumers. For details, see story below.

TV-RADIO PRODUCTION: EIA statistics for the week ended Oct. 28 (43rd week of 1960):

	Oct. 21-28	Preceding wk.	'59 wk.	'60 cumulative	'59 cumulative
TV	123,919	119,634	158,503	4,872,844	5,195,440
Total radio	445,175	407,078	456,028	14,121,091	12,722,970
auto radio	169,582	145,588	125,056	5,421,773	4,682,962

More about

CONSUMER ELECTRONICS FRONTIERS: Near-future trends in consumer electronics were spotlighted last week in engineering papers at the EIA-IRE Radio Fall Meeting in Syracuse. The developments discussed were less dramatic—and far closer to reality—than those longer-term advances in the electronics art urged by Motorola consumer-products exec. vp Edward R. Taylor at the meeting's dinner session Nov. 1 (see p. 15). These were prominent topics among the engineering papers:

Multi-function tubes: The new trend toward putting more tube functions than ever in a single envelope—not glamorous, but a decided cost & space-saver—will be evident in a wide variety of consumer products next year. Different approaches were discussed by 3 manufacturers.

GE's compactron, the most widely publicized approach, provides both higher reliability & lower replacement cost than the tubes it replaces, according to GE's J. A. Davies & C. D. McCool. Although lower initial circuit cost is one advantage, the GE engineers reassured end-equipment manufacturers that compactrons won't leave consumers out on a high-repair-cost limb. They cited tests & calculations showing that failure rates of compactrons are "about 25-to-65% of the combined failure rates of their conventional prototypes." On the basis of tentative pricing information, they estimated the consumer should have to pay about 17% less for compactron replacement than for conventional tube replacement, due to higher reliability. (Note: It's understood that Sylvania, in addition to previously reported CBS Electronics & Tung-Sol, is due to join GE in production of compactrons.)

Two developmental multi-unit tubes designed for low-cost, compact auto radios, were described by RCA's N. C. Johnson & B. Lankford. They're in conventional 9-pin miniature envelopes and make possible a car radio with only 2 tubes & one transistor, reducing tube-heater-power requirements from 7.5 to 6.3 watts. The developmental tube types consist of a combined tetrode & heptode (RF amplifier & converter) and pentode, triode & 2 diodes (IF amplifier, diode detector first audio amplifier).

Sylvania's "Ten Pin" miniature tube—similar to the 9-pin base arrangement but with an extra pin in the center—was described by W. J. Sember & L. R. Maquire as providing substantial cost reductions by simplifying circuitry & wiring. Tubes using the new design are a double tetrode (FM radio RF amplifier & oscillator-mixer), and a triple triode (RF amplifier, oscillator mixer, AFC control).

TV & AM stereo systems: Now that FCC's FM stereo deliberations are under way, thoughts are turning to other forms of stereo broadcasting. GE's Robert B. Dome described a compatible stereo TV sound system using the sum-&-difference method with an AM subcarrier. RCA's J. Avins described 4 different approaches to AM stereo, including its own proposed system, which uses an FM "difference" signal and an AM "sum" signal Vol. 15:46 p22).

Transistor TV: Design engineers' preoccupation with circuits for battery-operated TV sets continues. Philco's B. M. Soltoff & C. H. Tyson described a Philco-developed picture tube (lab version is 14-in.) which cuts battery drain by operating on a heater power of only 250 milliwatts. The paper treated power sources for low-heater-power tubes and concluded that the horizontal output transformer core appeared to be the most versatile choice. A paper on a phase-splitter amplifier for transistor TV was presented by Warwick's Z. Wiencek, and one on transistorized horizontal scan by Motorola's Douglas W. Taylor.

Picture improvements: The only paper at the meeting which could be described as "futuristic" was one by Sylvania's W. D. Schuster & Rola's C. E. Torsch on "Benefits of a New Aspect Radio for TV." This was not an appeal—as might be surmised—for a Cinemascope-shaped TV picture, but, to the contrary, for a more nearly square one.

Torsch, who delivered the paper, pointed out that the official aspect ratio of the TV picture, as provided by FCC, is 3 to 2. Nevertheless, for purposes of more pleasing furniture design & other styling reasons, set manufacturers use a more nearly square 5-to-4 ratio. In short, the camera sees a 3-to-2 picture, but the set shows a 5-to-4 picture, resulting in the loss of about 12.5% of the picture on a 19-in. set. Because of "overscan," picture distortion results.

The authors proposed that aspect ratio of the transmitted picture be changed to 5-to-4 to match existing receivers. This, they said, could be done by modification of studio cameras. They listed these advantages: Increased camera resolution, better linearity, improved brightness & contrast due to elimination of overscan, potential savings in receiver manufacture. Sets now in use would require adjustment of horizontal sweep to get proper linearity with changed picture aspect transmission.

TV SALES DOWN, RADIO UP: As anticipated, Sept. retail sales this year were below those of Sept. 1959, but the dip wasn't as bad as in August (Vol. 16:42 p17). For the month, retail sales totaled 620,810—highest of any 1960 month, but still 9.4% below the 684,773 registered in Sept. 1959 (which followed a 13% August dip). Radio retail sales on the other hand, were up a surprising 17.7% from Sept. 1959, reaching 1,102,092 units, and bringing cumulative radio sales for the year well past the 6-million mark—20.1% ahead of last year.

Analyzing EIA's September figures, these impressions stand out: The industry cut TV production 19% below the Sept. 1959 figure, resulting in a year-to-date production total lower than 1959 for the first time this year. Cumulative 9-month TV retail sales still were 7.6% ahead of 1959 figures as the result of excellent sales during first half of 1960—but Sept. sales were at an annual rate of only about 5 million, based on seasonal adjustments.

(Scattered reports on October sales give little encouragement. From various industry sources, we hear no talk of any sharp pickup last month. Motorola consumer-products exec. vp Edward R. Taylor told us last week that he has revised his prediction of industry-wide TV sales for 1960 to 5.8 million, or about the same as last year.)

While total radio production for the year's first 9 months was 1.2 million units higher than last year, September production dropped below the corresponding 1959 figure for the first month this year—albeit only slightly. Apace with booming car sales, auto-radio production continued about 10% ahead of last year in September, marking the year's peak. FM radio output, too, zoomed to a monthly high of 111,745, excluding tuners & combinations). The EIA September production & retail sales figures:

TELEVISION

Month	Total Production 1960	Total Production 1959	Uhf Production 1960	Uhf Production 1959	Retail Sales 1960	Retail Sales 1959
January	526,494	437,026	50,119	35,841	590,867	501,704
February	503,453	459,492	43,537	34,678	507,673	448,173
March	549,500	494,032	45,411	32,112	501,829	425,751
April	422,551	389,251	39,240	20,501	351,214	263,998
May	442,176	431,911	32,295	28,247	334,283	279,536
June	518,870	571,004	34,245	29,064	371,661	344,795
July	268,854	350,360	14,621	21,022	392,858	370,575
August	462,286	547,445	26,829	32,847	429,346	492,449
September	678,937	808,337	46,161	51,555	620,810	684,773
TOTAL	4,373,121	4,488,857	332,458	285,867	4,100,541	3,811,753

RADIO

Month	Total Production 1960	Total Production 1959	Auto Radio Production 1960	Auto Radio Production 1959	Retail Sales (excl. auto) 1960	Retail Sales (excl. auto) 1959
January	1,355,788	1,124,737	632,461	420,052	803,388	700,490
February	1,442,368	1,125,385	596,872	432,551	611,479	474,888
March	1,667,550	1,347,554	633,761	511,219	664,441	515,563
April	1,230,323	1,040,183	399,963	422,346	547,839	388,863
May	1,277,040	1,039,562	463,165	476,222	548,322	400,882
June	1,551,451	1,430,165	596,870	637,806	702,889	678,195
July	890,359	829,035	328,009	254,725	573,363	526,827
August	1,048,406	1,009,423	340,860	279,424	794,608	671,713
September	1,945,092	1,981,208	788,961	717,501	1,102,092	928,457
TOTAL	12,408,377	10,927,252	4,780,922	4,151,846	6,348,421	5,285,878

FM radio production (1959 figures in parentheses): Jan. 33,816 (30,235), Feb. 56,515 (29,145), March 83,127 (32,994), April 68,196 (31,425), May 65,438 (48,841), June 105,317 (50,783), July 49,707 (24,553), Aug. 71,125 (42,866), Sept. 111,745 (76,942). Nine-month total: 677,410 (367,804).

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Birmingham Sound Reproducers (BSR), the British firm, now "supplies 25% of the 3-million-unit annual U.S. market for record changers, 30% of world demand." So says Nov. 1 *Forbes* magazine in profile of BSR and its Chmn.-managing dir. Dr. Daniel McDonald. The firm's pre-tax profits jumped from $86,000 in 1951 to $3.9 million last year. Next step for BSR: the appliance field.

More about

DR. W.R.G. BAKER: Word of the death of Dr. Walter Ransom Gail Baker (see p. 15) came on the eve of last week's Radio Fall Meeting, the 32nd in a series of annual EIA-IRE engineering meetings which he helped to establish—and which presented him with its first annual award in 1921. His funeral services in Syracuse Nov. 1 were attended by many of the top electronics industry engineers & executives, who came from all parts of the country.

One of the great "doers" of American industry, on both the engineering & executive levels, at the time of his death at his home in Syracuse he was pres. of the Syracuse U. Research Corp. and Syracuse U. vp for research, a post to which he was named after his retirement as GE electronics vp in 1957. Even after he suffered his first stroke in 1957, he remained active in industry affairs, continuing to attend and participate in executive committee meetings of the IRE, of which he was treasurer. Late in 1958, he proposed & founded EIA's National Stereophonic Radio Committee, which recently filed its final field-test report with FCC (Vol. 16:44 p15).

Highlights of Dr. Baker's career:

He joined GE Research Labs in 1917, where he had an important role in development of wartime radio. He later was placed in charge of the new radio dept., with responsibility for radio transmitting & receiving products. He supervised construction of pioneer radio stations WGY Schenectady, KOA Denver & KGO Oakland. When GE, Westinghouse and AT&T formed RCA in 1929, Dr. Baker headed its radio engineering activities, later becoming vp-gen. mgr. in charge of radio production. After RCA was split from GE, he returned as managing engineer, becoming mgr. of the radio & TV dept. (now the electronics dept.) in 1939 and vp in 1941. GE's giant Electronics Park was his in both concept & execution.

In 1939, he founded GE's pioneer TV station which bears his initials—WRGB Schenectady.

For contributions to military electronics during World War II, he was honored by both the Army & Navy, receiving the Army Medal of Freedom in 1953.

He was chairman of the first & second NTSC, which established the standards for b&w and color TV, and is the only man to serve as president of both IRE (1947) and EIA (1956-58). He received IRE's Medal of Honor in 1952 and EIA's Medal of Honor in 1953. He served on EIA's board from 1934 until last year; he started the engineering dept. of the industry group (then Radio Manufacturers Assn.) in 1934, and headed it until his retirement; at the time of his death he was director emeritus of engineering. He was an IRE exec. committe member and treasurer at the time of his death; he is credited with organizing the "professional group" system within IRE which has contributed largely to the current breadth & scope of that engineering organization.

He had also served as chairman of the exec. committee of Gulton Industries (batteries & electronic equipment).

He is survived by his wife, Naomi.

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More than 2,000 trade groups are listed in an updated Commerce Dept. publication, *Directory of National Associations of Businessmen: 1960.* Superseding a similar directory issued in 1956 which sold 25,000 copies, it is available for 50¢ per copy from the U.S. Govt. Printing Office, Washington 25, D.C.

MORE FM STEREO COMMENTS: Two more proponents of NSRC-tested FM stereo systems urged adoption of their own systems in comments received by the FCC last week (Vol. 16:44 p15). Pres. Murray G. Crosby of Crosby-Teletronics Corp., whose system is the only one tested which is not designed to accommodate any additional SCA multiplex channels (such as functional music, storecasting, etc.), urged the Commission to "choose the FM stereo system with a view toward providing the best broadcasting service without impairment due to the existence of an SCA channel."

Said Crosby: "The broadcaster [should] be given the right to choose between all-stereo operation of his station, or all-SCA operation for the multiplex channel." He stated that an SCA channel could be added with his system, "but we do not recommend it" due to impaired performance & possibility of cross-modulation. He also urged adoption of a system which permits inexpensive conversion to stereo "of the approximately 15 million FM receivers now in the hands of the public," adding that present sets cannot be easily adapted to the proposed AM-subcarrier systems.

Like most other system proponents, he explained that deficiencies which showed up in his system's parameters during tests were due to procedures & equipment used.

EMI Ltd. urged adoption of its system—also known as the Percival system—filing technical data to back up its plea. The British firm said it is prepared to grant non-exclusive licenses to other manufacturers "for a reasonable return on royalties."

Meanwhile, *Electronics* magazine, whose managing editor J. M. Carroll was secretary of NSRC's field-test panel, made this prediction in its Nov. 4 issue:

"Barring a real dark horse in the stereo race, the best guess seems to be that stereo standards will be promulgated in the first half of 1961, and that the final system standard will be a hybrid of the systems already studied, plus best features of any later proposals."

As deadline for comments passed, the only "later proposal" filed was RCA's "ideal" FM stereo system.

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Japanese electronics output in 1964 will be 82% higher than actual production in 1959, according to the govt.'s Ministry of Trade & Industry (MITI). Revising a tentative estimate in May that output would increase 32% in the 5-year 1960-64 period, MITI economists figured that in 1964, production would be running at a rate of about $1.8 billion. Upward estimates were made for industrial equipment, tape recorders, receiving tubes, transistors. The projected 5-year estimates show a sharp increase in color TV receivers and a decrease in b-&-w sets. Transistor radio exports will continue steady growth, the report said.

Another Japanese radio manufacturer has established its own import agency in the U.S. The new U.S. agent for Fujiya Electric Co. is Fujiya Corp. Ltd., headed by dir-gen. mgr. R. H. Scott. Offices & showroom are in the Chrysler Bldg., Lexington Ave. & 42nd St., N.Y. Added to Fujiya's line soon will be 2 battery-operated stereo phonos, 2 battery radio-stereo phonos, a monophonic phono with AM & SW radio, a battery tape recorder, 2 AC tape recorders, an AM-marine band radio, a transistorized telephone amplifier.

Los Angeles-made Admiral series of 6 "California Decorator" TV sets is now in production. Designed for the Western market, 2 remote models are priced at $469.95, one at $479.95; others $359.95, $369.95 & $439.95—all 23-in.

Trade Personals: **John B. Montgomery**, vp-gen. mgr. of GE's flight propulsion div. and former Air Force major general, Dec. 15 becomes president of Daystrom Inc., succeeding **Thomas Roy Jones**, who was named chairman but continues as chief executive officer . . . **Raymond W. Saxon** promoted from RCA Sales Corp. sales vp to mktg. vp . . . **Louis G. Pacent** rejoins Emerson Radio & Phonopraph as mfg. subsidiaries vp. He was engineering & mfg. vp prior to forming Pacent Engineering Co. in 1958 . . . **Richard G. VanInwagen** appointed engineering administration mgr., GE TV receiver dept., succeeding **Morris E. Broyles**, recently named components engineering mgr.

Theodore Rossman named to new post of Pentron Electronics chmn., succeeded as pres. by **Irving Rossman**, formerly exec. vp. Irving Rossman also continues as pres. of subsidiary Pentron sales Co. . . . **William L. James**, ex-Westinghouse, named Espey Mfg. & Electronics mktg. mgr. . . . **Robert W. Jorgensen**, ex-Booz, Allen & Hamilton, appointed mktg. development mgr., Hallicrafters . . . **Paul L. Hotte** elected pres., Mallory Metalurgical Co., a P. R. Mallory div. . . . **Roy E. Woenne** appointed vp-technical dir., Litton World Trade Corp., headquartered in Zurich.

Walter C. Byrne Jr., ex-Hallicrafters & Motorola, named microwave mktg. mgr., RCA communications & controls div.; **Haddon S. Wilson** appointed custom microwave project mgr.; **Norman E. Edwards** named microwave engineering mgr. . . . **William R. Donigan**, ex-Du Mont, named PR mgr., Adler Electronics . . . **M. Binions** appointed commercial sales mgr., Collins Radio Co. of Canada.

Harry F. Dart retires as patent engineer, Westinghouse electronic tube div., after a 38-year career with the company. He was instrumental in the development of electronic tube advances such as oxide coated cathodes and AC heater receiving tubes.

Harold R. Terhune, ITT Labs mgr. of standards, received 21st annual award of the EIA-IRE Radio Fall Meeting for "accomplishments in the field of electronic symbology & components."

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Appliance pricing practices were criticized by FTC staffers and defended by dealers at a local trade "educational" conference in Washington. The attack on appliance advertising was led by dir. John R. Heim of FTC's Bureau of Consultation. He said it is misleading to cite a "manufacturer's list price" in "bargains" when the going price in an area is something else again. Many of the 40 dealers attending the FTC-called session defended use of the "list" rate, however, contending that customers need to know what it is in order to identify products & make price comparisons. Similar conferences have been held in N.Y., Cincinnati, Chicago, Los Angeles, San Francisco and Phoenix. FTC Chmn. Earl W. Kintner promised more.

Five new 27-in. sets have been added by Magnavox as a result of successful reaction to the comeback of the large-sized screen (Vol. 16:29 p15). The new 27-in. "spectacular" line, featuring short-short 90-degree tubes, is headed by a stereo theater at $795, two basic consoles starting at $359.50 & $399.50, and 2 remote consoles starting at $399.50 & $449.50.

Reverberation has been added to Packard Bell's stereo line in a new AM-FM-phono combination with 3 amplifiers and "variable Reverba-Sound control" at $439.95.

Sylvania's share of industry TV sales was up 18.9% over 1959 during 1960's first 9 months, according to the company's trade advertisements, which also claim its radio share-of-industry was up 26.4%, stereo up 23.2%.

Finance

SET-MAKERS' 3RD-QUARTER SAG: Although the TV-radio industry still has a busy 4th quarter to go, its 1960 financial picture is becoming apparent: This may well go into the books as the year sales rose & profits fell. With few exceptions recent reports from set makers conform to the up & down pattern. Ever soaring Zenith reported lower 3- to 9-month profits, though its 9-month sales set a new record (p. 20).

Further evidence is supplied by Nov. 2 *Wall St. Journal* in a study of 3rd-quarter corporate profits. Its picture shows that 410 industrials produced an 8.4% profit gain over 1959's 3rd quarter. But the 10 TV-radio companies included in the survey did not contribute to the gain. Instead, their combined profit dropped 18.8% to $12,870,000 from $15,857,000 in July-Sept. 1959.

The TV industry's 3rd-quarter profit setback is typified by Hoffman's performance. Despite record sales for 1960's first 9 months & a near-record volume in the September quarter, Hoffman profits, compared with a year ago, were down sharply in both periods. A good measure of the slump came in the consumer products div. Explained Pres. H. Leslie Hoffman: Our "new line of TV, stereo and radios introduced in June was met with enthusiasm. However, the industry's general chaotic marketing & inventory conditions, typified by sharply reduced sales, price cuts and dumping of TV receivers, affected adversely the division's sales & profit position. Subsequently, production has been set at a prudent level to accommodate the existing situation and to reflect the company's estimate of the future."

* * *

Muntz TV reports its highest profit since fiscal 1952 for the year ended Aug. 31 (see financial table). Its sales increased 46% (to $8,833,829), its net profit 104% (to $860,754) from fiscal 1959. Net profit represents 8.75% of sales, the highest ratio in the company's history. Chmn. Floyd G. Dana & Pres. Wallace A. Keil attribute the good results to "efficient production, proper utilization of skilled labor, proper cost & expense control, efficient sales methods, proper correlation of production to inventory & sales" in addition to a policy against "overpricing merchandise."

Muntz breaks down its net sales by category thus (fiscal-1959 figures in parentheses): TV sets, $9,454,855 ($6,191,452); radios & phonos, $290,127 ($445,674); service parts, $88,847 ($90,113); miscellaneous income, $6,288 ($1,666). Expenses are divided thus: Engineering & research, $114,671 ($96,821); selling & advertising, $256,174 ($130,692); administrative & general, $205,365 ($175,726); miscellaneous, $9,124 ($36,422).

The company's balance sheet shows total current assets as of Aug. 31, 1960 at $2,007,479, vs. $1,431,013 on the same 1959 date. Total current liabilities dropped to $642,940 vs. $951,928. Operating under the Bankruptcy Act, the company reduced its retained-earnings deficit to $3,810,554 at the end of the fiscal year, from $4,671,005 one year earlier and $5,091,900 two years earlier.

* * *

Wells-Gardner reports a 10% decline in sales and an 8% profit drop for the first 9 months of this year as compared with the same 1959 period (see financial table). Pres. Robert Alexander says the decline "is a reflection of reduced activity in the 3rd quarter this year as compared with the record 3rd-quarter sales of the preceding year." He adds that the final quarter probably will be an improvement over last year. The company's Sept. 30 backlog of orders totaled $8.4 million vs. $6.9 million a year earlier. He expects 1960 results about the same as 1959.

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Nov. 3, 1960

Stock	Bid	Asked
Acoustica Associates	21¼	23¼
Aerovox	6¾	7⅝
Allied Radio	21¼	23
Astron Corp.	1⅜	1⅞
Baird Atomic	23½	25⅝
British Industries	12¾	14⅛
CGS Labs	8¾	10¼
Cetron	3⅞	4½
Control Data Corp.	40½	43½
Cook Elec.	12⅞	14
Craig Systems	13¼	14⅝
Dictaphone	33	35⅝
Digitronics	17½	19⅜
Eastern Ind.	10½	11½
Eitel-McCullough	18¼	19⅜
Elco Corp.	14½	16¼
Electro Instruments	19½	22
Electro Voice	8½	10
Electronic Associates	24	26¼
Erie Resistor	9¼	10⅛
Executone	22	25⅛
Farrington Mfg.	28¼	30⅞
Fischer & Porter	15½	17
FXR	36	39⅞
General Devices	9⅝	10⅝
G-L Electronics	7¼	8⅜
Granco Products	3¼	4
Gross Telecasting	19	21
Haydu	1/16	¼
Hewlett-Packard	21¾	23⅝
High Voltage Eng.	130	140
Infrared Industries	16	18⅛
International Rectifier	19½	21¼
Interstate Engineering	18¾	20⅛
Itek	44½	48¾
Jerrold	6⅝	7⅜
Lab for Electronics	37	39⅞
Lel Inc.	4½	5¼
Magna Theater	2⅜	2¾
Magnetics Inc.	8	9⅛
Maxson (W.L.)	7½	8⅜
Meredith Pub.	39	43
Metropolitan Bcstg.	16	17¼
Milgo Electronics	15¾	17¾
Narda Microwave	4½	5¼
Nuclear of Chicago	33½	36¾
Official Films	1⅞	2⅛
Pacific Automation	4¼	5
Pacific Mercury	6½	7¼
Perkin-Elmer	37¼	40¼
Philips Lamp	161	166¾
Pyramid Electric	2⅜	2-15/16
Radiation Inc.	19	21
Howard W. Sams	33	36⅛
Sanders Associates	27	29⅜
Silicon Transistor	4¾	5¼
Soroban Engineering	33½	37¼
Soundscriber	10¼	11⅞
Speer Carbon	19	21
Sprague Electric	43	46⅛
Taft Bcstg.	11	12⅝
Taylor Instrument	33¼	35⅝
Technology Inst.	7	8⅜
Tele-Broadcasters	⅝	1-1/16
Telechrome	11	12¼
Telecomputing	6⅛	6⅞
Telemeter	10¾	11½
Time Inc.	61	64½
Tracerlab	9¼	10½
United Artists	6⅝	7⅜
United Control	19¼	21¼
Universal Trans.	¾	1⅜
Vitro	10⅝	11⅜
Vocaline	2¼	2¾
Wells-Gardner	14¾	16
Wometco Ent.	12	13⅛

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
American Bosch Arma	1960—9 mo. to Sep. 30	$ 93,289,510	——	$ 981,976	$0.49[1]	1,885,254
	1959—9 mo. to Sep. 30	90,140,002	——	3,019,437	1.57[1]	1,882,714
American TV & Radio	1960—year to June 30	1,094,360	——	14,206	—	——
	1959—year to June 30	1,109,493	——	19,263	—	——
Borg-Warner	1960—9 mo. to Sep. 30	451,458,928	$ 37,956,097	17,839,366	1.96[1]	8,936,994
	1959—9 mo. to Sep. 30	484,194,024	54,397,422	25,566,788	2.83[1]	8,907,681
	1960—qtr. to Sep. 30	128,390,277	5,532,534	2,600,291	.28[1]	8,936,994
	1959—qtr. to Sep. 30	156,390,427	15,481,729	7,276,412	.79[1]	8,907,681

[1] After preferred dividends.

(Continued on next page)

FINANCIAL REPORTS—Continued

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Clevite	1960—9 mo. to Sep. 30	73,097,662	10,430,985	5,109,985[2]	2.65[1]	1,877,643
	1959—9 mo. to Sep. 30	62,448,415	9,833,654	4,811,654	2.51[1]	1,854,152
	1960—qtr. to Sep. 30	21,687,997	2,510,000	1,180,000	.60[1]	1,877,643
	1959—qtr. to Sep. 30	19,651,000	2,741,000	1,414,000	.73[1]	1,854,152
Corning Glass	1960—40 wks. to Oct. 9	165,481,036	32,491,333	17,580,333[3]	2.58[1]	6,754,600
	1959—40 wks. to Oct. 9	147,717,908	34,460,084	17,944,084	2.63[1]	6,722,052
Espey Mfg. & Electronics	1960—year to June 30	3,696,853	——	167,680	1.07	155,721[4]
	1959—year to June 30	3,016,418	——	162,833	1.04	155,721[4]
Ferrodynamics	1960—9 mo. to Sep. 30	753,000[2]	38,865	24,765[5]	.08	——
	1959—9 mo. to Sep. 30	598,000	(12,300)	——	—	——
Gabriel	1960—9 mo. to Sep. 30	24,587,295	(66,738)[5]	(28,774)	—	675,838
	1959—9 mo. to Sep. 30	21,760,115	1,205,910	578,837	.84[1]	675,838
	1960—qtr. to Sep. 30	7,697,464	197,430	98,027	.14[1]	675,838
	1959—qtr. to Sep. 30	7,206,659	220,880	160,022	.15[1]	675,838
General Bronze	1960—9 mo. to Sep. 30	22,935,168	555,452	292,452	.76	384,137
	1959—9 mo. to Sep. 30	27,254,584	1,283,254	655,253	1.71	383,937
Globe-Union	1960—9 mo. to Sep. 30	43,927,515	——	1,168,784	1.38	——
	1959—9 mo. to Sep. 30	46,117,251	——	1,414,597	1.67	——
Hallicrafters	1960—year to Aug. 31	29,374,490	——	907,777	.90	——
	1959—year to Aug. 31	25,417,364	——	689,037	.69	——
Hoffman Story on p. 19	1960—9 mo. to Sep. 30	38,659,460	529,431	252,431	.17	1,524,421
	1959—9 mo. to Sep. 30	34,261,157	3,291,366	1,565,366	1.04	1,506,322
	1960—qtr. to Sep. 30	14,723,910	276,377	129,377	.09	1,524,421
	1959—qtr. to Sep. 30	11,915,968	951,661	543,661	.30	1,506,322
Indiana General	1960—9 mo. to Sep. 30	14,948,502	2,089,126	1,027,196	.91	1,124,522
	1959—9 mo. to Sep. 30[6]	14,762,855	2,154,535	1,135,775	1.01	1,124,522
International Resistance	1960—42 wks. to Oct. 23	17,150,228[2]	——	1,705,942[2]	1.23	1,385,798
	1959—42 wks. to Oct. 23	15,676,568	——	1,493,370	1.08	1,378,988
	1960—17 wks. to Oct. 23	6,796,051	——	659,970	.48	1,385,798
	1959—17 wks. to Oct. 23	6,267,440	——	656,769	.41	1,378,988
Meredith Publishing	1960—qtr. to Sep. 30	14,003,053	744,192	381,192	.29	1,332,186
	1959—qtr. to Sep. 30	14,167,884	2,379,106	1,264,106[7]	.97	1,299,421
Minnesota Mining & Mfg.	1960—9 mo. to Sep. 30[11]	403,146,898	98,134,365	50,134,365	.98	51,316,762
	1959—9 mo. to Sep. 30	363,332,469	90,098,317	45,698,317	.89[8]	51,087,270[8]
	1960—qtr. to Sep. 30[11]	140,133,725	33,768,363	17,768,363	.35	51,316,762
	1959—qtr. to Sep. 30	125,973,824	31,901,243	16,101,243	.32[8]	51,087,270[8]
Muntz TV Story on p. 19	1960—year to Aug. 31	9,833,829	——[9]	860,541	.74	1,165,376
	1959—year to Aug. 31	6,728,906	——[9]	420,894	.36	1,165,376
MCA	1960—9 mo. to Sep. 30	——	9,251,346	4,484,073[2]	1.11[1]	3,995,735[10]
	1959—9 mo. to Sep. 30	——	7,212,033	3,496,333	.86[1]	3,995,735[10]
	1960—qtr. to Sep. 30	——	2,735,799	1,354,626	.33[1]	3,995,735[10]
	1959—qtr. to Sep. 30	——	2,230,059	1,039,025	.25	3,995,735[10]
NAFI Corp.	1960—8 mo. to Aug. 31	35,840,736	2,288,482	1,313,482	1.07	1,230,755
	1959—8 mo. to Aug. 31	15,558,748	883,138	711,138	.72	987,655
Oak Mfg.	1960—9 mo. to Sep. 30	13,487,660	889,913	432,913	.66	——
	1959—9 mo. to Sep. 30	13,458,098	1,510,106	733,106	1.12	——
	1960—qtr. to Sep. 30	3,840,847	61,345	31,345	.05	——
	1959—qtr. to Sep. 30	4,308,182	473,502	233,502	.36	——
Pacific Mercury Electronics	1960—year to June 30	21,512,931	——	196,855	.28	——
	1959—year to June 30	20,154,604	——	352,198	.50	——
Polarad Electronics	1960—qtr. to Sep. 30	2,649,585	——	47,255	.03[1]	1,316,525
	1959—qtr. to Sep. 30	2,911,786	——	142,818	.11[1]	1,299,992
Sperry Rand	1960—6 mo. to Sep. 30	561,352,778	19,374,666	11,774,666[12]	.41[1]	28,294,991
	1959—6 mo. to Sep. 30	553,761,569	33,430,064	19,030,064	.66[1]	28,279,511
Texas Instruments	1960—9 mo. to Sep. 30	170,147,000	23,485,000	11,517,000	2.91[1]	3,924,613
	1959—9 mo. to Sep. 30	140,899,000	21,132,000	9,877,000	2.50[1]	3,914,630
	1960—qtr. to Sep. 30	54,096,000	7,133,000	3,596,000	.91[1]	3,924,613
	1959—qtr. to Sep. 30	46,700,000	7,,578,000	3,572,000	.89[1]	3,914,630
Wells-Gardner Story on p. 19	1960—9 mo. to Sep. 30	16,122,424	993,812	482,812	1.14	——
	1959—9 mo. to Sep. 30	17,986,967	1,082,485	525,485	1.25	——
	1960—qtr. to Sep. 30	6,827,336	556,428	267,428	.63	——
	1959—qtr. to Sep. 30	8,927,139	773,463	371,463	.88	——
Zenith	1960—9 mo. to Sep. 30	183,952,012[2]	——	8,577,752	2.88	——
	1959—9 mo. to Sep. 30	175,990,037	——	9,319,921	3.15	——
	1960—qtr. to Sep. 30	65,688,191	——	3,268,287	1.10	——
	1959—qtr. to Sep. 30	69,127,237	——	4,418,200	1.49	——

Notes: [1]After preferred dividends. [2]Record. [3]Excludes non-recurring loss of $1,868,418 from sale of investments. [4]Outstanding June 30, 1960. [5]Before $37,964 tax credit. [6]Includes results, on a pooling of interest basis, of Indiana Steel Products and General Ceramics, merged Nov. 1959 (Vol. 15:40 p18). [7]Includes $165,713 capital gains. [8]Adjusted for May-1960 3-for-1 split. [9]No federal income taxes apply because of tax loss carry-forward, which, at end of fiscal 1960, still amounted to about $1.5 million. [10]Outstanding Sept. 30, 1960. [11]Includes operations of Mutual Bestg. System from April 1, 1960. [12]Includes about $1.2-million gain from June-1960 sale of photocopy plants & assets.

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

The Election

PORTENTS FROM KENNEDY CAMP: Bartley probable FCC chief, though he favors "rotation." Switches in top commission staff expected. An "unknown" likely to head FTC (p. 1).

ELECTION COVERAGE ANOTHER VICTORY FOR TV. At its peak, 3-network coverage drew all-time record of 83 million viewers in 33 million homes. NBC had audience edge (pp. 3 & 5).

ORIGINAL OVERSIGHTER PERILED in House election, Rep. Moulder (D-Mo.) facing defeat by Baptist minister. He launched initial probes of TV grants (p. 5).

Programming

AFTRA-SAG BLACKOUT LOOMS over live and film commercials, live and/or tape programming—unless demands are met (pp. 3 & 6).

FCC

FCC WEIGHS PROGRAMMING QUIZ; considers new application form requiring stations to seek out community needs and describe plans to meet them (pp. 4 & 7).

FCC'S RESTRAINED "POLICE FORCE"—Complaints & Compliance Div.—moving cautiously under Chief Harrington, has 10-to-12 substantial cases in works (pp. 4 & 7).

FCC HEARING FOR KRLA license renewal ends in Los Angeles; will reconvene in Washington (p. 8).

FCC'S N.Y. UHF PROJECT negotiates for tower & office space with Empire State Bldg., contracts for antenna-model testing (p. 8).

Technology

PROF. HUGHES'S COLOR CAMERA to be demonstrated Dec. 6-to-8 with claim of great cost reductions (p. 8).

Consumer Electronics

TV-RADIO-PHONO sales for 1960 appraised by industry leaders. Could be better—or far worse. Year's TV sales to be about same as 1959, phono sales near 5 million, radio around 10 million. October distributor TV sales down 27% from 1959 (p. 15).

ELECTRONICS PROFITS down 11% in 3rd quarter, 29-company sample shows. Consumer electronics drop 23%, large companies 11%, components profits unchanged (p. 16).

Stations

TERMS OF U.S.-MEXICAN BORDER AGREEMENT show U.S. getting 14 new vhf assignments, Mexico 23 (p. 4).

NEW STATIONS IN YOUNGSTOWN, O. and Vancouver, B.C. raise on-air totals to 576 (U.S.) and 75 (Canada). Reports on other upcoming stations (p. 10).

FLA. DEFENSE NETWORK LAUDED by FCC in official commendations for "outstanding meritorious" work in broadcasting 24-hour Huricane Donna warnings (p. 11).

Film & Tape

NEW HOUR SERIES ARE FAILING to achieve impressive ratings despite success of previous 60-min. series (p. 9).

Finance

TV'S 3RD-QUARTER SLUMP: Admiral & Motorola are latest TV set makers to report profit sags despite strong sales. Zenith hits dumping by competitors as factor in its profit decline (p. 19).

Other Departments

FOREIGN (p. 6). **AUXILIARY SERVICES** (p. 11). **NETWORKS** (p. 12). **ADVERTISING** (p. 13). **PERSONALS** (p. 14.) **EDUCATIONAL TELEVISION** (p. 14).

PORTENTS FROM KENNEDY CAMP: You may be sure of one thing about this new administration: It has a far greater appreciation of the power of TV & broadcasting than any in history. It follows, therefore, that it will keep an extremely sharp eye on regulatory end of the business. Four words from President-elect Kennedy made that certain last week. Asked at his first news conference whether he could have won without the 4 "Great Debates," he said: "I don't think so." (See also p. 5.)

With no significant changes in Congress produced by elections (see p. 5), interest concentrates on regulatory agencies.

FCC will get new chairman and a new member. It's long been assumed chairmanship will be offered to Comr. Robert T. Bartley, Democrat who has served since March 1952 and whose term expires June 1965. It's still assumed—not only because he's House Speaker Sam Rayburn's nephew, but because of his long experience with broadcasting in industry, FCC and on Capitol Hill. Here's what Bartley said after election:

"I am not seeking the chairmanship. No one is urging me to take it. The only reason I am unwilling to give you a 'Sherman-type' statement is that I have for a long time favored rotation of the chairmanship. I think that each Commissioner should be willing to serve his trick in turn."

Asked to elaborate, to tell us whether he'd take or refuse the job if it were offered, he said he couldn't answer "iffy" questions. In any event, he said: "I want to be free to fight for rotation on the Hill." We think he'll take job if it's offered.

Chmn. Ford is expected to step down from chairmanship gracefully. He has always left us with impression he has no desire to enter private industry. His term expires in 1964 and he has had 21 years of govt. service. Republican Comr. King will be replaced by a Democrat as soon as Kennedy gets around to nominating one.

Top FCC staff positions will shift from Republican to Democratic hands. Hope at Commission, naturally, is that replacements will come from within staff—and this is likely if Bartley is chairman.

Bartley certainly doesn't believe in a "soft" FCC. Many times, he has asserted that Commission suffers too much interference from White House, courts & Congress. He regards the agency as an "arm of Congress" but believes that Congress restricts its own arm movements. He's strong for local station ownership, diversification of mass-media ownership, close scrutiny of station sales—particularly to multiple owners. He almost always votes to get more information on important sales, believes Commission is too much of a rubber stamp. In programming, he's a bug on "fairness" & discussion of public issues—emphatically believes FCC should be no mere technical "traffic cop." He's very fond of quoting Thomas Jefferson's: "But for God's sake, let us freely hear both sides!"

Expect no radical anti-industry action from Bartley. He's not so inclined in the first place. It's one thing to be a vigorous dissenter, another to be a leader of 6 other Commissioners.

Somebody from Kennedy's own consumer-championing brain trust may replace FTC Chmn. Earl W. Kintner, but it's unlikely that President-elect has anybody set for job yet. That's best guess at FTC, at least.

Democratic FTC Comr. Robert T. Secrest would be in line for job if promotion is made from within agency. That's considered improbable, however. Secrest has seniority over Comr. William C. Kern, the other Democrat on the 5-member FTC. Secrest also has good party credentials as former House member from Ohio. Moreover, he was on Commerce Committee. But like other present FTC members, Secrest is an Eisenhower appointee, and it's not in the political cards for the new administration to tap an Eisenhower holdover for the top job.

It's paradoxical that political axe must fall on Republican Kintner. He's been the most aggressive FTC chief in the memory of staff veterans, beating any New Dealer in his attacks on business frauds & monopoly. It would be good public relations, at least, for Kennedy to ask Kintner to carry on as FTC member. He could be dropped into minority FTC spot held now by lame duck Edward K. Mills Jr., who was given recess appointment (replacing GOP Comr. Edward T. Tait) as consolation prize after he backed out of FCC appointment. But Kintner probably wouldn't take demotion, preferring private practice (at much more than the $20,500 he gets now) to playing secondary role on FTC after the splash he's made, particularly in TV advertising & payola cases.

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In any event, Kennedy administration can be expected to move for more—not fewer—Kintner-type anti-fraud & anti-monopoly doses from FTC.

Other important top Washington positions will change hands. There will be a new Attorney General in place of William Rogers, and a substitute for his anti-trust assistant Robert Bicks. Actually, the business community may welcome this—for they've been tough. Other changes in cabinet will have important but less direct effect on TV & radio.

Kennedy spoke during campaign about "influence" on regulatory agencies, said even Congress should keep hands off.

A study of agencies is planned, at any rate, and Kennedy said he had asked James M. Landis to report by Dec. 15 on what can be done to improve "the effective dispatch" of agency business. Landis was the New Deal Jack-of-all-agencies, having been an FTC member & SEC Chmn., then Harvard Law School dean. As counsel for Skiatron Electronics & TV, he was strong pay-TV proponent. Recently, he represented Skiatron before SEC in stock-registration case (Vol. 16:3 p19 et seq.). He conceded at outset that the company made "obvious errors" in stock deals, pleaded only that no bad faith had been shown.

One piece of legislation with much improved chances is Sen. Magnuson's (D-Wash.) $51-million ETV bill. Senate passed it in last Congress; House Commerce Committee approved another version—but Eisenhower was opposed and Rules Committee killed it. Both Kennedy & Nixon went on record favoring it.

ELECTION ANOTHER VICTORY FOR TV: Television scored a massive audience success on election night as networks fulfilled their promises of fanciest-ever reportage. Viewer interest mounted as Presidential race see-sawed during evening. Peak audience for 3 networks came at 10-to-10:30 p.m., reported Arbitron, with 33 million homes (nearly 3 out of every 4 TV households) tuned and 83 million viewers watching. Election peak thus surpassed biggest debate audience by 8 million viewers and left the all-time TV audience record difficult to top in future.

Division of audience among networks was a continuation of the trend that began with the convention coverage and which continued through campaign specials & TV debates. NBC walked off with largest election audience, despite CBS efforts to throw its biggest news names (except for Edward R. Murrow, ill with "a touch of pneumonia") and slickest gimmicks against NBC's Huntley-Brinkley duo. During the long hours of coverage, there was undoubtedly considerable channel-hopping by millions of viewers. But Arbitron figured the final 7:30-to-11 p.m. split, in terms of "total home hours of viewing for each network," as 51% for NBC, 38% for CBS, and 11% for ABC (see p. 5).

Close contest provided a surprise bonanza to sponsors. Networks had figured the big race would be decided before midnight. As the morning hours rolled by, participation sponsors on NBC and ABC, and Westinghouse on CBS, got a substantial fringe-time bonus with their duration-of-show commercials. Overtime coverage also boosted out-of-pocket contribution this season by networks to U.S. politicking. By network estimates, the extra unpaid tab for program costs totaled nearly $600,000. To this must be added theoretical value of extra post-midnight time and Nov. 9 daytime pre-emptions, representing possibly $750,000. This would reach the grand total (adding to Sponsor's Nov. 7 estimate) of a $21,350,000 cost to the TV broadcast industry in the performance of discharging its 1960 political responsibility.

AFTRA-SAG BLACKOUT: Threat of major talent strike hangs over network & spot TV this week. Green light was given to AFTRA officials by union members (via meetings in N.Y., Chicago and Los Angeles) to call a midnight Nov. 15 walkout unless network & union find area of agreement on new union demands. SAG is seeking similar mandate from its members via mail balloting, expects to have results Nov. 1.

Biggest hassle involves commercials of all kinds, both live and/or tape or film, network or spot. At network level, both unions want moderate increases. In spot, they are seeking a new "unit system" payment scale that will operate something like syndicated film marketing in which price is determined by market size. (For union demands, see p. 6.)

There's also a quarrel in program-talent prices, but it wouldn't cause as many headaches as commercials problem. In programs, AFTRA wants approximately 10% increase in live and/or tape minimum talent scales, bigger residuals, and retention of present payment scale for overseas showings of tapes or kinescopes of live shows. Film programs (which represent about 80% of regular nighttime network fare) aren't affected, since SAG made peace earlier with telefilm producers and AFTRA has no jurisdiction in film.

Backlogging has been circumvented by unions in both commercials and program areas—a factor which may cause havoc with many Christmas-season commercials and special programs. Preparing for possible strike, unions have required producers & talent to work with clear understanding that affected commercials & programs produced since Sept. 14 will not be televised after Nov. 15 in event of walkout. This may force networks & advertisers to use former winter-season commercials and last year's taped Christmas shows. AFTRA strike would affect live & tape shows and commercials; SAG's would hit film commercial production. Even if SAG votes Nov. 21 to strike, as expected, producers will still have time to grind out some film commercials after Nov. 15 start of any AFTRA walkout.

Strong hint that technical unions might join walkout has been made in N.Y. by AFTRA & SAG. Contracts for key unions, NABET & IBEW, expire with networks within next 2 months, and joint strategy sessions have been held by the technical & talent unions concerning mutual aid. Networks, so far, have been adamant in refusing to meet AFTRA-SAG demands, and have received tacit backing of advertisers, agencies & their respective trade groups.

Agreement with unions will undoubtedly raise cost of TV advertising. Just how much, nobody knows yet. Network-level demands would raise program-&-commercials cost of live and/or tape shows somewhat. Talent costs in commercials for spot would jump sharply, but talent has always been a small fraction of spot's total cost as compared with network's.

FCC WEIGHS PROGRAMMING QUIZ: FCC's long-planned effort to upgrade programming by requiring stations to seek out community needs and tell Commission what they intend to do to meet them comes up for discussion this week (Monday Nov. 14) in a special meeting. Undoubtedly, it will be first of several meetings, and initial proposals will be modified—but it's understood that the new ideas up for Commission consideration would require stations to:

(1) Give narrative description of service area.

(2) Tell needs of population served and what station plans to do about them.

(3) Supply detailed information on broadcasts of editorials & public issues.

(4) Discontinue supplying Commission with percentage breakdown of program types.

(5) Eliminate practice of showing amount of sustaining time.

(6) Revise definitions of "spot announcements" and "commercial programs." (For details, see p. 7.)

FCC'S RESTRAINED 'POLICE FORCE': "I hope to work myself out of a job in a couple of years." That's the philosophy of FCC's top "sleuth"—Complaints & Compliance Div. chief John C. Harrington—as expressed in his first interview last week.

Commission has kept Division's work quiet, giving it time to get organized, feel its way—and to keep "raw" unsifted material from seeping out & producing unnecessary harm.

There's nothing of the wild zealot or gumshoe about Harrington or his mode of operation. He's quiet, affable attorney who intends to lean over backwards to keep Commission clear of charges of "censorship."

Staff has made 10-to-12 field investigations of important charges so far. Only one has received FCC action to date—"contest fraud" charges against radio KWK St. Louis (Vol. 16:45 p2). Harrington hopes for action on several more before Christmas. Most of these involve serious payola cases, in which licensee himself seems to be in on an illegal "take."

Commission gets 40-to-45 complaints daily. Harrington said most can be answered with letter saying in effect: "FCC can't tell stations how to program. If you don't like the material broadcast, tell the station, not us." Complaints include such things as: "Why did CBS cut soap operas?" "Too many commercials." "Too much sex & violence."

Basic difference between Commission's present & previous operation in complaints area, Harrington said, is that there is now manpower to go into matters more thoroughly and to look at a station's whole record. Division has 19 people—12 professionals, mostly attorneys, and 6 clerical. (For more details on Division's work, see p. 7).

TERMS OF U.S.-MEXICAN BORDER AGREEMENT: U.S. will get 14 new vhf assignments, Mexico 23, under terms of new U.S.-Mexican border agreement negotiated recently (Vol. 16:45 p5). Little difficulty in securing formal ratification is anticipated.

New U.S. assignments, we've learned, are as follows: Ariz.—Nogales, Ch. 11; Prescott, Ch. 7. Cal.—El Centro, Ch. 7 & 9; Bakersfield, Santa Barbara, Santa Maria, Lompoc, Ch. 12. N.M.—Silver City-Truth or Consequences, Ch. 6. Tex.—Del Rio, Ch. 10; San Angelo, Ch. 6; Marfa, Ch. 3; Ft. Stockton, Ch. 5; Presidio, Ch. 7; Sonora, Ch. 11; Brady, Ch. 13; Bouquillas, Ch. 8.

In Mexico, following are added: Baja California—Mexicali, Ch. 5; Santo Tomas, Ch. 2; Santa Catarina, Ch. 12; Rosario, Ch. 8. Chihuahua—Hidalgo Del Parral, Ch. 12; Nuevo Casas Grandes, Ch. 8; Ciudad Cuauhtemoc, Ch. 9; Ciudad Delicias, Ch. 13; Madera, Ch. 13; Ciudad Camargo, Ch. 10; Ciudad Jimenez, Ch. 8; San Buenaventura, Ch. 10; Ojinaga, Ch. 6. Coahuila—Saltillo, Ch. 7; Nueva Rosita, Ch. 4; Monclova, Ch. 9; San Vicente, Ch. 2. Nuevo Leon—Monterrey, Ch. 12. Tamaulipas—Matamoros, Ch. 2; La Rosita, Ch. 8; Ciudad Victoria, Ch. 11 & 13; Ciudad Mante, Ch. 5; Soto la Marina, Ch. 3. San Luis Potosi—Matehuala, Ch. 9. In addition, Ch. 11 is deleted from Nogales, Sonora, Ch. 12 from Reynosa, Tamaulipas.

Agreement also provides: (1) Maximum powers will be 100 kw for Ch. 2-6, 325 kw for Ch. 7-13. (2) Future changes in assignments will be accomplished by a simple notification procedure if minimum separations are complied with; other changes will be effected through negotiation. (3) Co-channel minimum separations are specified—220 mi. within a specified zone, 190 mi. outside; adjacent-channel minimum is 60 mi.

The Election

More about

TV & THE ELECTION: Computers figured prominently in the efforts of the networks (see p. 3) to outdo each other in their coverage of the climactic event. Said the *N.Y. Times'* Jack Gould: "The overly touted superduper electronic computers in the main were immensely reassuring. Their systematic prevarication was positively human."

But the computer battle probably bewildered audiences as much as it informed them in early reportage. Eager to score a first, ABC sprang an early Univac prediction (10-to-1 odds for Nixon) soon after 7 p.m. Armed with an IBM 7090, CBS predicted for Nixon (with over 450 electoral votes) at 7:27 p.m. NBC wisely played a waiting game until 8:22 p.m., when its RCA 501 had a bigger sample to analyze, called the shot for Kennedy (6.3-to-1 odds). Computer odds shot up & down on all 3 networks all night, seldom agreeing at any moment, but running steadily in Kennedy's favor after 9 p.m.

IBM took full-page newspaper ads Nov. 9 in N.Y. and other key cities to ask: "Who won the computer battle last night?" IBM's answer: "You did . . . You saw the fastest, most complete coverage in history. All 3 systems helped the networks do a better reporting job . . . The real significance of what you saw lies in the computer methods that were demonstrated." But NBC, in its own ad, pointed out: "The RCA 501 was the only computer used by the networks that did not project a Nixon victory." The computer, however, was clearly here to stay as a standard prop in network election coverage.

The rapidity of the vote count was a credit to TV—something that was clearly demonstrated in cut-aways to Democratic & Republican hqs where old-fashioned chalkboard scores (fed, usually, from wire services) were noticeably lagging behind the TV-reported figures. All 3 networks did a good statistical job, although NBC's speed got the real accolade when David Brinkley mentioned that a wire service had asked that network to hold the figures on the screen long enough to be jotted down.

* * *

Did the TV debates turn the tide for Kennedy? Last week there were many indications that, in one of the nation's closest races, they did. Stated National Democratic Chmn. Henry Jackson: "The biggest single factor was Mr. Nixon's getting into the TV-radio debate with Mr. Kennedy." Said campaign mgr. Robert Kennedy: "I don't think that it would have been close without the debates." (Underlining this opinion, Kennedy also added that his brother probably wouldn't agree to a debate series in 1964 if he chose to run again.) Robert G. Spivack, *N.Y. Post* correspondent, stated that President Eisenhower had told intimates during his trip to Pittsburgh and Cleveland that "many of Nixon's troubles could be attributed to the 'mistake' of agreeing to the TV debates." Similar opinion was voiced by sources ranging from the *Wall St. Journal* to UPI columnist Lyle C. Wilson who called the agreement to debate "a ghastly mistake" by the Nixon forces. A curious footnote was also provided by Motivation Research Associates Pres. Emanual Demby, who stated that Kennedy really won because he projected a "balanced masculinity."

* * *

By-product of debate & election TV has been another round of sales of prime-time network public-affairs shows. Continuing a trend noted here earlier (Vol. 16:3 p14 et seq.), the newest advertisers are signing up in anticipation of large audiences that buy regular consumer products, not mere minorities to which advertisers can perhaps promote a corporate image. At CBS-TV, Philip Morris—which has already sponsored 2 *CBS Reports* specials—signed last week for 3 more 60-min. shows, which will carry the series to the end of 1960. At NBC-TV, Gulf Oil has allocated $1.2 million to pay the time charges for a series called *NBC Special News Reports* which the network plans to do for 1960-61. Because all the shows will be of a current news nature, NBC is assuming production costs, on the theory that the network would be bound to air several news specials anyway. Thought-provoking sidelight: In both cases, sponsors will have no control whatever over the shows' production & planning, although they'll be advised of subject matter.

* * *

WMCA-TV granted equal time to Henry Cabot Lodge for a Nov. 7 pro-Nixon rebuttal to the radio station's pre-election endorsement of Kennedy. The Republican Vice-Presidential candidate responded at virtually the 11th hour to WMCA's Oct. 25 invitation.

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Original Oversighter Periled: The first chmn. of the House Commerce Legislative Oversight Subcommittee—Rep. Moulder (D-Mo.)—may be missing from the ranks when the 87th Congress convenes in Jan.

A 6-term veteran, Moulder apparently was defeated for re-election by Republican Robert A. Bartel, a Baptist minister. When the polls in the 11th Mo. district closed Nov. 8, Moulder trailed Bartel by 164 votes. He was reported picking up some votes in a Nov. 11 count of absentee ballots, but the final outcome of the contest may depend on a GOP challenge of their validity. GOP state chmn. H. Kenneth Wangelin said "a great many complaints" about election frauds in Missouri, which went narrowly for John F. Kennedy, "involved the handling of absentee ballots."

Moulder organized the initial Oversight Subcommittee staff with Bernard Schwartz as chief counsel. Together, they started the investigating unit on its sensation-packed probes of hanky-panky in FCC's TV grants. Following Schwartz's dismissal early in 1958 in a dispute with Commerce Chmn. Harris over hearing tactics, Moulder quit the chairmanship, which was taken over by Harris himself.

Subsequently, Moulder withdrew in obvious pique from the Subcommittee. He was most recently in the news nationally when he was identified in newspaper-magazine exposes as a junketing member of Congress who had run up bills in the Persian Room of N.Y.'s Plaza Hotel on a govt. expense account (Vol. 16:23 p10 et seq.).

Definitely missing from the House Commerce Committee next session will be its next-to-last ranking Democrat—Rep. Brock (Neb.). Brock was defeated for re-election by Republican Ralph F. Beerman. All other committee members—Democrats & Republicans alike—were re-elected.

Only 4 members of the counterpart Senate Commerce Committee—Democrats Thurmond (S.C.) & Bartlett (Alaska) and Republicans Schoeppel (Kan.) & Case (N.J.)—were up for re-election. All won.

Of the new members of Congress, at least one comes directly out of the broadcasting business. He is Republican Donald C. Bruce, business mgr. of radio WIRE Indianapolis, who took a House seat away from Democratic Rep. Barr. Bruce joined WIRE in 1948 as a news commentator, became program dir. in 1957 and business mgr. last year.

Programming

More about

AFTRA-SAG STRIKE THREAT: A complex new scale for both live & film talent appearing in TV commercials is being sought by AFTRA and SAG (see p. 3).

Present talent scales for spot-used commercials, unlike the payment scales to syndicators for spot-used film programs, don't consider the size of the TV market in which spot commercials are televised—with minor exceptions. Commercials (60-sec., station-break, station ID, participations) telecast in N.Y., Los Angeles and Chicago mean a small premium payment to actors & announcers (but not big enough, according to AFTRA). Other cities, Detroit and Sacramento, for example, are considered as having equal weight, despite obvious difference in size.

Under present AFTRA scales, a 60-sec. live and/or tape commercial featuring 2 on-camera performers used (via duplicate tapes & film transfers) on a spot basis in 155 markets involves a minimum talent cost of about $520 for each 13-week run. Under AFTRA's new unit system, the talent costs would be approximately tripled. Similar increases would result for SAG talent in film commercials.

"Unit" Blends Price & Population

The unit system works on 2 levels: Population of market and price-per-unit. Basically, a "unit" equals about 500,000 population (Thus, the N.Y. TV area would be 21 units, Chicago 12, Detroit 7, etc.). Each unit would equal $15 to talent for the first 10 units, then $7 for the next 30 units and $1 per unit thereafter. Networks & advertisers don't really object to the unit concept; it's the price-asked-per-unit that's been the stumbling block.

AFTRA, however, calculates that even its full unit-concept package would represent only a 3% increase in the total annual time-&-talent costs of nationally-placed spot TV. Although SAG hasn't officially announced its spot TV demands, it is understood in Hollywood that the Guild's proposed talent increases for commercials parallel AFTRA's closely, and are based on a similar unit system.

Other AFTRA-SAG demands: For live or taped network commercials, AFTRA wants a slight increase in minimum fees (from $93 to $95 per session) plus 100% repayment to talent on the first commercial rerun; SAG wants an upgrading to equal AFTRA payments. AFTRA also wants an increase in talent scales for rerun tape programs. Currently, AFTRA talent gets 75% of minimum on the first rerun, lesser amounts on other reruns, nothing after the 8th replay; AFTRA now seeks 100% on the first rerun, more on the others, and 5% on every rerun after the 8th replay. AFTRA wants to retain its present deal for overseas reruns, whereby talent gets 45% of minimum for worldwide outside-U.S. program exposure; SAG, which has no overseas film residuals for actors, wants a deal that approximates the AFTRA arrangement. In radio, AFTRA wants a sizable increase (approximately double present rates) for sportscasters handling championship sporting events aired on radio networks; SAG is not involved.

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NBC will again produce "Peter Pan" as a one-shot special with Mary Martin Dec. 8—but it will be the last live production of the play for awhile. Although a recording of the show was made of its last (1956) telecast, NBC does not consider it "suitable" for airing. This time, the 2-hour show will be color-taped, with NBC retaining rights to repeat it 4 on 5 times in future.

"Positive" public influence on TV programming & commercials is necessary to help broadcasters assure high TV standards, TIO's dir. Louis Hausman told the Baltimore Rotary Club last week. Gist of his proposals: "Students should become literate in TV as well as print to develop better critical standards . . . We need more sponsorship support for public-affairs programs . . . Businessmen with a part in approving commercials should employ the very taste & restraint that they would like to see exercised in the programming itself . . . The public has more sense & judgment than the critics give it credit for, but viewers must continue to exercise rigorous discrimination by rejecting the less imaginative . . . programs & commercials."

Late-night 60-min. film reruns of shows in the Warner Bros. backlog are planned by ABC-TV as an 11:15 p.m.-12:15 a.m. rating rival for NBC-TV's *Jack Paar Show* early in 1961—as we predicted last season. Since the idea first hatched, ABC has been quitely sounding-out affiliate reaction to a late-night Mon.-to-Fri. series, and even cautioned affiliates against stocking up on high-priced feature films for use after 11 p.m. An informed source outside ABC told us that ABC's offer to Warner Bros. for reruns of *Alaskans, 77 Sunset Strip, Bourbon St. Beat*, etc. is about $25,000 per negative, for the first replay. The ABC plan calls for 60-sec. sponsor participations on the network as well as breaks in the shows for local ABC stations.

Union dues were spent to produce TV films & radio tapes for Democratic candidates in the election, according to a complaint filed with the Justice Dept., where it was reported "under study." Source of the protest wasn't disclosed, but a Justice Dept. spokesman said it involved reports that the Washington office of the AFL-CIO's United Automobile Workers provided the TV & radio material for favored candidates, paying for it out of dues. Such contributions by corporations & labor unions are illegal.

Another M.I.T.-produced series will be aired. (The first this season was CBS-TV's *Tomorrow* specials which debuted Oct. 26.) This time, it's local-level and will be seen on WNEW-TV N.Y., having begun Nov. 13. The 39-week series, *Science Reporter*, will emphasize "new developments in all areas of science," and will be drawn from current work going on at M.I.T. & Harvard.

Foreign

Australian commercial TV licenses were granted by the Bcstg. Control Board last week for 13 "country areas," ending contests by 45 applicants. The biggest plum was the capital city of Canberra (pop. 45,000) for which 5 companies applied. Licenses granted (ownership of licensee corporations not yet announced): **Capital Territory**—for Canberra, to Canberra TV Ltd. • **New South Wales**—for Newcastle-Hunter River, to Newcastle Bcstg. & TV Corp.; for Illawarra, to TV Wollongong Transmissions Ltd.; for Richmond-Tweed Heads, to Richmond Tweed TV Ltd.; for Central Tablelands, to Country TV Services Ltd. • **Victoria**—for Ballarat, to Ballarat & Eastern Victoria TV; for Bendigo, to Bendigo &. Central Victoria Telecasters; for Latrobe Valley, to Eastern Victoria TV; for Goulburn Valley, to Goulburn-Murray TV. • **Queensland**—for Darling Downs, to Darling Downs TV; for Rockhampton, to Rockhampton TV; for Townsville, to Telecasters (North Queensland) Ltd. • **Tasmania**—for Notheastern Tasmania, to Northern TV Ltd. Australia currently has 1.25 million TV sets served by 18 stations, of which 10 are commercial, 6 run by Australian Bcstg. Commission.

The FCC

More about

FCC's INVESTIGATIVE ARM: About 1/3 of all U.S. stations have never had a single complaint of any kind against them, as far as FCC files show. So Says John C. Harrington, chief of the Commission's new Complaints & Compliance Division. He added, in an interview last week (see p. 4), that the fact that a station does have complaints on file doesn't necessarily mean anything.

Harrington divides station operators into "broadcasters" and "licensees." The former try to do a job, he said, and the latter want only the quick buck. Happily, he noted, only about 100 operators can be called "mere licensees."

The Division really didn't get going until Sept., and Harrington believes it's now working reasonably well. The 12 professionals on the staff have substantial experience, and are well-paid by government standards—getting $9,000-to-$10,000 or slightly more.

First important task was disc-jockey payola. Some 600 license renewals had been held up pending investigation, but most were cleared quickly, Harrington said, when it was determined transgressions were minor & had stopped.

The more serious cases under investigation now include fraudulent contests, such as those charged against radio KWK St. Louis (Vol. 16:45 p2), and licensee payola.

Dry-Run Monitoring Begun

Monitoring-in-depth—the full-time observation of a city's stations—hasn't started yet, and Harrington said that there are no immediate plans to begin: "It takes an awful lot of time." However, 3 stations have been monitored to some extent—in W. Va., N.C. & Fla.—just to give investigators a "check list," to learn what to look for. Among things his staff watches, Harrington said, are stations which fail to identify themselves properly. "For example," he said, "a suburban station may never really identify itself, leading the listener to believe it is assigned to the major city."

The Commission has hired no outside organizations to monitor. "It's hard enough to keep FCC work confidential."

The Division deals only with stations, not sponsors, Harrington said. Although, he added, people who complain about programming are urged to write to sponsors & networks as well as to stations.

There are some complaints from station competitors, but not a lot, Harrington reported. He indicated that competitors believe such action may invite a Commission examination of their own operations. "We get some anonymous complaints," he said, "that we know are from competitors. We also get reports from disgruntled employes."

A liaison with FTC is maintained, Harrington said, and the 2 agencies exchange complaints about fraudulent ads—particularly when there are repeated charges. If FTC issues a cease-&-desist order against an advertiser, FCC notifies any stations it knows to be carrying the offending commercials. "Stations are generally pretty careful," he said. "Most do make a try to pick their clients."

Harrington has not yet established a liaison with NAB, though "we've talked about it."

The Commission doesn't send copies of complaints to the stations involved. "This might be interpreted as 'hinting' or 'censorship,' " he said.

Charges of vulgarity, obscenity, etc., "aren't as prevalent as you might think," Harrington reported.

More about

FCC & STATION PROGRAMMING: FCC's first formal discussion of an intra-Commission draft of the proposed changes in the application forms dealing with program plans (see p. 4)—called a "Statement of Program Service"—includes the following suggested requirements of stations:

(1) Description of service area, including population, foreign language & minority groups, agricultural groups, educational & religious institutions, cultural & recreational facilities, number of TV & radio stations, number of newspapers, principal industries.

(2) Report on results of a recent survey of community needs & interests.

(3) Report on results of discussions with area leaders—including public officials, clergymen, educators, spokesmen for business, labor, professions, agriculture, *et al.*

(4) Description of steps taken to produce a program schedule making use of foregoing surveys & discussions.

(5) Description of how complaints have been & will be handled.

(6) Report on the handling of editorials & controversial issues, including procedures followed to guarantee fair presentations—plus a full description of a few specific broadcasts on local public issues.

(7) Description of methods used to promote local expression & develop local talent.

(8) Statement as to whether station has a specialty.

(9) A breakdown of programming—in terms of hours, past & proposed—of recorded, live or network, counting only programs that run 4½ minutes or longer. A further breakdown would describe the programs as religious, instructive, public affairs, agricultural, news, sports, entertainment, etc.

(10) Total of spots per week, with separate totals for those 60 sec. or less and those more than 60 sec., with breakdown by major time periods (6 a.m.-6 p.m., 6 p.m.-11 p.m., other).

(11) Description of policy regarding number of spots per 15-min. segment and the maximum commercial time permitted for programs of various lengths.

(12) Copy of the log for the composite week.

(13) Description of programs devoted to promoting businesses in which applicant's principals have financial interests.

(14) Statement on plans for staffing each department, including names & residences of managers & dept. heads.

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Precedent was set in Boston's U.S. District Court Nov. 7 when Judge Francis Ford held that FCC has primary jurisdiction in equal-time disputes. Write-in Congressional candidate David Franklin had demanded equal time on WGBH-TV's *Ask the Candidate* program and was rejected on the grounds that the show was a bona fide news series and therefore exempt. Franklin went to the Court for an injunction, the first time anyone has gone to a court before appealing to the FCC. WGBH-TV counsel Ernest Jennes urged immediate dismissal on the "FCC-has-primary-jurisdiction" grounds; Judge Ford agreed, ruled from the bench immediately.

CPs granted: Ch. 43, Visalia, Cal., to Sierra Bcstg. Inc. • Ch. 8, educational, Phoenix, to Board of Regents of the Universities & State College of Arizona • Ch. 77 & Ch. 80 translators, Mason, Tex., to Ft. Mason Translator System.

KRLA Probe Moves to Washington: FCC's hearing on license renewal of KRLA Pasadena (Vol. 16:45 p10), adjourned last week in Los Angeles, to resume in Washington on a date to be announced soon.

Focal points: Does nominal owner Donald Cooke or his brother, Canadian broadcaster Jack Cooke, actually own & control the station? Was there intent to deceive in a disc-jockey contest? Were station logs for Oct. 18-24 accurate?

Donald Cooke introduced 200 pages of memoranda & instructions as evidence that he was the one who issued instructions to personnel at KRLA. The brothers have never denied Jack Cooke's active help, financially and in other ways, but insist that it was on a brotherly basis, with Donald retaining control.

Ex-KRLA auditor Vern Dobson testified he could not recall receiving any instructions on fiscal operation of the station until Jack Cooke discussed them with him. Counsel for Donald Cooke then introduced a memo sent to ex-gen. mgr. Loyal King, with a carbon to Dobson, telling them in detail how the station should be operated. On cross-examination, Dodson said he recalled the memo. Both Cookes had previously testified that Donald had trouble conveying instructions to Dobson, so Jack had told Dobson in detail how balance sheets should be handled.

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Boston Ch. 5 "influence" case should be turned back to FCC by the Court of Appeals, Commission said last week. Filing a court memorandum reviewing its actions & recommendations in the case against WHDH-TV (Vol. 16:45 p6), FCC urged that "the entire matter" be remanded for further proceedings looking toward a new grant. The memorandum said the Commission wanted to make "early disposition of all questions as to the validity of the original grant to WHDH and of the necessity for further comparative evaluation of the applicants." These were among FCC findings reported to the court: (1) No FCC member should have disqualified himself in the Ch. 5 case. (2) "There were attempts to influence members of the Commission, but no actual influence occurred." (3) No applicant was disqualified, but "the grant to WHDH is voidable and . . . action should be taken to set it aside." (4) Conduct of WHDH-TV & applicant Mass. Bay Telecasters was "such as to reflect adversely" on them.

Amendments to Communications Act remain high-priority items at FCC. It's understood that the Commission has decided to recommend a change in Sec. 5(c) to allow more use of its Office of Opinions & Review (Vol. 16:43 p5). Its staff has recommended that the Commission be permitted to consult with its chief engineer & its gen. counsel in adjudicatory proceedings. Another staff suggestion is that panels of one or more Commissioners be delegated the authority to hear & decide adjudicatory matters. The Opinions & Review and Broadcast Bureau staffs dissent on that one, arguing that processes would be slowed. A 3rd staff recommendation is that hearing examiners be permitted to consult with each other on questions of law.

Ready to take over Ch. 10 Miami any time the courts say so, L. B. Wilson's WLBW-TV filed with FCC last week a request to start. The station reports it has spent $770,-648, completing construction Nov. 4. FCC had ruled that Wilson should take over from National Airlines' WPST-TV, but latter's court appeal is still pending.

Proposed restrictions on station sales (Vol. 16:45 p1) are scheduled for FCC consideration Nov. 22. The Commission meeting that week will be held on Tuesday.

FCC's N.Y. Uhf Moves: FCC has begun to spend some of the $2 million Congress gave it to conduct the N.Y. uhf experiment. It is now in the process of negotiating an agreement with the management of the Empire State Bldg., for tower-mounting rights, office space and electric power.

The Commission wants to rent offices on the 80th floor, is being asked $14,000 a year. The tower rights would run $80,000 annually. In addition, if more power must be constructed to handle the extra load, the Commission will be required to pay up to $25,000 for it.

A contract of $8,000 for the testing of an antenna model has been awarded to Melpar, and the job is to be completed in 6 weeks. In addition, the design for a "very promising" antenna has been submitted by Smith Electronics, Brecksville, O., and it has been told to go ahead although contract hasn't been signed yet. The price is about $12,000 and the tests would take 6 weeks.

One job has been completed—the study of tuner design by Airborne Instruments Lab—at a cost of about $9,000.

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Lots of trouble faces Gila Bcstg. Co., operator of Ariz. Radio Stations KCKY Coolidge, KCLF Clifton, KGLU Safford, KVNC Winslow & KZOW Globe. All its renewals are in hearing status, with the FCC exploring whether principals have been involved in illegal relinquishment of control, illegal transfers, misrepresentations to the Commission, etc. Recently, Gila asked permission to take all the stations off the air for 90 days, on the grounds that it couldn't afford to operate them. The Commission denied the request last week, wiring: "No financial statement or other information offered to support allegations [of] financial distress or [to] show money not available [to] meet current operating expenses. Absence of other broadcast service raises serious question whether cessation would serve public interest . . . Failure [to] maintain service will be considered in connection with pending & future applications." Comrs. Hyde & King dissented.

Technology

Prof. Hughes's Color Camera: Soultion to problem of small-station color economics is in sight, according to Prof. William Hughes, Iowa State U., Ames. He plans to demonstrate a live color camera at Ames Dec. 6-8—with the claim that it can be built to sell for half the price of current cameras and that b&w cameras can be converted to color for about $10,000.

Hughes has for years been describing his unusual color-film system. It puts color information on b&w film which can then be run through a film chain and produce color. The forthcoming demonstration will be his first with a live camera.

B&w tape recorders can also handle color with his system, Hughes says, eliminating the need for a $20,000 color attachment. He isn't prepared to demonstrate this now, he says, but "it's perfectly feasible." It's "okay for thermoplastic recording, too," he adds.

The system has "automatic color balance," he reports, "reducing color-drift correction from 3 adjustments to one, thus making the entire color system much more stable then now." A key factor to the whole system, he states, is a data-storage feature.

Representatives of networks, manufacturers, stations, etc. are being invited to the demonstrations.

Hughes leaves for Stillwater, Okla. shortly, taking over Jan. 1 as electrical engineering school head, Okla. State.

Film & Tape

New Hour Series Sag: This season's new 60-min. entries have thus far failed to impress either rating statisticians or critics. Not that viewers don't like hour shows—the ratings are still big on such holdovers as *Wagon Train*, *The Untouchables* and *77 Sunset Strip*.

Hollywood observers speculate that the new entries haven't made the grade because on the whole they are imitations. This appears to be substantiated by the fact that the only new 60-min. series to have drawn critical hurrahs, if not good ratings, is live & different *The Witness*, on CBS-TV. *Surfside 6*, however, labeled by some as a floating version of *77 Sunset Strip*, is rating well, and Hubbell Robinson Jr.'s *Thriller* has won 13-week renewal.

Screen Gems' *Dan Raven* and Revue Studio's holdover *Riverboat*, both 60-min. series, have been the first casualties of the season. And, on the whole, there is uneasiness about such 60-min. shows as *The Islanders*, *Hong Kong*, *Michael Shayne*, *Stagecoach West*, *The Aquanauts* and *The Roaring 20s*.

CBS-TV slotted *Aquanauts* and ABC-TV put *Hong Kong* in the 7:30 Wed. slot opposite powerful *Wagon Train*, in an apparent bid to capture some of NBC-TV's audience. Thus far these attempts have failed.

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No replacement for Ward Bond, *Wagon Train* star who died Nov. 5, is planned by Revue Studios. Explained Producer Howard Christie: "I don't think he could be replaced as Major Seth Adams. We'll see what happens." Bond's stockpile of films not yet seen insures that his last appearance will not occur until sometime in February. There is thus ample time to discuss what course to take. Christie indicated to us that Revue is considering introducing a new character to co-star with Bob Horton, rather than seeking another actor for the Adams role. Among those who have tendered aid is John Wayne, pal of Bond's, who offered to guest in 2 or 3 shows. It's an unprecedented situation; never before has the star of a series died when it was at the height of it popularity (Nielsen-ranked 2nd nationally in average audience in the 2 weeks ending Oct. 16). Bond, 57, died of a heart attack in Dallas, Tex., while on a personal-appearance tour. A veteran movie character actor before he rose to stardom in TV, he had originally shunned the medium. He is survived by his wife, mother and sister.

Filmways, N.Y., film-commercial firm, now grossing $6 million annually, is again mapping an expansion into film-program production. Independent TV consultant Rod Erickson, onetime TV-radio vp of Young & Rubicam and later Warner Bros.' N.Y. sales vp, has been named Filmways pres., with Pres. Martin Ransohoff moving up to chmn. Filmways has so far been represented in network programming with *21 Beacon St.*, a private-eye series starring Dennis Morgan on ABC-TV. Al Simon will continue to head Filmways' Hollywood production unit. Among Erickson's plans are the production of telefilm series in Canada to qualify under that country's forthcoming film-quota system.

Writers Guild of America West TV-radio branch nominating committee has named 6 nominees to fill 3 of the vacancies caused by the recall of 6 Guild officers (Vol. 16:45 p12). The 3 other posts were filled by appointment. Doris Gilbert, Jerry Gottler, Ellis Marcus, Maurice Tombragel, Martin Wark and Howard Harris will contest for the jobs at a special election Dec. 7.

HOLLYWOOD ROUNDUP

Warner Bros. and James Garner are quietly involved in negotiations to bring the ex-*Maverick* star back into the fold. Garner left WB last spring (Vol. 16:14 p14), charging that the studio had violated his contract when it took him off the payroll. WB said it was exercising the *force majeure* clause of Garner's contract because the writers' strike had paralyzed production. The present negotiations aim to end the stalemate before Garner's breach-of-contract action and Warners' countersuit are heard in Los Angeles Superior Court Nov. 25.

Davana Productions is continuing to film *Oh, Those Bells!* starring the Wiere Bros., although CBS-TV has postponed the starting date, which was to have been Nov. 13. CBS-TV may start it in mid-season, if there are cancellations. Originally slated for 6 p.m. Sunday, the series was removed from the schedule because not enough stations could be cleared. Moreover it has too high a budget for anything but prime time. Producer is Ben Brady.

Academy of Motion Picture Arts & Sciences' annual Oscar Awards will be moved from Hollywood to the Santa Monica Civic Auditorium next April, for improved seating capacity, press, parking and stage facilities.

Merit Productions has been formed by movie producers Bill Thomas and Sam White to package & produce TV. Pilots are planned on *Ski Patrol* and *Man From the Police Gazette*, also a 90-min. special, *Barnum & Tom Thumb*.

MGM-TV producer Jaime del Valle *(The Islanders)* is planning 2 action pilots. One is tentatively titled *Bush Pilot*. They'll most likely be MGM-TV co-production deals.

Cooga Mooga Productions, owned by Pat Boone, plans 3 pilots: *Barnum the Great*, *So Help Me*, *Hannah* and *The Minister*. Mort Abrahams, ex-NTA, is CM's exec. producer.

Four Star Television plans record production within the next 2 weeks, filming 16 half-hour and five 60-min. segments for 13 series.

"One Step Beyond" has been renewed for another 13 weeks by Alcoa, and producer Collier Young plans to film the episodes abroad.

Roncom Productions has moved from Fox Western studios to Desilu.

Directors Guild of America, for the first time, will present a TV critics' award at its annual dinner Feb. 4.

Screen Gems and Freddie Fields Associates will co-produce a 60-min. pilot, *Grand Deception*.

American Federation of Musicians membership in Hollywood ratified the new major-studio contract 179-52.

Las Palmas Inc. has been formed by George Burns & Gracie Allen for the production of TV films.

Producer Harry Tatelman is planning a 60-min. dramatic series, *Course of Action*, for next season.

KHJ-TV Los Angeles has bought 40 movies, including 26 post-1950 United Artists releases, for about $300,000.

People: Fletcher Markle, ex-*Thriller* producer, has joined 20th Century-Fox TV as alternate producer on *Hong Kong* . . . **Dixon Q. Dern** is named asst. secy. for Desilu Productions . . . **Antony Ellis** named producer of Four Star Television's *Michael Shayne*.

NEW YORK ROUNDUP

Add syndication sales: Ziv-UA's 2 low-priced, former-network packages, *Men Into Space* and *Man and the Challenge*, have made a total of 52 station sales to date through Ziv-UA's Economee TV. Major sales include KRON-TV San Francisco, WJW-TV Cleveland, WHDH-TV Boston, CKLW-TV Windsor-Detroit. *I Led Three Lives*, another Ziv-UA oldie, has been sold in 103 markets, including WCBS-TV N.Y., WNBQ Chicago, WHBQ-TV Memphis, WISN-TV Milwaukee.

Cal. National Productions raised the total market list of *The Jim Backus Show* to 120 last week with the addition of WRCV-TV Philadelphia. The buy, made through Kenyon & Eckhardt on behalf of Lincoln-Mercury Dealers Assn., is the second with the agency. K&E purchased the series earlier for Hood Dairies in a regional spread including 6 New England states.

William Morris has closed a N.Y. deal in which General Foods has signed for a Four Star-produced situation comedy series, *Mother Was a Freshman*, for the 1961-62 season. The series stars Gertrude Berg. GF intends to keep the show on the shelf as a reserve series for any current GF network series cancelled at mid-season.

Interstate TV Corp. will launch 2 new animated series into syndication this month: *Snip Snap* and *Foo Foo*. The TV offshoot of Allied Artists gained distribution of the 30-min. cartoon packages in September (Vol. 16:37 p4). Both were created by the Halas-Batchelor team, which did the full-length theatrical cartoon film of George Orwell's *Animal Farm*.

ITC has acquired Heritage Productions, a company which specializes in production & distribution of sports-personality series such as *Campy's Corner*. Heritage Pres. Arthur Steloff will join ITC as gen. mgr. of a new ITC div. which will distribute current Heritage programs and originate features "in other specialized areas."

Peter M. Robeck & Co., newly formed TV syndication firm (Vol. 16:41 p11), released 52 additional 30-min. episodes of re-run series, *The Pioneers*, bringing total episodes in distribution to 104. The package is now sold in 65 markets, with several stations contracted for multiple runs.

Official Films has launched 3 short-segment program series for network sale: *Profile*, a 5-min. series on the lives of great people; *Do You Remember?*, a 1-min. short featuring newsreel footage on past events; *Animal Land*, a 5-min. children's show. The packages will go into syndication "if a network sale doesn't materialize," said Official's national sales dir. Grace V. Sullivan.

Ziv-UA is now making more syndication sales to sponsors than to stations. A study of Ziv-UA's present syndication line-up reveals that 53% of its recent sales on first-run offerings were to national, regional & local sponsors signed through the film firm's sales force, compared with 47% direct-station purchases.

NTA scored its first station-group sale of its 20th Century-Fox post-1948 package to CBS o&o's WBBM-TV Chicago and KNXT L.A. This brings the market total to 41.

ITV, a tape company which serves as a European production base for U.S. networks, plans to package shows.

People: Milton R. Dubin named Filmways senior vp.

Stations

NEW & UPCOMING STATIONS: This week's report on stations starting to program is comprised of one U.S. & one Canadian outlet: WXTV (Ch. 45) Youngstown, O. begins Nov. 15 as an independent and CHAN-TV (Ch. 8) Vancouver, B.C. began Oct. 31, giving first competition to CBC's CBUT (Ch. 2) there.

Two U.S. stations which hold program test authorization are KVOG-TV (Ch. 9) Ogden-Salt Lake City, which plans Nov. 23 start as an independent outlet, and KCND (Ch. 12) Pembina, N.D., which isn't expected to start with ABC-TV until about Dec. 1.

Canadian stations due on the air by Dec. 1 or before are CJAY-TV (Ch. 7) Winnipeg, Man. and CBUAT-1 (Ch. 9) Nelson, B.C., latter to be CBC satellite of CBUT Vancouver.

The new starter will change the U.S. operating total to 576 (91 uhf). The Canadian on-air total now stands at 75.

WXTV has a 1-kw RCA transmitter and a 300-ft. self-supporting Ideco tower. Owners are Sanford A. Schafitz with 70.5%, and Guy W. Gully, 29.5%. Schafitz also owns radios WFAR Farrell-Sharon, Pa. and WWIZ Lorain, O. Joe Leonard, ex-WWIZ, is WXTV mgr., with Edward Lazor, ex-WFAR, chief engineer. Base hour, $300; rep unreported.

CHAN-TV has an 11-kw RCA transmitter and a 300-ft. Western Bridge tower with an 81-ft. antenna on Burnaby Mt. Studios are on Lougheed Hwy., Burnaby, B.C. Art Jones, pres. & gen. mgr., is principal owner. E. G. Eakins is vp & asst. gen. mgr.; J. R. Peters, ex-CHCH-TV Hamilton, Ont., station mgr.; Ken Bray, ex-CBUT Vancouver, operations mgr.; Mervin Stone, program mgr.; Blair Patterson, promotion mgr.; Roy Jacques, ex-radio CKWS Vancouver, news dir,; Ernie Rose, ex-CBUT, chief engineer. Base hour is $550. Reps are Weed and All-Canada.

* * *

In our continuing survey of upcoming stations, these are the latest reports received from principals:

KEZI-TV (Ch. 9) Eugene, Ore. has changed target for programming with ABC-TV to Dec. 1, reports gen. mgr. Marvin A. Krenk. GE 10-kw driver is being installed and a 35-kw amplifier, due to arrive Nov. 16, is scheduled to be ready for use by Nov. 25. Interior of studios at 2225 Coburn Rd. is nearly finished. GE antenna is scheduled for installation Nov. 15 on a 200-ft. tower purchased from Tower Sales Erecting Co. Base hour will be $396. Rep.: Meeker.

KCDA (Ch. 3) Douglas, Ariz. has a 500-watt Electron transmitter scheduled for December shipment and plans to be on the air "before the end of 1960," reports Mort Zimmerman, pres. of owner Electron Corp. It will be "the first compeltely Electron-equipped vhf low-band" outlet, he says, and "will adequately serve Cochise County." A Jampro antenna is scheduled to arrive this month for the 100-ft. Rohn tower being installed on the roof of the Gadsden Hotel. William B. Miller, from Tucson, will be gen. mgr. Network affiliation not signed, base hourly rate not set, rep not chosen.

KCSD-TV (Ch. 19, educational) Kansas City, Mo. now has a January 15 target, writes J. Glenn Travis, admin. asst. to the school supt., reporting for grantee Kansas City School Dist. GE 1-kw transmitter is to be installed in City Hall on Jan. 1. It already has an antenna in place on a stub tower on the City Hall roof. Studios in the Board of Education Bldg. also are scheduled for completion by Jan. 1.

Fla. Defense Network Lauded: Emergency work of FM stations in carrying warnings about Hurricane Donna in Fla. Sept. 8-12 was commended officially by FCC last week at a critique meeting of the Fla. Defense Network in Miami.

Established in 1958 under auspices of the Fla. Assn. of Bcstrs. as an emergency communications setup for Conelrad and other public services, FDN did an "outstanding meritorious" job during the big storm, the Commission said. Similar systems have been organized in about 30 states.

Formal citations, signed by FCC's Defense Comr. Lee, who attended the Miami meeting, were awarded to stations participating in the 24-hour daily hurricane alert.

Lee announced in Miami that AP & UPI will be brought into the Conelrad system Nov. 21, when the Air Force signs a contract with the wire services providing for an open attack-warning line from North American Air Defense Command (NORAD) hq at Colorado Springs. "In the event of any enemy attack," Lee said, "the alert would be triggered by one man at NORAD. This line would be used only once—in fact, we hope it would never be used."

The citations, including one given individually to former Chmn. James L. Howe (WIRA Fort Pierce) of the Fla. State Industry Advisory Committee, said: "The selfless & dedicated owners & operating personnel who courageously braved the dangers of the storm to serve the residents in their communities & their country, without regard for their own personal safety & their loved ones, are a credit to themselves, their communities and the radio broadcast industry."

Sharing in the commendations were WVCG-FM Coral Gables, WCKR-FM Miami, WFLM Fort Lauderdale, WQXT-FM Palm Beach, WHOO-FM Orlando, WNDB-FM Daytona Beach, WJAX-FM Jacksonville, WFLA-FM Tampa, WRUF-FM Gainesville.

Copies of FCC's detailed report on operations of FDN during the hurricane emergency will be sent to all FM, AM and TV stations. These comments are included in it:

"One of the finest examples of modern pioneering is the development & implementation of the Fla. Defense Network."—Comr. Lee.

"The performance of the Fla. Defense Network (FM) during Hurrican Donna was indeed a gratifying achievement on the part of the radio broadcast industry."—alternate FCC Defense Comr. Bartley.

"We congratulate those responsible."—Deputy U.S. Weather Bureau chief J. W. Osmun.

"A living example of what can be accomplished through a cooperative program among members of the radio industry devoted to defense against attacks & national disaster." —FCC chief engineer E. W. Allen.

"Indeed worthy of high praise."—Capt. E. P. Aurand, Naval aide to President Eisenhower & chmn. of the National Security Council's special committee on attack warning channels.

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NAB conference headliners in Washington this week at the 6th of 8 regional meetings (Vol. 16:44 p10) will be NAB Policy Committee Chmn. Clair R. McCollough & FCC Chmn. Ford. McCollough will address a Nov. 14 luncheon session in the Statler Hilton Hotel, where NAB TV Board member Campbell Arnoux (WTAR-TV Norfolk) will preside. Ford will be the principal speaker at a Nov. 15 luncheon presided over by NAB Radio Board member Jack S. Younts (WEEB Southern Pines, N.C.). Concluding fall conferences will be conducted Nov. 21-22 in the Edgewater Beach Hotel, Chicago, and Nov. 28-29 in the Biltmore, N.Y.

TV station wages have risen 10% since 1958 while radio station pay went up 6%, according to national averages computed by NAB broadcast & personnel mgr. James H. Hulbert. Cautioning that broadcasting wages vary by market sizes & geographic locations and that overall figures shouldn't be used to measure individual rates, Hulbert said samplings of half the TV stations and 40% of all radio stations showed these weekly job averages: TV—sales mgr., $254; chief engineer, $184; program dir., $179; salesman, $172; news dir., $150; staff announcer, $136; producer-dir., $128; technician, $116; film dept. head, $108; traffic mgr., $85; continuity writer, $79; floorman, $67. Radio —sales mgr., $170; salesman, $125; program dir., $117; chief engineer, $113; news dir., $106; staff announcer, $95; technician, $93; traffic mgr., $67; continuity writer, $66. Included in the computations were all overtime, fees and commissions paid to employes.

TV-radio employment survey undertaken by NAB and the Assn. for Professional Broadcasting Education has produced answers to 2,200 detailed questionnaires sent to station employes across the country. Replies will be noted on cards & fed into computers to supply answers to such questions as: Where should management look for broadcasting recruits? What sort of education is needed for TV & radio careers? What type of employe is most likely to succeed? Are employes paid adequately now? Are stations (in employes' opinions) operated efficiently & effectively? "This is the most comprehensive survey, both in magnitude & depth, that has ever been undertaken in the broadcasting industry," said NAB broadcast personnel & economics mgr. James H. Hulbert.

Auxiliary Services

TV property-rights suit, brought by Salt Lake City stations against Twin Falls (Ida.) CATV operator Cable Vision Inc. (Vol. 15:33 p9), finally reached a court argument phase last week. Sitting in San Francisco, specially-appointed Judge Charles Sweigart of the U.S. District Court for Southern Idaho listened for 5 hours to debate on a motion by the stations for summary judgment against Cable Vision, said he would decide within 60 days whether the case should go to trial. General Counsel E. Stratford Smith of the National Community TV Assn. said the issues of broadcasters' commercial rights to program signals are too complex to be resolved without a trial. Harold Cohen of the Washington firm of Pierson, Ball & Dowd, representing the stations, said they needed quick relief from "unfair competition" by CATV pick-ups of their shows. NAB's chief counsel Douglas A. Anello was an observer there.

Policy of no late seating, used in theatrical showings of Alfred Hitchcock's "Psycho," has been adopted in Telemeter's pay-TV showings of the same feature in Toronto. Viewers who deposit coins (admission: $1) after the start of the film must wait for the next showing. There's no cheating; the "door" will be closed electronically to the audience. First aired Nov. 9 by Telemeter, "Psycho" will be telecast 4 times daily through Nov. 14. Telemeter also announced last week that it had acquired TV rights to the 35 away-from-home games to be played this fall & winter by the Toronto Maple Leafs. The first road game, to be piped via closed-circuit lines from Boston, was scheduled to be televised Nov. 13.

Texas microwave for closed-circuit network to link 11 colleges and U.'s in central Texas (Vol. 16:1 p24) has been approved by FCC.

2nd annual TV-radio news-broadcasting conference for high school students at WSB-TV Atlanta last week was sparked by the remote "guest participation" of 9 NBC news personalities. The conference was held in association with the U. of Ga.'s Henry W. Grady School of Journalism, and will award a year's scholarship to the student who writes the best news account of the event. Highlights: TV news clinic conducted by Ray Scherer from Washington via closed-circuit TV; video-taped address on careers in journalism by Chet Huntley; taped messages from NBC radio correspondents in London, Paris, Rome, Moscow, Berlin, Tokyo. The conference's keynote address was delivered by Grady's Dean John E. Drewry. TV-radio news clinics were conducted by 10 WSB-TV & WSB staffers.

FM patterns, as described in the results of a survey by the 61 affiliates of FM Bcstg. System Inc. (WFMQ Chicago): 63% of stations reported 31-to-50% of homes in their areas were FM-equipped; only 18% reported less than 20% saturation. Highest FM penetration was reported in New York, with 60%, or 2.5 million FM households. Other FM household figures: Los Angeles, 1,066,753; Chicago, 900,000; Philadelphia, 800,000; Baltimore, 650,000; San Francisco, 404,000; Boston, 367,000; Houston, 163,310; San Diego, 137,560; Kansas City, 136,000. Tune-in time averages 6-to-7 hours per day.

Hearst has sold the Detroit Times (evening) for approximately $10 million to its competitor the evening *News* (Warren S. Booth, pres.-publisher). This leaves that city with 2 newspapers, the Knight group's morning *Detroit Free Press* and the *News*, which also operates WWJ-TV & WWJ. Hearst broadcasting properties are WBAL-TV & WBAL Baltimore, WISN-TV & WISN Milwaukee and Pittsburgh radio WCAE (owned by Hearst Consolidated Publications), which owns 50% of WTAE (TV) there.

NBC Chmn. Robert W. Sarnoff is scheduled to address the opening luncheon of the Broadcast Promotion Assn. convention in New Orleans this week (Nov. 14). His subject: "Broadcasting: A Year to Remember." The meeting, BPA's 5th annual, will continue through Nov. 16.

Radio-Television Training School Inc., 5100 S. Vermont Ave., Los Angeles, is forbidden to misrepresent its correspondence courses under terms of a consent order approved by FTC. The school had been charged with "using numerous grossly exaggerated or false claims" to sell the courses.

Voice of America contracts for $12-million construction of its powerful new Greenville, N.C. transmitter have been awarded to 2 Texas firms—Alpha of Texas Inc., Richardson, and Continental Electronics Mfg. Co., Dallas. They were low bidders on the radio project (Vol. 16:45 p11).

The 1,856-ft. tower proposed by WHAS-TV Louisville (Vol. 16:34 p9) wouldn't be a menace to air navigation, according to FCC's Broadcast Bureau, which filed exceptions to examiner Charles J. Frederick's contrary findings. However, the Bureau still said that the tower should be prohibited because of prospective economic injury to Lexington's 2 uhf stations. WHAS-TV, in its exceptions, insisted that Frederick is wrong in all major conclusions.

Grant of Ch. 8, Christiansted, St. Croix, Virgin Islands, to Supreme Bcstg. Co. has been recommended in an initial decision by FCC examiner Basil P. Cooper. Supreme & competitor Radio American West Indies Inc. have agreed to merge, latter to get 40% after dismissing its application.

Purchase of radio KXOK St. Louis by Storz Bcstg. Co. for $1.5 million has been approved by FCC, Comrs. Hyde & Bartley dissenting.

TvB's annual meeting will be held in N.Y. Nov. 15 through 18. Highlights of the 4-day session include the Nov. 18 reports of Chmn. Otto Brandt & Pres. Norman E. Cash, and showing of a new TvB presentation, "The Progress of Discontent." TvB's board will meet Nov. 15; the sales advisory committee, Nov. 16. The Nov. 17 membership meeting, at the Waldorf-Astoria Hotel, will feature discussions of sales problems with representatives of major agencies & advertisers.

Newspaper payola, reportedly paid to sports writers by boxing promoters, is being investigated by the Senate Judiciary Anti-Trust & Monopoly Subcommittee headed by Sen. Kefauver (D-Tenn.). A Subcommittee spokesman confirmed that its probes of fixed fights & underworld influences in boxing have been broadened to include rumors that newspapermen have been on promoters' payrolls.

Federal conciliators met last week with representatives of KXTV Sacramento and NABET in an attempt to reach a settlement of the strike against the Corinthian station which began Sept. 26 (Vol. 16:44 p10). NABET has withdrawn its unfair labor-practice charge against the station, and it was dismissed by NLRB "without prejudice." In addition to 32 NABET members, 10 AFTRA members are striking against the station.

Networks

CBS Inc. was cleared of monopoly charges last week in Washington by a Court of Appeals decision rejecting a $4-million-plus anti-trust damage suit by Lou Poller, who claimed the network put his WCAN-TV (Ch. 25) Milwaukee out of uhf business in 1955. In a majority opinion written by Chief Judge Wilbur K. Miller, Judge George T. Washington dissenting, the Court turned down Poller's appeal from a 1959 district court ruling against him in the case (Vol. 15:24 p7). Poller's triple-damage suit stemmed from CBS Inc.'s 1955 purchase of WXIX (Ch. 19) Milwaukee and cancellation of the network's affiliation with WCAN-TV. Four years later WXIX itself shut up shop. Judge Miller wrote that the majority found "no monopoly or attempt [by CBS] to monopolize, but instead an unsuccessful attempt to compete with other Milwaukee stations." As for Poller's claim that he was hurt by CBS, Judge Miller said any injury he did suffer "was caused by his improvidence in contracting for elaborate equipment to meet the requirements of a firm [CBS] affiliation he knew he did not have." In his dissent, Judge Washington said "proof of Poller's claims will not be easy" but that Poller at least "is entitled to go on trial."

NETWORK SALES ACTIVITY

ABC-TV

Walt Disney Presents, Sun. 6:30-7:30 p.m., parts. eff. Dec. *Columbia Pictures* (Donahue & Coe)

CBS-TV

CBS Reports, Nov. 25, Dec. 10 & 29, full sponsorship. *Philip Morris* (Leo Burnett)

NBC-TV

Inauguration Day package, Jan. 20, 11 a.m.-noon, aft. parade, 11:30 p.m.-midnight, full spon. *Purex* (Edward H. Weiss)

25 Years of "Life," Thu. Mar. 2, 9:30-11 p.m., full spon. *Life Magazine* (Young & Rubicam)

Advertising

FTC was rebuffed by the Supreme Court in its attempts to get access to confidential business reports supplied to the Census Bureau by corporations. The Supreme Court refused to review a lower-court decision barring FTC from seeing secret data prepared by Chicago's Beatrice Foods Co. for the Census Bureau, which had demanded the information for a business survey. FTC, joined by the Justice Dept., insisted that it was entitled to the report for use in anti-merger cases. But the lower court held that the Census Bureau, which can compel companies to furnish such data, had promised to keep the report confidential. "The U.S. has given its word & should be permitted to keep it," the lower court said in its decision, which in effect was upheld by the Supreme Court.

Mennen Co. skindiver commercials for shaving cream have been cited by FTC in a formal complaint accusing the company of using deceptive artifices on TV. Pointing to TV sequences which show a bearded diver demonstrating Mennen Sof' Stroke cream under water, FTC charged that: (1) The purported shaving preparation actually has toothpaste mixed with it. (2) In showing how other creams dissolve in the water before they can be applied, "the diver cupped his hand to a lesser degree in discharging the competing brand." (3) "This demonstration is not a valid portrayal of the superiority of Mennen Sof' Stroke." (4) It "falsely disparages these competitive products."

TV network & spot gross time billings for first-half 1960 rose 59% for confectioners and 153% for household wax manufacturers, conpared with the like period in 1958, reports TvB. Candy companies went to $15,593,038 from $9,819,000. Leading spender was Wm. Wrigley Jr. Co. with first half billings of $4,130,653. Second & 3rd place spenders were up sharply over the previous year: Sweets Co. of America, 153%; American Chicle Co., 96%. Approximately 60% of all confectioners' ad spending is now in TV. Wax firm spendings rose from $4,049,000 to $10,406,922 for first-half 1960 vs. first-half 1958. S. C. Johnson & Son, leader, showed $4,715,055 in gross-time. Other top spenders: Simoniz Co., $2,710,759; American Home Prod. $952,797.

New TvB sales presentation, "The Progress of Discontent," will be unveiled to 2,000 admen, advertisers and special guests at the 6th annual TvB meeting in N.Y. this week (Nov. 17-18). Election of new TvB directors & officers will also take place. Featured speakers: TvB Pres. Norman E. Cash, U.S. Steel Pres. Leslie B. Worthington, Leo Burnett vp Thomas A. Wright Jr., Grey vp Eugene Accas, TV ad consultant Harry McMahan.

Major retail centers outside central business districts in 109 bigger cities are described for the first time by the Census Bureau in a new series of market-data publications, *1958 Census of Business, Central Business District Reports.* Copies of reports on single cities are available for 25 cents each from Commerce Dept. field offices. Complete sets may be obtained for $20.

Mogul, Williams & Saylor has pledged $3,000 to establish the annual $500 Myron A. Mahler scholarship to go to an N.Y.U. student of "outstanding promise in the area of creative writing for radio & television." The agency will also contribute $100 a year for non-tuition costs. On another scholastic front, AFA's Bureau of Education & Research has released a list of scholarships available to students of advertising, marketing & related fields. The list will be revised periodically.

New "local-special" concepts are being tried in spot TV by a pair of medium-sized TV advertisers. Shulton Inc., having been successful early this year with a 60-min. spot-placed documentary, "The Race for Space," has built a pre-Christmas campaign around a group of 5 unsold 30-min. pilots which it acquired from various producers & sales agents (*The Wonderful World of Little Julius*, starring Eddie Hodges; *Underwater Agent*, starring Reed Hadley, etc). Shulton has cleared prime-time for the shows in 97 markets. It will provide full sponsorship in every case, with the total campaign costing nearly $750,000. In a somewhat similar move, General Toy Corp. has purchased 3 MCA-distributed Paramount features ("Tom Sawyer," "Huckleberry Finn" and "Alice in Wonderland"), all pre-1948, and is spotting them as sponsored local specials between Thanksgiving & Christmas.

Ad budgets will "hold steady" or even rise in a few cases during 1961. That was the opinion of *The Wall Street Journal* in a recent page-one story based on interviews with 75 corporate ad directors and an opinion-sampling among top ad-agency executives. Sample comments to *WSJ*: "We're assuming we'll have about a 5% increase in ad spending next year," although ad spending for major items (appliances, autos, etc.) may be down "by 2% or 3%."—Marion Harper Jr., McCann-Erickson chmn. "There will be no pulling back from our traditionally aggressive marketing program."—an official of Bell & Howell, which expects a 10% budget hike next year with "the greatest part" earmarked for TV.

Longest agency name in history was narrowly averted last week when the Kastor, Hilton, Chesley, Clifford & Atherton firm merged with Heineman, Kleinfeld, Shaw & Joseph. Realizing that the initials would simply never do at the switchboard ("Good morning, this is K-H-C-C-A-H-K-S-&-J") the Kastor agency has decided to let it stand at just KHCC&A. Currently it is billing about $20 million annually, HKS&J about $2 million. Accounts of the combined agency include Cort cosmetics, Franklin Frocks, Daggett & Ramsdell, Admiration Cigars, Lanvin and Roosevelt Raceway.

SEC hearing for Hazel Bishop Inc., on charges that a stock registration statement contained misleading statements about advertising expenditures and other transactions (Vol. 16:45 p11), has been postponed to Nov. 15. The proceedings had been set for Nov. 10, but company counsel asked for more time for negotiations on stipulations.

Canada's Bureau of Broadcast Measurement has added 17 new members, including CFCN-TV Calgary, Alta.; CHAN-TV Vancouver, B.C.; CKBL-TV Matane, Que.; CHSA-TV Lloydminster, Alta.; CKAM-TV Campbellton, N.B.; 4 radio stations; 4 ad agencies, and 4 advertisers. It also reports the 1960 fall survey will be made Nov. 14-20.

New reps: KNBS Walla Walla, Wash., to Venard, Rintoul & McConnell from Weed. • KSL-TV Salt Lake to Blair Television Associates from CBS-TV Spot Sales. • WICD Danville, Ill., formerly WDAN-TV, to Young Oct. 2 from Everett-McKinney.

Ad People: E. Dean Landis elected a senior vp, Compton Advertising . . . John B. Lyman named best. services dir., Foote, Cone & Belding, Hollywood, succeeding the late Edmund L. Cashman . . . Edwin F. Wilson, McCann-Erickson vp & vice chmn. of its media planning unit, retires after 40 years with the agency . . . Jerome Cowle, creative dir., Keyon & Eckhardt Chicago office, elected a vp.

Television Digest

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Personals: William H. Trevarthen promoted from TV network operations dir., NBC-TV to TV network operations vp . . . Alan D. Courtney, ex-NBC-TV, program administration vp, named national sales vp, MCA TV.

Robert Wilson, ex-KHOU-TV Houston, named vp-gen. mgr. of Corinthian's KXTV Sacramento, succeeding Richard P. Hogue, resigned . . . Don Balsamo named sales mgr., KHJ-TV Los Angeles; A. J. (Tony) La Frano appointed dir. of news & special events, KHJ-TV & KHJ . . . Rolf Brent named pres. of World Wide Bcstg. Co., new international div. of Metropolitan Bcstg. . . . Jere Witter named public affairs dir., Deacon Anderson news dir., KPIX San Francisco . . . Michael Blow, ex-American Heritage Publishing Co., named editorial dir., CBS corporate information staff.

Jack Yeager appointed gen. sales mgr., KHOL-TV Kearney, Neb., and KHPL-TV Hayes Center, Neb. . . . Ray Danish named asst. dir., TIO . . . William B. Colvin, ex-WBZ-TV Boston, named to new post of TvB member services dir.; Martin L. Nierman, Edward Petry & Co., elected a TvB dir. . . . Raymond C. Sinns named sales promotion dir., H-R Television and H-R Representatives.

Harold Cranton, ex-Metropolitan Bcstg. Corp., named ad & promotion dir., NTA o&o's and spot sales . . . Vic Ludington, ex-WLYH-TV Lebanon, Pa., appointed local & regional sales mgr., WSPA-TV Spartanburg, S.C. . . . Lila Lambert named to new post of Taft Bcstg. Co. promotion & publicity mgr.

Carl E. Kleimo named treas., Reeves Bcstg. & Development Corp. (WUSN-TV Charleston, S.C.; KBAK-TV Bakersfield, Cal.; is buying WHTN-TV Huntington, W. Va.) . . . Ward L. Quaal of WGN-TV Chicago renamed chmn. of NAB's 15-member Labor Relations Advisory Committee for 1960-61 term . . . David L. Doughty, NAB attorney, named asst. to bcst. personnel & economics mgr. James Hulbert.

Obituary

Mack Sennett, 80, pioneer movie producer, died Nov. 7 in Hollywood, following surgery for a kidney ailment. Known chiefly for slapstick comedy and the "Keystone Kops," Sennett had been trying for several years to get into TV with a series, and this year had finally made a deal with producer Harry Tatelman for a series to be called *Mack Sennett's Comedy Theater*, based on the Sennett comedies of yesteryear. Sennett leaves no survivors.

George V. Allen, USIA dir. since Oct. 1957, resigned Nov. 11 to become pres. of The Tobacco Institute Inc., which he will join Dec. 1. He said "it was a difficult decision to leave the govt.," in which he started as a foreign service officer in 1930, but that work with tobacco manufacturers would be "most interesting & challenging." Allen's USIA term, marked by budget battles with Congressional critics of the agency, was capped by Democratic campaign charges that he had suppressed an overseas poll indicating declines in U.S. prestige. No successor was appointed immediately by President Eisenhower.

Educational Television

Future of ETV in Hagerstown, Md., where the Ford Foundation has financed a closely-watched 5-year closed-circuit school experiment, may be decided by a poll of Washington County teachers & parents. Facing loss of foundation funds when the test project ends next year, county commissioners ordered the advisory poll to help them fix the school budget for 1961. All teachers and members of PTAs & other parents will be asked to mark secret ballots indicating whether they want closed-circuit instruction continued with local funds. The commissioners didn't decide whether a raise in the school tax rate would be necessary if the educational TV program is extended. Proponents of the system have argued that it can be operated more economically than conventional classes through savings in extra teachers' salaries, textbook purchases, lab equipment, etc.

San Antonio's ETV sparkplug—Pres. Sidney Greenburg of Incarnate Word College—is described as "an intellectual earthquake" in the education section of the Nov. 14 *Time*. The lay head of the Catholic school campaigns with "force, passion, glee and anger" for pet projects on his weekly Sun. morning program on commercial WOAI-TV, *Time* says. One result: Financing of the Southwest Texas Educational TV Council, which won the Ch. 9 grant from FCC in Oct. (Vol. 16:40 p12). Needing $400,000 for an ETV station—"the most important tool ever put in the hands of the educational world"—Greenburg asked listeners for contributions, raised $150,000 from WOAI-TV & other San Antonio commercial outlets, obtained $25,000 from Mrs. Lyndon Johnson's KTBC-TV Austin, wangled $40,000 from the Ford Foundation, finally reached the goal.

New RCA TV tape facilities at Utah State U. will enable the university's TV studio to furnish Salt Lake City commercial & ETV outlets more rapidly with educational material. The studios will be used to make daily tape-recorded lessons using an RCA recorder, studio cameras, switcher, projectors and multiplexer. "A major benefit of on-campus tape operations will be to eliminate long trips made in the past by faculty members to TV transmitters 80 miles away," said University Pres. Daryl Chase. The university also has obtained special FCC authorization to test low-power uhf transmissions on Ch. 71 & 74 for campus distribution. University TV-radio services dir. Dr. Keith M. Engar says that low-power telecasting may open the way to extensive ETV service at a fraction of present costs.

California's 1961 legislature will be asked to allow school districts to set up their own ETV system, Dr. Roy E. Simpson, state supt. of public instruction, said recently. Added he: "What I have seen of TV used in classrooms has been impressive. I believe a high degree of coordination & effectiveness might be achieved through open-circuit systems run by groups of districts."

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TV-RADIO-PHONO MARKET—WHAT'S HAPPENING? Industry leaders aren't crying the blues about 1960 sales. It's obviously not the boom year it started out to be, but it's well ahead of recession-ridden 1958—and there may be a sharp post-election & pre-Christmas pickup in the works.

Here's our guesstimate of how 1960 will stack up in consumer-electronics sales: TV—distributor sales to dealers between 5.5 & 5.8 million, probably around 5.6 million, compared with last year's 6 million. Retail sales in same ballpark as the 5.75 million of 1959, but sharply higher than 1958's 5.14 million. Phonos—retail sales near 5 million units vs. last year's 4.4 million, with considerably higher dollar volume. Radio—Retail sales of about 10 million, well up from last year' 8.9 million.

October TV sales were disappointing in that the anticipated pickup apparently failed to materialize. Distributor sales to dealers were down 27% from Oct. 1959, bringing year-to-date sales 5.8% below last year. Phono sales were about same as last October. Big surprise came in figures on distributor radio sales for October: up 26% from Oct. 1959; year-to-date increase is 11%.

Against this background, how do industry leaders appraise consumer-electronics market? All in all, they feel that business hasn't been too bad, that price structure is still holding up (although there are some dissenters on this point), that a TV upsurge may be on the way. Magnavox Pres. Frank Freimann, very close to dealers because of his company's direct-to-retailer setup, told us a poll of dealers showed that a very listless week before Election Day was followed by "exceptionally good business last week," which started Monday, the day before election.

Other leaders expressed varying degrees of bullishness for remainder of year & for next year—although actual predictions of 1961's outlook are still being processed by market researchers. It may not be typical of entire industry, but manufacturers we talked to last week all said their console & combination sales are quite good. Most of them saw current phono sales at about last year's level or slightly below. Here's distillation of comments by industry topkicks who were willing to be quoted:

Magnavox Pres. Frank Freimann: "I'm bullish about the balance of the year, and I have no reason to be bearish about the first quarter." Magnavox's October consumer products sales were "marginally ahead of Oct. 1959," although the company's total October business was 30% higher than 1959 (the difference accounted for by non-consumer items). Post-election pick-up has started, indicating that "people had been holding back, everybody was in a waiting mood."

Movement of high-end products is "encouraging," says Freimann. "People are developing appreciation for better things." Sales prospects signing on the dotted line at Magnavox's new N.Y. showroom are going in heavily for higher-priced instruments, he said, proving that "if the dealers make the effort, the public can be sold" on high-end sets. Magnavox's sales of TV combinations are at least as good as last year, despite vastly increased competition in this field. As to the newly revived 27-in. set (Vol. 16:45 p18), it has "taken off like a jet." In the 2-to-4 weeks it has been in retail stores, movement has been "excellent," he said. (But we can find no other major manufacturer sharing his enthusiasm for the 27-in. and no others who say they plan to join Magnavox in going to this size—although all are obviously interested in how it's moving.)

To capitalize on the cascading radio business, Magnavox plans to bring out an extensive line of small table radios next year, Freimann says. This will include FM sets and both U.S. & foreign-made models (Magnavox currently sells Japanese-made transistor radios).

Motorola consumer-products exec. vp Edward R. Taylor: Although October industry figures are disappointing, "I can't help but feel we're going to come out of it by the end of the year." He pointed to record consumer incomes and high level of auto sales. "If they can sell cars, we can sell TV & stereo." He also noted

that Motorola is selling "a higher percentage of upper-end merchandise than last year." As to portents for immediate post-election future, he noted last week's stock market rally and asked: "Is it a sigh of relief or the return of confidence?"

Zenith Sales Corp. Pres. Leonard C. Truesdell: "If our business doesn't get any worse, I'm happy." He said Zenith's sales last month were "slightly ahead" of Oct. 1959 and reiterated that his company "will have a higher share of industry than ever—but we had to fight every inch of the way." Zenith's console business is about the same as last year, he stated, while industry-wide console sales are off much more than total sales.

Olympic Pres.-gen. mgr. Morris Sobin: Olympic's July-Sept. business was only 3% below last year's all-time record, and first real fall-off was felt last month. But while unit volume dropped, the decline in business wasn't "very significant in terms of dollars."

"I'm worried mostly about the pressures on our competitors," Sobin told us. Over-all inventories are still too high for the current sales rate. A little decline won't hurt us as long as it's orderly. The effects won't be serious if manufacturers make an effort to gear production to sales, keeping profit levels." High-end goods are moving well. Combinations are "ahead of last year every month right up to the present minute." The high dollar volume in combinations is "taking up the slack" of a drop-off in unit sales. In stereo, "we're holding our own," but radio business is down somewhat.

Westinghouse TV-radio mktg. mgr. C. J. Urban: Westinghouse's sales are "holding up fairly well." Home-electronics industry's biggest problem now, in his view, is "consumer boredom." The consumer has money to spend, but his purchases of TV are slackening. "What are we doing to get more of this business, to direct more of this discretionary income to our products?" Urban's formula:

" 'Excitement' is the key word. Let's excite people, give them a reason to buy." He pointed to auto industry's use of automobile shows, displays of laboratory "cars of the future," etc. "Let's lick this boredom. Let's show something new, exciting, from the labs . . . Let's do something big enough to create real excitement. Talk about 2nd—and even 3rd—TV sets." Possibly an all-industry effort through EIA is the answer. Consumer dollars are being drained off by other industries. Buying conditions are right—but we're losing the market. Selling TV to 45 million households was a major job. We need to show some more of that merchandising genius now."

3rd-QUARTER ELECTRONICS PROFITS DOWN 11%: Net profits of electronics firms continued to drop in 3rd quarter, although sales were off only slightly from the same 1959 period. The profit drop was greatest among consumer-electronics companies. Components manufacturers, in the aggregate, bucked the trend, showing higher profits this year than last.

These were outstanding trends in our survey of 3rd-quarter reports of 29 "weathervane" firms in the electronics field. In the aggregate, they showed an 11.1% dip in profits from 3rd quarter 1959—apparently opposing the general pattern for industries, inasmuch as Wall Street Journal recently reported an 8.4% profit increase from 3rd-quarter 1959 for 410 industrial firms.

While 3rd-quarter profits of the 29 firms declined 11.1%, sales dropped only 2.5% from the same 1959 period. The 8 firms primarily known as consumer-electronics producers showed a 22.8% decline in net profit for the quarter on a 2.9% dip in sales. The 13 large diversified electronics firms (all of them among the top 20 electronics producers) reported profits down 10.9%, sales off 2.6%. Components makers (10 companies) chalked up profits about equal to last year's period, sales 3.8% higher.

Results for first 3 quarters of year, buoyed by a relatively good first half, present a better picture. For all 29 companies: net down 2.1%, sales up 4.3%. Consumer group: net down 16.2%, sales up 4.2%. Diversified group: net down 1.5%, sales up 4.3%. Components group: net up 9.1%, sales up 8.2%.

In consumer group, only one listed company (Magnavox) showed a profit increase for 3rd quarter over last year, 3 of the 8 reporting increased sales during the period. For first 9 months, 2 reported more profits than last year, 4 more sales. Among the diversified firms, 4 of 13 reported increases in 3rd-quarter net, 8 had greater sales. For 9 months, in this group 7 had profit increases, 11 sales hikes. Among the 10 components makers, 4 showed 3rd-quarter profit increases, 5 sales increases. The 9-month figures show 4 component makers with increased profits, 5 with higher sales.

Explanations for profit drop vary, but these—as given by 3 important electronics manufacturers last week (see p. 19)—ar typical: Increased cost of consumer business due to more competitive conditions; military hardware cutbacks; intensified new-product engineering & research to compensate for loss of other markets; consumer-product liquidations, price cuts & "unrealistic pricing;" declines in non-electronic goods (such as appliances) manufactured by companies in the tabulation.

The companies used in our "weathervane" calculations:

Consumer group: Admiral, Arvin, Hoffman, Magnavox, Motorola, Siegler, Wells-Gardner, Zenith. Large diversified group: Borroughs, GE, GT&E, IBM, Minneapolis Honeywell, Motorola, Raytheon, RCA, Sperry Rand, Texas Instruments, Westinghouse, Zenith. Components group: Amphenol-Borg, Erie Resistor, General Instrument, Globe-Union, International Rectifier, International Resistance, P. R. Mallory, Muter, Oak, Standard Kollsman. Two firms are in 2 groups (Motorola & Zenith, both among electronics' top 20 and also mainly identified with consumer goods), but their results weren't duplicated in the tally totals.

At-a-glance summary of performance of the "weathervane" companies in terms of percentage increase or decrease compared with 1959:

	3rd Quarter 1960			9 Months 1960		
Group	No. of Firms*	Sales	Net	No. of Firms*	Sales	Net
Consumer electronics	8	—2.9%	—22.8%	7	+4.2%	—16.2%
Components & parts	9	+3.8%	unchanged	8	+8.2%	+ 9.1%
Diversified	13	—2.6%	—10.9%	13	+4.3%	— 1.5%
AGGREGATE	28	—2.5%	—11.1%	26	+4.3%	— 2.1%

*Note: Numbers of firms differ between 3rd-quarter and 9-month reports, because some report on a fiscal-year basis and therefore have not reported 9-month results. In one case, a 3-month report was unavailable from a firm issuing a 9-month statement. "No. of Firms" columns do not add up due to elimination of duplication in aggregate total.

Few stereo reply comments had been filed with FCC last week. Commission files showed only these: (1) Crosby-Teletronics insisted that its system is best, that comments of some parties in the proceeding (Vol. 16:44 p15) are "out & out falsehoods," that NSRC Panel 5 field tests were poorly executed. (2) KPEN(FM) San Francisco urged that class A FM stations not be granted within 1 millivolt contours of Class B because they cause greater-than-expected interference, particularly to stereo & SCA operations. The station urged the Commission to start a formal inquiry into interference problems, stating that the rules & standards are in need of revision. (3) Hal Davison, a Washington engineer & stereo enthusiast, filed a highly technical analysis of NBC's and other's comments, said he found a lot of "lies" in them.

Muntz TV was declared solvent last week by Chicago Federal Judge Michael J. Igoe, ending nearly 7 years of bankruptcy operation. The company entered involuntary bankruptcy under Chapter X in 1954 and has been operated under the supervision of the Chicago U.S. District Court. The final decree calls for 100% payment of debts. The company has reduced its indebtedness from approximately $12 million to $3.1 million, according to Floyd G. Dana, Muntz chmn. & former trustee. The present debt includes $2.37 million of notes to be retired over a 5-year period, and some $700,000 in preferred stock.

Benjamin Electronic Sound Corp. has been formed in Corona, N.Y. (97-03 43rd Ave.) to import, manufacture and distribute sound products. The new firm was organized by Joseph N. Benjamin, ex-Pilot Radio and Bogen Presto, and Gershan T. Thalberg, ex-Audiogersh. First import product lines handled by the firm are the Miracord record changer and Stereotwin cartridge made in Kiel by the West German Electrocustic GMBH.

"Was $149.50, now $99.50" may be a good come-on sales message to the public from a dealer, but it's a good idea for the retailer to have something in his files to prove the first figure, according to FTC Chmn. Earl W. Kintner. He told the Ft. Worth Better Business Bureau and Ad Club at a joint meeting that such an advertisement clearly indicates that the dealer involved recently sold the merchandise at the higher price. "When that ad is made up, it is relatively simple to prepare a certification regarding such sales," Kintner said. "This certification can be signed by the buyers or the employe . . . responsible for the representation." Otherwise, the dealer may find himself charged by FTC with misrepresentation, Kintner warned. (For more about Kintner, see p. 1.)

"Some firms will be out of business within the next 12 months unless restrictions are placed on the current free flow of low-cost Japanese finished products & components." Admiral PR dir. Martin Sheridan made that statement last week to the electronics-electrical commodities group of the Purchasing Agents Assn. of Chicago. By Christmas, he said, Japanese TV sets will be on sale in many U.S. markets. He believed that the American people should be made aware that Japanese and other imported TVs & cord radios don't bear Underwriters Lab seal. He scored the "laxity of local laws" which permit sales of foreign electrical equipment which doesn't "meet U.S. safety standards."

Revised "Class B Product List & Product Assignment Directory"—for use in determining priorities under the Defense Materials System—has been published by the Commerce Dept.'s Business & Defense Services Administration. The major change is a substantial revision of code numbers to conform with the latest edition of the Budget Bureau's *Standard Industrial Classification Manual*. The new list is available for 70¢ from U.S. Govt. Printing Office.

Factory sales of TV receiving & picture tubes declined in volume in September from the preceding & year-ago months. The September sales of 913,496 picture tubes slipped almost unnoticeably from Sept.-1959's 913,697, although dollar value budged up to $18,345,103 from $18,066,647. The decline in receiving tubes was more pronounced: 34,612,000 units at $28,007,000 from 41,989,000 at $34,810,000 in the year-ago month. Here is EIA's itemization of 1960 picture & receiving tube sales:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	795,250	$15,831,430	31,367,000	$26,872,000
February	741,233	14,495,480	32,734,000	27,881,000
March	794,375	15,654,281	36,382,000	31,761,000
April	707,252	13,782,769	29,737,000	25,759,000
May	659,859	13,329,826	30,354,000	25,580,000
June	756,827	15,505,481	33,916,000	29,065,000
July	681,785	13,898,468	34,883,000	28,810,000
August	928,164	18,843,067	38,540,000	31,702,000
September	913,496	18,345,103	34,612,000	28,007,000
Jan.-Sept. 1960	6,978,241	$139,685,905	302,459,000	$254,916,000
Jan.-Sept. 1959	6,857,682	132,465,278	315,797,000	269,344,000

New plants & expansions: International Rectifier has teamed with Italy's Piemontese Sviluppo Industriale S.P.A. to establish a semiconductor operation in Borgaro, Italy, near Turin. Construction of a 16,000-sq.-ft. Borgaro production plant is scheduled to start next month. • Micro State Electronics has been established as a subsidiary by Pittsburgh steel fabricator Apollo Industries to produce microwave & solid-state components & devices. Micro State will operate out of New Providence, N.J., is slated to commence production by year's end. • Collins Radio has formed a communications & data processing div. to provide on-line, real-time computer service for commercial customers. Communications links with Collins's data-processing center at Cedar Rapids are being made to subscriber stations in Los Angeles, Dallas, Washington, N.Y. and Kansas City.

Emerson has leased a 115,000-sq.-ft. single-story plant at Woodbridge, N.J. for the engineering & production of its air-conditioner line. The newly constructed plant, on a 9-acre tract, is expected to be in operation in the next several months. Pres. Benjamin Abrams said the "new home for our air-conditioner operations will free a considerable area in our Jersey City plant, which is needed to provide additional facilities for the expanding demands of our technical products & consumer-products divs."

That 16-in. square-cornered tube (Vol. 16:43 p15) apparently is doomed to failure. Even before sampling of the glass bulbs by Corning, set manufacturers seem to agree the size will die a-borning. A spot check of 4 large manufacturers brought the unanimous response that the tube has no reason to exist in view of the fact that it would cost more than a 19-in. tube.

Mercury Tube Corp., 173 Newark St., Newark, has been charged in an FTC complaint with failure to disclose that TV picture tubes it manufactures & distributes are rebuilt and contain used parts.

Complaint that TV cabinets are too boxy may have some substance, in view of the election returns from Fieldale, Va. A lady voter dropped her ballot in the vent of a wooden-cabinet TV set (whose screen had been turned toward the wall) at the firehouse there, mistaking it for the ballot box.

New line of 9-pin receiving tubes with all-glass bases was announced recently by RCA. Developmental samples of the "Novar" tubes, priced lower than their present octal-based counterparts, are being offered to equipment makers.

Trade Personals: Robert L. Shaw, former pres. of Sylvania Home Electronics Corp., joins Emerson marketing subsidiary Du Mont Emerson Corp. in new post of exec. vp in charge of sales, merchandising & advertising . . . Clarence H. Hopper, new pres. of CBS Electronics (Vol. 16:43 p18), elected to CBS Inc. board.

Sydney W. Natkin, ex-RCA, promoted to vp-sales mgr., National Co. . . . Wesley E. Wood rejoins Du Mont Labs as electronic tube div. distributor sales mgr.; Richard J. Sparnon also rejoins Du Mont (from Sylvania) as ad & sales promotion mgr. for the tube div.; Robert Bruce Jr. promoted to gen. mgr. of Fairchild Camera & Instrument defense products div., succeeded as div. mktg. mgr. by John S. Auld, onetime asst. mgr. of Fairchild's Du Mont military electronics dept.

Charles F. Thomas, ex-Lockheed, named to new post of mktg. & planning mgr., RCA major defense systems . . . John L. Herre, ex-Raytheon, named General Instrument Corp. semiconductor div. govt. sales mgr. . . . H. Malcolm Wilkinson, ex-Avco Corp., named mgr., Stromberg-Carlson electronics div. data acquisition & logging section; Joseph P. Vang named asst. mgr. of field sales, same div.; Paul E. Brandt appointed mgr., S-C Red Bank, N.J., district office.

Steven Berck named mktg. services mgr., Motorola semiconductor products div. . . . Niles P. Gowell promoted from receiving tube operation chief engineer to engineering mgr., Raytheon industrial components div. . . . Howard A. Bond, ex-Stromberg-Carlson, appointed to new post of systems & development vp, Dresser Industries.

Warren H. Dunning named ad & PR mgr., ITT Industrial products div.; Dorsey Roe appointed sales mgr. of power conversion equipment, same div. . . . Peter deRougemont named Columbia Records vp for Latin & South American operations . . . John A. Doremus promoted from engineering vp to pres., Barker & Williamson (electronic communications equipment & components) . . . Lee J. Goodman and Herbert R. Baker named vps, Newark Electronics Corp.

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September TV inventory of Canadian set makers & distributors dropped 56.8% below the Sept. 1959 level, setting a new low for that date since 1954. EIA of Canada reports that September TV sales to dealers set a 1960 high with 46,944 sets—61.4% ahead of August (Vol. 16:42 p20). The September TV surge pushed year-to-date business to 231,099 TVs vs. 271,222 for Jan.-Sept. 1959. Radio sales in September rose 24.3% to 56,270 from 42,554 units in August. Jan.-Sept. radio sales totaled 361,740 vs. 413,496 in the year-earlier period.

Chicago Spring Conference on Broadcast & TV Receivers, sponsored by IRE's Chicago Professional Group on Broadcast & TV Receivers, will be held June 15-16 at O'Hare Inn, in Chicago suburb Des Plaines, Ill. Potential authors are asked to submit papers to Neil Frihart, Motorola. A session will be devoted to "new type" broadcasting activities, including stereo. Stratovision, commercial satelite broadcasting and pay TV.

One-year warranty for labor as well as parts has been introduced by Pentron for its new Astra-Sonic II tape recorder ($189.95, monophonic; $219.95, stereophonic). "We are not just making conversation about reliability & performance in our new recorder," said Penton Pres. Irving Rossman. "This is the first & only tape recorder, to my knowledge, with a full one-year warranty."

"Zenith & Pay TV" will be featured in the December issue of *Fortune*.

3RD-QUARTER PROFIT SLUMP (Cont.): The "3rd-quarter sag" which already has spread its symptoms of strong sales & weak profits among most TV set makers (Vol. 16:45 p19)—last week hit 2 others: Admiral & Motorola. Their financial reports represent fresh evidence that 1960 likely will win distinction as the year volume rose but income fell for many firms (see p. 16).

A 3rd manufacturer, Zenith, which previously reported lower 3-&-9-month profits despite record Jan.-Sept. sales (Vol. 16:45 p20), furnished some of the reasons. Among them: the company's first strike in 41 years, dumping by competitors. Admiral attributed its profit drop to a decline in appliance sales. Motorola blamed increasing costs as a major factor, as well as less-than-expected sales.

Admiral profit plunged about 80% in 1960's first 9 months on a slight sales slip to $145 million from $145.8 million in Jan.-Sept. 1959 (see financial table). For the September quarter, Admiral suffered an indicated deficit of $81,000 as sales fell about 9%. Pres. Ross Siragusa said the drop in earnings was caused entirely by the drop in appliance sales: "Sales & profits from TV & radio receivers were higher during the first 3 quarters but appliance sales slipped sharply during the period."

* * *

Motorola's 3rd-quarter performance conformed with the typical industry pattern: sales up, profits down. For the September quarter, sales inched ahead to $77.2 million from $77.1 million a year ago, but profit declined 9% (see financial table). "Our volume was held down by recent reduced demand for TV receivers & certain other consumer products, as well as a lesser volume in our military div. than last year," explained Pres. Robert W. Galvin. "Our earnings were less than anticipated because of increased costs to achieve the available consumer-products business, temporary start-up costs of certain newer transistors, and the decision on the part of Motorola to continue its expanded new-product investigations & engineering work with an eye on the long-range profit opportunities of these in contrast to their immediate effect on costs." As a result of performance to date, Motorola still expects record sales for the year, but now believes its earlier forecast was optimistic, has revised it downward to 1959's $14-million level.

* * *

Zenith sales rose 4½% to a record $184 million in Jan.-Sept., "but profits in the period were affected by a continuation of unrealistic pricing & liquidations on the part of several principal competitors, which placed continued pressure on the company's prices," explained Chmn. Hugh Robertson & Pres. Joseph S. Wright in a joint report. The 4-day strike at 4 Chicago plants (Vol. 16:34 p15) "had a substantial effect on sales & profits in the 3rd quarter," they said, and "profits were also affected by the high starting costs & delays in the company's Rauland tube plant in connection with starting production of several new types of cathode-ray tubes." Factory shipments of Zenith TVs during Jan.-Sept. increased to a record level—6% ahead of a year ago (vs. industry's 2½% decrease). "As a result of the substantial increase in TV receiver sales in the 9-month period as compared to an industry decline," Robertson & Wright pointed out, Zenith "obtained a larger share of the total TV industry volume than it had in the same period the year before, and further strengthened its hold on first position in TV-receiver industry." The executives reported a 13% Jan.-Sept. rise in sales of TVs with Zenith's remote control and a "substantial" gain in radio shipments.

Trading in Television Industries stock was suspended by the American Stock Exchange for one day on Nov. 10. The suspension resulted from confusion over a highly favorable financial report on the TV-film distribution company headed by Matthew Fox. The ASE said that publication of the report produced a heavy influx of buy orders for Television's common, which raised the price to 4⅝ by 2:10 p.m. from the opening 2⅞. Trading was halted after company officials advised that the published report was inaccurate, and ASE Chmn. Joseph F. Reilly said "the issue will not be traded until the situation has been clarified to the satisfaction of the exchange." The confusion developed with the publication of a profit report of $1,144,000 ($1.40 a share) on revenues of $5,377,000 for the 9 months to Sept. 30 (vs. total 1959 earnings of only $111,362 or 14¢ a share). A later clarifying statement reduced the $1,144,000 profit to "$313,000 after minority interests," reported Nov. 11 *Wall St. Journal*, adding: Treas. Martin Schildkraut said, however, "that because Television Industries had a deficit in its surplus account in the balance sheet at the end of 1959, any surplus earnings before minority interests available out of this year's operations will be applied to reduction of that deficit. The deficit was reported at $2,496,180 at the end of 1959."

F. L. Jacobs Co. trustees have been authorized by the U.S. District Court in Detroit to accept a $1,029,000 federal income tax refund in settlement of tax claims by the company or govt. through 1958. Now undergoing reorganization under bankruptcy laws, Jacobs once was headed by ex-MBS Pres. Alexander L. Guterma, whose financial & broadcasting operations led him into prison (Vol. 16:45 p8).

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, November 10, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	20	22½
Aerovox	6¾	7⅝
Allied Radio	22½	24⅜
Astron Corp.	1⅜	1⅞
Baird Atomic	24¼	26¼
British Industries	13¾	15⅛
CGS Labs	7¾	9¼
Cetron	3¾	4½
Control Data Corp.	44	47¼
Cook Elec.	12¾	13⅞
Craig Systems	13	14⅜
Dictaphone	37½	36⅛
Digitronics	21¾	23⅞
Eastern Ind.	11¾	12⅞
Eitel-McCollough	13½	15¼
Elco Corp.	14½	16¼
Electronic Associates	24½	26¾
Electro Voice	8¾	10
Electronic Asociates	24½	26¾
Erie Resistor	8¾	9⅝
Executone	20	23
Farrington Mfg.	30½	33
Fischer & Porter	16	17½
FXR	34	37¾
General Devices	9⅜	10⅜
G-L Electronics	7¼	8⅜
Granco Products	3¼	3⅞
Gross Telecasting	19½	22½
Haydu	1/16	¼
Hewlett-Packard	22⅜	24
High Voltage Eng.	136	147
Infrared Industries	16¾	18⅝
International Rectifier	19	20⅝
Interstate Engineering	19¾	21¼
Itek	45½	49⅞
Jerrold	7¼	8⅛
Lab for Electronics	44½	47¾
Lel Inc.	4½	5¼
Magna Theater	2¼	2⅝

Stock	Bid	Asked
Magnetics Inc.	8¼	9⅛
Maxson (W.L.)	7½	8⅜
Meredith Pub.	39	42½
Metropolitan Bcstg.	16½	17⅜
Milgo Electronics	15½	17⅜
Narda Microwave	4¼	5
Official Films	1⅞	2⅛
Pacific Automation	4	4¾
Pacific Mercury	5¾	6½
Perkin-Elmer	40	43
Philips Lamp	166	171¾
Pyramid Electric	2⅝	2⅞
Radiation Inc.	19	21
Howard W. Sams	34	37⅛
Sanders Associates	29½	32
Silicon Transistor	5⅝	6⅜
Soroban Engineering	33	36⅝
Soundscriber	9	10½
Speer Carbon	19¼	21¼
Sprague Electric	43½	46⅝
Sterling	1⅜	1⅞
Taft Bcstg.	11¾	13⅜
Taylor Instrument	33	35⅝
Technology Inst.	7¾	9
Tele-Broadcasters	⅝	1-1/16
Telechrome	10¾	12
Telecomputing	6⅜	7⅛
Telemeter	9½	10¾
Time Inc.	60½	64
Tracerlab	9¼	10½
United Artists	6½	7¼
United Control	18½	20½
Universal Trans.	¾	1⅜
Vitro	10	11
Vocaline	2⅝	3-3/16
Wells-Gardner	14½	15¾
WJR Goodwill Station	8½	9¾
Wometco Ent.	12⅜	13¼

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Admiral Story on p. 19.	1960—9 mo. to Sep. 30	$ 144,976,988	$ 1,207,764	$ 497,072	$0.21	2,407,136
	1959—9 mo. to Sep. 30	145,849,148	4,906,253	2,371,376	.99	2,390,196
Allied Artists	1960—qtr. to Oct. 1	4,244,000	—	277,380	.30	899,240
	1959—qtr. to Oct. 1	5,200,000	—	652,600	.72	888,555
CBS Inc.	1960—39 wks. to Oct. 1	336,582,220	35,401,313	15,496,313	1.85	—
	1959—39 wks. to Oct. 3	318,291,438	38,857,934	17,496,934	2.09[1]	—
Decca Records	1960—9 mo. to Sep. 30	—	—	4,159,772[2]	3.24	1,285,701
	1959—9 mo. to Sep. 30	—	—	911,260[2]	.60	1,527,401
Electronic Research Associates	1960—qtr. to Aug. 31	568,023	—	43,600	.23	189,879
	1959—qtr. to Aug. 31	424,839	—	19,800	.16	120,340
General Dynamics	1960—9 mo. to Sep. 31	1,422,771,395	—	(25,084,568)	—	—
	1959—9 mo. to Sep. 30	1,269,888,520	—	24,541,951	2.47	—
General Precision Equipment	1960—9 mo. to Sep. 30	176,554,550	7.982,412	3,622,512	2.28[3]	1,127,194
	1959—9 mo. to Sep. 30	156,420,305	6,513,228	3,043,628	1.91[3]	1,125,819
	1960—qtr. to Sep. 30	55,831,746	2,612,176	1,155,376	.71[3]	1,127,194
	1959—qtr. to Sep. 30	54,118,366	2,173,534	980,587	.57[3]	1,125,819
Motorola Story on p. 19.	1960—9 mo. to Sep. 30	220,702,933	20,578,076	9,782,851	2.43	4,028,652
	1959—9 mo. to Sep. 30	206,012,733	19,983,637	9,485,024	2.45[3]	3,870,262[3]
	1960—qtr. to Sep. 30	77,201,664	7,025,114	3,276,633	.81	4,028,652
	1959—qtr. to Sep. 30	77,145,487	7,879,433	3,598,653	.93[3]	3,870,262[3]
Newark Electronics	1960—year to Aug. 31	7,850,000	—	166,000	.55	—
	1959[4]	—	—	—	—	—
Pacific Industries	1960—year to Aug. 31	20,528,552	—	(68,864)[5]	—	1,415,354
	1959—year to Aug. 31	15,949,850	—	600,541	.52	1,145,354
Paramount Pictures	1960—9 mo. to Oct. 1	—	—	6,137,000[10]	1.87[9]	1,673,231
	1959—9 mo. to Oct. 1	—	—	6,609,000[11]	2.14[9]	1,703,927
	1960—qtr. to Oct. 1	—	—	2,405,000[12]	.80[9]	1,673,231
	1959—qtr. to Oct. 1	—	—	1,349,000[13]	.68[9]	1,703,927
Specialty Electronics Development	1960—year to July 31	3,908,177[6]	—	174,944[6]	.15	—
	1959—year to July 31	1,566,723	—	101,908	.09	—
Transitron	1960—qtr. to Sep. 24	11,767.511	—	1,825,804	.24	7,502,500[7]
	1959—qtr. to Sep. 24	10,155,584	—	1,777,049	.24	7,502,500[7]

Notes: [1] Adjusted for Dec.-1959 3% stock dividends. [2] Includes results of subsidiary Universal Pictures. [3] Adjusted to reflect July-1960 2-for-1 split. [4] Year-ago comparisons unavailable because of change to fiscal from calendar accounting. [5] After non-recurring loss of $469,892. [6] Record. [7] Outstanding Sept. 24, 1960. [8] After preferred dividends. [9] On profit from operations. [10] Includes special income of $3,018,000 ($1.80 a share) from installments on sale of pre-1948 films. [11] Includes special film-sale income of $2,965,000 ($1.74). [12] Includes special film-sale income of $1,063,000 (64¢). [13] Includes special film-sale income of $198,000 (11¢).

Electronics, Missiles and Communications Inc. has been established at 262 E. 3rd St., Mount Vernon, N.Y. to produce translators and microwave relay equipment for TV applications. Founder & pres. is Dr. B. W. St. Clair, formerly research development dir. at Adler Electronics. Vps of the new concern, also ex-Adler: Henry Shapiro & Robert F. Romero.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Axe Science & Electron	—	$0.26	Jan. 6	Nov. 18
CBS Inc.	Q	.35	Dec. 9	Nov. 25
CBS Inc.	Stk.	3%	Dec. 19	Nov. 25
Electronic Research "A"	Stk.	3%	Dec. 30	Nov. 30
Erie Resistor	Stk.	4%	Dec. 15	Nov. 18
GT&E	Q	.19	Dec. 31	Nov. 22
General Tire & Rubber.	Q	.25	Nov. 30	Nov. 14
Minneapolis-Honeywell.	Q	.50	Dec. 10	Nov. 18
Newark Electronics "A"	—	.16¼	Dec. 30	Dec. 15
Paramount Pictures	Q	.50	Dec. 16	Dec. 1
Siegler	Q	.10	Dec. 1	Nov. 15
TV-Electronics Fund	Q	.05	Nov. 30	Nov. 3
TV-Electronics Fund	Ex.	.32	Nov. 30	Nov. 3
Trans-Lux	Q	.30	Dec. 16	Nov. 21
Trans-Lux	Stk.	5%	Jan. 17	Dec. 16
WJR, Goodwill Station.	—	.15	Dec. 8	Nov. 23

Progress Electronics Corp., Van Nuys, Cal. company organized in May for manufacture & sale of "various" electronic products, has been accused by SEC of making "false & misleading" statements in a circular promoting proposed public sale of stock. Ordering temporary suspension of Progress Electronic's exemption from stock registration requirements of the 1933 Securities Act, SEC charged that the offering (200,000 common shares at $1.50 per share) violated anti-fraud provisions of the law. For one thing, SEC said, the company failed to disclose that principal Progress Electronics stockholder Dr. P. Marie d'Aigle was the wife of vp Napoleon J. Daigle of a firm listed as the underwriter.

Reports & comments available: Amphenol-Borg Electronics, study, Hornblower & Weeks, 40 Wall St., N.Y. 5 • Movielab Film Labs, discussion, Granbery, Marache & Co., 67 Wall St., N.Y. 5 • Newark Electronics and Advance Ross Electronics, reviews, H. M. Byllesby & Co., 135 S. LaSalle St., Chicago 3 • Del Electronics, prospectus, Standard Securities Corp., 25 Broad St., N.Y. 4 • Paramount Pictures, report (T-4) on pay & color TV, L. F. Rothschild & Co., 120 Broadway, N.Y. 5 • United Electrodynamics, prospectus, William R. Staats & Co., 640 S. Spring St., Los Angeles 14.

WEEKLY **Television Digest**

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The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

FCC

HARRIS-PASTORE ACT IMPLEMENTED by FCC in new rules eliminating McFarland letters, setting up pre-grant protest procedure, requiring local application notices (p. 1).

FORD NOTES INDUSTRY & FCC "MATURITY," gives progress report on major problems (p. 4).

KTTV IS LONE OPTION-TIME APPLELANT, asking court to reverse FCC on anti-trust grounds (p. 5).

Programming

TALENT TALKS SUSPENDED between AFTRA-SAG and 3 networks. Although strike wasn't called, unions don't like the network offer and are gathering their strength for a flight (pp. 2 & 6).

PROGRESS REPORT ON VIOLENCE: Producers, reversing themselves, are toning down sex & violence, our survey discloses (p. 5).

Film & Tape

FCC EASES FILM SEC. 317 BURDEN, waiving payola-announcement requirements until new rules can be written, granting ATFP petition (p. 2). Dept. (p. 13).

Auxiliary Services

BIG-BUSINESS CATV SALES: H&B's $5-million buy of Jerrold group completed; Hotel Operating Co. buys Myers properties for $1.15 million; another $5-million sale in works (p. 2).

Stations

McCOLLOUGH URGES "OFFENSIVE" by broadcasters at NAB conference to beat down remaining freedom-of-the-air barriers in Communications Act's equal-time Sec. 315 (p. 11).

TWO NEW OUTLETS IN WINNIPEG AREA: KCND-TV Pembina, N.D. & CJAY-TV Winnipeg boost area service to 4 outlets; KVOG-TV Ogden-Salt Lake City starts Nov. 23 (p. 11).

Consumer Electronics

MYLAR "WRAPAROUND" SHIELD for picture tubes developed by du Pont and tube makers; may make possible lighter, lower-cost portable sets (p. 16).

HOTEL TV BUSINESS reaching plateau, with about 1.75 million sets in field. TV firms expand services to include other electronic equipment, go after hospital market (p. 16).

RCA'S COLORFUL WEEKEND, Nov. 11-12, produced retail sales of 5,731 color TVs, other results (p. 18).

SEPT. PHONO SALES dropped 3% below 1959 at retail level. Stereo sales ran slightly ahead of last year for month (p. 19).

CONSUMER BUYING PLANS seen turning upwards by prognosticators & surveyors; there's feeling turning point is here (p. 20).

Networks

NETWORK RIVALRY NARROWS at night as ABC closes gap behind NBC, and NBC moves to a hairbreadth behind CBS (p. 3).

DALY OUT, HAGERTY IN at ABC. Reasons why the network's news vp became disgruntled (pp. 3 & 7).

NETWORKS' GROSS TIME BILLINGS gained 9.6% during 1960's last 9 months. TvB reports business increased to $494.4 million from $451.3 million in 1959's first 3 quarters (p. 8).

Advertising

SHELL TOSSES OUT COMMISSION tradition; in future, its agency, Ogilvy, Benson & Mather, will work on cost-plus-25% fee (p. 9).

TVB'S N.Y. MEETING hears president of department store which became a TV success story (p. 9).

Other Departments

CONGRESS (p. 6). **EDUCATIONAL TV** (p. 8). **PERSONALS** (p. 15). **FINANCE** (p. 21). **FOREIGN** (p. 24).

HARRIS-PASTORE ACT IMPLEMENTED BY FCC: New rules, carrying out the provisions of the omnibus broadcasting-reform law enacted in September (Vol. 16:44 p12), were adopted last week by FCC. At the same time, the Commission abandoned the McFarland-letter procedure and set up local-notice requirements for license applications.

The "McFarland-letter procedure" in brief: FCC tells an applicant: "It looks as if we can't grant your application without a hearing. Here are the reasons. Tell us your version. If you convince us we're wrong, you'll get a grant without a hearing. If you can't convince us we're wrong, you will have to go through a hearing to try to prove your case."

New pre-grant protest rules effective Dec. 12 under Harris-Pastore Act provide for: (1) Elimination of McFarland letters. (2) Permitting "parties of interest" to file objections to applications which aren't designated for hearings. (3) Closing books on such applications in 30 days. (4) Denying protests after grants. (5) Accepting petitions for reconsideration only if they "show good cause why the matters could not have been raised prior to the grants."

New local-notice rules effective at same time require: (1) Two-week, twice-weekly announcements in local newspapers immediately following filing of applications for new stations or for major changes in existing facilities, indicating "if & when such applications are designated for hearing." (2) Notices broadcast by operating stations when applications are filed for modification, assignment, transfer or license renewal.

Exempted from new law are "minor" application amendments & facility changes, however. Com-

mission said "it is not possible to categorize every change & amendment" in advance. So rules provide 15-day periods in which FCC may send notifications when proposed amendments or changes are "major" and therefore subject to new regulations.

TALENT TALKS SUSPENDED: The AFTRA-SAG strike situation (Vol. 16:46 p3) was still unresolved late last week, with the talent unions breaking off their negotiations with the networks at 3:30 a.m. Nov. 16. A strike against live & tape network programs, and against all types of TV commercials, wasn't on—but it wasn't off, either. If anything, the impasse resembled a Western movie being run through a faulty projector which has managed to get stuck on the frame where the marshal and the heavy both reach for their shootin' irons in front of the Last Chance saloon. As hours ran into days, and network service continued normally, the TV industry sat around waiting for the "bang" of a strike call. The labor-management protagonists, however, were just standing there, frozen in aggressive-but-unresolved images (see p. 6).

FCC EASES FILM SEC. 317 BURDEN: Film producers got the break they were seeking last week when FCC granted their petition and waived the payola-announcement requirements of Communications Act's amended Sec. 317 until new Commission rules can be promulgated.

Alliance of TV Film Producers had called FCC's attention to great difficulties they would have in attempting to ferret out "payola" in old film. It had asked that the old no-announcement rules be applied to film made before Sept. 13, the effective date of Sec. 317 amendments, and for a waiver to cover post-Sept. 13 production until next January. FCC granted waiver "irrespective of the production date" of film.

Commission made it clear, however, that waiver doesn't apply to the 27 sacred payola examples included in House Commerce Committee's report (Vol. 16:39 p4) or to sponsorship-identification requirements of rules governing broadcast of controversial issues. It added this cautionary note:

"It is not the purpose of this waiver to permit general disregard of the obligations of broadcast licensees to make sponsorship identification announcements. Rather, it is intended to provide a measure of relief in those cases where a licensee in good faith is unable to ascertain with certainty his obligation under Sec. 317 as amended."

MORE BIG-BUSINESS CATV SALES: Even as Jerrold's $5-million sale of its 9 CATV systems to H&B American Corp. was being completed last week, other big-money community antenna transfers were being consummated or in the works.

Biggest CATV operator—in terms of number of systems owned—is now Hotel Operating Co., operator of Jack Tar hotel chain, solely owned by Texan Charles Sammons, also an insurance & real estate tycoon. Hotel Operating, through its subsidiary PenNy Corp. (owner of CATVs in Pa. & N.Y.), last week purchased the 5 systems owned by Stuart J. Myers & Robert E. Dunham (in Athol & Pittsfield, Mass.; Warren Pa.; Claremont, N.H.; Bellows Falls, Vt.), with total of 10,000 subscribers. Hotel Operating also owns Trans Video, which operates CATVs in Pennsylvania.

With purchase of Myers-Dunham properties for an estimated $1.15 million, Hotel Operating now owns 14 CATV systems with estimated total of 36,500 subscribers.

An even bigger deal, understood to be in works—equalling record Jerrold sale—involves negotiation for sale of largest block of CATV systems in Pacific Northwest under single ownership. Harbor Group, headed by Homer Bergren of Seattle, is said to be close to $5-million deal with undisclosed purchasers.

Also shopping actively for CATV systems last week was Bartel Family Radio Group (TV outlets in Netherlands Antilles, 6 U.S. AMs), which reportedly has options on several major CATV properties.

H&B American Corp.'s takeover of Jerrold's 9 systems with 33,000 subscribers (Vol. 16:33 p8) also involved microwave systems serving CATV systems in 5 states. H&B subsidiary Transcontinent Communications Systems, established to operate CATV properties, was negotiating last week to buy more.

Moving over from Jerrold as exec. vp of Transcontinent is Leon N. Papernow, former mgr. of Jerrold's CATV operating division and ex-California broadcaster (KFSD-TV & KFSD San Diego). Already announced as president of Transcontinent is ex-CBS-TV vp Charles L. Glett. Parent H&B American is headed by David E. Bright, Los Angeles industrialist & art patron, 55% owner of KFBB-TV Great Falls, Mont. H&B recently sold off less profitable subsidiaries to establish Transcontinent, is owner of Big Boy Mfg. Co., Los Angeles, and part owner of Quickway Truck Shovel Co., Denver. Traded on American Stock Exchange, it becomes first firm listed on a major exchange to invest in CATV industry.

Meanwhile, Jerrold last week filed appeal from last summer's anti-trust decision which bars the equipment maker from acquiring CATV systems before April 1962, among other terms (Vol. 16:31 p8).

In another significant CATV development last week, FCC Chmn. Ford indicated that an end was in sight to infighting between small-town TV stations & CATV systems. For details, see p. 8.

NETWORK RIVALRY NARROWS: Real three-network competition is finally here, and difference between over-all 1st and 3rd place at night is less than 2 average-audience rating points. Although strong individual shows on all 3 networks swing the balance back & forth between ABC-TV, CBS-TV & NBC-TV on different nights of the week, the over-all pattern is practically a 3-way split this season.

This wasn't true in 1959 by any means. The 2nd of Nielsen's Oct. reports last year showed definite 1st, 2nd & 3rd places for evening prime time (7-11 p.m. Sun., 7:30-11 p.m. Mon.-Sat.). This was the situation then: CBS led the pack with 21.1 AA average. NBC trailed noticeably with 17.8 and ABC with 15.4.

NBC has bounced back with a vengeance in 1960. In 1959, CBS's AA average was 16% ahead of NBC on above yardstick, and NBC was 16% ahead of ABC, which seemed to be gaining rapidly on NBC. Then NBC finally got the ball and ran with it.

ABC has gained on NBC, as NBC has gained on CBS in the 3-network nighttime audience race. This season, 2nd Nielsen Oct. report showed CBS still ahead with 18.7, NBC hard on its heels with 18.0, and ABC crowding right behind with 17.2. ABC is only 5% behind NBC's AA level, and NBC is only 4% behind CBS. And, while both ABC and NBC audience levels are higher, CBS's has dropped.

NBC's stronger position is due to several factors. Among them: The 1960 convention-campaign-election rating successes of NBC's Huntley-Brinkley news team; the strong (except for Mon. & Fri.) audience-share levels of 60-min. film shows slotted by NBC in the 7:30-8:30 p.m. periods; the acquisition of such strong 30-min. film properties as Alfred Hitchcock Presents (which has boosted ratings for a 2½-hour block of mysteries on Tuesday); critical acclaim for informational shows produced by Irving Gitlin & Julian Goodman; and a more "qualitative" approach to TV entertainment specials.

Mood at NBC is one of optimism, for a change, these days. One NBC source, summing it up, told us last week: "Last year, we were wondering what we would do when we were the 3rd network. This year, we're thinking in terms of being Number One."

On less-than-national yardstick ABC is ahead in 24 Nielsen-measured cities where there's simultaneous network rivalry on full nighttime schedules of all 3 networks. For week ended Nov. 6, audience-share averages in prime time (7:30-11 p.m., Mon.-Sat.; 6:30-11 p.m. Sun.) in 24 key cities were: ABC—38.8% CBS—32.4%; NBC—28.3%.

Researchers point out, however, 4 major qualifications: (1) ABC's U.S. coverage is still below that of NBC & CBS, and ABC lineups are generally shorter. (2) ABC still has lots of delayed telecasts in smaller markets which tend to lower ratings. (3) Even if ABC's clearances fully matched rival networks, ABC's action-adventure, private-eye and comedy shows are seldom as popular in many small towns as they are in the few major metropolitan markets. (4) ABC's big score was made in pre-election week, when NBC & CBS were loaded with paid political telecasts and ABC hewed more closely to its regular program fare.

DALY OUT, HAGERTY IN: Jim Hagerty is principal offstage reason for resignation of ABC vp for news & public affairs John Daly last week. Hagerty, Eisenhower press secy., is taking over Daly's administrative title & job (but not Daly's performing chores) when Kennedy moves into the White House. Rumors that Hagerty would take a top news spot at ABC have been heard in the industry for weeks. (Vol. 16:42 p. 11).

The "6-figure salary" mentioned by the N.Y. Times for Hagerty seemed obviously exaggerated when compared with known salaries of higher echelon officers at ABC-TV. TV editor Jack Gould's front-page Nov. 18 story was officially ignored by ABC's top officials, but was privately admitted to be substantially "accurate."

Hagerty entrance alone didn't trigger Daly's move. There's been growing rift between Daly and AB-PT Pres. Leonard H. Goldenson over several items:

(1) Daly says ABC has "sold out" the firm (so far) ruling of all 3 networks against accepting news-area shows from outside packagers or allowing advertisers a say in content. Daly's prize beef is a deal whereby Time Inc. will co-produce a quartet of documentaries with ABC for Bell & Howell public-affairs series.

(2) Daly was annoyed on election night when ABC-TV broke the sequence of its election reportage to run, 7:30-8:30 p.m., regular episodes of Bugs Bunny and The Rifleman. Once you start something like election coverage, Daly said you shouldn't stop it for routine fare.

(3) Thomas Velotta, who will sub pro-tem for Daly, has held a post (vp for special programs in news area) which has paralleled Daly's, to Daly's annoyance. Also, Daly has been reporting to program vp Tom Moore, rather than to Pres. Ollie Treyz. (Details of Daly's resignation on p. 7.)

FORD NOTES INDUSTRY & FCC 'MATURITY': In a sort of valedictory as FCC chairman before he steps back into the Commissioner ranks, Frederick Ford struck a distinct note of gratification in his luncheon address at NAB's fall conference in Washington last week.

Ford congratulated both industry & FCC for having achieved "a maturity of attitude." He cited particularly the passage of S. 1898—the bill that changes many Commission procedures—as "a landmark of cooperation" for Congress, FCC & industry. He then ran through important problems, topic-by-topic:

(1) TV allocations. Legislation requiring the manufacture of only all-channel sets is "indispensible." "Most of the nation could be converted in a few years"—less than the 7-to-9 years it takes for sets to become obsolete. If such legislation isn't forthcoming, he said, "I'm afraid we'll have to solve the problem on an administrative basis." This, he added, wouldn't be "as satisfactory" as the all-channel-set method.

(2) Network regulation. FCC still opposes licensing, believes only that it should be given power to regulate networks directly instead of indirectly, as it does now.

(3) Programming. "Nobody can do anything about programming but the people who watch & listen. It's up to the licensee to know the community. It's up to the FCC to see that he goes out & talks to people and sees what they need." Commission is studying revision of renewal form, he said (for details, see Vol. 16:46 pp4 & 7), but it will take time because there are "many differences of opinion" when it comes to implementing Commission's basic policy conclusion (Vol. 16:31 p1).

(4) Amendments of Sec. 317 (payola) & Sec. 315 (equal time) of Communications Act. "These are greatly to the advantage of the industry." Payola & fixed quizzes "are a thing of the past . . . a history we can all forget."

(5) Political broadcasting. FCC is collecting station reports on their campaign activities. "When the returns are all in, even the industry will be surprised by its own performance. The time devoted to the campaign was quite exceptional and far more gratifying collectively than were effects individually."

(6) Complaints & Compliance Div. "It's amazing how many investigations were completed without requiring FCC action." Now, he said, FCC is compiling a record on complaints so that no one can say that the Commission had no knowledge or took no action on charges of violations.

(7) Uhf translators. They're still growing nicely despite fact that vhf boosters have been legalized.

(8) AM clear channels. FCC is still working on solution—hopefully.

(9) Community antennas. "The problem can be solved—may be solved already" (see story on p. 8).

Introduced by NAB Policy Committee Chmn. Clair McCollough, who called him "fair & firm" chairman, Ford got off best quip of his career. He noted that at NAB's convention (Vol. 16:15 p1), McCollough had introduced him—to make his first speech as FCC chmn.—with the slogan: "There's a Ford in your future." He was surprised therefore, on this occasion, that McCollough now did not say: "Watch the Fords go by."

Ford's witty special assistant, James Sheridan, later noting our recent report that Ford was expected to step down "gracefully" (Vol. 16:46 p2), said: "I guess you didn't know Ford has had trouble with his knee."

TALK-TALK ABOUT NEW FCC CHAIRMAN: You can have your pick of speculation about FCC's composition under President Kennedy, but don't count on anything yet. Comr. Bartley is still considered likely to be designated chairman—but such things are never certain until they happen.

Some industry people want no part of Bartley, consider him too "regulation-minded." Others pooh-pooh this, say he'll be a much more "understanding" chairman than member.

There's talk in some quarters of urging appointment of Democratic Comr. Craven as temporary "caretaker" chmn. until right man can be found. Then there's rumor that Sen. Magnuson (D-Wash.), chmn. of

Commerce Committee, has been assured voice in selection of chmn. and that he'd favor Kenneth Cox for job. Cox is Seattle attorney whom Magnuson has often called to Washington to handle major TV hearings. Cox would take position if it's tendered—but it hasn't been. Some people are booming Edgar Shelton, ABC Washington vp & campaigner for Sen. Johnson. Many believe that J. Leonard Reinsch would be shoo-in if he wanted job. He's the Cox Stations exec. dir. who held vital position of TV consultant to Kennedy. But he wants to go back to broadcasting.

Most outlandish speculation is that Kennedy might keep Republican Ford as chmn.—a really precedent-setting action. If there's real support for that idea, we haven't been able to find it.

KTTV LONE OPTION-TIME APPELLANT: The major foe of option time, KTTV Los Angeles, turned up last week as the sole challenger of FCC's new rules—which reduce optioned periods from 3 to 2½ hours for each of the day's 4 segments (Vol. 16:38 p1). Filed with U.S. Court of Appeals, KTTV's appeal is based almost entirely on Justice Dept.'s opinion that option time violates the anti-trust laws. Justice Dept. itself hasn't appealed. However, law requires it & FCC to represent govt. in the appeal—and it's assumed that the 2 agencies will stick to their positions and present divergent views to court.

KTTV made point of fact that FCC's 4-3 vote was very close, and it asked court to remand the case to Commission with the obvious hope that Comr. King, who broke the tie, might switch his vote or that a replacement for King might vote other way. It requested that court send case back with instructions that Commission toss option time out by simply accepting Justice Dept.'s opinion. At least, station asserted, FCC should be forced to give some weight to Justice's views. And finally, it stated, the court should hold "the Commission's ultimate finding—that the option time practice is 'reasonably necessary' for the preservation of networking—to be arbitrary, capricious, and contrary to the evidence."

Networks & affiliates were silent as deadline for appeal passed, prepared to live with the new rules.

Programming

PROGRESS REPORT ON VIOLENCE: Most telefilm producers have reversed themselves (Vol. 16:30 p6); they are cutting down on sex & violence. This we learn in a new check of Hollywood's blue-pencil squad. It would be Utopian to expect the complete elimination of violence, but there will be a considerable de-emphasis.

There are several factors motivating the new producer attitude: (1) Principally, there appears to be a greater awareness of criticism. For, although the FCC hearings in Washington hadn't made much impact on Hollywood, when the Commission moved West for its industry investigation, the subject was brought home forcibly to the film industry. (2) Profit. Producers want to sell their product.

But trouble spots remain. New-to-TV producers, unaware of industry problems, are still using too much violence & sex. And writers, not yet aware of the new trend, still inject blood-and-thunder to sell their scripts. Both these areas are being watched by network blue-pencillers.

William Tankersley, dir. of program practices for CBS-TV in Hollywood, told us that his network, in a recent survey, found 54% fewer acts of violence in its shows in Oct. 1960 than in Oct. 1959. The network, with a third fewer series of violence, has had an upsurge of situation comedy. Tankersley told us candidly: "At first the producers tried to get more violence into their shows, but they weren't successful. Now that they realize we are serious, their attitude is better; the overall situation is improved."

Dorothy Brown, dir. of network continuity acceptance, Western div., ABC-TV, said: "I have found that producers understand the current feeling against violence. They are cooperating and bringing shows into line. Some formats intrinsically include strife & violence, but even producers of these series are attempting to modify these elements. The greatest indication of the new attitude will be on shows seen after Jan. 1. Many of the earlier stories were purchased before the full impact of anti-violence sentiment had become apparent. Many of the new producers have no concept of the new 'don'ts,' and writers are describing action with much violence. But clients are reading scripts with apprehension. Sponsors & agencies, much concerned, are asking for scripts to be read as early as possible."

Robert Wood, West Coast mgr., continuity acceptance, NBC-TV, told us: "Producers are inceasingly aware of the problem. For example, if a borderline case of violence gets through, and a lot of complaints come in, there is always the question of rerun. Such a film means $45-to-50,000 down the drain if it can't be sold in rerun. We now have a different approach to violence. Where we formerly allowed a character to down another with 4 or 5 slugs, we now limit him to one shot, as a rule. We avoid the sadistic."

Frank Morris, asst. dir. of NAB's TV Code affairs office in Hollywood, echoed the remarks of the others about producer cooperation. He attributed the improvement to the fact that "we have done a lot of education. Producers appear much more receptive to our comments, and more knowledgeable." Morris thought that the FCC hearing in Los Angeles had brought home to producers "what we have been telling them," with the result that there is a "greater awareness, increased cooperation and enlightened self-interest." Added he: "It takes time, but we're heading in the right direction. The public clamor has been all to the good. It would be educational if the public could see how much care & restraint is exercised by producers."

Virtually all those we checked said the problem had been aggravated by the late production start last summer, resulting from the prolonged writer strike. Because they'd been behind schedule, many producers bought scripts on a panic basis, and these early buys reflected more violence than would normally be allowed.

More about

AFTRA-SAG'S THREATENED STRIKE: The situation obviously can't continue indefinitely, and industry sources privately expect AFTRA and SAG to make their big play early this week, possibly Nov. 22. Chances are slim that the unions will decide against a nation-wide, network-level strike. Working closely with the ANA and 4A, the networks made a Nov. 16 offer to the talent unions which the labor groups feel is far short of what they want. This, in essence, was the network package:

1. A slight increase in talent fees for the first-run use of network live or film commercials ($95 minimum, up from $93), but lower than present rates for subsequent runs.

2. A flat "no" to AFTRA-SAG's proposals for a down-the-line "unit" system of talent payment for commercials used in national spot-TV campaigns. Instead, the networks (acting on behalf of clients & agencies, and in the act only because of spot commercials carried on network o&o's) offered to raise the rates in N.Y., Chicago and Los Angeles.

3. A flat "no" to a 10% talent-fee increase for live or taped network shows.

4. A concession to AFTRA-SAG to raise radio sportscaster rates on a limited number of championship sports events.

As far as the unions are concerned, the package was strictly "no sale."

In the meantime, AFTRA and SAG have been building up their strike arsenal. AFTRA expects to have a final green light for a strike from the national boards of AFTRA's Eastern, Central and Western regions before Nov. 22. SAG expects a similar green light from its membership by the same date, and was scheduled to hold a Hollywood meeting Nov. 21. (SAG, incidentally, is said to be "deeply disappointed" by the network offer.) NABET (which represents the engineers & technicians at NBC) was watching the strike situation closely, and continued to indicate strongly that it might honor AFTRA-SAG picket lines.

* * *

Unanimous authorization to strike the networks, independent TV stations, ad agencies and producers was voted last week by the Hollywood membership of AFTRA. By its action, Hollywood thus joined AFTRA branches in N.Y. & Chicago. AFTRA's coast exec. secy. Claude McCue told members that the union and employers are in disagreement on at least 50 major contractual items.

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Dual role in live TV will be tackled—via video tape—by the Jan. 18 *Du Pont Show of the Month* with a 90-min. adaptation of "The Prisoner of Zenda." The story, involving the twin-brother resemblance of the King of Ruritania and a visiting British Officer, has long been a movie natural because of film's production flexibility (3 Hollywood productions have starred, variously, Ramon Novarro, Ronald Colman, and Stewart Granger). Now, with Alex Segal directing & David Susskind producing from a script by Sumner Locke Elliott, the story will provide a brisk workout for CBS's tape editors. Christopher Plummer is in the dual starring role. One "Zenda" version, incidentally (the Colman 1937 cinema), is currently in TV circulation as a featured item in NTA's newest movie package.

"The Iceman Cometh," despite WNTA-TV's fears about the play's salty language, brought in no more than 3 negative phone calls from its N.Y. viewers. And, just to prove that you can't win, WNTA-TV—which had scheduled the taped *Play of the Week* from 10:30 p.m. to 12:30 a.m. to preclude moppet viewers—got 68 phone calls from viewers protesting the late starting hour. Arbitron reported that 300,000 homes were tuned in to the Nov. 14 premiere, and at its peak, 500,000 homes were tuned in to this first of two 120-min. installments. Raved non-raving critic Jack Gould of the *N.Y. Times*: "To television has come a moment of enrichment & excitement unequaled in the medium's 13 years: the production of Eugene O'Neill's stark & searing tragedy."

Chief effect of TV debates was to increase "the instability of the electorate," charged political analyst Samuel Lubell at a Nov. 16 RTES newsmaker luncheon in N.Y. Unable to cope with the complex issues discussed, people judged "the candidates' personalities rather than their arguments," he stated, adding that govt. spending & medical care for the aged were the only concrete issues sharpened by the debates. Lubell also attacked those political polls and election-night computers that make the "false claim" of mathematical & scientific precision. "They can't deliver that precision and should make clear their limitations. We do no service to the people by trying to predict an election," he concluded.

Iron Curtain showings are in the works for Red Skelton's Sept. 27 one-man pantomime show saluting the U.N. Skelton and CBS-TV have given permission to the U.S. Information Agency to send kinescopes through U.S. embassies to TV outlets in Russia, Hungary, Poland, Bulgaria and Czechoslovakia as an example of "outstanding American entertainment with international appeal."

Rare interview with Chou En-lai, a 27-min. filmed session between the Red China premier & correspondent Felix Greene, will be televised in this country via affiliated stations of National Educational Television, which has purchased U.S. TV rights to the film. The interview will be the basis of a 90-min. special slated for Nov. 22 by educational KNME-TV Albuquerque.

Congress

Hot election contest between Rep. Moulder (D-Mo.), original chmn. of the House Commerce Legislative Oversight Subcommittee, and Republican Robert A. Bartel, a Baptist minister (Vol. 16:46 p5), was unofficially won by Moulder. Absentee ballots totted up in the last of 17 counties in Moulder's 11th Mo. district gave him a 408-vote margin over Bartel Nov. 15, following a week in which the count teetered back & forth. Before the tally of absentee votes started, Moulder trailed Bartel by 164. However, the question of who won wasn't yet settled finally & officially. Many of the ballots were challenged by both Democrats & Republicans, at least one Republican election judge was replaced, and the FBI was reported investigating charges of irregularities in the district. Meanwhile the 2nd ranking Democrat on the House Commerce Committee—Rep. Williams (Miss.)—was threatened with trouble from his own party. An outspoken segregationist, Williams won reelection without trouble. But he also campaigned against election of Sen. Kennedy & the Democratic platform. As a result, House leaders may try to purge him from his influential committee post.

Networks

More about

DALY'S EXIT: In a no-turning-back letter to AB-PT Pres. Leonard H. Goldenson last week, ABC-TV vp John Daly stated he had differed with the network on methods of handling Presidential campaigns, election reports and the Bell & Howell series (see p. 3). He asked to be released from all administrative news duties (but said he'd continue as network newscaster until a separate talent contract expired).

ABC's answer is that no control has been abdicated, and that the network retains "complete creative & editorial control over production" of the B&H series, despite the Time Inc. partnership. The idea for the first co-production show in the series ("Yanki, No!" scheduled for Dec. 7, 10-11 p.m.) was "entirely ABC's," was in fact "suggested" by Goldenson, and was an "assignment under complete ABC supervision" to Time Inc. staff producer Robert Drew. Control of the project, ABC maintains, was exercised in script, shooting and editing stages, with Goldenson acting as sort of a super executive producer.

This wasn't good enough for Daly, apparently. Asked last week for details of his role in the Time Inc. project, Daly intimated that the first real chance he, as news vp, had had to review the project came "when it arrived as a completed can of film." Earlier this year, Daly had voted against the Shulton-sponsored 60-min. "Race for Space" documentary produced by David Wolper on the grounds that the film, however entertaining & informative, was not an ABC production. No network carried the show; it was eventually placed locally.

Public affairs has been an expensive venture for ABC, even though the total amount of such programming has been less than either NBC or CBS has put on in the past year. Most long ABC documentaries (such as "The Dark & the Light") have been given to stations on a co-op basis for lack of national sponsorship. ABC was only partially-sponsored on conventions & elections, (despite the fact that by Election night NBC and CBS were both sold out). And after months of sales effort, ABC-TV has yet to hang out the S.R.O. sign for its Winston Churchill series.

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Single Canadian Net Applicant: Canada's competition for a privately operated commercial TV network apparently narrowed down to a single applicant last week—Toronto film distributor S. W. (Spence) Caldwell. The Board of Broadcast Governors said applications had been obtained by 4 groups, but Caldwell's was the only one completed as the deadline passed. Caldwell's proposals will be heard by BBG in Ottawa Nov. 29.

Caldwell proposed a coast-to-coast network tying in the newly authorized private stations in 8 Canadian cities. Details of his plan were not available at press time. He previously had stated that his network would be an interconnected one, as opposed to the film-tape net proposed by a cooperative station-owned group (Vol. 16:37 p8), which apparently has now dropped out of the running.

BBG also announced a revised definition of a TV network affiliation agreement as "an agreement between any person and a station that includes a provision for reserved time"—deleting previous reference to number of hours covered. BBG said that public hearings will be required for all proposed network operations, except occasional station hook-ups (special events, etc.).

HARD WORDS FROM NBC TO ABC: A surprise item on the menu of the luncheon climaxing NBC's 1960 N.Y. meeting of its TV-radio affiliates Nov. 16-17 was the hide of one of the network's chief rivals—ABC-TV. And, as station executives applauded loudly, NBC Chmn. Robert W. Sarnoff served them with slices of ABC's network philosophy that were NBC-roasted anywhere from medium-rare to well-done.

Networks, said Sarnoff, should provide broad-appeal shows, a top-notch news & public-affairs service, and "keep moving ahead" in TV technical developments such as color. NBC and CBS "pursue these objectives," he said. Then, he turned up the broiler under ABC.

"The 3rd network has a different philosophy & a different set of objectives, and has been successful within its own terms," Sarnoff stated. "But this success, and its claim to leadership, has to be judged within the narrow limits of its terms & objectives. The true responsibility of a network is not met by concentrating on a few popular categories of programming to attract the largest audience per program. Nor is it fulfilled by spotty efforts at an occasional documentary or news special. This is not only incomplete broadcasting . . . it is also an inadequate base for the broad range of advertising needs."

Admitting that "we at NBC naturally want massive audiences for entertainment programs," Sarnoff sharply attacked ABC for playing "the numbers game" with rating results (see p. 3). "We would not be content to rest our whole position on mid-evening ratings, because NBC is a round-the-clock network, not a 7:30-10:30 p.m. network; a truly national service, not a 24-market Nielsen multi-network operation. We want to sell out our schedule, but not on the basis of depressing station rates."

How ABC Reacted

Sarnoff also got in some licks for NBC in the network-vs.-network clearance rivalry that often springs up between ABC and NBC in 2-station markets. NBC, he indicated, was the safest choice in the long run. "There are penalties for a network that sets its sights on the short range & the narrow service. One of them is to remain 3rd among the networks in total weekly viewing—the measurement that reflects the audience for a network's total service."

ABC's reaction to Sarnoff's sarcasm was, officially, "no comment." However, ABC officials requested a copy of the Sarnoff speech, called a meeting of top executives (Goldenson, Treyz, *et al.*) to discuss it, and decided that—as far as ABC was concerned—it indicated heavy NBC concern with ABC's competitive strength, and to forget it.

In other sessions, NBC-TV had much good news for affiliates. A color slide-film presentation, "Story of a Network," advised stations that "since July 1, $33 million in new & renewal daytime business has been signed," that 17 new shows are now "in development for the 1961-62 season" (although none was named), that NBC has "78% more" color programming than last year, and that the average lineup ordered has jumped "from 153 to 177 stations." Exec. vp Walter Scott added NBC-TV now leads in "total weekly sponsored hours" in Oct.-Nov. reports.

On the radio side, in contrast to last year's affiliate meeting in which Chmn. Sarnoff was obliged to quiet rumors by stating that NBC had no intention of deserting radio, William K. McDaniel, radio network vp, told the 188 affiliates that NBC radio now has "close to half of all the commercial time booked on network radio" and "over half" of the ad revenue.

Network Television Billings

September 1960 and January-September 1960
For Aug. report, see TELEVISION DIGEST, Vol. 16:43 p13

Jan.-Sept. Up 9.6%: Network TV's gross time billings in 1960's first 3 quarters closed out 9.3% ahead of a year ago. Despite slight sags by both NBC & CBS, the year-to-date gain was aided by a 6.2% increase in September over September-1959 business. TvB reports that billings in 1960's first 9 months rose to $494.4 million from $451.3 million in Jan.-Sept. 1959. September billings increased to $51.5 million from $48.4 million in the year-ago month.

CBS continued to run ahead of the other networks in dollar volume, both in September ($21.1 million) & year-to-date ($204.4 million). ABC continued to register the largest percentage gains: 36.1% for Sept. 1960 over Sept. 1959, 29.9% for Jan.-Sept. 1960 over Jan.-Sept. 1959.

The 9-month nighttime billings of the 3 networks increased 14.3% to $346,759,960 from $303,462,753 in Jan.-Sept. 1959. Daytime billings slipped 0.1% to $147,636,680 from $147,820,975. In September vs. September 1959, nighttime billings gained 6.9% to $35,348,928 from $33,062,192; daytime increased 4.7% to $16,108,436 from $15,384,651.

NETWORK TELEVISION

	Sept. 1960	Sept. 1959	% change	Jan.-Sept. 1960	Jan.-Sept. 1959	% change
ABC	$11,875,080	$ 8,724,938	+36.1	$112,721,410	$ 86,744,444	+29.9
CBS	21,114,008	21,196,220	— 0.4	204,356,596	195,350,810	+ 4.6
NBC	18,468.276	18,525,685	— 0.3	177,318,634	169,188,474	+ 4.8
Total	$51,457,364	$48,446,843	+ 6.2	$494,396,640	$451,283,728	+ 9.6

1960 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	$13,260,010	$23,477,358	$20,980,897	$57,718,265
February	12,677,110	22,977,171	19,923,712	55,577,993
March	13,487,460	24,043.799	21,072,164	58,603,423
April	12,701,240	22,580,032	20,642,038	55,923,310
May	12,876,050	23,209,917	19,414,264	55,500,231
June	11,948,700	22,062,832	18,959,323	52,970,855
July	12,529,660	23,442,997	19,805,457	55,778,114
August	11,366,100	21,448,482	18,052,503	50,867,085
September	11,875,080	21,114,008	18,568,276	51,457,364

Note: Figures revised as of Nov. 10, 1960. These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on the basis of one-time rates or before frequency or cash discounts.

NETWORK SALES ACTIVITY

ABC-TV

Daytime Programming, Mon.-Fri., part. eff. Jan.
Beltone Hearing Aid (Olian & Bronner)
Lehn & Fink Products (Geyer, Morey, Madden & Ballard)
General Nutrition (Fairfax)

CBS-TV

Sun. Sports Spectacular, Sun. 2:30-4 p.m., part. eff. Jan. 8.
Bristol-Myers (DCS&S)

Father Knows Best, Tues. 8-8:30 p.m., part. eff. Jan. 31.
Kayser-Roth (Daniel & Charles)

NBC-TV

The Bobby Darin Show, Tues. Jan. 31, 9-10 p.m., one-time special, full sponsorship.
Revlon (Grey)

Happy Talk, Tues. Dec. 6, 10-11 p.m., one-time special.
Lever Bros. (SSC&B)
Lanvin (North)

Auxiliary Services

PEACE HOPES FOR STATIONS & CATV: An end to the feuding between small-market stations and CATV may be in sight. FCC Chmn. Ford indicated as much in a speech before NAB's fall conference in Washington last week when he said: "The problem may be solved already." What he was referring to was the recent "washing out" of CATV-station disputes over microwave grants.

Hearings had been scheduled on station protests in several cases, but the following have been cleared up by agreements among disputants: Laredo, Tex.; Tallahassee, Fla.; Yuma, Ariz.; Butte, Mont.; Helena, Mont.; Vero Beach, Fla. Still pending are prospective hearings involving Thermopolis, Wyo.; Tyler, Tex. and Athol, Mass. There's a good chance most of these will be cleared up, too.

Agreements have been reached via several routes. In some cases, CATVs bought out or merged with stations. In some, CATVs agreed not to duplicate programs carried locally. In others, "gentlemen's agreements" have been reached between parties to accommodate each other.

Ford told NAB's meeting he sees no reason to ask for authority to license all CATVs just to get at a few trouble areas. The Commission does need legislation, however, he said, to handle isolated problem situations. He said he'll spell out his ideas "in a few weeks."

NCTA is pleased, naturally, to see CATV-station agreements—for these are the industry's best assurances that the heat will be off for restrictive legislation.

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British Telemeter offshoot has been formed, with Paramount Pictures—parent firm of International Telemeter—retaining a "minority" interest. British Telemeter Home Viewing Ltd.'s authorized capitalization is about $2,750,000, of which more than 10% has been taken up by British interests. Subscribers (who may pick up the balance of their subscription when required) include: British Lion Films, the *Financial Times*, Granada Group Ltd. (also a program contractor for British commercial TV), *The Manchester Guardian*, Schlesinger Investments Ltd., and N. M. Rochschild & Sons. R. A. Allan, Member of Parliament & an executive of the *Financial Times* group, has been named temporary chmn. No target date for a test operation in Britain was announced by Telemeter, which is currently testing its system in Toronto (Vol. 16:45 p2).

A vhf booster in a town served by a uhf translator was authorized by FCC last week—but the Commission warned that the grant was temporary because its policy is to prohibit vhf units in areas served by uhf translators. Claremont TV Inc., Claremont, N.H., was given permission to continue operating a repeater which rebroadcasts WMUR-TV (Ch. 9) Manchester. WWLP Springfield, Mass. operates uhf W74AC in Claremont; FCC turned down WWLP's petition to designate the vhf application for hearing.

Educational Television

Continuance of ETV in Hagerstown, Md. by tax-financing has been urged by the Washington County Board of Education in a letter to the county commissioners. The commissioners are polling teachers & parents on whether they want the closed-circuit system retained (Vol. 16:46 p14). The school board said abandonment of the system wouldn't save money after Ford Foundation grants run out. More teachers would have to be hired, the board argued.

Advertising

SHELL'S FAREWELL TO 15%: Many an ad agency (and many a client, too) has long wanted to abandon the time-honored 15% media commission system of agency payment in favor of a straight fee basis. At the annual meeting of the Assn. of National Advertisers in Hot Springs, Va. last week, Ogilvy, Benson & Mather agency and Shell Oil Co. publicly took the plunge.

In future, OBM will function as Shell's ad agency for a fee covering Shell's ad costs plus a 25% profit factor. Shell ad mgr. Cyril Martineau and OBM Pres. David Ogilvy, who had cannily picked for their announcement a moment when most of the nation's top admen were under one hotel roof, quickly became the sensation of the ANA meeting. Agencies have worked for clients on a fee basis before (several agencies provide PR service for clients in this way), but the Shell-OBM deal is the first big ($11 million annually) no-commission deal on a general consumer account.

Why the switch from the traditional 15% system? Explained Martineau: "We had come to regard it as downright unethical. We think it unfair & unrealistic to expect any agency to be absolutely impartial when its vested interest lies wholly in the direction of increasing the client's commissionable advertising." Stated Ogilvy: "I am not afraid of a price war. A period of competitive pricing would strengthen the good agencies and put the poor ones out of business." (Agency reaction to the move meanwhile was summed up as "cautious.")

In other ANA sessions: Phillip H. Cohen, TV-radio dir. of SSC&B, told admen concerned about the rising costs of TV commercials (see story on AFTRA-SAG dispute, p. 6) that pre-planning was the secret to cost-saving, and that 7-to-8 weeks for straight film & 9-to-10 weeks for animated commercials prior to shooting was a good rule of thumb. Edward G. Herbie, ad vp of Heublein Inc., and Fuller & Smith & Ross Pres. Robert E. Allen described in detail the workings of the joint ANA-4A committee for improved advertising content. P. W. Allport was named ANA pres. to succeed the late Paul B. West, and Westinghouse Electric Corp. ad dir. Roger H. Bolin and U.S. Steel ad dir. John Veckly were named chmn. and vice-chmn.

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Add FTC speculation: Paul Rand Dixon, who heads the 39-member staff of the Senate Judiciary Anti-Trust & Monopoly Subcommittee, may be in line for appointment as FTC chmn. in the Kennedy administration. His name as a successor to Republican Chmn. Earl W. Kintner (Vol. 16:46 p1) is being mentioned in speculation in FTC offices and on Capitol Hill. Dixon himself says he'd be "complimented" to get the job. He worked as an FTC attorney for years before going on the Hill, where he took over as chief counsel & staff dir. of the Subcommittee headed by Sen. Kefauver (D-Tenn.). The Subcommittee won top headlines this year with investigations of prices charged for drugs by leading pharmaceutical firms. Staffers have confirmed that they're now looking into reports that fight promoters give payola to newspaper sports writers (Vol. 16:46 p12).

Ad People: Denny Sargent, ex-Young & Rubicam, named McCann-Erickson vp . . . Andrew F. H. Armstrong, ex-Leo Burnett, named Compton vp-creative dir.; Marion Forster, Rupert Witalis, James Sage also named Compton vps. . . G. Alden Donham named a Cunningham & Walsh vp.

TvB's Dept. Store Success: TV can get big results for department stores. TvB members, gathered for their 6th annual meeting at N.Y.'s Waldorf-Astoria, heard evidence of that last week from Dwight Shirey, pres. of Patterson Fletcher. The Ft. Wayne, Ind., specialty store had rolled up an impressive success story of retailer use of TV advertising, in cooperation with TvB and WANE-TV, the city's Corinthian Bcstg. Co. TV station.

Shirey praised TV's flexibility which allows advertisers "to key items to a select audience on the basis of the time of day." He urged a lower local rate for retailers "if television is to become a part of many stores' ad budgets."

Shirey stated that the project had been planned by weekly meetings of station executives and the store's merchandising display staffs. Operated as a "saturation" campaign of 60-sec. announcements and some IDs, plus a Tue.-night local newscast, the campaign proved a resounding success, Shirey reported, in terms of "successful item promotions, improved store promotional planning, prestige."

Some typical results: $5,003 sales vol. on summer suits this June vs. last June's $2,937 for a 70% sales increase. TV was the only added promotion. "Box Sale" on men's apparel—22% ahead of that dept.'s sales last year. Ten-day pre-Easter campaign for Lee hats—112% sales increase over last year.

* * *

Advertising's real sin is its failure to "spark discontent enough to lead people to action," said TvB Pres. Norman E. Cash and vp George G. Huntington in a new Cellomatic presentation, "The Progress of Discontent." Main theme of the presentation: The advertiser has a "responsibility" to spread the spark of discontent which leads others to see "a better way through finer things for a fuller way of life." Cash and Huntington asserted that "waste-maker" critics of the Vance Packard school misunderstand the real issue when they charge that advertising "forces people to buy things." In fact, they said, consumers should "criticize advertising for not sparking our discontent with outmoded, inefficient, obsolete products."

* * *

Editorializing by a TV station is "good business as well as needed public service," claimed Terry H. Lee, vp & managing dir. of WAGA-TV Atlanta, in another TvB session. The station, which has been editorializing since last May, follows a 15-point series of rules which include legal clearance prior to broadcast, equal opportunity for expression of opposing views, and no political-candidate editorials, Lee stated.

* * *

A cooperative station-agency program to resolve several spot-TV billing problems was urged by Thomas A. Wright Jr., Leo Burnett media vp. Wright noted 4 major problem areas: "(1) Long-delayed billings, (2) negotiating credit refunds or make-goods, (3) correcting invoices improperly prepared and (4) properly identifying billing by brand." His 3 proposals for solution: (1) Communication between the proper parties, (2) agency notification of a schedule discrepancy within 24 hours with a definite offer by the station, (3) agency identification of individual brands rather than parent-company titles.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WFBG-TV Altoona, Pa. ..	$900 to $1000	$200 to $220	Nov. 1
WJRT Flint, Mich.	800 to 950	150 to 200	Nov. 1
WALA-TV Mobile, Ala. ..	500 (no change)	110 to 120	Oct. 1
KSWO-TV Lawton, Okla.	280 to 350	80 to 90	Nov. 1

Don Durgin's Crystal Ball: There'll be no widespread adoption by U.S. networks of the British-style magazine-concept divorcement of advertisers from program control. Public TV tastes won't change radically during the next decade. Widespread pay TV won't really alter viewing habits because it lacks "an obligation of public service that transcends the responsibility of the box office." These were among the personal predictions voiced by NBC-TV sales vp Don Durgin in a crystal-gazing address before the opening RTES time buying & selling seminar in N.Y. Nov. 15. Other Durgincasts of network things to come in the 1960's:

Programs: There'll be "fewer formula shows, more informational programs" although the formula shows will remain "the dominant form" because of audience acceptance and the demanding deadlines of TV programming. Shows classified as specials will be "more & more special," with heavy emphasis on "the idea rather than the stars or production budgets."

Scheduling: The immediate trend will be toward more 60-min., fewer 30-min., as standard fare because creative people like the longer format and networks find it useful to "get a head-start on entrenched competition." Also, advertisers will continue their trend of buying segments of 60-min. shows because they prefer "to buy from a network as a 3rd party." There'll also be more radio-style scheduling of "comedy blocks or mystery blocks or variety blocks" of TV network shows, because research indicates that programs in such blocks help each other's rating levels.

Sales patterns: Standard TV deals (thirds, half-hours) will continue as the basic sales pattern, although in specials "there may be some unusual lengths to the programs." There won't be a return to 90-min. network shows ("too costly to mount") and there's no trend developing toward 45-min. shows. Rate cards are likely to be simplified until networks work mainly with "simplified rate cards showing minute costs with a graduated sale . . . like the 260-time spot rate cards." Product protection for advertisers "will become narrower & narrower," and will "very soon become 10-min. protection," under the pressure of advertisers using multi-sponsored 60-min. shows.

Research: Audience measurement "will score a breakthrough in the '60s" to provide admen with much more qualitative data on TV audiences, more special marketing studies, research on 2-set & 3-set homes, better audience-composition data because "we have too few answers today to too many questions."

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TV tops newspapers in fair & impartial political coverage, most viewers & readers agreed in a 1,700-sample poll conducted in April by 2 Ohio State U. Ph. D. candidates. Robert P. Lacy & John H. Pennybacker reported that 71% of men & 74% of women questioned in the survey said TV's news handling of the campaign could be trusted as objective. Only 27% of the men & 38% of the women gave a similar vote of confidence to newspapers in Ohio's bigger cities. Other findings reported by Lacy & Pennybacker as representing majority opinion of TV viewers: (1) They'd be unwilling to shell out even $5-to-$10 annually for pay-TV programs. (2) They think at least some TV commercials are rigged visually—and that slick magazines go in for advertising fakery, too. (3) They don't object to advertising on TV, but are annoyed by multiple commercials which interrupt shows, particularly when the commercials are hard-sell types. (4) They'd be more influenced by TV editorials than print editorials, but don't think broadcasters should express opinions on public issues on the air.

6% AD GAIN PREDICTED FOR 1960: The national ad volume will climb to a high of $11,755,000,000 in 1960 —6% above 1959's record $11,090,000,000, forecasts Nov. 19 *Printers' Ink*. The prediction, based on first-half ad activity, is a come-down from the $11.9-billion previously forecast by *PI*, which explained: "Activity in the 2nd quarter did not keep pace with the record volume in the early months of 1960."

TV (national & spot) leads all major media in anticipated dollar volume. Its projected 1960 ad volume of $1.320 billion is 7% ahead of the $1.228 billion posted in 1959. Radio (network & spot) is expected to better its 1959 performance by 1%—to $255 million from $251.3 million. The estimate of 1960 ad volume (based on 6-month data):

	Expected 1960 Total Ad Volume ($ millions)	1959 Final Estimate ($ millions)	% Change 1960 vs. 1959
NEWSPAPERS (national)	$ 860.0	$ 826.2	+ 4%
MAGAZINES	935.0	866.2	+ 8
TELEVISION (network and spot)	1,320.0	1,228.1	+ 7
RADIO (network and spot)	255.0	251.3	+ 1
BUSINESS PAPERS	610.0	569.3	+ 7
OUTDOOR (national)	140.0	130.4	+ 7
OTHER INVESTMENTS BY NATIONAL ADVERTISERS	2,980.0	2,842.0	+ 5
EST. TOTAL INVESTMENTS BY NATIONAL ADVERTISERS	7,100.0	6,713.5	+ 6
EST. TOTAL INVESTMENTS BY LOCAL ADVERTISERS	4,655.0	4,403.8	+ 6
GRAND TOTAL	$11,755.0	$11,117.3	+ 6

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Nielsen's first European TV audience measurements will be in Germany. With its British partner, Attwood Group of London (with which Nielsen is affiliated in a rating company called TAM), Nielsen has signed a joint deal with Munich's Infratest Co., an independent research firm. They will establish a Nielsen-type measurement of German TV in early 1961 through a new joint concern, Infratam GmbH. As with many U.S.-European financial deals, it's nicely complicated; two-thirds of Infratest will be held by Attwood and Nielsen who will invest in a new continental holding concern, Eurobar NV, now being formed in Holland. Chief reason for the expansion, Nielsen officials told us in N.Y., is "the early likelihood of additional commercial TV channels in Germany, and the growing interest of European advertisers in U.S.-style audience research."

Film on clichés in TV commercials has turned out to be the liveliest hit in the program of NAB's fall conferences (see pp. 4 & 11). Shown by the Code staff as a feature of second-day TV sessions, the 17-min. film was produced for the entertainment & instruction of advertising agencies by MPO Productions Inc., N.Y. It runs the gamut of exaggerated TV demonstrations for products, ranging from beer & headache remedies to hair-wave preparations & soap. Title: "The Cliché Family in TV Land."

Charlie Chan operates again in a new Lennen & Newell TV commercial series for Cluett, Peabody. The deal represents the first use of the Earl Derr Biggers character in non-story form. Roland Winters, who portrayed Chan in feature films, plays the Oriental detective in the first 60-sec. film spot, "The Case of the Golden Arrow Shirt," used Nov. 14 on *Surfside Six* (ABC-TV, 8:30-9:30 p.m.).

Hertz will spend $7.5 million on its 1961 national ad campaign with approximately $2 million going to "an expanded 52-week, regional TV spot campaign in key markets." Hertz System Pres. Walter L. Jacobs said last week that the new budget represents an all-time high in the car-rental industry, a 3,000% increase for Hertz since 1947.

Stations

McCOLLOUGH URGES 'OFFENSIVE': Political performances by TV & radio in the 1960 election campaign have brought broadcasters to "the threshhold of freedom" from equal-time restrictions under the Communications Act's Sec. 315, NAB Policy Committee Chmn. Clair R. McCollough said last week.

"We are now in a position to take the offensive rather than—as has been the frustrating experience so frequently in the past—being on the defensive," he told the 6th of NAB's 8 fall conferences in Washington—where FCC Chmn. Ford was another headlined speaker (see p. 4).

McCollough said that the behavior by broadcasters following suspension of equal-time rules for Presidential tickets had earned TV & radio the "right to pursue the idea of eliminating all of the restrictions contained in the remaining language of Sec. 315."

Referring obliquely to what he termed harassments of stations by the Senate Commerce Freedom of Communications Subcommittee, headed by Sen. Yarborough (D-Tex.) (Vol. 16:45 p3), McCollough acknowledged that "all of the returns are not yet in." But he said he'd heard of no "widely noted incidents of bias or prejudice."

His call to broadcasters to take the offensive in their campaigns for freedom on the air was echoed by NAB Industry Affairs vp Howard H. Bell in a "Broadcasters & Politics" session of the Washington conference. Bell said the industry may have to fight in the 87th Congress to defend its right to editorialize.

Chicago & New York To Go

Merrill Lindsay (radio WSOY Decatur, Ill.) represents the 3-man NAB Policy Committee as the first-day luncheon keynoter at the 7th fall conference Nov. 21-22 in Chicago's Edgewater Beach Hotel. McCollough will be featured again at the windup N.Y. conference Nov. 28-29.

Meanwhile, majority counsel Creekmore Fath of the Senate's equal-time "watchdog" subcommittee flew to Texas for post-election conferences last week with Chmn. Yarborough on what to do with hundreds of reports from stations on Sec. 315 complaints piled up in his office.

"We have some incidents that I am recommending to the subcommittee for further study," Fath told us from Austin, but he said no decision had been reached at the end of the week on whether public hearings should be held in Washington before the "watchdog" unit files its Jan. report.

Fath carried some station-report files with him to Austin for his conferences with Yarborough, but said many more had accumulated in Washington in his absence, and that he'd be busy there this week wading through them.

One thing he wanted to find out, Fath said, was whether Market Maker Stations, operated by the North Dakota Bcstg. Co., had responded adequately to his demands for scripts & full reports on a pre-election documentary & interview show. At one point in telegraphic exchanges with Pres. John W. Boler of the station group (KXJB-TV Valley City, KBMB-TV Bismarck, KXAB-TV Aberdeen, KXGO-TV Fargo, KXMC-TV Minot), Fath had threatened to slap a subpoena on Boler for the records.

Jack Harris, KPRC-TV Houston vp & gen. mgr., was unanimously re-elected chmn. of the NBC-TV affiliates board of delegates. Also re-elected were vice-chmn. Edwin K. Wheeler, gen. mgr. of WWJ-TV Detroit, and Robert Ferguson, exec. vp of WTRF Wheeling, W. Va. Louis Read, vp and gen. mgr. of WDSU-TV New Orleans, was re-elected secy.-treas.

NEW & UPCOMING STATIONS: A unique border situation turns up this week in reports on the 2 U.S. stations and single Canadian outlet going on the air. The Winnipeg, Man. area which has been getting service from CBC's CBWT (Ch. 3) and French-language CBWFT (Ch. 6) now has 2 more outlets—CJAY-TV (Ch. 7), which began Nov. 12, and KCND-TV (Ch. 12) Pembina, N.D. which began its regular ABC-TV program schedule Nov. 15 after being on temporarily Nov. 8 to carry election returns.

KCND-TV is in NE corner of the state, about 40 mi. S of Winnipeg and maintains an office in the Dayton Bldg., Winnipeg. It picks up network from KNOX-TV (Ch. 10) Grand Forks, N.D.

Other U.S. starter is KVOG-TV (Ch. 9) Ogden-Salt Lake City, Utah, which will begin as independent Nov. 23.

The U.S. operating total will thus change to 578 (91 uhf) outlets. The Canadian on-air total is now 76 stations.

KCND-TV has a 2-kw RCA transmitter and a 1350-ft. stainless tower with traveling wave antenna 7 mi. W of city. Owners (each with 25% stock interest) are Community Radio Corp. (which controls KNOX-TV & KNOX Grand Forks), Harry Rice (pres. of Community Radio), Robert Lukkason (secy.-treas. of Community), Arthur Tweet (chmn. of Community). Lukkason also is gen. & sales mgr. of KCND-TV; Charles K. Bundlie, ex-KNOX-TV, operations dir.; Gene Higdem, ex-KNOX-TV, production dir.; Clifford Thomforde, technical dir. Base hour is $400. Reps are Meeker, Wayne-Evans (Minn.), Pembina TV Sales (Winnipeg, Man.), Representatives Ltd. (Canada except Winnipeg).

KVOG-TV has a 5-kw Gates transmitter and 400-ft. Utility tower with a 6-bay RCA antenna at Little Mt. site. Principal owners are United Bcstg. Co. with 53.29% and Granite District Radio Bcstg. Co., 33.3%. United Bcstg. is licensee of radio KVOG. Granite District operates KTLE (Ch. 6) Pocatello, Ida. and radios KNAK Salt Lake City & KBLI Blackfoot, Ida. Arch G. Webb, who votes United Bcstg. stock, is pres. & gen. mgr.; David B. Affleck, ex-KVOG, sales mgr. & program dir.; Dennis O. Nielsen, also KVOG, chief engineer. Base hour: $325. Rep: Grant Webb.

CJAY-TV has a 25-kw RCA transmitter and 1000-ft. Dominion Bridge tower on Hwy. 76, 16 mi. S of city. Studios are at Polo Park Shopping Center, Winnipeg. Officers & stockholders are Ralph S. Misener, pres.; Lloyd E. Moffat, owner of Winnipeg radio CKY, vp; T. O. Peterson, ex-owner of radio CFOB Fort Frances, Ont., treas.; Campbell Haig, secy. In addition to the officers, Roland G. Couture, from radio CKSB St. Boniface, Man. and W. E. Kroeker, from radio CFAM Altona, Man. are on the board of directors. Jack M. Davidson, ex-CKY, is gen. mgr.; Jerry Johnson, ex-CKBI-TV Prince Albert, gen. sales mgr.; Stewart MacPherson, ex-Winnipeg Enterprises (sports), program dir.; Barry G. Nichols, ex-CHCH-TV Hamilton, public-service dir.; A. G. Cobb, ex-CKWS-TV Kingston, technical operations dir. Base hour is $500. Reps are Weed and Stovin-Byles Ltd.

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In our continuing survey of upcoming stations, these are the latest reports received from principals:

WIPM-TV (Ch. 3) Mayaguez, P.R. has changed target to January for operation as a P.R. Dept. of Education noncommercial outlet, a companion to its WIPR-TV (Ch. 6, educational) San Juan. An RCA 6-kw transmitter has been installed, but the antenna won't be installed on the 202-ft. Ideco tower until December.

Portsmouth, Va. (Ch. 27) grantee Christian Bcstg. Network, planning a non-commercial operation, hopes to be on the air "in another couple of months," writes M. G. Robertson, pres. It is requesting WTFC-TV call letters. It also is buying the plant of off-air WTOV-TV (Ch. 27) at 1318 Spratley St., which has RCA equipment.

KFOY-TV (Ch. 9) Hot Springs, Ark. has a 500-watt Gates transmitter on hand and has installed a 6-bay RCA antenna on a 310-ft. Truscon tower, says acting mgr. John Whitt, who is also sales mgr. of KFSA-TV Fort Smith, Ark. The studio-transmitter building is nearly ready, but a programming target hasn't been reported. The owner is newspaper publisher Donald W. Reynolds, who also operates KFSA-TV & KFSA Fort Smith, KLRJ-TV & KORK Las Vegas, KOLO-TV & KOLO Reno and KGNS-TV Laredo, Tex. Network affiliation hasn't been signed and base hourly rate hasn't been set. Rep will be Headley-Reed.

Poplar Bluff, Mo. (Ch. 15), granted to Turner-Farrar Assn., has equipment on hand, but hasn't set a target, reports O. L. Turner, mgr. of WSIL-TV Harrisburg, Ill., which is also owned by Turner-Farrar. (Editor's note: Equipment on hand is probably RCA uhf gear left over when WSIL-TV switched from Ch. 22 to Ch. 3 in March 1959.) It will use a 500-ft. tower. Rep will be Meeker.

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CJCH-TV (Ch. 5) Halifax, N.S. has a 5-kw Canadian GE transmitter scheduled for shipment Nov. 21 and is retaining Jan. 1 as target date for programming, according to A. D. Grayston, promotion mgr. for radio CJCH. The roof is on both transmitter house & studio building, but work on the 600-ft. Wind Turbine tower hasn't started as yet. A small tower is ready, and may be used for the GE antenna, which is due to arrive by the end of November. Don G. Hildebrand, ex-CKNX-TV Wingham, Ont., is asst. gen. mgr. and Don Bloig, ex-CBHT Halifax, supervisor of operations. Base hour will be $300. Reps will be Young, Paul Mulvihill (Montreal & Toronto), A. J. Messner (Winnipeg) and Scharf Bcst. Sales (Vancouver).

CFXU-TV (Ch. 9) Antigonish, N.S. has a 5-kw RCA transmitter scheduled for Dec. delivery and plans to start programming next spring, writes Brian O'Connell, acting secy. for licensee Atlantic TV Co. Ltd. The foundation for the transmitter house has been completed, the studio building is still in the planning stage. Anchors are being installed for a 420-ft. Microtower. Charles O'Brien, from Antigonish radio CJFX, will be mgr. No sales rep yet.

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Canadian TV applications to be considered by BBG in hearings beginning Nov. 29 include 9 for satellites (4 to repeat U.S. stations), 1 for regular outlet (Northwestern Bcstg. Co. Ltd. for Ch. 3 North Battleford, Sask.), and 4 for power boosts. Satellite applications: H. Blakeborough for Ch. 5 Keremeos, B.C. to repeat CHBC-TV Kelowna, B.C.; Horace M. Card for Ch. 4 Nakusp, B.C. to repeat KXLY-TV Spokane from Saddle Mt. transmitter; Mt. Sentinel TV Co-operative for Ch. 5 Crescent Valley area, B.C. to repeat KXLY-TV Spokane from Mount Sentinel; CHCA-TV Ltd. for Ch. 10 Banff, Alta. and Ch. 10 Coronation, Alta. to repeat CHCA-TV Red Deer; Sioux Lookout Chamber of Commerce for Ch. 9 & 7 Sioux Lookout, Ont. to repeat WDSM-TV & KDAL-TV Duluth; CBC for French-language Ch. 11 Mont Tremblant, P. Q. to repeat CBFT Montreal and also Ch. 3 Mont Laurier, P. Q. to repeat Ch. 11 Mont Tremblant. Power boost requests: CHCA-TV Red Deer for boost to 13.2 kw using directional antenna; CFPL-TV London for change to 1075-ft. antenna; CKMI-TV & CFCM-TV Quebec City for boosts to 13.85 kw & 100 kw.

Sarnoff At BPA: Streamlined political conventions, and a shortening of the pre-election campaign "by at least 6 weeks," were proposed by NBC Chmn. Robert W. Sarnoff Nov. 14 in New Orleans. Speaking to the Broadcast Promotion Assn., he noted that "it will be harder to bring together the 2 major Presidential candidates for 'The Great Debate' in 1964 than it was in 1960. One of them will be in the White House," and it's doubtful that he will be sympathetic to furnishing nationwide exposure to his challenger.

"In view of the widely recognized desirability of making 'The Great Debate' a regular feature of American political life," Sarnoff continued, "I wired the 2 candidates on Oct. 11 appealing to each for his personal assurance that if he is again a candidate in 1964 he will take part in a series of these encounters with his opponent. Whatever the reason, neither candidate replied to this request."

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Other events at the conference: TvB sales promotion & presentation dir. Edward H. Armsby forecast that advertisers will spend $22 billion in 1970, or $110 per person vs. $61 in 1960. • Increases in color-TV sales, promotion and programming were detailed by RCA color TV coordination dir. William E. Boss & Crosley Bcstg. TV vp John T. Murphy. • Hooper Pres. Frank Stisser, Nielsen vp John Churchill and ARB station-relations mgr. Roger Cooper teamed up for a panel on the use of audience surveys in broadcast promotion. • New BPA officers elected: president, John Hurlburt, WFBM-TV & WFBM Indianapolis; first vp, Don Curran, KTVI St. Louis; 2nd vp, Harvey Clarke, radio CFPL London, Ont.

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Schwartz Bros. Inc., Washington wholesale record firm which challenged FTC payola charges against it at an unusual public hearing in August (Vol. 16:34 p7), has agreed to a consent order settling the case. Charged with making concealed payments to TV & radio disc jockeys, other station employes and stations themselves, Schwartz didn't admit it had violated any law. But the company & 4 officials—Harry, James, Bertram H. and Stuart D. Schwartz—signed the order forbidding any payola to anybody as an inducement to broadcast Schwartz-distributed records. Also settled by an FTC consent order was a similar case against N.Y.'s Fame Records Inc.

Syndicate that is buying CJSS-TV (Ch. 8) and CJSS Cornwall, Ont. includes Canadian Marconi (owner of upcoming CFCF-TV Montreal), Bushnell Bcstg. (part-owner of upcoming CJOH-TV Ottawa & CHOV-TV Pembroke), Granada Television Ltd. (London, England) and Beaver Products Ltd. (Montreal). Transfer of the properties from Stanley R. Shenkman's Cornwall Bcstg. Ltd. requires approval by the Board of Broadcast Governors.

Unfair labor practices were committed by management of John E. Fetzer's WWTV Cadillac, Mich. in incidents involving employes who were NABET members, NLRB ruled in a decision & order against the station. Fetzer Television Inc. was instructed to "cease & desist" from discriminating against union members and threatening to dismiss employes who join NABET. WWTV maintenance man Gordon Stone must be reinstated to camera work from which he had been demoted, NLRB said. Some specific complaints by NABET against the station were dismissed, however.

Sale of WBIR-TV & WBIR Knoxville by Taft Bcstg. Co. to the owners of WFBC-TV Greenville, S.C. for $3.2 million (Vol. 16:39 p11) has been approved by FCC.

Film & Tape

How Majors Are Faring in TV: Hollywood's major movie studios, the late starters in TV film, are having considerable trouble with their new entries this season. Not one can be considered a real success, from either an audience rating or critical viewpoint. Last year was a difficult one for the majors, and this one seems to be shaping up similarly (Vol. 15:42 p15).

Warner Bros., which has been the majors' volume leader until this year (when Columbia subsidiary Screen Gems took the lead), has failed to chalk up important success with its (private eye) *Surfside 6*, or (action) *The Roaring 20's*. Even *Maverick*, on which a lot of Warners' success was built, seems to be slipping since James Garner left the cast.

Screen Gems came up with a sleeper in *Dennis the Menace* last season. But this season its *Dan Raven* was one of the first shows to be axed. And its *My Sister Eileen*, *Route 66* and *Naked City* are hardly blockbusters.

MGM-TV, which had no series last season, came up with 2 this year—the 60-min. *The Islanders* and *National Velvet*. Neither has added lustre to the medium, and *The Islanders* has undergone numerous changes.

As for 20th Century-Fox TV, its new, high-budgeted, 60-min. *Hong Kong* is languishing in the ratings opposite powerful *Wagon Train*.

Paramount, which had no series last season, fielded *Mr. Garlund* this year, but there is already much talk that it may be an early casualty.

All in all, it is shaping up as a dismal season for the majors, haunted by their perennial problem—lack of satisfactory, creative manpower at the top.

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Maverick Still Straying: Warner Bros.-James Garner negotiations collapsed last week, and their litigation will begin in Los Angeles Superior Court this week (Nov. 25), barring a last-minute settlement (Vol. 16:46 p9).

When WB invoked the *force majeure* provision of the *Maverick* star's contract last March 3—on grounds that the writers' strike had halted production—Garner protested & left the studio, contending that he was a free agent because of breach-of-contract. He sued on those grounds, and WB counter-sued.

We understand that both parties had reached agreement except for one point—another series for Garner, to follow *Maverick*. To this the star would not agree, being more interested in movies. Before this hitch developed, WB had agreed to give Garner a non-exclusive deal which would have allowed him a substantial raise, script approval, other benefits, and the right to star in movies for other studios. Garner has received offers for movies, Broadway plays, and bids for specials from CBS-TV and NBC-TV.

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Western actors are finding it a bad year. At midseason, there have already been 2 deaths and several injuries. Ward Bond, star of *Wagon Train*, died Nov. 5 of a heart attack (Vol. 16:46 p9), and Joe McCabe, 45, an extra, died of a heart attack while working in NBC-TV's *Bonanza* Nov. 3. James Arness, star of *Gunsmoke*, injured a leg while in production, and has just returned after being out for 2 weeks. Actor Bert Spencer lost a leg in an accident during production of Revue's *Laramie* earlier this month. He was pinned beneath the wheels of a stagecoach which overturned during a chase sequence. And Jack Kelly, star of Warner Bros.' *Maverick*, has returned to work after suffering a broken hand in a fall at his home.

HOLLYWOOD ROUNDUP

QM Productions begins production on the pilot of 60-min. *The New Breed* Dec. 5 at the Goldwyn studios. Leslie Nielsen stars in the contemporary police show based on the work of the metropolitan squad of the Los Angeles Police Dept. Quinn Martin is producer. The pilot is being made for ABC-TV. The series is aimed "more at suspense than violence," Martin told us. He will also pilot an as yet untitled series dealing with 2 Americans serving in the famed Lafayette Escadrille in France during World War I. This ABC-TV pilot goes into production in January.

Goodson-Todman Productions plans 5 pilots for production, the first of which is the 60-min. *Las Vegas Beat*, being produced by Andrew Fenady. Another is *Medical Detective*, being produced with Howard Erskine and Larry Marks, and dealing with the U.S. Public Health Service. A third is *U.S. Secret Service*. The other pilots are still in the planning stages, we're informed by coast vp Harris Katleman. GT will begin production Dec. 6 at Desilu Cahuenga studios on *One Happy Family*, situation comedy to be seen on NBC-TV beginning in January. Goodson-Todman resumes production Jan. 2 on *The Rebel*.

New system for automatic & instantaneous synchronization of audio & video tapes has been developed by the Skelton & Luftig Labs div. of Skelton Studios in Hollywood. The system consists basically of a multiple-channel tape recorder which runs in lip-synchronization with the videotape machines. Both audio- & video-tape machines can be started from a dead stop and remain for any period in synchronization which is immediate & automatic.

Screen Gems will pilot *The Hathaways*, starring Peggy Cass & Jack Weston, with the Marquis chimps. Also on SG's pilot agenda: *Baron of Boston*, 60-min. adventure.

NT&T has formed National Realty, with Irving Espteen named head of the new div. . . .**RonCom Productions** begins production this week at Desilu on 13 episodes of *Happy* (NBC-TV).

NEW YORK ROUNDUP

Ziv-UA syndicated series are being sponsored by home-building advertisers in nearly 30 markets this year, representing more than $500,000 in film sales. Regional home builders are "the newest industrial group" to join the growing ranks of syndication advertisers, Ziv-UA said.

Add syndication sales: Cal. National Productions' 2 Bob Hope feature films, "Road to Rio" and "My Favorite Brunette," have been sold in over 50 markets to date. Newest markets: Cleveland, Indianapolis, Kansas City, San Francisco, Seattle and Phoenix.

Add Syndication Sales: Ziv-UA's first-run *Case of the Dangerous Robin* has been sold in 181 markets to date. Also scoring new sales is a 4th-year cycle of *Sea Hunt* presently in 43 markets.

Ed Sullivan will be lampooned by the Academy of TV Arts and Sciences at their 3rd annual close-up dinner Jan. 13 at N.Y.'s Waldorf-Astoria. "The Roast of the Town" is the title of the spoof of the founder and first president of the N.Y. ATAS chapter.

The FCC

Landis Report Preview: Members of the 15-member organizing committee for President Eisenhower's long-range Conference on Administrative Procedure are looking to President-elect Kennedy's advisor on regulatory agencies to give them some ideas this week.

Court of Appeals Judge E. Barrett Prettyman, chmn. of the White House Conference called to streamline agency processes (Vol. 16:44 p12), invited James M. Landis to sit in on an organizing meeting Nov. 22 in Washington as the specialist named by Kennedy to analyze agency faults (Vol. 16:46 p1).

Landis told Prettyman he'd be there if he could get away in time from Miami, where the New Deal FTC member and ex-SEC & CAB chmn. was attending the convention of the AFL-CIO Air Line Pilots Assn. as a candidate for pres. of the union. The ALPA election was scheduled for Nov. 21. Backed by a caucus of dissident ALPA members, Landis ran for the $35,000 job with the claim that his lack of union experience was outweighed by his experience with govt. regulation of air transport.

Meanwhile, some clues to what Landis may tell Kennedy in his report on the agencies—due Dec. 15—could be found in remarks he made at the Washington convention of the American Bar Assn. in September, when he participated in panel discussion of the problems of FCC & other Commissions (Vol. 16:36 p7).

Landis said then that what the agencies need most of all is more "creative thinking" and that "creative leadership calls for some type of reorganization." Among other things Landis proposed was elimination of overlaps in agency functions, suggesting the possibility of creating an overall "Ministry of Transportation" to head up operations of CAB, ICC, etc.

Landis also said: (1) The role of the agencies "promises to grow rather than diminish." (2) The govt. lacks an "administrative system" to increase agency efficiency now. (3) Agency rules ought to be simplified. (4) Agencies are confronted with a "constant overhanging problem of inadequacy of personnel."

There was a trade report last week that Sen. Magnuson (D-Wash.), chmn. of Commerce Committee, is "sold" on the idea of reorganizing the FCC and establishing an "administrator" at its head, with the Commissioners acting as "an appellate board." Committee sources note that Magnuson has said he plans a study of all agencies within his group's purview but they're satisfied that he hasn't made up his mind on any new FCC setup.

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"Territorial exclusivity" rules of FCC appear to be violated, the Commission said last week, by NBC's practices involving KHQ-TV Spokane, KLEW-TV Lewiston, Ida. and a uhf translator in Lewiston. In a letter to the first 3, the Commission asked for comments on this situation: KHQ-TV & KLEW-TV are NBC affiliates. The latter doesn't carry all NBC's programs. KHQ-TV has refused rebroadcast rights sought by the translator so that it could carry the programs KLEW-TV doesn't. The 3 are expected to tell the Commission that it's wrong in its understanding of NBC's practices & affiliation contracts. From a practical standpoint, it's noted, sponsors would simply quit ordering stations such as KLEW-TV if they could get coverage of a community without buying it.

Proposal to add Ch. 32 to Louisville has been dropped by FCC on the ground that there's no apparent need or demand for another uhf channel there.

FCC channel assignments, proposed in voluminous comments filed in "interim" allocation plan proceedings (Vol. 16:41 p1), have been analyzed by the Assn. of Maximum Service Telecasters (MST) in charts distributed to members by exec. dir. Lester W. Lindow. Pointing out that the charts were distilled from a 3,000-page 2-ft. high stack of papers filed by 150 parties, he said the summaries demonstrated "the scope & seriousness" of the proposals, urged all MST members to submit reply comments to FCC by the Nov. 28 deadline. The charts showed: (1) Co-channel shortages ranging from 20 to 90 miles and adjacent-channel shortages as great as 20 miles are proposed. (2) "At least 100 different existing stations are threatened by at least one short separation." (3) Some existing stations would be affected by 2 or more proposals. (4) "It is not unusual for a single proposal to involve short spacings from 2 or more existing stations."

Toledo Ch. 11 grant to WTOL (Community Bcstg. Co.) in 1958 has been backed up by the Court of Appeals following a long contest with loser Great Lakes Bcstg. Co. (Vol. 14:35 p9). Rejecting the Great Lakes appeal from FCC's award, the court said it found little merit in an argument that the Commission "failed to make a detailed comparison of the applicants' specific program proposals." It wasn't "unreasonable" for FCC to base its decision for WTOL on "applicants' over-all program balance & structure," the court said, adding that other contentions by Great Lakes "provide no basis for disturbing the Commission's action."

FCC's power to deny licenses to operator-applicants who refuse to answer questions about suspected Communist affiliations has been upheld in effect by the Supreme Court. Last week it rejected an appeal by Morton Borrow, an engineer at radio WPEN Philadelphia, from a Court of Appeals decision that his defiance of FCC's authority to ask such questions was proper grounds for refusal to renew his license (Vol. 16:27 p12). Borrow was a Philadelphia leader of the American Communications Assn., which was ousted by the CIO in 1950 on charges that the union was Communist-dominated.

Allocations rule-making has been started by FCC on the conflicting proposals of (1) Leon P. Gorman to shift Ch. 7 from Calais to Bangor, Me. for commercial use and (2) of the U. of Maine to reserve Ch. 10 Augusta, Ch. 7 Calais & Ch. 10 Presque Isle for ETV use.

Trusteeship operation of WHDH-TV (Ch. 5) Boston, pending final decision in the *ex parte* case, is being rejected by FCC. The Commission announced it had instructed its staff to draft a decision denying the petition requesting trusteeship that had been filed by Greater Boston TV Corp.

Deadline for reply comments in FCC's rule-making on short-spaced interim TV allocations has been extended from Nov. 28 to Dec. 30 at the request of AMST, AFCCE and several stations.

WBAP-TV Ft. Worth may now identify itself also with Dallas under a waiver granted by FCC. Comr. Bartley dissented because the station has no Dallas studios.

FCBA holds annual meeting at Statler-Hilton Hotel, Washington, Jan. 13, will vote on these prospective officers selected by its committee on nominations: pres., Robert M. Booth Jr.; first vp, Harold E. Mott; 2nd vp, Donald C. Beelar; secy., James E. Greeley; asst. secy., Warren E. Baker; treas., Frederick H. Walton Jr.; exec. committee, Reed Miller & J. Roger Wollenberg; delegate to ABA, Leonard H. Marks.

Television Digest

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Personals: Glenn Marshall Jr., WJXT Jacksonville, elected TvB chmn.; Payson Hall, Meredith Bcstg., succeeds Marshall as secy.; Gordon Gray, WKTV Utica, succeeds Hall as treas.; John Vrba, KTTV Los Angeles, Russel Woodward, Peters, Griffin, Woodward Inc. elected co-chairmen of TvB sales advisory committee . . . Harold Black named ad production mgr., CBS-TV stations div. . . . Mike Shapiro, station mgr. of WFAA-TV Dallas, named also gen. mgr. of bcstg. properties, A. H. Belo Corp., parent of *Dallas Morning News* (WFAA-TV & WFAA). Shapiro replaces the late Alex Keese.

Hunt Stromberg Jr., Hollywood program development dir., CBS-TV, named a vp . . . Robert O. Runnerstrom, ex-vp of WMBD-TV & WMBD Peoria, named managing dir. of WBOY-TV & WBOY Clarksburg, W. Va. . . . Howard Finch named program mgr., KTRK-TV Houston, Tex., succeeding William T. Wagner, named program dir., WJZ-TV Baltimore . . . Malcolm M. Burleson, chief engineer, WTTG Washington, named Metropolitan Bcstg. Corp. eng. dir.

George M. Perkins named network programs vp, CBS Radio . . . Steve Mills named production mgr., KABC-TV Los Angeles . . . Phil Isaacs, ex-Fruchtman Theatres, named to new post of U.S. & Canadian franchise operations dir., International Telemeter . . . George McElrath, ex-NBC TV-radio technical operations dir., named to new TelePrompTer post of engineering planning & product control mgr.

Robert Norvet named film-production-operations dir., CBS-TV, Hollywood . . . Pansy E. Wiltshire, chief of FCC Employment & Replacement Branch, Personnel Div., retires after 36 years in govt. . . . J. Merrill Pietila named Western div. mgr., Forjoe & Co.

Frank G. King, national sales mgr. of KTVU Oakland-San Francisco, elected vp; Stoddard P. Johnston, asst. secy. . . . Jack Duffield, merchandising mgr. of KTTV Los Angeles, named eastern sales & marketing mgr. of KTTV and parent Times-Mirror Bcstg. Co., which open N.Y. office at 420 Madison Ave. Dec. 1 . . . Kenneth Morton, KOOL-TV & KOOL Phoenix vp, elected a dir. of the Bank of Phoenix . . . William Davidson, NBC vp and WNBC-TV & WNBC gen. mgr., elected a dir. and exec. committee member, National Conference of Christians & Jews . . . Mel Dellar named vp, MPO TV of Cal. (MPO Videotronics subsidiary); Tom Thomas appointed vp, MPO Sales & Training Programs Inc.; Frederick B. Foster named vp, MPO Inc., in charge of new Chicago office (134 S. LaSalle St.).

Best TV-publicity stunt of the season, by all indications, was the black-tie, invitation-only party tossed Nov. 10 by Jack Benny at the 45th St. automat in N.Y. to promote his Lipton-sponsored show on CBS-TV. Attended by a bumper crop of amused celebrities (Helen Hayes, Garry Moore, Polly Bergen, *et al.*) and working press, the party hit a publicity jackpot. AP and UPI syndicates carried pictures & stories about Benny tight-fistedly handing out $2 in nickels to each guest. A string of syndicated columnists—Earl Wilson, Louella Parsons, Hy Gardner, Sheilah Grahame, among others—gave Benny a big play in print. At one point before the party, CBS, which had considered the automat idea "undignified," wanted to have N.Y.'s "21" sneak in the food. But this was voted down.

Meetings this week: RTES timebuying & selling seminar (Nov. 22). Arthur Duram, Fuller & Smith & Ross TV-radio vp, and Rod Erickson, Filmways pres., will debate "Buying Audience Size or Show Type in Network TV." Hotel Lexington, N.Y. • National Assn. of TV & Radio Farm Dirs. meeting (25-27), Conrad Hilton Hotel, Chicago.

Meetings next week: RTES timebuying & selling luncheon-seminar (Nov. 29), Hotel Lexington, N.Y. • 4A East Central region annual meeting (30), Statler Hilton Hotel, Detroit • Sigma Delta Chi national convention (30-Dec. 3), Biltmore Hotel, N.Y. • Ariz. Bcstrs. Assn. fall meeting (2). Norman E. Cash, TvB pres., and RAB Pres. Kevin B. Sweeney will speak, Mountain Shadows, Scottsdale, Ariz.

DuPont Awards deadline for nominations for 19th annual TV & radio prizes is Dec. 31. Top 1960 citations will go to a large & small station for "outstanding programming in the public interest" and to a commentator for "aggressive & consistently excellent & accurate gathering of news in the public interest." Entries should be addressed to Curator, Alfred I. duPont Awards Foundation, Box 1158, Lexington, Va.

Obituary

Clark Gable, 59, cinema star for almost 30 years, died Nov. 16 in Hollywood of a heart attack. One of the few movie actors who meant it when he said he would never do TV, he deeply resented what he called "butchering" of movies by stations, charging that those in which he had starred had been "mutilated" to make room for commercials. He was bitterly opposed to the major movie studios selling their backlogs to TV, considering this a blow to the boxoffice. He was vehemently against pay TV, believing it could serve no purpose that free TV was not providing. Gable liked to watch sports on TV, from the World Series to the roller derby. He is survived by his wife.

H. Leslie Atlass, 66, radio pioneer and CBS executive who retired Jan. 1 as vp-gen. mgr. of the network's WBBM-TV Chicago, died Nov. 18 of a cardiac condition in Mount Sinai Hospital, Miami Beach. With his brother Ralph he founded radio WBBM in 1922 and was one of the first to broadcast remote Sunday church services & remote band programs. In 1933, 5 years after WBBM was purchased by CBS, he was named Wester div. vp-gen. mgr. of the network. He became gen. mgr. of WBBM-TV in 1953 & vp last year. Surviving are his wife, 2 sons and a daughter.

Rear Adm. Ernest Lee Jahncke (U.S.N.R. ret.), 83, former Asst. Secy. of the Navy and father of NBC standards dir., Ernest Lee Jahncke Jr., died Nov. 16 at his home in Pass Christian, Miss. Surviving him, besides Ernest Jr., are his wife, another son, 2 daughters, a brother and 11 grandchildren.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TUBE MAKERS EXPLORE MYLAR SAFETY SHIELD: Picture tubes completely wrapped in du Pont's tough transparent Mylar film—for all-around lightweight implosion protection—are now being explored by tube manufacturers.

Culmination of several years' research, the wraparound safety shield could appear on some TV sets in next summer's 1962 lines—if tube & set makers decide to adopt the principle. Process is particularly adaptable to portables, because Mylar shield weighs considerably less than a pound (as opposed to 5 lb. for laminated 19-in. glass implosion plate). Mylar may also make possible lighter-weight & smaller cabinets, because TV "box" itself no longer would have to be designed for implosion protection. Added strength of the plastic may also make possible the use of lighter-weight glass in picture tubes.

Work on new shield is cooperative effort of several leading tube makers, E. I. du Pont de Nemours & Co. and a Va. plastic laminating firm. Tube shield is basically a one-mil layer of Mylar polyester film, coated a grey-blue color & "de-glossed" to avoid reflection, laminated to a 5-mil layer of Mylar film. It is vacuum-formed into a cup-like device to wrap around the entire CR tube, from faceplate to socket. It is then bonded to the glass tube by the tube maker.

Du Pont is particularly proud of the shield's light-absorbing properties and claims it "intensifies" picture, increasing apparent contrast. Mylar, a versatile "miracle" plastic, is used in wide multitude of products, from sandwich wrappers to electronic recording tape and the "skin" of the Echo satellite. Tensile strength of Mylar laminate used in proposed tube shield is 20-to-23,000 lb. per sq. in.

No cost information is available, but tube makers believe the device should cut total TV set costs.

Use of new wraparound shield isn't a certainty. Tube & set makers see some potentially important drawbacks. For one thing, plastic isn't as hard as glass, and Mylar film will have same disadvantage as conventional plastic implosion plate—susceptibility to scratches—but it can't be replaced without replacing entire picture tube. For another, it may be difficult or impossible to re-use glass blubs of tubes which have Mylar film bonded to them.

HOTEL TV BUSINESS REACHING PLATEAU: TV is almost as necessary as a bed in a first-class hotel or motel these days. But in this field, as in home TV, the rapid-expansion phase has ended. The business now consists mainly of equipping newly built hotels and trying to talk owners of older ones into replacing sets. As a result, the hotly competitive suppliers of hotel-motel TV sets are turning to other fields. These include electronic systems for hotels & motels, and TV in hospitals & other institutions.

No reliable statistics on hotel & motel TV are available, but it's good guess that of approximately 2.5 million rooms in the nation's inns (1.4 million in hotels, 1.1 million in motels), 1.75 million, or 65%, are TV-equipped. During 1960, about 55,000 new hotel & motel rooms will be constructed. Virtually all of these new rooms have TV from the outset—and this is TV industry's expansion margin. As to existing unequipped rooms, it's an uphill battle to add TV—since most TV-less rooms are in marginal situations. Replacement market isn't taken for granted, either; many hotels offer resistance to idea of replacing "obsolete" sets.

Against this background, 7 TV suppliers were using concentrated salesmanship to sell against each other at last week's National Hotel Exposition in the N.Y. Coliseum.

Talking with these suppliers & with hotel executives at the exhibition, we noted these trends in the business since our last hotel-motel TV roundup:

(1) Increasing domination of market by manufacturers. Three large TV makers say they are increasing their share of the business over independent hotel-motel TV concerns. Admiral's commercial electronics

div. claims to be largest hotel-motel TV supplier, with 865 completely equipped inns, well over 200,000 sets on location. Philco subsidiary Tele-Sound Inc. says it averages about 30,000 sets a year. RCA Service Co. released no specific figures.

Independents exhibiting at exhibition: Wells TV, handling sets made by GE and others, says it now has 40-to-50,000 sets out. Tel-Hotel div. of Equipment Leasing Corp., with 35,000 sets in hotels, motels & hospitals, has no tie-in with any set maker, displayed Zenith, GE, Westinghouse & Emerson sets. American Communications Corp., using GE sets, says it now deals with 4-to-5,000 hotels, motels & hospitals.

(2) Continuing trend toward leasing & complete service. All 7 TV firms at Hotel Exposition (except Zenith, which operates through its regular dealers & distributors) offer complete service, using own installation & maintenance crews wherever possible. With one exception, they agreed that trend is more & more toward leasing, as opposed to buying. Examples:

Admiral's commercial electronics div. says 92% of its installations are on lease basis. RCA Service says its dealings are now about 50-50 between lease & outright sale, with trend "swinging more & more to lease." The exception is American Communications, whose business is now equally divided between sale & lease, but whose sales mgr. J. W. Collins sees more of a tendency now to outright purchase.

Lease rates vary according to size & type of set, length of lease, number of sets and type of master-antenna installation (included in package). For 17- or 19-in. sets, we heard figures ranging from around 15¢ to 20¢ per set per day, including installation & servicing. Leases run from 3-to-5 years, more often 5, as this is considered the useful life of hotel set. Usually after end of lease term, hotel or motel may either keep set or buy it cheaply from company (depending on company's plan)—or, in some cases, renew lease at much lower fee. Big advantage of lease plan, of course, is that it requires no cash outlay by hotel or motel.

(3) Preference for smaller sets. Small-screen sets are still the most popular in motel trade, with larger units making some headway in deluxe hotels. Most firms are still displaying 17-in. sets, while also offering 19-in. units. RCA, for example, says it still has 6-month supply of 17-in. sets designed for hotels & motels. Philco's Tele-Sound Inc. features Predicta models no longer being offered on consumer market. Tele-Sound found Predicta, with its separate swiveling picture-tube unit, "one of our biggest sales points" for hotel-motel trade. One 17-in. Predicta model is built into a desk-top, another mounts on a wall bracket.

(4) Special models for hotel-motel trade. Tel-Hotel, long the leader in special hotel TV-furniture combinations, showed combination TV-dresser, TV-desk, etc. It builds own furniture, using make of set specified by customer. Most hotel-TV firms use modified standard home TV receivers—usually with "tamper-proof back" and equipped for 72-ohm lead-in required in most master antenna installations. RCA's hotel models use special burn- & alcohol-resistant cabinets. Among RCA's display pieces was combination TV & desk, the TV screen swinging out of desk in the manner of RCA's "hideaway" TV-coffee table.

If picture-on-the-wall is a futuristic dream in consumer market, it's a reality in hotel-motel field. Wall-bracket installations of 17- & 19-in. sets are becoming increasingly popular, we were told. Remote controls apparently are still too new, too risky or too expensive to be popular with the hotel trade, but there are some in use. For example, Admiral's installations at Hilton Inns in El Paso & San Francisco feature wireless remotes built into bedside desk alongside radio controls.

(5) Little color-TV activity. Both RCA & Wells displayed color sets, the latter reporting demand from inns very low. Although there are a few guest-room color-set installations, an RCA spokesman said, main market for color sets is in hotel lobbies & bars. Often a hotel will order one color set when equipping its rooms with b&w sets, he said; a few are used in luxury suites. One of few hotels whose guest rooms are equipped with color TV is N.Y.'s Tuscany.

(6) Growth of related hotel-motel businesses. All companies in the hotel TV field also offer radio systems. Most of them also have their own electronic "room status" and "message at the desk" systems. The former shows desk clerk & cashier (by means of colored lights) whether each room is rented, whether guest has paid his bill and whether maid has cleaned up. Latter flashes light in hotel room (usually on radio control panel) if there's message at desk for guest.

Admiral, Tele-Sound & others also now offer air conditioners on rental basis and have branched out into heater rentals. Under these plans, motels don't have to invest in air conditioning or central heating.

(7) Forays into hospital TV business. There's difference of opinion as to how promising this field is. Hospital TV rental in past has usually been handled on local level, but now there's trend by hotel-TV firms

to get into this field. In some cases, company sells or leases sets to hospitals; in others it enters rental field on its own, cutting hospital in on a percentage.

Biggest complaint is that most hospitals consider TV a nuisance. Sets usually must be wheeled into room, getting in nurses' way, causing tuning disputes among patients in semi-private rooms, etc. Nevertheless, most hospital patients want TV. Most new hospitals are being constructed with conduit for built-in TV systems. RCA, for example, specializes in TV-in-every-room installation for hospitals. RCA people feel that only way to deal with demand for TV in hospitals is to include it in all or most rooms, disconnecting set if patient doesn't order TV. Wall brackets, says RCA, are a must in hospital installations. So are remote controls.

Hospital remote controls, offered by most TV leasers, are of the wired type. In a new installation, provision is made for plugging them into wall outlet, with enough wire to reach to bed. Most hospital remote control units also contain own speakers to keep noise-level down.

Potential size of hospital business is mystery. With about 1.6 million hospital beds in U.S., best guess is that maximum potential is somewhat less than 500,000 sets.

New competition may be injected into already highly competitive hotel-motel-hospital field with entry of Hertz Corp. subsidiary Hertz Rent-All, which opened first retail outlet in Chicago Nov. 4 (Vol. 16:40), rents TV as well as other items, plans to go nationwide. Hertz spokesman told us Rent-All has already entered hotel-motel business in Chicago. Sets are left at inns on rental basis—short-term, rather than on extended-period lease. Spokesman said this permits hotels to vary their TV stocks according to seasonal trend.

Hertz is now "considering entry into the TV-leasing field." If it decides to do so, it will be through another subsidiary, Equipment Leasing Corp. Hertz says neither Rent-All nor parent company has tie-in with any TV manufacturer "at the moment." Only criterion in ordering TVs for rental is "obtaining the best quality sets on the market."

TV-RADIO PRODUCTION: EIA statistics for the week ended Nov. 11 (45th week of 1960):

	Nov. 4-11	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	113,321	110,845	149,295	5,097,010	5,486,927
Total radio	385,996	429,057	342,497	14,936,144	13,440,498
auto radio	128,657	142,418	63,166	5,692,848	4,837,814

RCA'S COLORFUL WEEKEND: RCA last week issued what is perhaps its first public report with figures on color TV sales. Summing up the results of its special color-weekend promotion, Nov. 11-12, RCA had this to show: Sales at retail of 5,731 color TVs, "several thousand" additional sets in homes on demonstration, the likelihood "that the final tally of sales resulting from the 2-day special effort will undoubtedly go well over 7,000." The results, enthused RCA, "exceed our original expectations."

From another RCA quarter last week came additional indication of increasing internal encouragement for the color-TV picture. A corporate-level executive told us that color is no longer a drain on the corporation. On the contrary, he said, color is now producing "substantial profits —not in the $100,000 or $200,000 range, but substantial profits."

The consumer interest engendered by the color weekend, "established by a spot check of our principal markets," RCA declared, gives evidence that the Nov. 14 week could wrap up the company's best color-TV days of the year.

"We are so encouraged by these results," RCA announced, "that we plan a similar promotion Dec. 8, when NBC will telecast nearly 5 hours of color at night. The schedule, to be known as 'The Most Colorful Night of the Year,'" will embrace a 2-hour colorcast of "Peter Pan" with Mary Martin, *The Tennessee Ernie Show*, *The Groucho Marx Show*, *The Jack Paar Show*.

Monopoly in color-TV picture-tube bulbs was charged last week by Dearborn Glass Co., Bedford Park, Ill., in a civil anti-trust suit against Corning Glass Works. Dearborn formerly made glass faceplates for combination metal & glass color picture tubes purchased by RCA. The suit charges Corning induced RCA in Dec. 1956 to stop purchasing metal & glass components for tube bulbs from I-T-E Circuit Breaker Co. (which made the metal cones) and to buy all-glass bulbs from Corning. Violation of the Clayton Act is charged to Corning, which is accused of selling the bulbs at unreasonably low prices and stipulating that RCA would not use or sell metal & glass bulbs. Dearborn said the alleged deal caused it to lose about $1.5 million in profit since Jan. 1, 1957, and asked the court to award treble damages. At press time, Corning hadn't filed a reply, but Pres. William C. Decker said that his firm has been made a "target" because it is "the sole American company capable of producing all-glass bulbs for color TV at a price acceptable to the sole manufacturer of color-TV tubes." Should other firms begin to make color tubes, said Decker, "Corning is willing to sell them all-glass bulbs at identical prices."

■

General Instrument has won a consent decree in a patent infringement suit against Adams Electronics, Bangor, Mich. in Grand Rapids U.S. District Court. Under the terms of the decree, Adams Electronics admitted infringement of GI's "K-Tran" IF transformers, conceded validity of GI's patent. It was enjoined from further infringement and ordered to pay damages to GI.

SEPT. PHONO SALES DIP: Consumers bought fewer phonographs during Sept. 1960 than they did in Sept. 1959, according to EIA figures. But total retail sales for the first 9 months of this year were 15% higher than for the comparable 1959 period.

The decline in retail sales for September followed an August increase of 13% over 1959 (Vol. 16:43), indicating that the phono business began to follow the downtrend set by TV in recent months, and substantiating set-makers' comments that phono sales recently have not been up to expectations (Vol. 16:46 p15). The actual drop in total retail sales from Sept. 1959 to Sept. 1960 was slight—10,000 units, or less than 3%. This was the 2nd month this year when phono sales failed to keep up with last year's pace—the first being an unexplainable dip last April.

All of the drop was in the monophonic category, which generally represents lower-priced units. Stereo sales actually were up nearly 7,000 units (less than 3%) during September from Sept. 1959, indicating dollar volume probably was ahead of last year. For the first 9 months of 1960, stereo phono sales were 58% higher than during the similar 1959 period. Factory sales continued substantially ahead of last year during September.

The latest EIA figures on phono factory & retail sales as compared with 1959:

PHONO FACTORY SALES

	1960			1959		
Month	Mono	Stereo	Total	Mono	Stereo	Total
January	118,400	341,329	459,729	184,147	177,336	361,483
February	92,649	324,666	417,315	164,873	188,750	353,623
March	63,264	242,523	305,787	119,075	168,117	287,192
April	30,962	142,409	173,371	47,153	125,111	172,264
May	36,793	146,176	182,962	33,356	89,827	123,183
June	69,293	198,407	267,700	44,976	152,900	197,876
July	70,992	222,559	293,551	44,591	158,668	203,259
August	109,321	307,517	410,838	65,179	277,545	342,724
September	146,997	384,289	531,286	102,399	377,785	480,184
TOTAL	738,671	2,309,875	3,046,546	805,749	1,716,039	2,521,788

PHONO RETAIL SALES

	1960			1959		
Month	Mono	Stereo	Total	Mono	Stereo	Total
January	150,688	368,964	449,923	231,429	159,214	390,643
February	102,063	347,860	448,128	171,127	156,477	327,604
March	61,249	249,497	310,746	139,577	140,075	279,652
April	41,503	152,141	193,644	94,226	118,197	212,423
May	39,734	141,080	180,814	70,228	82,765	152,993
June	44,925	165,339	210,264	66,979	100,982	167,961
July	58,787	180,949	239,736	82,742	124,979	207,721
August	79,364	257,581	336,945	98,132	198,926	297,058
September	115,863	264,636	380,499	132,686	257,857	390,543
TOTAL	694,176	2,128,047	2,822,223	1,087,126	1,339,472	2,426,598

Component hi-fi promotion campaign, sponsored by Institute of High Fidelity Mfrs., will stress to consumers the advantages of audio components over "other musical reproduction equipment," while soft-pedaling technical jargon. Among other goals: "To identify the people who vend these products to the public specifically as audio specialists and to distinguish them as retail outlets separate & apart from radio, phonograph, TV, etc., retail stores; to point out to the consumer public those qualifications of the audio specialist which enable them to better serve those consumers who desire professional assistance for their home music systems." Editorial-type ads appearing in "broad consumer media" will tell the component story, contain coupons addressed to IHFM for more information. The campaign will be financed by a $280 monthly voluntary contribution from each sponsoring IHFM member, the effectiveness of the drive to be reviewed next April. At a recent membership meeting, 25 component manufacturers indicated their acceptance of the plan; several others were recorded as "favorable" but as yet uncommitted.

"Transistor makers have proved especially receptive to automated assembly," notes *Wall St. Journal* in a recent report on automation's advance into final assembly operations. The article quotes Philco research & engineering vp Leslie J. Woods as follows: "Automation is the only way to make quality transistors at low cost. We were able to reduce the price of one series of transistors to $3.50 from $5.50 when we began assembling automatically." Prior to automated assembly, the *Journal* reports, "the high degree of uniformity needed in manufacture of the tiny electrical devices was often difficult to achieve. With machines now assembling parts around the semi-conductor 'heart' of transistors, uniformity is improved and production is speeded. Machines feed the minuscule parts to the proper place at the proper time and then weld, etch, solder and test. Texas Instruments now pours out transistors for computers at the rate of 1,800 an hour—5 times faster than the production pace before an assembly machine, designed by IBM, was installed 6 months ago. IBM owns the machine & uses its output under an agreement with the Texas firm. The machine, working with tolerances as close as five-10,000s of an inch, automatically assembles 6 transistor parts. Some parts would fit on the head of a pin."

Powerful Sylvania digital computer, intended as the nucleus of large-scale, custom-designed data-processing systems, has been introduced for marketing exclusively to federal agencies & operating telephone companies. Henry Lehne, Sylvania senior vp & electronic systems gen. mgr., called the Model 9400 computer the most powerful in production for both engineering & scientific applications and general administrative data-processing. He said the completely transistorized 9400 was developed for "second-generation data-processing users," described it as "a multiple-computer system incorporating a central information processor and satellite input-output processors. As a result, it is capable of performing 4 separate tasks on a continuing basis at the same time its primary function is being carried out at 125,000 operations per second."

Magnavox's newly-formed British subsidiary, Magnavox Electronics Ltd. (Vol. 16:5 p20), has announced as its initial products 4 radio receivers & stereo phonographs, reports London-published *Wireless & Electrical Trader.* It adds: "These products are to be followed by the introduction of transistor personal radios, tape recorders and, in early 1961, 19-in. & 23-in. TV receivers. The British company is headed by 2 young [each 33] directors with considerable experience in this field"—sales & marketing dir. Denis Fitzgerald, onetime Philco executive and sales mgr. of Radio & Allied Industries Ltd.; engineering & production dir. Don Fisher, previously Regentone Mfg. dir. & chief engineer, following service with EMI and Pye. Magnavox Electronics is located at By-Pass Road, Barking, Essex, will open London offices shortly.

Post-election retail pick-up has started, reports *Wall Street Journal* in a 13-city survey, and most merchants "look for gains to continue" through the Christmas season. The survey, which included TV & appliance dealers, found a "mood of cautious optimism," but no disposition to stock up on inventories. "Our stocks are lower than last year," one unidentified San Francisco department store official is quoted, "but this does not mean we expect to do less business." Consensus was that it will be easy to re-order if stocks run low, obviating the need for large inventories.

Two color sets have been introduced by Du Mont, a Danish modern console and a comtemporary lowboy, both priced at $795.

Consumers Ready to Buy? "Guarded optimism" still seems to be the key phrase used by the professional pulse-feelers & business prognosticators to describe consumer buying prospects for such items as appliances & TV.

Nearly all surveys, forecasts & business surveys predict record retail sales during the coming Christmas shopping season—and there's inclination to expect pickup in TV-appliance sales on both a short-term and a long-term basis. One authoritative business news service, for example, has this to say about Yule season prospects:

"Aided by a trend toward 'utilitarian' gifts, demand for electrical appliances, radios, TV sets, stereo equipment and other household items should be better than a year ago."

Newsweek's latest Survey of Consumer Buying Plans hints that a turning point may be imminent, to reverse the 1960 downtrend in consumer spending. On the basis of its Sept.-Oct. survey, *Newsweek* reports that the public's plans to buy major items have turned upward. In the TV category, consumers, surveyed on their buying plans for the next 6 months, indicated plans to buy TV sets were up by 5% since last July, but still 12% below the year-ago level. Buying plans for most appliances were up more, but kitchen ranges were the only category to show an increase over year-ago plans (15%).

In its interpretation of the figures (collected by researcher Sindlinger & Co.), *Newsweek* speculates: "The survey's interviewers may well have caught the consumer at a turning point, and the recovery in buying plans may turn out to be evidence that his mood about that vague thing called 'business conditions' may soon brighten once more. More important, the figures show that while consumers have shed the high hopes of last January, they haven't panicked."

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Completely transistorized hi-fi equipment at moderate cost will be possible early next year as a result of a new developmental power transistor, RCA announced last week. Now being sampled to the home instrument industry, the "drift-field" transistor will be priced at $2 next year. RCA says it can deliver high audio power for sound equipment, high-quality auto radios, juke boxes, commercial intercoms, PA systems, etc. Combined with the recent 34% price cut in other drift-field transistors, the new transistor will provide the needed price breakthrough for full transistorization of high-output audio devices. The new PNP germanium transistor can be used in either Class A or Class B audio amplification.

Dismissal of FTC complaints that they granted illegal advertising allowances to favored retail customers has been demanded by Emerson appliance distributors, Emerson Radio Associates Inc., Newark, and Jefferson-Travis Inc., N.Y. They denied FTC charges that they violated the Robinson-Patman Act by paying allowances to some retailers while denying them to competitors (Vol. 16:28 p17).

Adoption of stereo standards early next year is expected of the FCC, NAB engineering mgr. A. Prose Walker stated at the Association's fall conference in Washington last week. He didn't predict which system, if any, of the 5 tested by his NSRC panel would get the Commission's nod. FCC, he said, could pick any of them, a composite, or a "dark horse." He also said that a petition seeking the approval of automatic logging would be filed soon with the Commission.

Deadline for stereo reply comments has been extended by FCC from Nov. 8 to Nov. 21 at the request of GE.

Russian TV is growing at such a pace that the number of Soviet sets will increase 500% and stations will be more than doubled by 1965, *Literature & Life* boasts. Translated in Washington, an article in the Dec. 1959 issue of the Russian magazine says that within 5 years (as against Jan. 1960) there will be 15 million sets in the USSR vs. 3 million and that 160 stations will be operating vs. about 70. Other boasts: The Russian relay system will expand greatly; new studios in Moscow will transmit color; Leningrad programming will be stepped up; new TV techniques for production of plays will be introduced. Copies of the translated article, "15,000,000 Television Sets," are available at 50¢ from the U.S. Commerce Dept., Washington 25, D.C. Also available for 50¢ from the Commerce Dept.: A translation of sections of the Soviet publication *Communications Herald*, describing innovations in communications technology.

Canadian TV sales to dealers rose 61.4% in September from August's 28,091 units. But they still trailed the year-ago volume; year-to-date sales totaled 231,099 TVs vs. 271,222 for 1959's first 3 quarters and September's volume was 46,944 units, compared with 48,670 in the year-ago month. The 9-month breakdown (corresponding 1959 figures in parentheses): Portables, 43,376 (46,837); table models, 47,231 (69,630); consoles, 129,663 (145,926); combinations, 10,829 (8,829). For Sept. 1960 (vs. Sept. 1959): Portables, 6,774 (6,115); table models, 9,933 (11,247); consoles, 27,561 (29,754); combinations, 46,944 (48,670).

Joint $12-million contract for construction of a Voice of America broadcast station has been awarded by the U.S. Information Agency to Collins Radio subsidiary Alpha Corp. and the Ling-Temco Electronics subsidiary, Continental Electronics Mfg. The joint award provides for erection of antennas, installation of transmitting & receiving equipment and the construction of buildings at 3 sites near Greenville, N.C. The new VOA radio facility will broadcast programs to Africa, South America and the Near East.

New plants & expansions: Sylvania electronic systems div. has broken ground for $3-million lab & hq buildings on a 55-acre site at Waltham, Mass. The additions are near current facilities, will be ready for Oct. 1961 occupancy, will permit a 10% increase in the present 2,300 Waltham workforce • **Hoffman** has officially opened its new 15,000-sq.-ft. research lab at Santa Barbara, Cal. • **Paraplegics Mfg.** has moved its offices & manufacturing facilities to a new plant at 304 North York Road, Bensenville, Ill.

Appliance production will be suspended in Avco's Nashville div. plant, which makes stoves & Bendix laundry equipment for Philco. Softness of the market & need for inventory adjustments were given as the reasons. Between 800 & 900 workers will be laid off Dec. 1. Avco officials said production should resume early in January.

Howard W. Sams & Co., electronics publishers, enters the aviation field with a new service, Flight Facts, to supply data on airport changes, navigation needs, etc. The service is patterned after Sams' Photofact TV-radio repair manuals & technical data service.

Packard Bell has introduced "Rota/Remote," an ultrasonic wireless remote control activated by rotors instead of snap-buttons. The new remote is being introduced on 2 table TV models, one a 19-inch, the other 23-inch.

Chicago High Fidelity & Home Entertainment Show will be held Sept. 8-to-10 at the Palmer House.

Granco has introduced a new FM-AM table radio with AFC at $42.95, to be distributed to Du Mont Emerson Corp.

Trade Personals: David A. Thomas, ex-RCA corporate vp, elected chmn., Nuclear Corp. of America . . . **Herbert Barnett**, ex-General Precision Labs exec. vp, named admin. mgr. of Jerrold Electronics lab at Southampton, Pa. . . . **Curtis R. Hammond** promoted to commercial vp-mgr. development, Raytheon. . . . **J. Gilbert Nettleton Jr.**, named vp & mktg. dir., ITT Federal div. and ITT Labs.

Maj. Gen. Raymond C. Maude (USAF ret.), ex-Du Mont Labs and ITT, named field-operations dir., Philco govt. & industrial group . . . **Martin Sheridan** named PR vp, Admiral Corp. . . . **Allen Center**, former Motorola PR dir., currently PR vp of Leo Burnett Co., Chicago ad agency, Jan. 1 rejoins Motorola in charge of all PR activities; **Jack Ewan** resigns as Motorola PR dir. to accept PR post with Fuller & Smith & Ross ad agency . . . **Dawson L. Newton** has resigned as Magnavox PR dir., effective Dec. 1 when the firm's publicity hq will move from N.Y. to Ft. Wayne. . . . **Frank McCann**, ex-*Home Furnishing Daily*, joins RCA as Sales Corp. & home instrument div. product-news publicist; incumbent **B. I. French** will transfer to N.Y. hq when those activities move to Indianapolis from Cherry Hill, N.J. around year's end (Vol. 16:33 p12).

David Libsohn named sales mgr., General Magnetics & Electronics (Gemark tape recorders) . . . **Andrew P. Young** named Raytheon international sales & services dir. . . . **Hans M. Schiff** named vp-gen. mgr., Packard Bell technical products div.

Lloyd V. Berkner, Associated Universities, elected IRE pres., succeeding **Ronald L. McFarlan**, DATAmatic & Raytheon; **Franz Ollendorff**, Technion-Israel Institute of Technology, Haifa, Israel, and **J. F. Byrne**, Motorola Riverside Research Lab, named vps. Elected dirs.: **E. F. Carter**, Stanford Research Institute; **L. C. Van Atta**, Hughes Aircraft. Regional dirs.: **A. B. Giordano**, Brooklyn Polytechnic Institute; **A. B. Bereskin**, U. of Cincinnati; **M. W. Bullock**, Continental Electronics Mfg. Co.; **B. R. Tupper**, British Columbia Telephone Co.

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IRE awards for 1961: Founders Award, to Ralph Bown, ex-Bell Labs scientist, for "outstanding service to the IRE & for outstanding contributions to the radio engineering profession." Medal of Honor, to Ernst A. Guillemin, MIT, for "outstanding scientific & technical achievements." Morris N. Liebmann Memorial Prize, to Leo Esaki, IBM (on leave from Sony Corp.), for solid-state contributions, particularly his invention of the tunnel diode. Browder J. Thompson Memorial Prize, to Eiicho Goto, U. of Tokyo, for paper on the Parametron. Harry Diamond Memorial Prize, to Helmut L. Brueckmann, Army Signal Labs, for contributions to antenna theory & technology. W. R. G. Baker prize, to Manfred Clynes, Rockland State Hospital (Orangeburg, N.Y.), for paper on analog computer simulation of respiratory control of heart rate. Vladimir Zworykin Award, to Peter Goldmark, CBS Labs, for contributions to military & medical use of TV. William J. Morlock Award, to Britton Chance, U. of Pa., for application of electronic techniques to fundamental biological research.

Remote-controlled air conditioner has been introduced by Admiral—first use of TV-type wireless remote with household appliances (Vol. 16:42 p20). The Royal Imperial $499.95 air conditioner uses Super Son-R remote whose 2-button hand transmitter is said to control 13 different functions up to 30 ft. from the unit. The control permits installation of the air conditioner out of reach in a wall where it doesn't have to be touched.

Half-billionth receiving tube produced by RCA's Indianapolis plant came off the line Nov. 14.

Finance

PORTRAIT OF FOUR STAR: Interesting inside look at the operation of Four Star Television, the Dick Powell-Charles Boyer-David Niven TV film operation, is afforded by the company's prospectus, published in connection with its recent oversubscribed offering of 120,000 capital shares at $15 a share. Among highlights:

For the fiscal year ended June 25, 1960, the firm grossed $15,141,419 (vs. $8,774,878 in fiscal 1959). Of this amount, $13,969,053 ($8,293,859 in the preceding year) represented the proceeds of TV film rentals and $1,055,290 ($435,722) rentals & fees for studio facilities & personnel. The net income for fiscal 1960 was $317,506 (or 66¢ a share based on 480,000 shares) vs. $302,698 (63¢) the preceding year.

Since its founding in 1952, the company has produced approximately 860 half-hour films, in addition to furnishing production facilities for 175 films. It has produced some 575 films under co-ownership arrangements, its interest ranging from 95% down to 25%, and averaging 50%; its profit participation interests ranged from 74% to 20%, and they average 39%.

Current commitments with sponsors & networks call for the production of 270 half-hour episodes and 43 hour films for the 1960-61 season, or a total of 356 half-hours of entertainment—alone or under co-ownership arrangements. Last season, Four Star produced 292 half-hour films.

During the last fiscal year, *Dick Powell's Zane Grey Theatre* was the firm's biggest money-maker, contributing 13% of Four Star's consolidated gross revenue; *The Rifleman* was close behind, providing 12%; *Robert Taylor's Detectives*, 11%; *June Allyson Show*, 10%.

Breaking down gross revenues for fiscal 1960 (fiscal 1959 in parentheses), rentals from first-run network telecasting provided 82% (87%), 2nd-run and subsequent 11% (8%), from furnishing below-the-line facilities 3% (nil), production of film commercials 3% (5%), other 1% (nil).

The only 2 officers or directors receiving more than $30,000 a year for their executive duties are exec. vp Thomas J. McDermott, who received $57,308 last year but is slated to receive $100,000 for each of the next 5 years under the terms of his contract; and vp Charles G. Bole, who receives $31,300 for fiscal 1961. During fiscal 1960, Powell received $75,298 and David Niven $11,000 as actors, not including their salaries as executives.

After the stock offering, Powell owns 34% of the company's capital stock, Boyer & Niven 17% each and McDermott 12%.

The company's balance sheet as of June 25, 1960 shows total current assets of $4,944,092, including $3,587,803 representing the cost of TV films completed & in process (less amortization). Current liabilities total $4,374,758.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Advance Ross Electron .	Stk.	200%	Nov. 25	Nov. 14
AB-PT	Q	$0.25	Dec. 15	Nov. 25
AB-PT	Stk.	2%	Dec. 28	Nov. 25
AT&T	Q	.82½	Jan. 10	Dec. 9
Burroughs	Q	.25	Jan. 20	Dec. 23
Electronic Assistance ...	Stk.	2%	Dec. 15	Nov. 30
Famous Players Canada .	Q	.37½	Dec. 9	Nov. 23
GPE	Q	.25	Dec. 15	Nov. 30
Hazeltine	Q	.20	Dec. 15	Dec. 1
Hazeltine	Stk.	2%	Dec. 15	Dec. 1
Magnavox	Q	.25	Dec. 15	Nov. 25
Meredith Publishing	Q	.45	Dec. 9	Nov. 25
Storer Bcstg.	Q	.45	Dec. 9	Nov. 25
Storer Bcstg. "B"	Q	.12½	Dec. 9	Nov. 25

Officers-&-Directors stock transactions as reported to SEC for October:

Allied Artists. George D. Burrows sold 1,000, held 43,787. Roger W. Hurlock bought 300, held 20,200. Sam Wolf sold 2,000, held 23,550. Albert Zugsmith bought 4,600, held 170,900.

American Bosch Arma. Charles Allen Jr. sold 10,214 through Allen & Co., held 40,457 in Allen & Co., none personally.

American Electronics. Charles L. Jones sold 1,000, held 800.

AT&T. William C. Bolenius bought 100, held 1,105. F. R. Kappel bought 100, held 1,058.

Ampex. James E. Brown bought 150, held 850. Kenneth R. Rickey bought 200, held 200. Walter T. Selsted sold 1,000, held 1,625.

Amphenol Borg. Martin A. Donlan exercised option to buy 375, held 1,100. Lester M. Grether exercised option to buy 1,100, held 1,100. Francis E. Shevlin sold 100, held 100. John L. Woods exercised option to buy 1,500, held 3,450.

Audio Devices. Bryce Haynes sold 800, held 83. C. J. LeBel sold 1,500, held 70,414. Joseph K. McCammon sold 530, held 11,476.

Avco. Frank S. Larson sold 200, held 4,503. A. B. Newton sold 4,000, held 1,666.

Avnet Electronics. Michael G. Kletz sold 4,000, held 10,072.

Cinerama. Nicholas Reisini bought 16,300 through Robin International Inc., held 396,350 in Robin International Inc., none personally.

Columbia Pictures. M. B. Silberberg sold 583, held 601 personally, 117,763 in Fico Corp.

Consolidated Electronics. Pieter van den Berg exercised option to buy 9,000, held 12,750. Arie Vernes excd. option to buy 6,175, held 10,000.

Corning Glass. Paul T. Clark exercised option to buy 1,925, held 1,925. R. Lee Waterman sold 800, held 1,860.

Daystrom. Charles D. Manhart bought 200, held 200.

Desilu Productions. Desi Arnaz bought 17,500 in private transaction, held 17,500. Lucille Ball Arnaz bought 17,500 in private transaction, held 17,500. Martin N. Leeds sold 35,000 in private transaction, held 100 personally, 1,200 in trusts for sons.

Electronic Research Associates. Noah J. Gottfried bought 100 Class A, held 18,900. Sydney Moskowitz bought 100 Class A, held 1,205.

Filmways. Martin Ransohoff sold 4,700, held 108,367 personally, 15,536 for children. Ferdinand Raphael sold 150, held none. Al Simon bought 500, held 4,030.

General Dynamics. W. McCormick Blair bought 825 in partnership, held 3,075 in partnership, 3,700 personally. Robert P. Meiklejohn bought 700, held 2,700. Robert C. Tait sold 3,400, held 5,000.

GE. L. Berkley Davis sold 1,100, held 56. William H. Dennler bought 300, held 2,818. George L. Irvine sold 1,200, held 5,195. Cramer W. LaPierre exercised option to buy 3,390, held 7,325. Ray H. Luebbe bought 2,892, held 15,705. H. A. MacKinnon exercised option to buy 432, held 10,259. Harold E. Strang bought 2,000, held 9,443. Harold A. Strickland bought 940, held 3,786. Clarence L. Walker exercised option to buy 1,375, held 8,298. Laurence I. Wood bought 420, held 3,154.

General Instrument. Armand G. Erpf bought 1,000, held 3,000.

General Telephone & Electronics. H. H. Howlett sold 100, held 350 personally, 450 in stock purchase plan.

Guild Films. C. W. Alden Jr. bought 6,000 from issuer, held 56,000.

Hycon. Trevor Gardner bought 22,500 through Gardner Corp., held 22,500 in Gardner Corp., none personally.

Indiana General. Stephen M. Kellen sold 200, held 10,800.

Litton Industries. Roy L. Ash sold 2,500, held 116,643 personally, 2,400 as custodian, 13,832 in partnership. W. P. Corderman bought 3,300, held 4,100. Glenn McDaniel bought 10,000, held 28,000. Russell W. McFall bought 6,400, held 8,052. William E. McKenna bought 1,500, held 2,519. Norman H. Moore sold 3,075, held 24,326. G. T. Scharffenberger bought 10,000, held 10,000.

Loew's Theaters. Thomas L. Norton bought 400, held 500.

Minn. Mining & Mfg. Maynard H. Patterson sold 100, held 5,600 personally, 284 jointly with wife.

Paramount Pictures. Y. Frank Freeman sold 500, held 1,500.

Pentron Electronics. Stanley Heller sold 1,550, held 2,400.

Philips Electronics & Pharmaceutical. James J. Colt sold 400 through corporations and 40 more for wife, held 43,087 in corporations, 8,687 for wife, 3,834 personally, 10,839 for daughter.

RCA. P. J. Casella exercised option to buy 2,448, held 2,467. Elmer W. Engstrom exercised option to buy 250, held 4,222.

Raytheon. R. L. McCornack sold 400, held 600.

Reeves Soundcraft. Homer W. Clapper bought 23,625, held 37,475.

Texas Instruments. R. W. Olson sold 300, held 11,626. E. O. Vetter sold 100, held 6,677.

Thompson Ramo Wooldridge. H. L. George sold 200, held 29,935.

Trans Lux. Harry Brandt bought 200 and 100 more for foundations, sold 400 from Pamela Amusement, held 162,100 personally, 35,280 in foundations, 400 in Pamela Amusement, 17,000 for wife, 100 in Barvic Theatres, 3,000 in Brapick Inc., 200 in Marathon Pictures, 400 in Bilpam Corp.

Varian Associates. Paul B. Hunter bought 200, held 31,026 personally, 100 in joint tenancy.

Westinghouse. W. Watts Smith sold 1,000, held 930 personally, 1,600 jointly with wife.

Monarch Electronics International Inc., North Hollywood distributor of hi-fi components & other electronic parts, plans a public offering of 200,000 common stock shares through Pacific Coast Securities Co. An SEC registration statement (File 2-17256) said the company (formerly Arrow Electronics International Inc.) would use part of the proceeds for additional letters of credit for imports. The price of the shares was to be disclosed in an amended statement.

Arco Electronics has been listed for trading (Class A common) on American Stock Exchange. Symbol: AEL.A.

Mergers & acquisitions: General Instrument has purchased for an undisclosed cash sum a 30% interest (42,857 of 142,857 outstanding shares) in Materials Research Corp., Yonkers, N.Y. The Yonkers concern produces instruments for, and carries on, research in metallurgy & ceramics. • **Houston Fearless**, Los Angeles maker of TV & motion picture equipment and aircraft-missile components, has acquired 4 privately-held companies in the electronics & aerospace industries: Uniconn, Plymouth, Conn.; Nuclear Research Instruments, Berkeley, Cal.; Parabam, Hawthorne, Cal.; Allen Research & Development, Buena Park, Cal. Combined annual sales of the 4 firms approximates $5 million; the acquisitions were made for undisclosed cash & stock. • **Audio-Dynamics**, Washington leaser of hotel TVs, and Teletray, Silver Spring, Md. producer of electronic ordering systems for restaurants, plan to merge through an exchange of stock. The merger proposal is slated for submission to the boards & stockholders of both concerns before the end of November. In connection with the merger, Audio-Dynamics' hi-fi store, Stereo Galleries, is being spun off. • **Gulton Industries**, Metuchen, N.J. electronics engineering & manufacturing concern, has acquired for an undisclosed price the electronics business interests of Electric Machinery Mfg.'s Mullenbach div., in Los Angeles. It makes ceramic material for electronic components. • **Lewis & Kaufman Electronics**, Los Gatos, Cal., has purchased for an undisclosed sum the Cascade Research div. of Monogram Precision Industries. Cascade, located in Los Angeles, will be operated as L & K's microwave components div. • **Varian Associates**, Palo Alto, Cal. maker of microwave tubes, components and systems, and Eastern Industries, Hamden, Conn. manufacturer of electronic equipment, have reached a "preliminary basis" for merger. Varian would be the surviving company under the plan to exchange one of its shares for each 3 of Eastern common.

IBM anticipates record volume and profit this year, to top 1959's $145.6-million earnings ($7.97 a share) on revenues of $1.3 billion. "We have the highest hopes we'll grow next year, too," added Pres. Thomas J. Watson Jr. Commenting on intensified competition in the data-processing field, he noted: "Our rate of incoming orders has not slowed down." IBM's backlog of unfilled orders for its 1401 medium-scale computers tops 3,500 units. Total worldwide shipments of IBM solid-state computers will approximate 4,000 units by the end of 1961. And the company has a substantial number of orders to replace older vacuum-tube type computers with solid-state machines. Watson said that a new electronics activity slated for rapid expansion is "teleprocessing"—which uses radio or cable hookups to connect remote operations with centralized computers so that data can be processed swiftly and disseminated throughout the system. Principal potential users of teleprocessing: big, decentralized companies.

Philco profit plunged 52% to $2.1 million (from $4.4 million) despite a 5% sales rise to $297 million (from $283.5 million) during the first 9 months of 1960 (see financial table). For the September quarter, indicated profits fell to $176,000 (2¢ a share) from $1,987,000 (56¢) a year ago. Third-quarter sales gained slightly to $102,821,000 from $102,171,000. Pres. James M. Skinner blamed the sharply reduced earnings on "this year's soft consumer-goods market & continued high development costs in the computer div." He also pointed to "unusually heavy start-up costs" necessitated by several military programs.

Trav-Ler Radio has been listed for trading on the New York Stock Exchange. Symbol: TVL.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
American Electronics	1960—9 mo. to Sep. 30	$ 18,947,280[1]	——	$ 381,688	$0.38	1,011,041
	1959—9 mo. to Sep. 30	15,360,403	——	353,084	.40	874,272
	1960—qtr. to Sep. 30	5,531,258	——	116,697	.12	1,011,041
	1959—qtr. to Sep. 30	6,687,710	——	126,678	.14	874,272
Arco Electronics	1960—9 mo. to Sep. 30	2,530,221	——	280,304	.33	845,000
	1959—9 mo. to Sep. 30	1,999,309	——	168,121	.20	845,000
Avnet Electronics	1960—qtr. to Sep. 30	2,517,900	——	275,947	.18	1,513,300[4]
	1959—qtr. to Sep. 30	2,132,091	——	255,713	.16	1,513,300[4]
Electronic Associates	1960—9 mo. to Sep. 30	10,112,242	$ 1,388,754	672,102	.93	723,087
	1959—9 mo. to Sep. 30	7,186,803	971,330	471,738	.67	701,340
Electronic Specialty	1960—6 mo. to Sep. 30	5,079,000	——	7,000	.01	547,440
	1959—6 mo. to Sep. 30	5,554,000	——	265,000	.49	541,940
Gross Telecasting	1960—9 mo. to Sep. 30	——	912,110	442,110	—	——
	1959—9 mo. to Sep. 30	——	950,171	460,207	—	——
Industro Transistor	1960—year to June 30	1,282,116	——	192,524	.35	——
	1959—year to June 30	594,158	——	(34,330)	—	——
ITT	1960—9 mo. to Sep. 30	547,738,595	57,147,979	21,137,268	1.36	15,559,737
	1959—9 mo. to Sep. 30	506,663,405	50,837,151	18,670,120	1.22	15,217,980
	1960—qtr. to Sep. 30	193,998,825	19,190,660	6,882,795	.44	15,559,737
	1959—qtr. to Sep. 30	172,675,446	16,415,687	6,207,191	.40	15,217,980
A. C. Nielsen	1960—year to Aug. 31	31,019,342	——	2,138,252	1.25	——
	1959—year to Aug. 31	26,858,133	——	1,085,112	.63	——
Philco Story on p. 22	1960—9 mo. to Oct. 2	297,101,000	2,554,000	2,107,000	.45[2]	4,090,207[3]
	1959—9 mo. to Oct. 2	283,516,000	9,444,000	4,373,000	1.00[2]	4,090,207[3]
Philips' Lamp Works	1960—year to Sep. 30	860,985,000[1]	——	71,815,000[1]	—	——
	1959—9 mo .to Sep. 30	735,110,000	——	55,650,000	—	——
Silicon Transistor	1960—9 mo. to Sep. 30	——	——	145,000	.29	——
	1959—9 mo. to Sep. 30	——	——	(102,000)	—	——
	1960—qtr. to Sep. 30	——	——	40,000	.08	——
	1959—qtr. to Sep. 30	——	——	(40,000)	—	——
Sonotone	1960—9 mo. to Sep. 30	16,079,000	——	351,174	.29[2]	——
	1959—9 mo. to Sep. 30	18,271,000	——	829,201	.70[2]	——
Times-Mirror	1960—40 wks. to Oct. 2	83,927,188	——	3,553,933	.88	4,019,209
	1959—40 wks. to Oct. 2	72,794,545	——	3,453,003	.96[5]	3,593,940[5]
Varian Associates	1960—year to Sep. 30	46,582,031[1]	——	2,861,886[1]	.85	3,369,875
	1959—year to Sep. 30	38,483,543	——	2.580,340	.82	3,138,151

Notes: [1]Record. [2]After preferred dividends. [3]Outstanding Oct. 2, 1960. [4]Outstanding Sept. 30, 1960. [5]Adjusted for Jan. 1960 4% stock dividend & April 1960 3-for-1 split.

Reports & comments available: Thompson Ramo Woolridge, report, Reynolds & Co., 120 Broadway, N.Y. 5 • National Video, analysis, J. A. Hogle & Co., 40 Wall St., N.Y. 5 • Audio Devices, memo, Wm. M. Rosenbaum & Co., 331 Madison Ave., N.Y. 17 • General Tire & Rubber, comments, Auchincloss, Parker & Redpath, Two Broadway, N.Y. 4 • AB-PT, report, J. R. Williston & Beane, Two Broadway, N.Y. 4 • Electronic Assistance, analysis, Bruno-Lenchner, Bigelow Square, Pittsburgh 19 • "High Flyer In Electronics," report, Albert Teller & Co., 123 S. Broad St., Philadelphia 9 • Automatic Radio Mfg., prospectus, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 • Transitron, prospectus, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5. • General Instrument, memo, Auchincloss, Parker & Redpath, 2 Broadway, N.Y. 4.

National Video anticipates record sales & profits for fiscal-1961's first half ending Nov. 30. Earnings are expected to equal $1.25 a share vs. 86¢ a year ago. Sales may reach $10,750,000, up from $8,290,672 in Jan.-Nov. 1959. Pres. Asher J. Cole forecasts for the full fiscal year, ending next May 31, earnings of $2.25 on $20-million sales, compared with fiscal-1960's $1.84 earnings on $17,047,104 sales.

Texas Instruments still expects record sales & profits this year, but by lower than previously predicted margins. Pres. P. E. Haggerty forecast for the N.Y. Society of Security Analysts last week 1960 earnings of $15,250,000-to-15,750,000 ($3.90-to-4 a share) on $232-to-233 million sales billed. This compares with 1959's record performance of $14,142,788 ($3.59) earned on $193,212,809 sales. "While the 4th-quarter upturn is not as sharp as we expected," Haggerty explained, "the percentage growth in TI's net billed sales in 1960 & 1959 will be approximately 20%—a respectable increase in any year and certainly in an economy which has shown definite softness through the year."

Beckman Instruments expects record profits of about $4 million ($2.80 a share) for fiscal 1961, ending June 30, compared with the previous high of $3,092,915 ($2.24 on 1,381,023 shares) earned in fiscal 1960. Sales are expected to rise to $65 million from $54,257,282 the preceding year. Pres. Dr. Arnold O. Beckman bases his optimism on a "record backlog, increases in sales of new products, company-wide cost-reduction programs, and the sale last April [to Clevite, Vol. 16:17 p19] of an unprofitable subsidiary, the Shockley Transistor Corp."

Standard Kollsman Industries "expects a continuation of the upward trend of sales & profits in all of its divisions right through 1961," reports Pres. J. O. Burke. During 1960's first 9 months (Vol. 16:44 p20), the company earned $2.2 million ($1.10 a share) on $71.8-million sales—up sharply from the year-before earnings of $1 million (52¢) on $54.2-million sales. Burke noted that Standard Kollsman "is continuing its program of diversification & acquisitions in the electronics & electrical fields."

Electronics Capital Corp., the small-business investment company, has purchased $1.5 million of convertible debentures and senior notes in Canoga Electronics Corp., makers of radar, missile & satellite tracking systems, microwave components, etc. The $1.2 million of debentures owned by Electronics Capital is convertible into 47% of Canoga's total common stock. Canoga also received a $300,000 long-term loan commitment from ECC.

Collins Radio has called for Dec. 21 redemption of the $1,195,000 of 5% convertible subordinated debentures still outstanding from its original May-1957 issue totaling $7,917,000. The debentures are convertible into common stock at $26.50 a share. Right of conversion expires Dec. 16. Redemption price is 104.10% plus accrued interest. If all debentures are converted, total common shares outstanding will increase by 45,113 to 2,208,741.

Magnavox's October sales were a record for the month & 28% ahead of a year ago. Pres. Frank Freimann attributed the performance to gains by the consumer-products (TV, radio, stereo) and the govt. & industrial electronic products divs.

Terminal-Hudson Electronics has been listed for trading on the American Stock Exchange. Symbol: THE.

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, November 17, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Assocites	18½	20⅜
Aerovox	7¾	8½
Allied Radio	22	23⅝
Astron Corp.	1½	2
Baird Atomic	23¼	25⅛
British Industries	15½	17¼
CGS Labs	6¾	8⅛
Cetron	3⅝	4¼
Control Data Corp.	45¼	48½
Craig Systems	14½	15¾
Dictaphone	33	35⅝
Digitronics	22¾	25⅞
Eastern Ind.	13¾	14⅞
Eitel-McCullough	15⅝	16⅞
Elco Corp.	14¼	16
Electro Instruments	20	22½
Electro Voice	9	10
Electronic Associates	26¾	29⅛
Erie Resistor	8⅜	9⅛
Executone	20	22½
Farrington Mfg.	28½	30⅞
Fischer & Porter	17¾	19⅜
FXR	39½	43½
General Devices	9⅛	10⅛
G-L Electronics	7¼	10⅛
Granco Products	3⅛	3¾
Gross Telecasting	19	21
Haydu	1/16	¼
Hewlett-Packard	25¾	27½
High Voltage Eng.	136	145
Infrared Industries	16¼	18⅛
International Rectifier	21	20¾
Interstate Engineering	19½	21
Itek	50½	55
Jerrold	7⅝	8⅜
Lab for Electronics	44¼	47½
Lel Inc.	4¾	5½
Magna Theater	2¼	2⅝

Stock	Bid	Asked
Magnetics Inc.	8	9⅛
Maxson (W.L.)	7½	8⅜
Meredith Pub.	39½	43
Metropolitan Bcstg.	16¼	17½
Milgo Electronics	16	17⅝
Narda Microwave	3¾	4½
Nuclear of Chicago	32½	35⅝
Official Films	2 1/16	2⅜
Pacific Automation	4⅛	4¾
Pacific Mercury	5¾	6⅝
Perkin-Elmer	43	46⅛
Philips Lamp	162½	168¼
Pyramid Electric	2½	3 1/16
Radiation Inc.	20	22
Howard W. Sams	34	36⅝
Sanders Associates	29¼	31¾
Silicon Transistor	5	5⅝
Soroban Engineering	33	36⅛
Soundscriber	11¾	13⅛
Speer Carbon	19½	21½
Sprague Electric	44	47¼
Taft Bcstg.	12½	14⅛
Taylor Instrument	33	35⅝
Technology Inst.	8	9¼
Tele-Broadcasters	⅝	1 1/16
Telechrome	10¼	11¼
Telecomputing	7⅛	7⅞
Telemeter	10⅞	12
Time Inc.	63½	67
Tracerlab	8¾	9¼
United Artists	6⅛	6⅞
United Control	18	19¾
Universal Trans.	1	1 5/16
Vitro	9¾	10¾
Vocaline	2¾	3 5/16
WJR Goodwill Station	8½	10
Wells-Gardner	18¼	19⅞
Wometco Ent.	12⅝	13½

Foreign

Overseas TV-radio investment—in the form of station ownership—is being "considered" by Metropolitan Bcstg. Corp., we were told last week by Pres. John W. Kluge. Metropolitan, in a sense, is already warming up in the international bullpen, having received FCC approval Oct. 5 to assume ownership of WRUL—America's only commercial shortwave station, with 5 transmitters at Scituate, Mass.—from founder-owner Walter S. Lemmon. Now named Worldwide Bcstg. div. of Metropolitan, and with Ralf Brent named pres., the station has moved its studios & business offices to new quarters in the Paris Theater Bldg. at 4 West 58th St., has plans to beam foreign-language news, sports, information and entertainment shows to listeners in all major outside-U.S. radio markets. Worldwide is currently promoting its commercial services to international advertisers by means of a wide-screen anamorphic slide-film presentation developed by Brent and sales dir. Paul Evans. Showings have been staged at the Paris Theater, with others planned for agencies in Chicago, Los Angeles, San Francisco and other cities.

Bring back Ben's bongs! That's the gist of some 15,000 letters that deluged Britain's BBC recently. Cause of the escritorial uproar: BBC had, for years, been using 10 rich, rolling "bongs" of London's Big Ben as a signature for the widely-listened-to 10 p.m. *Home News Service.* The whole sequence took 45 seconds. Feeling that listeners might want a spot more big news and a shade less Big Ben, BBC trimmed back to just one introductory bong. Listeners couldn't have been more aghast if Queen Elizabeth had considered selling the crown jewels to R. H. Macy. BBC hastily compromised. Now, the 10 p.m. show starts with a nice loud bong, fades out the other 9 slowly under the start of the newscast, and everyone's happy.

Ireland's American TV chief, Edward J. Roth Jr., 38-year-old former program mgr. of Notre Dame's WNDU-TV South Bend & of WGN-TV Chicago, scored U.S. TV for "overcommercialization" as he told newsmen in Dublin of his plans. Telecasting will start next year, he said, and plans call for at least 6 hours daily by Nov. "In the U.S.," he added, "the sponsors exercise a tremendous influence on the programs, and we don't intend that that should happen here." After his station stints, Roth had returned to NBC where he had started his TV career in the early 1950s and served as NBC consultant helping stations to start in Lima, Peru, and Guadalajara & Monterrey, Mex.

India's 4-year experimental ETV program for high schools in the state of Delhi will get under way in July (beginning of the Indian school year) with the Ford Foundation's grant of $474,500 (Vol. 16:37 p20) and an Indian govt. contribution of $89,460. Beside helping to eliminate the teacher shortage, the program is expected to benefit regular teachers by enabling them to watch the country's best instructors at work. The broadcasts may also be used for adult education.

Contract for 2 TV stations has been awarded to Japan's Nippon Electric Co. by Cambodia's govt. The $390,000 installation will consist of a 100-kw master studio & station at Phnom Penh, the capital, with a 100-kw repeater on the Bokor plateau. The contract specified that the stations should go on the air by next August.

Intercontinental Services Ltd. (Harry Engel) has been named U.S. rep for Jordan Bcstg. Service, operator of radio HBS Amman, Jordan. The medium-wave commercial outlet is managed by William E. Minette, an American.

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WEEKLY **Television Digest**

NOVEMBER 28, 1960 © 1960 TRIANGLE PUBLICATIONS, INC. VOL. 16: No. 48

NOV 28 1960

The authoritative service for executives engaged in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Programming

AFTRA-SAG DISPUTE HEADED FOR SHOWDOWN, with Nov. 26 do-or-die negotiation session scheduled between the 2 talent unions and the networks (pp. 2 & 9).

HOW PROGRAM TYPES NOW RATE is shown in special Nielsen chart comparing this fall's types with last season's. Quiz & audience participation shows have staged a comeback (p. 11).

FCC

FCC WARM ON 3-YEAR STATION-SALE RULE, may act soon. Details of time-calculation indicated. FCC action may cool Rep. Harris's plans (p. 2).

FAA SAYS TV & RADIO "TOO APPREHENSIVE" about plans for determining air hazards. General counsel indicates FCC still has final power to grant or deny (p. 3).

PUBLIC-NOTICE & PRE-GRANT RULES spell out publication & objection procedures required by Harris-Pastore Act (p. 4).

SUPER AGENCY ADVOCATED by organizing committee for White House Conference on Administrative Procedure to streamline federal regulatory operations (p. 5).

FCC & NAB CONFER ON SPOTS, but Commission shows no intention of stopping practice of questioning stations (p. 5).

Advertising

LOCAL SALES SUCCESSES continue to abound in TV, our own recent mail survey of stations finds. First of a new series, this report presents TV local-level success stories for autos (pp. 3 & 7).

ADVERTISING PROTESTS MOUNT at FTC at rate of 5,000 per year. Complaints from irate customers & competitors in fiscal 1960 increased 28% over 1959 (p. 8).

Consumer Electronics

PENDULUM MAY SWING toward all-channel-set law during Kennedy administration. EIA to reconsider measure at San Francisco meeting (pp. 1 & 17).

BONDED-TUBE BATTLE just beginning, as 2 important new processes challenge Corning technique: Dry-seal gasket method, and new Pittsburgh lamination. Corning plans consumer & trade campaigns to promote bonded tube (p. 14).

IMPROVED RCA COLOR TUBE may give 85-90% more brightness, increased contrast, through use of new sulphide phosphors, reflection-reducing laminated implosion plate (p. 16).

TV RETAIL SALES in October were 16% below 1959, preliminary estimates show; inventories now below '59 level (p. 17).

TV SET EXPORTS in August were highest since May, Commerce Dept. import-export tabulation shows (p. 18). 2,300 TVs exported here from Japan in September (p. 18).

Networks

OPTION TIME STILL IN JEOPARDY, with Justice Dept. expected to ask court to remand case to FCC for new decision (p. 3).

Foreign

FOREIGN TV BOOMS to a total of 38,650,000 sets-in-use, 4 million added in June-Oct. period vs. 2.5 million in first 5 months this year. Stations total 1,353 (pp. 4 & 6).

Film & Tape

GLOOM OVER HOLLYWOOD: TV film industry executives foresee minimum of 40 casualties in a mediocre season (p. 9).

Other Departments

ETV (p. 8). **STATIONS** (p. 12). **PERSONALS** (p. 13). **FINANCE** (p. 19).

PENDULUM SWINGING TO TV-SET CONTROL LAW? Proposal to ban interstate shipment of sets which can't receive all uhf & vhf channels may have good chance of passage during next session of Congress, Washington observers believe. The FCC-proposed legislation (Vol. 16:6 p2) may well be pushed by Kennedy administration, and there are some indications that set manufacturers are becoming less disposed to wage all-out war against it.

On agenda of Electronic Industries Assn. board of directors at this week's 3-day EIA winter conference in San Francisco is reconsideration of the measure, to which the Association twice before has expressed flat opposition. There's no expectation that it will get set-makers' endorsement this time, but fact that it's on agenda again is significant.

EIA board vote will follow by one day an address by FCC Comr. Robert E. Lee to the Association's membership—on the subject of FCC's upcoming N.Y. uhf experiment—and he's expected to do big selling job on set-control bill. As proposed to 86th Congress, unanimously endorsed by FCC, it would give Commission power to establish minimum performance standards for TV sets shipped between states. It's not believed, however, that set makers would ever sit still for granting to FCC such blanket powers over their industry. It's conceivable, though, that they might not put up strong fight against more limited measure.

If Kennedy administration decides to push set- control law, it could conceivably sail through Congress during anticipated first-session "honeymoon" period. There are good indications, too, that administration may give it strong backing. Comr. Bartley, most likely candidate for FCC chairmanship, is strong for measure. So are several others mentioned prominently for the post (see p. 6 & Vol. 16:47 p4). During Eisenhower administration, Commerce Dept. opposed the bill, while FCC favored it. If new administration presents unified front—with Commerce Secy.-designate Luther H. Hodges going along—skids could be greased for passage of some type of law requiring manufacturers to supply uhf tuners in all sets.

Other important TV issues before this week's EIA meeting will be discussion—and possible approval —of: (1) an industry-enforced advertising practices code (Vol. 16:38 p16) covering all electronic entertainment devices, and (2) an all-industry campaign to promote purchase of more TVs, phonos & radios. For more details on EIA meeting agenda, see p. 17.

THAT STRIKE THREAT: Showdown was in sight at week's end in the stalled negotiations between AFTRA & SAG and the 3 networks. Scheduled for Nov. 26 was meeting between the unions & network executives (at CBS-TV N.Y. hq), at which time last-ditch, face-to-face attempt would be made to prevent threatened walkout of TV program & commercial talent (Vol. 16:47 p2). Since Nov. 15 expiration of AFTRA-SAG contracts involved, the 2 sides have not held bargaining sessions, apart from quick meeting Nov. 22 at N.Y. offices of Federal Mediation & Conciliation Service.

Strike, however, was still strong possibility. In field of live & taped network programs, AFTRA & networks were still far apart. Networks had previously indicated they'd be willing to meet some marginal AFTRA demands (more money for a bit player whose part calls for him to grow a beard, meals for casts rehearsing late at night, boost in mileage allowances for actors who have to drive to a point of location, etc.). But the networks were also seeking greater freedom (& lower costs) in making up new TV shows by snipping up tapes of old ones, and were refusing to negotiate on such AFTRA-demanded items as an improvement in the penalty provisions for delays in rerun payments to talent, payments to actors for public appearances or tune-in TV ads, increased payment scales for closed-circuit telecasts, and a number of increases in network program TV rates.

Acting largely on behalf of ANA and 4A, which are closely concerned with increases in the costs of TV commercials placed on a spot basis, the networks have also offered a few concessions to AFTRA & SAG in the commercials realm. However, networks last week had so far refused to budge on the unions' demands for a "unit system" of payment scaled to city size, and were seeking revised-downward pay scales in some commercial cases. Among these: Networks have proposed a reduction in classification of some small-role commercial actors to that of extras, and are seeking a special 6-week-cycle commercial rate.

Still a question mark is whether technical & engineering unions, such as NABET, would support an AFTRA-SAG walkout—if it came. Networks have hinted these unions won't support it; AFTRA-SAG hint they will. The technical unions, however, have maintained a diplomatic silence. (Further details on p. 9.)

FCC WARM ON 3-YEAR STATION-SALE RULE: Brakes on sales of stations held less than 3 years, under consideration by FCC (Vol. 16:45 p1), are still in works, may be proposed in rule-making in couple of weeks. Commission discussed subject again last week, and sentiment still leans toward proposing the rule.

It's understood that multiple owners, with the rules now under consideration, would suffer greater restraints than single operators. If a multiple owner wanted to sell all stations, he would not be able to do so until he had held his most recently acquired station 3 years. An exception: If the package contains an FM station held for less than 3 years and an AM held for more than 3—and they both serve the same market.

In figuring the 3-year periods, Commission is considering these methods of calculation:

(1) If the transfer involves a license and a CP for major changes, the 3 years are measured from the date the CP for changes was granted.

(2) If a CP for an operating station or a license is involved, the time is calculated from the day FCC gave the grantee his initial operating authority.

(3) If the station to be sold was acquired by purchase, the time is measured from the day the purchase was approved by FCC.

Though there is bound to be opposition to any restrictions on sales which may be proposed, some operators wonder whether FCC restraints may be lesser of 2 evils—other being Congressional strictures. Rep. Harris (D-Ark.), chmn. of Commerce Committee, is very hot on subject of "speculators" and has promised action. Some Washington Harris-watchers think he may be cooled off by tighter Commission rules.

GRASS-ROOTS TV SUCCESSES: TV hasn't lost its overnight sales touch—although much national spot-TV buying, ignoring this fact, is done on a strict slide-rule yardstick of rating-vs.-cost, and many a timebuyer's contact with local TV stations is only through Madison Ave. sales reps.

We recently surveyed TV stations, in both U.S. & Canada, to see if local TV still carried the kind of sales punch that won many pioneer advertisers in the medium's earliest days. A cross-section of stations replied, citing local-level sales successes for ad categories ranging from autos to ice cream.

First roundup of survey-reported successes appears on p. 7. It covers case examples in the automotive & auto-products field, ranges in terms of markets from Quebec to Miami.

Our motives in printing this: To provide stations with an interchange of sales ideas, and to remind agencies that the values of TV can't always be found in station rate cards.

OPTION TIME STILL IN JEOPARDY: Fight over network option time may be starting all over again. KTTV Los Angeles, which wants the practice abolished, has gone to Court of Appeals to seek a reversal of FCC's decision cutting option time from 3 to 2½ hours for each quarter of the day (Vol. 16:47 p1). Last week, all 3 networks & their affiliate organizations filed or were preparing to file motions to intervene which would allow them to fight KTTV in the Court.

Looming on horizon, however, is probability that Justice Dept. will ask Court to remand case to FCC for another decision. Speculation is that Justice will assert that Commission never really decided case, basing its claim on Comr. King's unusual vote. Commission had been split 3-3, and King then decided to vote with majority. However, he said that he believed FCC had only 2 alternatives before it—leave situation as is or cut periods to 2½ hours (Vol. 16:38 p1). He didn't agree with minority (Ford, Hyde & Bartley) that Commission had 3rd alternative of eliminating option time altogether.

If Court does remand—there's fair chance of it—King may join minority and make it the majority. If King is replaced before vote is taken, his replacement also could go either way.

FAA SAYS TV & RADIO 'TOO APPREHENSIVE' ABOUT TOWERS: FAA has always agreed that FCC has final word on whether or not a tall tower should be authorized. Broadcasters have been too apprehensive about FAA's proposed rule-making on subject (Vol. 16:38 p5 et seq.).

That's the position taken by FAA general counsel Daggett H. Howard, amplifying on the comments made by FAA Administrator Elwood R. Quesada at a recent National Press Club luncheon.

Daggett said that FAA & FCC have "concurrent jurisdiction," that FAA's job is to determine whether a structure is a hazard while FCC's duty is to weigh FAA's findings as part of a determination as to whether an application can be granted.

"Suppose," we asked Howard, "that FAA declares a proposed tower to be a hazard but that FCC decides that it should be built anyway because the public interest demands it?" FCC has the power to allow the construction, he said, and aviation interests would have to accept it. "How about FAA's proposal to establish antenna farms in all states?" Howard's response: "We say that if a tower is on an antenna farm it isn't a hazard—but we don't say that it must be built there only."

Quesada had stated, at the Press Club luncheon: "There is an honest difference of opinion between the FCC & us. The FAA has control of airspace. The determination of what is an aeronautical hazard belongs to the FAA. The FCC must consider this determination among other things when deciding whether or not to grant a permit. This is its authority. But it must accept our view that there is a hazard."

Asked what dispute there is then, between FCC & FAA, Howard said that "the Commission is resisting our claim that it's our duty to determine what is a hazard." Opposition of TV-radio industry to FAA's rule-making proposal, he said, is based "partly on lack of understanding. Quesada's statement should give them some comfort." However, broadcasters aren't yet prepared to quit worrying about FAA.

FOREIGN TV BOOM: TV set-buying abroad just about doubled in the 4 months from June 1 to Oct. 1, 1960 compared with the 5 months Jan. thru May. The surge brought the foreign total to 38,650,000. During the same period, the number of overseas TV stations went up 116—from 1,237 to 1,353.

Expansion of more than 4 million sets in overseas TV in June-Oct. period vs. 2.5 million in earlier part of year (Vol. 16:25 p20) was noted by USIA in report prepared for its overseas posts. Of the total sets-in-use, 32,650,000 were estimated in countries outside Communist bloc, 6 million inside Iron Curtain. Non-Communist countries added 97 new stations since June, Communist countries 19.

"Statistical data must be viewed with caution," USIA said, since—as usual—it lacked official figures from some bloc countries and had to rely on "consenus of a variety of unofficial sources." But set & station count took in all countries excluding U.S. & territories and Canada (see p. 6).

Other highlights of USIA report: (1) Castro govt.'s takeover of TV in Cuba became "complete." (2) Japanese TV "continued rapid growth." (3) Norway officially opened its TV network. (4) Albania started first experimental TV tests. (5) USSR & United Arab Republic signed 5-year TV-program exchange agreement. (6) USIA's own TV service now has estimated viewing audience of 135,250,000 in 51 countries.

The FCC

PUBLIC-NOTICE & PRE-GRANT RULES: Issuance of FCC's new procedures implementing certain sections of the Harris-Pastore Act (Vol. 16:47 p1) has drawn a variety of reactions from the industry—but we haven't talked with anyone who can discern any public value to the public-notice & pre-grant provisions.

Some believe that the public-notice procedure—requiring local publication & broadcasting of applications for new stations or major changes—could open wide a swinging door for cranks, sharpshooters and even blackmailers. Others doubt that such results will develop. They point out that there is frequently local publicity about applications, and that the lunatic or greedy fringe tends to get its licks in anyway. Here are typical comments of station operators and their attorneys:

"Another nuisance for the applicant. I can't visualize any public benefit in it. Who reads the legal notices in the paper? I think these will fall into the same category."

"It won't make a bit of difference. The people who are really interested know about applications already by following FCC activity. I don't think it will produce much increase in crackpot complaints."

"The station operator is placed in the unfair position of having to prove he is not guilty. It's in the French courts—not the American—that you are guilty until you prove yourself innocent."

"It may produce some frivolous objectors—but the serious people know what's going on already."

The FCC issued the text of the new rules last week as Public Notice 60-1381. The rules attempt to spell out the kinds of applications which require public notice.

For AM, the rules apply to changes in frequency, power, hours of operation or station location. For TV, it's any change in channel or station location—or any change in power, height or antenna location which would produce a difference of 50% or more in area within the station's Grade B contour. For FM, it's any change in frequency, station location or class—or any change in power, height or antenna location which would produce a difference of 50% or more in area within the station's 1 mv/m contour. In addition, the FCC may tell the applicant that "a major change" is involved even if it doesn't fall within the foregoing categories. The rules also apply to applications for renewals & transfers.

The publication must be made at least twice a week for 2 weeks in a daily newspaper. In addition, if an operating station is seeking a modification, assignment, transfer or renewal, it must also broadcast that fact twice weekly for 2 weeks, between 10 a.m. & 10 p.m. Here's what the notice must contain, the rules say:

"(1) The name of the applicant, if the applicant is an individual; the names of all partners, if the applicant is a partnership; or the names of all officers & directors and of those persons holding 10% or more of the capital stock or other ownership interest if the applicant is a corporation or an unincorporated association (in the case of applications for assignment or transfer of control, information should be included for all parties to the application).

"(2) The purpose for which the application was filed (i. e., construction permit, modification, transfer or assignment of control, renewal, etc.).

"(3) The date when the application or amendment was filed with the Commission.

"(4) The call letters, if any, of the station, and the frequency or channel on which the station is operating or proposes to operate.

"(5) In the case of an application for construction permit for a new station, the facilities sought, including type & class of station, power, location of studios, transmitter site and antenna height.

"(6) In the case of an application for modification of a construction permit or license, the exact nature of the modification sought.

"(7) In the case of an amendment to an application, the exact nature of the amendment.

"(8) In the case of applications for a permit pursuant to section 325(b) of the Communications Act, the call letters, and location of the foreign radio broadcast station, the frequency or channel on which it operates and a description of the programs to be transmitted . . ."

The new rules also spell out how parties may file objections to applications. Up to the day before FCC acts on an application, a "party in interest" may file a petition urging denial. "The petition," the rules state, "shall contain specific allegations of fact sufficient to show that the petitioner is a party in interest and that a grant of the applications would be *prima facie* inconsistent with the public interest, convenience, and necessity. Such allegations of fact shall, except for those of which official notice may be taken, be supported by affidavit of a person or persons with personal knowledge thereof."

SUPER AGENCY ADVOCATED: Creation of a permanent, multiple-interest Administrative Conference to oversee operations of all federal regulatory agencies, including FCC, was recommended last week by a group named by President Eisenhower to prescribe cures for faults.

Meeting in Washington with Court of Appeals Judge E. Barrett Prettyman, an old hand at studies of agency inefficiency, the organizing committee of the White House Conference on Administrative Procedure (Vol. 16:47 p14) "strongly" urged such a super set-up.

As envisaged by govt. officials & lawyers making up the 15-man committee headed by Prettyman, the Administrative Conference would be a "force from within" the agencies to streamline procedures. Patterned after the already-functioning Judicial Conference which keeps an eye on federal court administration, it would advise—but not dictate to—the agencies.

Judge Prettyman said details of the plan weren't worked out, but that he expected his committee to come up with a written draft in a couple of weeks. As outlined by the organizing committee, the administrative conference would be made up of as many as 65 delegates—representing agencies, Congress, cabinet, bar groups, law schools.

In time—maybe 5 years—such a group of overseers could become the authoritative voice for agency reforms, proponents of the plan said. Prettyman stressed that it wouldn't take over investigative functions of Congress, but would devise methods for cutting agency red tape.

At the same time Prettyman said he and the other organizers of the White House Conference would have to be "guided by the advice of those who are directly concerned with the problems of transition" from Republican to Democratic administrations.

Landis Plans Agency Study

Specifically, that meant James M. Landis, veteran of New Deal agencies who was named by President-elect Kennedy to study the agencies and come up with a report for the new administration by Dec. 15.

Landis had been expected to attend the Washington organizing meeting Nov. 22, but he got tied up in Miami Beach where he (1) lost out in a campaign for the presidency of the AFL-CIO Air Line Pilots Assn. and (2) came down with a virus infection.

Over the years Landis has repeatedly said he favors objectives set by the Prettyman group, however. As Kennedy's expert on agencies, he will operate from a Washington office (at 1707 N St., NW) with a staff of researchers. His Dec. 15 report is expected to be a general size-up of agency problems, followed at intervals by detailed agency-by-agency recommendations.

Meanwhile, Chmn. Carroll (D-Colo.) of the Senate Judiciary Administrative Practice & Procedure Subcommittee, who has run on-&-off investigations of agency operations for the past 2 years (Vol. 16:24 p4), got back into his act again. Carroll scheduled new hearings for Nov. 29-Dec. 2 to explore such questions as: (1) "The extent to which the Commissions should be independent of executive control." (2) "The extent of control which should be exercised by Congress." (3) "The manner in which Congress should exercise that control." Among witnesses listed by Carroll: Prettyman & Landis.

Also on the Capitol Hill schedule is a full-dress inquiry into agency structure & practices by the Senate Commerce Committee. Chmn. Magnuson (D-Wash.) expects to get it under way soon after the 87th Congress convenes in Jan.

FCC & NAB CONFER ON SPOTS: Grass roots complaints from members, primarily radio, prompted NAB representatives to seek & obtain an audience with FCC on its spot-counting proclivities. The session ended with no minds changed, apparently.

The one-hour Nov. 15 conference was informal, all commissioners being on hand except Lee & King. FCC staff members present: James Sheridan, Harold Cowgill, Joseph Nelson & Ashbrook Bryant. For NAB: Thomas C. Bostic, KIMA Yakima, Wash., Radio Board chmn.; Merrill Lindsay, WSOY Decatur, Ill., Radio Board vice chmn. and policy committee member; plus staff members Vincent Wasilewski, John Meagher & Douglas Anello.

The NAB delegation expressed concern about FCC's practice of asking stations to justify too many "interruptions" to programming, *i.e.*, too many spots. The Commission has been doing that when spot frequency rises to 15-to-16 an hour (Vol. 16:30 p1). The FCC reaction, in effect: (1) We believe we should do this. (2) It's nothing new; we've been doing it for years. (3) We never question a station on spot frequency alone. There are always other things—such as discrepancies in station performance compared with promises.

FCC has never revoked a license for overcommercialization, but it obviously intends to keep the pressure on. New application & renewal form under consideration (Vol. 16:46 p4) are understood to include a requirement that applicants tell how many spots they have carried in a typical week, broken down by length & by time of day—and how many they plan to carry.

L. B. Wilson Inc.—awarded Miami Ch. 10 subject to court approval in the "influence" case against National Airlines' WPST-TV (Vol. 16:46 p8)—must avoid interfering with Largo Ch. 10, FCC ordered in a modification of its temporary authorization. And L. B. Wilson must accept any interference to its WLBW-TV, the Commission said. The FCC acted on petitions for reconsideration filed by 5 Largo applicants: City of St. Petersburg, Suncoast Cities Bcstg. Corp., Tampa Telecasters Inc., WTSP-TV Inc., Bay Area Telecasting Corp.

TV frequency monitoring by stations, as ordered by FCC in a never-enforced 1955 rule, will be formally eliminated as a requirement. In a new rule-making proceeding (comments due Dec. 26), the Commission said it "believes that improved TV transmitting equipment no longer makes frequency monitors necessary and that stations can use simpler means to check their operating frequencies."

Revised AM map showing Canadian ground conductivities for use in trans-border calculations under the 1950 North American Regional Broadcasting Agreement is available from the telecommunications & electronics branch, Dept. of Transport, Ottawa, Ont. Checks for $5 per copy should be payable to the Receiver General of Canada.

FCC last week jogged stations on its political broadcasting questionnaire, saying that many are being sent back for correction. Common defects, it said, are lack of proper signature, failure to answer all questions and obvious inconsistencies. Filings are due by Dec. 5.

Uhf translator grants: Ch. 75 & 78, for Maupin, Ore., to Maupin TV Corp. Ch. 78 & 80, for Booker, Darrouzett, Follett, Canadian & Higgins, Tex., to C. L. & O. Translator System Inc. Ch. 77, for Wallowa Valley, Ore., to Wallowa Valley TV Assn. Inc.

FCC MEMBERSHIP SPECULATION: Nothing definite can be detected yet on the identity of FCC's new chairman under President Kennedy or who will replace Republican Comr. King.

The safest bet remains Comr. Bartley for chief of the agency—but it isn't certain. As for the new member, nominate your own favorite—everyone else is doing it. A lot of people like Kenneth Cox, the Seattle lawyer who often helps Senate Commerce Committee Chmn. Magnuson (D-Wash.) with tough TV chores (Vol. 16:47 p4). Last week, the name of Washington attorney Harry M. Plotkin came into the picture—with considerable buzzing about it at the FCC. Plotkin wasn't available for comment but his friends believe he'd be reluctant to leave his practice. He's a former FCC associate general counsel.

Though some people were trying to work up a boom for ABC Washington vp Edgar Shelton (Vol. 16:47 p4), he said he wasn't interested.

FCC Cancels Unbuilt Uhfs: FCC cleaned out its files, as expected, and canceled 24 uhf CPs because of failure to construct (Vol. 16:8 p2 *et seq.*). One grantee, WELI-TV (Ch. 59) New Haven, was granted an extension because it has started construction and intends to complete it, the Commission said. Also reprieved were WMCN (Ch. 23) Grand Rapids and WBMG (Ch. 42) Birmingham because of the pending rule-making which proposes vhf drop-ins for those cities.

Originally, the Commission had placed 54 grantees on notice. Most of these simply canceled out voluntarily. The balance were granted an oral argument which failed to convince the Commission that they should be kept on the books until the basic vhf-uhf allocations policy is finally settled. Comrs. Hyde & Lee dissented to the cancellations, while Comrs. Bartley & Cross dissented to the grant to WELI-TV. Here are the canceled grantees:

WNLC-TV (Ch. 26) New London, Conn.; WCBF-TV (Ch. 15) Rochester, N.Y.; WPHD (Ch. 23) & WSES (Ch. 29) Philadelphia; WOCN (Ch. 52) Atlantic City; WAZL-TV (Ch. 63) Hazleton, Pa.; WCIN-TV (Ch. 54) Cincinnati; WEHS-TV (Ch. 26) Chicago; WTVX (Ch. 48) Gastonia, N.C.; WFOX-TV (Ch. 30) Milwaukee; WJDW (Ch. 44) & WXEL (Ch. 38) Boston; WQCY (Ch. 39) Allentown, Pa.; WHCU-TV (Ch. 20) Ithaca, N.Y.; WBID-TV (Ch. 50) Detroit; WTOH-TV (Ch. 79) Toledo; WTLC (Ch. 29) Canton, O.; WHLS-TV (Ch. 34) Port Huron, Mich.; WLAN-TV (Ch. 21) Lancaster, Pa.; WRAK-TV (Ch. 36) Williamsport, Pa.; WAMT (Ch. 48) Memphis; WTMV (Ch. 54) Utica; KMPT-TV (Ch. 19) Oklahoma City; KMYR (Ch. 34) Los Angeles.

The Commission also denied applications for the replacement of expired CPs filed by KTRB-TV (Ch. 14) Modesto, Cal. & KFMX-TV (Ch. 27) San Diego.

FCC suffered a reverse on a technicality last week, when the Court of Appeals ordered the Commission to consider the protest filed by KTAG-TV (Ch. 25) Lake Charles, La. against a site move of KPAC-TV (Ch. 4) Port Arthur, Tex. The Commission had dismissed KTAG-TV's protest because it wasn't properly sworn in time. The Court noted that the FCC, in an earlier case, had allowed a late filing of a properly executed affidavit, and it concluded: "We think the Commission may, in its discretion, permit the proposed correction in the present case."

More time for comments on FCC's proposed revision of the station financial-data form (Vol. 16:45 p3) was requested by NAB last week on the grounds that its members need time to study the extensive changes. It seeks a change in deadline from Dec. 9 to Feb. 1.

KVOS-TV (Ch. 12) Bellingham, Wash., which serves Vancouver, B.C., has been bought for $3 million by Wometco Enterprises (WTVJ Miami, WLOS-TV Asheville, N.C. & 47.5% of WFGA-TV Jacksonville). Prudential Insurance Co. loaned Wometco $2 million for the acquisition. The sale is subject to an Internal Revenue Service ruling sought by KVOS-TV principal owner Rogan Jones. Broker was Blackburn & Co.

Foreign

More about

USIA TV SURVEY: The list of foreign TV stations & sets-in-use compiled by USIA (see p. 4) jibes quite well with our own independently compiled directory in the new Fall-Winter TELEVISION FACTBOOK. Our comparable list, printed in these pages Sept. 12 (Vol. 16:37 p20), showed 40,360,224 sets-in-use and 1,383 foreign stations as of Aug. 1. Deducting the Canadian sets & stations from these figures (which the USIA list does not include), our survey indicated 37,520,224 sets & 1,313 stations Aug. 1, while USIA's list shows 38,650,000 sets, 1,353 stations as of Oct. 1—demonstrating remarkable consistency and helping to confirm both sets of figures.

The USIA list of stations & sets-in-use as of Oct. 1:

COUNTRY	STATIONS	SETS
Western Europe		
Austria	17	167,600
Belgium	5	422,400
Denmark	10	438,000
Finland	14	67,200
France	83	1,800,000
West Germany	215	4,204,800
Iceland[1]	—	700
Ireland[2]	—	70,000
Italy	386	2,200,000
Luxembourg	1	5,500
Malta[3]	—	7,000
Monaco	1	11,000
Netherlands	7	688,800
Norway	5	20,000
Portugal	5	38,600
Spain	6	270,000
Sweden	35	1,000,000
Switzerland	14	110,900
United Kingdom	34	10,568,700
Yugoslavia	8	16,000
Total	846	22,107,200
Latin America		
Argentina	3	500,000
Brazil	19	959,200
Chile	2	500
Colombia	9	150,000
Costa Rica	1	2,000
Cuba	24	500,000
Dominican Rep.	4	13,000
El Salvador	2	20,000
Guatemala	2	20,000
Haiti	1	1,500
Honduras	1	1,000
Mexico	21	800,000
Netherlands Antilles (Curacao)	1	3,000
Nicaragua	1	4,300
Panama	1	25,000
Peru	5	60,000
Uruguay	1	15,000
Venezuela	11	250,000
Total	109	3,324,500

[1]Tune to Armed Forces stations.
[2]Tune to U.K. stations.
[3]Tune to Italian stations.

COUNTRY	STATIONS	SETS
Near East, South Asia & Africa		
Algeria	4	43,500
Bahrein[4]	—	1,000
Cyprus	1	3,000
Ethiopia[1]	—	1,000
India	1	300
Iran	2	35,000
Iraq	1	20,000
Kuwait[5]	—	600
Lebanon	2	15,000
Libya[1]	—	1,600
Nigeria	2	2,500
Qatar[4]	—	300
Saudi Arabia	1	4,000
Turkey	1	1,000
United Arab Republic	2	40,000
Total	17	168,800
Far East		
Australia	16	1,067,400
Hong Kong	(1)[6]	5,500
Japan	107	5,884,900
Korea (South)	1[7]	8,000
New Zealand	1	—
Okinawa	2	—
Philippines	4	37,000
Thailand	2	50,000
Total	133	7,052,800
Communist Bloc		
Bulgaria	1	3,000
Czechoslovakia	14	750,000
East Germany	39	809,700
Hungary	7	80,000
Poland	20	311,000
Rumania	2	22,000
USSR	159	4,000,000
Communist China	6	20,000
Total	248	5,995,700

[4]Tune to Aramco station, Dharan, and to Armed Forces station.
[5]Tune to Iran TV, Abadan.
[6]Closed circuit station.
[7]Off air due to fire.

Advertising

More about

LOCAL SALES SUCCESSES: Our own mail survey of TV outlets in the U.S. & Canada proves again that there's more to buying spots than seeking big ratings. Smashing sales impact—overnight sales results in local-level TV—are not merely a memory, a phenomenon of TV's earliest days. They still happen—and frequently—for all types of sponsors (see p. 3).

The report below is the first of a series (by category) drawn from questionnaires which asked each station for its "most successful case history of advertiser results." In this initial report, we cite some representative examples of sales success for a major advertising category—autos & auto supplies. In future issues, we will present other success stories for other types of spot-TV advertisers.

Although cars—even used cars—represent a comparatively "big ticket" consumer purchase, auto dealers have long found TV an effective ad medium, producing big, direct and traceable results.

KABC-TV Los Angeles has listed Brand Motors-Ford City as a "constant advertiser" for nearly 3 years. One of Los Angeles' largest auto dealers, Brand recently informed KABC-TV that it attributed 90% of its sales volume to local-level TV advertising (largely Sat.-Sun. saturation campaigns in morning & afternoon periods).

CFCM-TV Quebec, a French-language outlet, solved a poor-location problem for Tanguay Automobiles, a Dodge-DeSoto dealer. Tanguay's showroom is across the St. Lawrence River from Quebec's 350,000 city population. Non-TV ad media had failed to deliver much in the way of new auto prospects. Then Tanguay, in 1958, took a chance on TV, buying a 15-min. travel show, *La Rose Des Vents*, which stressed the pleasures of motor travel (in, of course, a new Dodge or DeSoto). A contest promotion on the program brought in "over 2,000 customers."

Short-Term Campaigns Sell Cars, Too

WREX-TV Rockford, Ill. also proved that short-term campaigns can sell autos successfully. Forrest Hills Motors, a regular sponsor of the station's Fri.-night feature movie, recently staged a 60-hour local "Sell-A-Thon," and backed it with a heavy TV campaign. Results, according to Robert White, gen. mgr., Forrest Hills Motors: "We wrote 49 new-&-used-car deals. More than 90% of them were obtained from the audience of WREX-TV. I cannot praise the power of TV enough."

CKVR-TV Barrie, Ont. turned in a job for Hanna Motor Sales Ltd., a Ford-Monarch dealer in nearby Stayner and Collingwood. Reported CKVR-TV: "Hanna began advertising on our station in Jan. 1956. In his first 6 months, Doug Hanna stated his sales had increased by 200% and that TV was bringing customers to his locations in greater number than if his sales staff were out beating the bush. He has increased his TV budget every year, and he is currently running three 60-sec. spots per week, to which are added saturation campaigns from time to time."

Other auto successes: **WWL-TV New Orleans** sold part-sponsorship of *Tombstone Territory* reruns to a local Buick dealer in prime time, and in 2 weeks the show had sold over 80 new cars. **WCAU-TV Philadelphia** has counted Reedman Motors as a regular participation sponsor of its feature-film *Early Show* and *Late Show* for the past 3 years, now reports that "a high percentage of the transactions for new & used cars is directly traceable to advertising on WCAU-TV." **WEAT-TV West Palm Beach, Fla.** so convinced Wayne Akers Ford Co., a local dealer, of the value of auto selling by TV that Akers' spending on the station "increased from $100 to $750 weekly, and moved more cars than was necessary to justify this increased budget." **WCKT Miami** sold a local sports program to a used car dealer—and promptly sold 11 used cars with the first show (considerably more than the cost of the kickoff).

In a related field: **KGW-TV Portland, Ore.** sold sponsorship to U.S. Rubber Corp. (for Royal Tires) of a 30-min. station-produced, film-&-live series on fishing & hunting. During the colorcast series, U.S. Rubber offered a giveaway of fishing lures at 3 different local dealers each week. One dealer sold 10 new tires the following morning as a direct result, and other dealers reported lines of customers waiting to get the free fishing lures—and to buy U.S. Royal Tires. Now in its 3rd year, the show is being considered by U.S. Rubber for expansion to other markets. **WALB-TV Albany, Ga.** sold the syndicated *Border Patrol* series to the local Amoco distributor, who soon thereafter reported to the station that he was having trouble keeping dealer tanks filled with Amoco "because of the great demand."

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Sponsors, of course, seldom drop a show that's riding high in the rating lists. CBS-TV therefore was considerably surprised last week when notified that Pet Milk Co. was canceling before mid-season its alt.-wk. sponsorship of *The Red Skelton Show* (Tue. 9:30-10 p.m.) which has been a fixture of the Nielsen "top 10." Pet Milk gave no reason, but there was little trouble finding a customer. As soon as co-sponsor S.C. Johnson was notified of Pet Milk's decision, the wax firm doubled its budget for the program to move up to full sponsorship. Johnson has co-sponsorship of 4 other shows on CBS-TV this season (*Angel, Zane Grey Theater, Garry Moore Show, Ann Sothern Show*), is now one of the network's biggest customers.

New "spot TV cost summary" has been published by rep Katz Agency. The 28th in a semi-annual series, the booklet is designed to aid timebuyers in making quick estimates of spot TV costs "in as many as 230 markets." Market-by-market rates are listed—grouped in descending order of market size, starting with N.Y.—for a variety of basic spot TV purchases. These include: nighttime 30-min. slots, 20-sec. announcements; daytime 60-sec. & 20-sec. announcements on a one-time, 6-plan and 12-plan basis; and late-night announcements on similar plans. Copies are available without charge from Katz at 666 Fifth Ave., N.Y.

Sunday afternoon is prime time with a low cpm, reports a new TV Advertising Representatives Inc. survey. Distributed to advertisers & agencies last week, the TvAR study is based on viewing habits in Westinghouse's 5 major markets from noon to 6 p.m. Sunday. Major findings: 68% of TV families watch TV during this period. Viewing ranged from 2 hours in San Francisco to 3 in Pittsburgh & Boston. Programming delivers a family audience (220 viewers per 100 homes). Cost comparisons showed: 5-market average for a Sunday schedule of 20-sec. spots was $1.31 per-1000-homes, against $2.70 for prime night spots.

Ad industry will sell advertising during the industry's first national all-media campaign. The project, launched by the Advertising Federation of America and the Advertising Assn. of the West is scheduled to be launched during National Advertising Week, Feb. 5-11. It will be sustained throughout 1961. The theme, "Let's Keep Rolling Ahead," will play up the cycle of "advertising - mass demand - mass production," stated NAW Chmn. George W. Head. McCann-Erickson is preparing the campaign format.

Advertising Protests Mount: Complaints from dissatisfied customers & competitors about deceptions in advertising are pouring into FTC at a rate of 5,000 per year. More than a third of them are serious enough to warrant formal citations for violations of law.

In fiscal 1960 alone, 346 anti-deceptive practice complaints were issued by FTC after staffers had checked 5,000 separate complaints. The number of cases instituted then was 28% higher than in fiscal 1959 & 1958—and those years had set "records, constituting a startling increase."

This picture of the state of advertising today was drawn for a Sales Executive Club meeting in Binghamton by FTC's associate exec. dir. Basil J. Mezines, who said advertisers could turn the tide of complaints by using these "common-sense rules of thumb:"

(1) "Advertisements must be considered in their entirety and as they would be read to whom they appeal."

(2) "Advertisements are not intended to be carefully dissected with a dictionary at hand, but rather to produce an impression upon the ordinary purchaser."

(3) "Advertisements as a whole may be completely misleading although every sentence separately considered is literally true."

(4) "Whether or not the advertiser knows the representations to be false, the deception of purchasers and the diversion of trade from competitors is the same."

(5) "A deliberate effort to deceive need not be proven to prohibit the use of advertising which misleads as an unfair method of competition or deceptive act or practice within the meaning of the Federal Trade Commission Act."

(6) "Laws are made to protect the trusting as well as the suspicious."

(7) "Advertising representations which are ambiguous will be interpreted in such a way as to accomplish the purpose of the Federal Trade Commission Act, which is to prevent the making of claims which have the tendency & capacity to deceive."

Mezines also warned against "6 sucker signals" which are practically guaranteed to arouse suspicions of FTC Chmn. Earl W. Kintner: "Buy now or lose the chance . . ." "You have been specially selected . . ." "It's only a legal form . . ." "Just a few easy lessons . . ." "You can save up to . . ." "Yours absolutely free . . ."

■

Mohawk Carpets returned to national TV advertising last week—after an 8 year absence. Reasons (as outlined in a Nov. 18 *Printer's Ink* study): The need to sell people on the "concept of carpeting" once again; to present a homey family approach through the medium of the right TV program; to generate dealer enthusiasm with sponsorship of a one-shot TV special; to reach "quality" audiences. Mohawk chose a 60-min. NBC-TV Thanksgiving Day color special, "No Place Like Home," for the re-entry.

Song-recording racket has been alleged by FTC in a false-advertising complaint against Star-Crest Recording Co. (Stephen F. Singer), 1350 N. Highland Ave., Hollywood. Said FTC: "Mr. Singer does not pay royalties as advertised to those whose songs are accepted. In reality . . . the writers subsidize production of records containing their songs plus a profit to Mr. Singer."

Ad People: Bernell Grossman, formerly CBS-TV, named Compton TV-radio supervisor; Andrew F. H. Armstrong named a vp . . . William Chalmers joins Compton Advertising Inc. Los Angeles as vp-account supervisor . . . Dr. Carl H. Rush elected a Ted Bates vp.; Zachary Schwartz, TV creative dept. supervisor, named a vp.

Quality-vs.-Quantity: A verbal clash between two admen whose TV programming philosophies have long been in opposition enlivened the 2nd time-buying & -selling seminar staged by RTES in N.Y. Nov. 22. Defending the position of quality programming as an environment for TV commercials was Fuller & Smith & Ross senior vp Arthur Duram. Upholding the circulation-is-the-main-thing philosophy was Filmways pres. Rodney Erickson, onetime Eastern sales vp for Warner Bros. TV. Highlights of the duel:

"Mediocre shows do not command a high degree of viewer attention," said Duram of bread-&-butter shows, "and cpm should measure 'minds' as well as 'bodies.' A huge audience is useless with a low level of attentiveness."

Erickson held out for a more fundamental approach. "Basically people don't care a hoot for your product whether it's on a crumby Western or a high-class documentary. You have to shock them, use bongo drums, push them into a corner until they will listen. Quantity is the only path to efficiency."

That didn't stop Duram. Said he: "Every bored viewer spells waste for the advertiser. If the rating is lower, but the audience is interested, the cpm drops. The advertiser must be assured of a stimulated audience."

Erickson's parting shot: "This may be true . . . but the thing to improve is the commercial, not the show. Agencies should butt out of the production aspect and leave it to the producers. The only way to improve the quality of TV programming is to spend more money—and this the medium can't afford. TV is a commercial venture—not a selective medium. Companies like U.S. Steel and Aluminium Ltd. have no business in TV. It's pure waste for them. They should advertise in *Fortune* or *The New Yorker*."

■

Switch to low-pressure TV tactics by Mutual of Omaha features "Uncle Moo," a humorous spot-commercial character who sells the health-&-accident insurance salesman rather than the insurance. "Uncle Moo" was so successful in a San Francisco test that Mutual is expanding its spot campaign to 16 additional stations.

Educational Television

TV-teaching techniques and other audio-visual classroom aids will be studied by the National Education Assn. under an 18-month $102,980 contract with the U.S. Office of Education. The survey, latest to be authorized under Sec. VII of the National Defense Education Act (Vol. 16:28 p13), will be directed for NEA by James D. Finn of the U. of Southern Cal. A panel of specialists for the project will include C. R. Carpenter, Pa. State U.; Edgar Dale, Ohio State U.; Arthur W. Foshy, Columbia U.; Charles F. Hoban, U. of Pa.; A. A. Lumsdaine, U. of Cal. at Los Angeles; Lindley Stiles, U. of Wis.; Fred F. Harcleroad, Alameda State College, Hayward, Cal.; Robert S. Gilchrist, Webster Grove, Mo.; Anna Hyer, NEA.

Educational WHYY (Ch. 35) Philadelphia, seeking Ch. 12 Wilmington, is getting a financial assist from the Philadelphia Home & School Council, which represents 180,000 parents of public school children. WHYY will make its oral presentation to FCC on Jan. 10, and the Council has initiated a drive to raise funds so that the station "can present the best possible case," reports WHYY dir. & ex-Council Pres. Mrs. H. Gilbert Wilson. She said the hearings would require considerable money—estimated by WHYY managing dir. Richard Burdick at $50,000-to-$100,000—and the station is appealing to parents.

Film & Tape

GLOOM OVER HOLLYWOOD: That thick pall of gloom over Hollywood's TV film industry is caused by the fact that predictions that this would be a lackluster season appear to be coming true (Vol. 16:41 p9).

Most executives & producers we checked last week took a dim view of the quality of this season's product, particularly the new entries. The consensus is that at least 40 series will be axed by season's end. Four Star Television exec. vp Tom McDermott predicted 50% would be canceled, including 70% of the new starters.

It is believed that the axe would fall earlier were it not for the facts that (1) most series go into production with minimum commitments of 13 or 26 episodes, (2) it is not easy to find a film replacement in mid-season, and (3) sponsors shy away from mid-season starts.

Executives we talked to were generally inclined to blame the networks for the quality of programming this year, giving the much-maligned sponsor a break for a change. They said that the networks adopted a "take charge" attitude toward programming last spring, in the wake of the FCC investigation, but they had then proceeded to put their worst foot forward. Result: A mass of look-alike shows which on the whole have failed to capture viewer attention, they contend.

It's the contention of the creators & businessmen of the industry that they are best qualified to determine which types of series should be on TV, yet they have little or no say about it. Their attitude was perhaps best expressed by Alliance of Television Film Producers Pres. Richard Jencks, while testifying at the October FCC hearing in Los Angeles. Jencks, utilizing TELEVISION DIGEST's pilot roundup for his reference, testified that production companies made 200 pilots available to buyers last spring, but that they cannot tell sponsors & agencies what to buy (Vol. 16:43 p8).

Can't Sell Unless In the Mold

It is a fact of life, he pointed out, that while the production companies do seek to present a balanced pilot diet, few shows make the grade unless they're in the mold of something already on TV. Last year the only exception to the rule was Rod Serling's offbeat series, *Twilight Zone*. This year, tradesters are hard put to think of even one exception. All producers ask is that buyers sample more of their wares.

Having mentally written off this season, the insiders are concentrating on next year. Aware of the same pitfalls to be faced, they express the hope that somehow the networks will not call all the shots in the next buying season. Some are optimistic that the FCC investigation, disclosing the extent of network control & influence, will deter the networks from being so forceful. (Irony: Among executives who expressed this hope were some who backed away from the FCC hearing, confiding that they did not want to testify, for fear of network reprisals.)

In any event, the new season has provided a few promising entries—albeit fewer than usual: *My Three Sons*, the Don Fedderson-produced comedy starring Fred MacMurray; *The Andy Griffith Show*; Revue Studio's *Checkmate* and *The Tall Man;* and, to a lesser degree, Hubbell Robinson's *Thriller*.

Hollywood has, since the beginning of TV film, pleaded for a voice in programming aside from that of providing the merchandise. Realists acknowledge that the buyers & networks have the say, but they contend that this power has been abused, and the play-it-safe attitude can bring only further troubles for the industry.

Meanwhile, the process of turning out canned mediocrity has not exactly helped the morale of those who work in the industry in Hollywood. One studio production chief (who was among those who solemnly told the FCC how his company specialized in quality product) is termed, even by his closest associates, "the messiah of mediocrity." There are a few others like him—but not many.

With the expectation of a heavy casualty rate, companies are proceeding with pilots faster than usual.

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More about

SAG OKAYS COMMERCIAL STRIKE: Chances for a Screen Actors Guild-AFTRA strike against the TV networks, ad agencies and producers of filmed & taped commercials rose last week when SAG's membership voted 4,369 to 549 to authorize such action (p. 2). AFTRA membership had previously given its executives similar authority. The only SAG strike vs. producers of commercials occurred on Dec. 1, 1952, over the issue of establishing the principle of "use" payments. The strike ended Feb. 18, 1953, with the Guild winning.

Chief effect of the AFTRA-SAG strike at the network level would be in daytime TV, since more than 80% of nighttime programming is built around non-affected telefilm shows. Most of the pre-5 p.m. NBC-TV schedule has taped or live shows (Dave Garroway *Today* show, *Dough Re Mi, Play Your Hunch, The Price Is Right, It Could Be You*, etc.). Much of CBS-TV's daytime lineup is non-film (*Video Village, The Brighter Day, The Verdict Is Yours*, Art Linkletter's *House Party*, etc.). ABC uses a lot of film reruns in daytime, but has taped shows, too (*Queen for a Day, About Faces, Day in Court, American Bandstand*).

All 3 networks plan to use off-the-shelf film shows, several of a vintage variety, to fill most of the gaps. Chief source of such film shows will be network-owned syndication subsidiaries (ABC Films, CBS Films, Cal. National Productions). Taped shows will use repeat episodes. Shows that are inherently live, such as newscasts, will use news dept. executives & other non-union stand-ins.

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Writers Guild of America has named its representatives on the TV film industry fact-finding committee. At the same time WGA West exec. dir. Michael Franklin, who had resigned (Vol. 16:32 p5), reconsidered & has been signed to a new 2-year contract. Morgan Cox is WGA's paid, permanent member of the industry committee, with David Harmon and Sam Newman the other WGA representatives. Purpose of this committee is to arrive at a mutually agreeable format by which writers will receive a royalty on global gross, as provided in contracts with the Alliance of Television Film Producers and the Assn. of Motion Picture Producers.

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Warner Bros. and James Garner appeared in Los Angeles Superior Court Nov. 25, but there was no action. Judge Arnold Prager continued the case to Nov. 28, in order to study briefs presented by attorneys for each side (Vol. 16:47 p13).

WNEW-TV N.Y.'s 60-min. special, "Winston Churchill: The Finest Hours," will go into syndication following its Dec. 12, 9-10 p.m. N.Y. telecast. Banner Films has exclusive distribution rights to all WNEW-TV local film specials.

SAG Gets Record $6.5 Million: Screen Actors Guild Pres. George Chandler disclosed last week that in the year ended Oct. 31, SAG collected & distributed a record $6.5 million for TV reruns, movies sold to TV and claims against producers for contract violations. Of this sum, $5.3 million was in TV residuals (a high mark for rerun revenue, bringing the total since Dec. 1953 to $16,386,425). Actors received $807,000 as compensation for movies sold to TV, and another $390,000 was for claims collected for violations of contract.

SAG showed a deficit of $104,000 for the year ended Oct. 31, having $634,000 in income & expenses totaling $738,000. This has reduced the surplus to $678,000. A special committee has been named to study the question of overhauling SAG's dues structure, with a dues hike in prospect. Actors' revenue has increased, and the cost of handling residuals has gone up each year.

Elected were George Chandler, pres.; Dana Andrews, first vp; James Garner, 2nd vp; John Litel, 3rd vp; Ann Doran, recording secy.; Frank Faylen, treas. Elected to the board: Warner Anderson, Chick Chandler, Ann B. Davis, Eduard Franz, James Gonzales, Charlton Heston, Robert Keith, Louise Laureau, Jock Mahoney, Richardo Montalban —all for 3-year terms. Also Roger Smith, 2-year term; and Rosemary De Camp, Buddy Ebsen, Pauline Myers, Jane Powell, for one-year terms. Ernest Chappell, Humphrey Davis, Ron Rawson and Luis Van Rooten were national board members elected to represent the N.Y. branch of the Guild.

Actors were given the details of their recently negotiated health & welfare plan, to be financed by producers. Martin Segal, consultant for the SAG plan, said that effective Jan. 1, 1961 a major portion of doctor & hospital bills will be paid for Guild members & their families. There will also be substantial life insurance & accident insurance coverage. Any actor earning as little as $1,000 a year will be eligible. Chandler estimated that movie producers will contribute a minimum of $1.65 million a year to the plans. Under the contract SAG has an optional rerun royalty system, under which 8% of the distributors' gross in perpetuity would be divided among actors in film TV shows.

SAG's membership now is 13,685—an all-time high.

NEW YORK ROUNDUP

ITC formed a new division last week—Javelin Productions—to handle the recently acquired assets of sports production & distribution firm Heritage Productions (Vol. 16:46 p10). Javelin's sales operations will be headed by former World-Wide TV gen. sales mgr. Mell Schlank. From World-Wide, Javelin has acquired 2 properties for syndication: *National Football League Presents*, 26 hour long games; *Women's Major League Bowling*. Heritage packages to be marketed by JP include: *Campy's Corner*, *Golf Tips of the Day*, *Magic Moment in Sports*.

Proposed standards for TV-tape recording have been approved by SMPTE's video-tape & standards committees. They are: VTR 16.2, dimensions of tape; VTR 16.5, audio records characteristics; VTR 16.6, dimensions of video, audio & control records; VTR 16.8, speed specifications. SMPTE also is offering its recommended practice RP5, dealing wtih patch splices in video tape. Copies of standards and the recommended practice are available from SMPTE, 55 W. 42nd St., N.Y. 36.

WNTA-TV N.Y.'s "The Iceman Cometh" (Part 1) featured on *Play of the Week* Nov. 14-20 drew an Arbitron of 31.3. On the basis of this total rating for 7 exposures, WNTA-TV estimated that the O'Neill play was viewed in 1,430,000 homes by 2,860,000 people. The rating placed "Iceman" among the top 10 in the N.Y. market last week. *Gunsmoke* led the list at 39.0.

John Daly, who quit his job as ABC News vp (Vol. 16:47 p3), will be married Dec. 22—to Virginia Warren, daughter of Chief Justice Earl Warren. Their engagement was announced formally in Washington Nov. 25. A small family wedding will be conducted in San Francisco while the Warrens are on their annual holiday trip home to Cal. A reception will be held in the Fairmont Hotel.

Obituary

Robert H. Reid, 52, Telenews gen. sales mgr., died Nov. 23 at his home in N.Y. after a short illness. He was formerly sales mgr. for INS and was instrumental in the news service's 1945 pioneer efforts in TV news. His wife survives.

HOLLYWOOD ROUNDUP

Four Star Television is planning a minimum of 5 pilots, may do 10. It has already filmed 2 pilots—*The Freshman*, a comedy starring Gertrude Berg and Cedric Hardwicke; *McKeever & the Colonel*, a comedy starring Dennis Joel, Allyn Joslyn, John Gabriel and Virginia Gibson, with exec. vp Tom McDermott functioning as producer. Being considered are pilots for an untitled comedy starring Jane Powell, a comedy-adventure starring Esther Williams, an adventure series starring Rossano Brazzi (Sy Gomberg, producer), *The Shrimp* (animated cartoon), and *The Sea Rover* (adventure).

Skelton Studios last week began taping Red Skelton's Nov. 30 Timex special for CBS. Its cast includes Skelton, Frank Sinatra, Dinah Shore, George Raft, Bobby Rydell and William Demarest.

Revue Studios has made a 20-min. film presentation of a new comedy-Western project starring Mickey Rooney. Revue has also filmed a pilot of *The Rangers*, an action show starring Jock Mahoney, produced by Al Ruddy.

Screen Gems will pilot *The Insider*, starring David Janssen. William Sackheim is producer.

One Step Beyond Productions begins filming episodes of its *Alcoa Presents* series in Portugal, Denmark, Spain, France and Ireland in December.

Hennesey Co., in which Jackie Cooper and Don McGuire are partnered, has filmed *Charlie Angelo*, a comedy-adventure pilot starring Jimmy Komack & Larry Storch.

Warlock Inc. has bought Academy sound stage for approximately $300,000, planning to operate it for rental & its own productions.

Roncom Productions and producer Stanley Roberts will co-produce *Where Did You Go? Out. What Did You Do? Nothing.*

Marterto Productions, Danny Thomas's company, will film several pilots, one to star Joey Bishop.

Howard Alston has been named production mgr. of CBS Films Hollywood office.

Programming

HOW SHOW TYPES RATE: The rating curse which descended on quiz & audience participation shows in the wake of last fall's scandals has, apparently, been lifted. This fall they have increased in AA level 25.8% as compared with last. That's one of the highlights of the chart below, prepared for us by A. C. Nielsen Co. It covers the rating behavior of nighttime TV's basic program fare by category, as reported in the 2nd NTI reports for Oct. 1959 & 1960, and notes both percentage changes and shifts in the number of such shows on the air. Ratings have been adjusted by Nielsen to reflect 1960 changes in audience base.

NIGHTTIME TV PERFORMANCE BY PROGRAM TYPES
(2nd October NTI)

Type	Mins.	1960 Nielsen Avg. Aud. %	1960 Nielsen No. of Pgm's	1959 Nielsen Avg. Aud. %	1959 Nielsen No. of Pgm's	% Change
General Drama	30	15.5	4	19.8	5	*—21.7*
General Drama	60	14.9	4	18.5	4	*—19.5*
Suspense-Mystery	30	15.4	8	15.1	14	+ 2.0
Suspense-Mystery	60	19.1	11	16.9	8	+13.0
Situation Comedy	30	18.0	24	19.0	16	*— 5.3*
Western	30	21.4	12	20.5	20	+ 4.4
Western	60	23.0	8	22.8	8	+ 0.9
Adventure	30	11.9	2	10.2	4	+16.7
Variety	30	21.3	5	15.1	13	+41.1
Variety	60	19.6	12	21.0	10	*— 6.7*
Quiz & Aud. Part.	30	19.5	7	15.5	10	+25.8
Other Programs	30	9.8	12	12.2	6	*—19.7*
ALL EVENING	30	17.0	24	16.9	88	+ 0.6
ALL EVENING	60	18.8	43	19.2	36	*— 2.1*

Other significant changes:

Variety Shows: Although the number of 30-min. shows in this category has dropped since last year from 13 down to 5, the survivors are in healthy shape. Sparked by such successful veterans as Red Skelton and Tennessee Ernie Ford, the shorter variety packages have scored the largest percentage rating gain for a program type: 41.1%.

Westerns, drama: Although some individual Westerns (such as *Riverboat* & *Wichita Town*) have been axed, Westerns remain a strong force. There's been a small increase (up 4.4%) in the AA level of all 30-min. Westerns, partially because the number has been trimmed considerably (from 20 down to 12 shows) and the strongest have survived. Longer Westerns are holding their own. Straight dramatic shows, however, have slipped. The 30-min. dramatic packages are down 21.7% and the 60-min. dramas are down 19.5%.

Situation comedies: Although 1960 has been heralded as a major season for comedy, the addition of 8 new 30-min. situation comedies to last year's total of 16, giving a bumper 1960 crop of 24, hasn't helped average performance. As a program type, 30-min. situation comedies are rating 5.3% lower this season, on the average, than they did last year.

All evening shows: Fewer in number this season, 30-min. evening programs are doing slightly better in AA level than they did last season. More numerous (because of several new program entries on NBC-TV & CBS-TV), the average evening 60-min. show is drawing a rating lower than last year (down 2.1%) largely because of the battle for audience among longer program rivals, and a general narrowing of rating gaps between the networks at night.

From the standpoint of total viewing, Nielsen's findings for the 2nd two weeks of October show a pickup of 15 minutes of viewing in average hours of watching per day, per TV home. The figure is 5 hours, 13 minutes—which represents a gain of a quarter of an hour over October 1959's 4 hours, 58 minutes.

Final postscripts to TV debates came from NBC Chmn. Robert W. Sarnoff Nov. 21 in one of his periodic open letters to TV-radio editors. The Nixon-Kennedy clashes, Sarnoff felt, were "a key factor in the heaviest registration and the largest voter turnout in the nation's history." Reviewing the objections raised by critics to the debates ("directed mostly at the format . . . the only one the candidates themselves would accept") and charges that they were conducted in a circusy atmosphere, Sarnoff stated: "I think the advantages of the panel format for the Great Debate far outweigh the shortcomings. I hope that even those who differ with me will agree that the answer is not to go back to the clambake & the torchlight parade.... Any one of these programs offered the voter a far more solid basis of judgment than any number of rousting 8-minute speeches from the rear of railroad trains, or the exhortations at a party rally or the necessarily one-sided television talks given by each candidate alone." Sarnoff added that a telegram from President-elect Kennedy praising the debate series (which Kennedy called "a notable public service") was a good omen for a 1964 debate series.

But "Great Debate" in 1964 on TV is unlikely, UPI White House reporter Merriman Smith told the Tenn Bcstrs. Assn. at a Memphis meeting. If John F. Kennedy runs again for President and is challenged by the Republican nominee, "you'll hear a polite comment that the President does not debate," Smith said. "If you are on top, you just don't build up the challenger." As for this year's TV series, Smith said he thought the debates won the race for Kennedy. The White House correspondent criticized Vice President Nixon's advisors for devoting too much time & argument to backstage problems of lights & studio temperature because of Nixon's "tendency to sweat."

"You, the public, are to blame!" is the title of Hubbell Robinson's piece on programming in the Nov. 26 issue of *TV Guide*. After pointing out the obvious but seldom stated fact that the public gets what the public wants, the producer nevertheless goes on to point out the responsibility of those who turn out TV programs: "The most effective use of TV requires that its creative talents accept the need to be popular. It should not be too heavy a burden. In their own way, in their own time, Aristophanes, Dickens, Ibsen, Fitzgerald, Wilder, Marquand and Faulkner have managed it. All of them are message writers. All of them are good writers. All of them are popular. They would seem reputable company to keep."

Canon 35 ban on camera & microphone coverage of courtrooms has been reaffirmed by the Okla. Supreme Court, which adopted the American Bar Assn. rule last year (Vol. 15:41 p11). Rejecting protests by NAB, Okla. Press Assn., and individual newspapers & stations in the state, a Supreme Court order written by Chief Justice Denver Davison said: "All petitions for rehearing & motions for oral arguments denied." The order meant that attorneys for the media will have no chance to argue their case against Canon 35.

Broadcaster-bar relations, including a report on camera-&-microphone coverage of trials under the American Bar Assn.'s Canon 35 (Vol. 16:36 p7), are on the agenda of the Dec. 8 sessions of NAB's Freedom of Information Committee in Washington. The Committee is headed by Frank P. Fogarty (Meredith stations).

Taped TV & radio service on "every major news break in the world" is offered by Jeff St. John's Point of Origin Inc., starting Jan. 3. The new service operates from the Senate radio & TV correspondents' gallery.

Networks

ABC-TV TASTES FIRST PLACE: ABC-TV was as happy as a chorus girl with a gift certificate to Cartier's last week. For the first time in the network's history, ABC stood higher in the nighttime Nielsen AA ranks than CBS-TV or NBC-TV. (For network standing previously, see Vol. 16:47 p3.) It was total victory on the basis of 7:30-11 p.m. Mon.-Sat., 6-11 p.m. Sun. in the 1st of Nielsen's Nov. NTI reports.

This was the AA scorecard: ABC—18.6; CBS—17.8; NBC—17.5. By nights of the week, ABC led on Mon., Tue., Thu. & Fri. nights. CBS had the edge on Sat. & Sun. NBC led on Wed. Several ABC shows moved up in the rating ranks: Of the first 15 Nielsen shows (in terms of AA), ABC had 6, CBS had 6 and NBC had 3.

There was less chagrin than you'd expect at NBC and CBS concerning ABC's victory, however. One NBC research executive, for example, told us: "We expected ABC to come up on top in this report, and advised our management." NBC and CBS had a fact & theory explanation.

The fact: During the period covered by the report (the 2 weeks ended Nov. 6), CBS and NBC each had twice as many 30-min. paid political telecasts as did ABC (4 shows apiece for NBC-CBS, vs. 2 for ABC), more political affairs specials, and more 5-min. capsule political telecasts. The theory: Introduction of political shows into NBC and CBS nighttime schedules may have served a major public purpose, but they "disturbed the normal flow of audience into, or from, other programs," NBC and CBS researchers claim.

NETWORK SALES ACTIVITY

ABC-TV

Network participations in various shows, total of $4 million.
Wrigley Gum (EWR&R)

Hawaiian Eye, Wed. 9-10 p.m., participations eff. Jan. 11.
Whitehall Laboratories (Ted Bates)

The Law & Mr. Jones, Fri. 10:30-11 p.m., part. eff. Jan. 6.
General Foods (Ogilvy, Benson & Mather)

Naked City, Wed. 10-11 p.m., participations eff. Jan.
Warner-Lambert (Lambert & Feasley)

The Roaring Twenties, Sat. 7:30-8:30 p.m., part. eff. Jan.
Warner-Lambert (Lambert & Feasley)

CBS-TV

Roy Rogers, Sat. 11:30 a.m.-12 noon, full spon. eff. Jan. 1.
Nestle (McCann-Erickson)

Ringling Bros., Barnum & Bailey Circus, April, full spon.
Top Value Stamps (Campbell-Mithun)

Palm Springs Golf Classic, Feb. 4 & 5, half sponsorship.
Minnesota Mining & Mfg. (EWR&R)

The Red Skelton Show, Tue. 9:30-10 p.m., full spon. eff mid-Feb.
Johnson's Wax (Foote, Cone & Belding)

NBC-TV

There's No Place Like Home, Thu. Nov. 24, 5:30-6:30 p.m., full sponsorship.
Mohawk Carpets (Maxon)

Sugar Bowl Game, Mon. Jan. 2, participations.
B. F. Goodrich (BBDO); *Wynn Oil* (EWR&R); *Colgate-Palmolive* (Ted Bates); *Schick Safety Razor* (Compton); *Whitehall Laboratories* (Ted Bates)

Stations

NEW & UPCOMING STATIONS: WTVI (Ch. 19) Fort Pierce, Fla. began programming Nov. 23 with CBS-TV. It is the 23rd outlet to start this year, and raises the U.S. operating totals to 579 (92 uhf). WTVI has a 12-kw GE transmitter and a 390-ft. Stainless tower with helical antenna on Signal Hill, between Fort Pierce & Vero Beach. Gene T. Dyer is owner. Herbert E. Buck Jr., ex-WCTV Tallahassee, is gen. mgr.; Lester M. Combs, station mgr.; Joseph C. Strelauski, ex-WJPB-TV Weston, W. Va., chief engineer.

* * *

In our continuing survey of upcoming stations, these are the latest reports received from principals:

WBNB (Ch. 10) Charlotte Amalie, V. I. has signed with CBS-TV & NBC-TV and expects to start next January or shortly thereafter, reports Robert Moss, pres. & gen. mgr. Studio-transmitter building on Mountain Top Estates, St. Thomas, is scheduled for completion Dec. 1, and the 500-watt Gates transmitter is scheduled to arrive Dec. 11. It has foundations ready for a 200-ft. Utility tower, also due Dec. 11. Moss and Robert E. Noble Jr., commercial & business mgr., will be in charge of operations while local residents are being trained for station jobs.

KIFI-TV (Ch. 8) Idaho Falls, Ida. has a 28-kw GE transmitter scheduled to arrive soon. It hopes to begin with NBC-TV Jan. 15, writes James M. Brady, pres.-gen. mgr. Concrete for footings of 100-ft. tower to be furnished by Tower Construction Co. has been poured at site adjacent to KID-TV on East Butte. Arthur S. Wiener, ex-KOLD-TV Tucson, will be operations mgr. Hour, $275; no rep yet.

Disc Jockey Talents: Working conditions & operations of disc jockeys—the subjects of much attention from FCC, FTC and House investigators in the past year—have come under the scrutiny of National Labor Relations Board, too.

In the course of pondering issues in a collective-bargaining election case involving rival locals of AFTRA & IBEW and 4 Portland, Ore. radio stations—KPOJ, KGW, KOIN and KXL—the Board was called on to decide just what jockeys do to earn their pay.

"The record indicates that these employes spend a considerable amount of their air time engaged in activities other than speaking," NLRB concluded. "They operate turntables & tape recorders, cue records, read & regulate potentiometers, and make log entries of certain meter readings in compliance with FCC regulations.

"However, the record indicates that for the most part the [disc-jockey] announcer-technicians do not have any formal technical education and that the mechanical tasks they are required to perform do not demand such traning.

"The mechanical duties of the announcer-technicians are incidental to their principal function of announcing, and require manual dexterity & agility rather than technical know-how. Moreover, it appears that the requisite mechanical knowledge is not particularly involved and can be acquired in a relatively short time."

In its decision on an appropriate bargaining unit, NLRB therefore lumped jockeys with all other station staffers "who appear regularly or frequently before the microphone," excluding clerical employes, guards, "professional" workers and supervisors. They will decide by secret ballot whether they want AFTRA or IBEW—or neither—to represent them for union contract purposes.

New 'Freedom' for TV & Radio: All Washington objectives of broadcasters are far from won, but recent developments at least "go in the direction of emancipating" them from stifling govt. regulation, NAB's 7th fall conference in Chicago was assured last week.

NAB Policy Committee member Merrill Lindsay (radio WSOY Decatur, Ill.), addressing a first-day luncheon audience at Nov. 21-22 sessions in the Edgewater Beach Hotel, said at the same time that TV & radio must protect their new "freedom" by meeting community needs.

As examples of "emancipating" actions in Washington which demonstrated a trend toward "more reliance upon our ability to operate in good faith & in the public interest," Lindsay cited: (1) FCC plans to permit broadcasters to prove programming performance for their communities through over-all scheduling rather than by a fixed-percentage formula. (2) Withdrawal by FCC of its policy statement implying that stations must announce credits for free records used for broadcast purposes only. (3) Congressional modification of the Communications Act's equal-time Sec. 315 to permit debates by Presidential candidates.

In a second-day luncheon speech at the Chicago conference, Chrysler Corp. sales vp E. C. Quinn said "prime responsibility for keeping the country on the move" is shared by businessmen & broadcasters. "The job of building the big markets of the future is nothing less than the building of a greater & stronger country," he said.

Another guest speaker at the NAB staff-led conference was Ben Strouse of radios WWDC Washington & WMBR Jacksonville.

Luncheon speakers at the 8th & final NAB conference this week (Nov. 28-29) in N.Y. at the Biltmore will be Policy Committee Chmn. Clair R. McCollough & U.S. Chamber of Commerce Pres. Arthur E. Motley.

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Abolition of Conelrad system as obsolete in the missile age is recommended in a long-withheld report to the Army on the "basically-unsound" U.S. air-raid warning network. The text of the report, prepared by a Johns Hopkins U. team under an Army contract, had been suppressed by the Office of Civil & Defense Mobilization as "embarrassing," according to Chmn. Moss (D-Cal.) of the House Govt. Information Subcommittee. But it was finally released publicly Nov. 25. Among other things, the report says: (1) Conelrad transmissions are weak in some areas. (2) Conelrad's mission to black out navigational aids would be useless because enemy ballistic missiles don't need radio guidance. (3) OCDM should make full use of pre-taped TV & radio warning broadcasts. (4) OCDM's air raid system is ineffective and should be replaced by centrally-controlled warning buzzers installed in homes & offices. Meanwhile, the Air Force & FCC went ahead with plans to utilize AP & UPI wires instead of "hot line" calls for Conelrad TV & radio alerts (Vol. 16:46 p11). Contracts for the new service were signed in N.Y. Nov. 21. The move brought protests from the Ida. Bcstrs. Assn., whose Pres. Gale Mix (radio KRPL Moscow) telegraphed FCC, OCDM and NAB that the new set-up would weaken the alert system. Mix said most TV & radio stations don't monitor news teletype machines between regular newscasts.

Sale of about 25% of CHAN-TV (Ch. 8) Vancouver, B.C. to British program contractor Associated Television Ltd. and Famous Players Canadian Corp. has been negotiated for an undiscolsed sum, subject to BBG's okay. Famous Players also owns 50% of Quebec's French-language CFCM-TV and English CKMI-TV, as well as 50% of CKCO-TV Kitchener, Ont. & CATV system in Port Arthur.

Television Digest

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Personals: George D. Matson named to new post of vp, asst. to the pres., NBC. He is succeeded as vp-gen. mgr., NBC-TV, by Robert L. Stone, who was net's operations & engineering vp. William H. Trevarthen, recently named TV network-operations vp (Vol. 16:46 p14), promoted to succeed Stone. James A. Stabile promoted from standards & practices vp to new post of staff vp, NBC-TV, succeeded by Ernest Lee Jahncke Jr. . . . Ralph Mann, ex-NBC talent & programming contract administration dir., named Broadcast Management Inc. vp . . . Charles E. Corcoran named NBC-TV operations dir.

Robert E. Kelly, station mgr., KCRA-TV Sacramento, elected KCRA Inc. pres; Jon S. Kelly promoted from local sales mgr. to gen. mgr., KCRA-TV. They succeed their late father Ewing C. Kelly . . . Edward R. Tabor, KBAK-TV Bakersfield, Cal. gen. mgr., named exec. vp, Bakersfield Bcstg. Co. Charles F. Mallory appointed sales mgr.

William T. Wagner, ex-KTRK-TV Houston, Dec. 12 joins WJZ-TV Baltimore as program mgr. . . . Robert Peel, ex-radio WIND Chicago, appointed promotion mgr., WITI Milwaukee . . . Oliver Barbour, ex-Benton & Bowles program vp, appointed senior vp, Advertising, Radio & TV Services Inc.

Jack Sholar, ex-WSPA-TV Spartanburg, S.C., named mgr., WJHG-TV Panama City, Fla. . . . Bernie Whitaker promoted from regional sales mgr. to national sales mgr., WRAL-TV Raleigh, N.C. . . . Gerald F. Maulsby named network programs dir., CBS Radio, succeeding George M. Perkins, recently named network programs vp . . . Gene Lieberman named sales service mgr., WNTA-TV.

Joe C. Drilling, KJEO, Fresno, elected president of Cal. Bcstrs. Assn. Louis S. Simon, KPIX San Francisco, vp for TV; Ernest L. Spencer, radio KWIZ Santa Ana, re-elected vp for AM; Alan Lisser, KBIG Avalon, secy.-treas.

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Charles P. Ginsburg, Ampex vp & mgr. of advanced video development, becomes the first native-born American to win the Valdemar Poulsen Gold Medal from the Danish Academy of Technical Sciences. He was cited by the Academy for his "guiding spirit & principal participation in the development of the Videotape recorder by Ampex Corp." . . . Walter H. Annenberg, pres. of Triangle Publications, Inc., receives Order of the Finnish Lion in recognition of his contribution to Finnish-American relations.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

BONDED-TUBE BATTLE JUST BEGINNING: At least 3 important new techniques for mounting safety plate in front of picture tubes are now rising to challenge Corning-Sylvania bonded-shield concept, and an industrial battle royal already is shaping up. Among the new approaches:

(1) Du Pont's Mylar safety shield, designed to be affixed permanently to picture tube (Vol. 16:47 p16), but still in developmental stage.

(2) Inexpensive "dry-seal" process, developed cooperatively by 4 companies, with many advantages of bonded-shield technique, and already adopted by 2 set makers.

(3) Sharply improved Pittsburgh Plate Glass laminating (bonding) process, soon to be used on RCA color tubes—but so new it has been shown so far to only 3 manufacturers.

• • • •

Meeting head-on the challenge to its 2-year-old bonded-shield principle, Corning is embarking on $500,000 promotion & education campaign, aimed at telling distributors & dealers "how to use features instead of price" as TV selling points. This promotion drive will be geared primarily to boosting TV as a whole, but Corning officials state that advantages of bonded tubes certainly will be among the selling features stressed. A consumer ad campaign may follow, but not until "a year from now."

Corning presumably has other aces in its hand. One might be development of a lighter-weight bonded bulb, but we're told that's still quite far in future.

The Protagonists: Approximately 50% of all picture tubes made for new sets use Corning's bonding process, in which Corning-made molded glass cap is laminated to front of tube (by tube maker) with a special resin. Bonded tubes are made only in 19- & 23-in. sizes, and while 23-in. bonded tube has generally caught on with industry, only one set maker (Sylvania) uses bonded tubes throughout its 19-in. line.

Kimble Glass Co., the Owens-Illinois subsidiary, is Corning's principal competitor in the picture-tube bulb field. It opposes the bonded-shield approach, makes so-called "strong" 19- & 23-in. bulbs designed for external non-bonded safety plates. (Corning also makes "strong" bulbs, but emphasises the bonded approach. Bulbs made for Corning's bonding process are called "weak" because they are structurally built for the addition of the bonded cap, which provides the needed strength.)

Pittsburgh Plate Glass Co. supplies 90% of the raw "gray" glass used by glass-formers & molders to make external safety implosion-glass plates. At the time Corning introduced its bonded-shield concept, Pittsburgh brought out its own approach to laminated-on-the-tube shield, using its own curved plate glass. This concept was not accepted by TV industry—but, as we advised more than a year ago (Vol. 15:42 p18): "Don't count Pittsburgh out of the race. Too much is at stake."

E. I. du Pont de Nemours & Co., the huge chemical & plastics firm, has been trying to become a strong factor in the picture-tube implosion shield material business for about 10 years, without notable success.

Strongest threats to Corning's bonded tube are being mounted by the team of Pittsburgh & Kimble, which have most to gain—or lose—aided by other firms which are contributing to their new processes.

Acceptance of Corning's bonded bulb has changed the profile of TV sets. Implosion plates are now curved to fit contours of picture-tube faceplate, giving better looks, more flexibility in set design and reduced reflections. Accordingly, flat implosion plate is on way out. Any new, competitive approach must use contoured plate. And all the important new ones do.

The New Systems: Dry-seal process has been closely guarded industry secret during its year of development. Basically, it is this: An elastic vinyl gasket grips curved implosion glass, holding it at a fixed distance (about one-eighth inch) from face of picture tube, on which gasket rests. Gasket also rests against escutcheon, which can be used (along with a wire tube harness) to hold entire picture-tube & implosion-plate assembly in place.

Set & tube makers see great promise in this simple system, which has basic Underwriters Labs safety approval (although some glass made for the system has been rejected). Wells-Gardner, large private-brand manufacturer (Western Auto, Montgomery Ward, etc.), is enthusiastic, has been quietly using dry-seal method for some time, now is said to be using it in most of its sets. Motorola is understood to be planning to use the technique in several new sets. Admiral, Zenith & RCA reportedly are "interested."

Dry-seal process is joint year-long effort of the following firms: (1) Pittsburgh Plate. (2) Kimble. (3) Rauland Corp., Zenith's tube-making subsidiary, where work was coordinated under project engineer Joseph Fiore. (4) Conneaut Rubber & Plastic Co., Conneaut, Ohio, div. of U.S. Stoneware Corp., Akron, maker of chemical & medical plastics & ceramics. Conneaut developed the elastomeric (rubber-like) gasket which separates implosion glass, picture tube & escutcheon.

Advantages of dry-seal implosion-plate process revolve largely around cost. It is installed by set maker as part of TV assembly process. As used now by Wells-Gardner, it is claimed to make possible a cost saving of about $2 a set over bonded 23-in., but mounting procedure is said to be so flexible that modifications of process may increase savings another 25-to-50¢. Picture-tube replacement costs to consumer, according to dry-seal protagonists, would be cut $15 at retail, on basis of today's costs (bonded 23-in. replacement, $75 regular unbonded "strong" 23-in. replacement, $60).

Other claimed advantages: A 23-in. set using dry-seal weighs 3-to-4 lbs. less than bonded-tube type. Implosion plate can easily be removed by TV technician for tube replacement or servicing. Dry-seal glass contour shield can be used with any size or shape of tube, including 24- & 27-in., still being made for original equipment market, and it "makes older tubes look modern." Since it uses conventional tube, it cuts down high rejection rate of bonded tubes (a point which some tube makers dispute, claiming they've now mastered art of producing bonded tubes with low rejection rate).

There are disadvantages, too, of course: Although vinyl gasket is claimed to provide completely dust-proof seal, there's still air-space between faceplate & implosion glass. Unlike bonded-on implosion plate, this results in double reflection, although closeness of glass surfaces converges reflections and makes them less objectionable than in old-fashioned flat-glass sets. There are also claims that implosion protection may be somewhat less than bonded tube provides.

Corning officials are extremely dubious of high cost-saving claims by dry-seal proponents. In addition, they state that their own firm experimented with similar approach before finalizing on bonded-shield, and found that gasket doesn't keep dust out, that reflections were objectionable. They also express doubt that this approach could stop an implosion.

Another competitor to Corning's bonding process is so new that most tube & set makers haven't seen it yet. It's Pittsburgh's improved laminating technique, which already has an important feather in its cap—RCA is applying it to its forthcoming improved color tube (see next page). It's understood Pittsburgh has shown new process only to RCA, Rauland and GE, will gradually acquaint other manufacturers with it.

Lamination process is somewhat like Corning's bonding technique—curved implosion plate glass is affixed by tube maker to front of picture tube. But, although Pittsburgh officials are silent, it's understood they are claiming these advantages: (1) Laminating procedure is vastly simplified, requiring tube-maker expenditure of only $15-$20,000 to adapt existing machinery. (2) Process can be used with any size or shape of conventional tube. (3) Resulting tube can be made & priced cheaper than bonded-shield type. (4) Laminated implosion plate can be removed easily to recover glass bulb for re-use. Process is said to be made possible principally through development of cheaper, simpler-to-use resin for cementing implosion plate to tube.

Only comment from Pittsburgh officials was this: "If our company knew 18 months ago what it knows now about laminating, we wouldn't have lost that first round."

Sounding out tube & set makers about du Pont's Mylar safety shield, which is designed to be permanently affixed to picture tube (Vol. 16:47 p16), we found generally bearish reaction. Two principal draw-

backs were consistently cited: susceptibility to scratches, and inflammability. "Will we have to replace the entire picture tube just because we touched it with a cigaret?", asked one manufacturer.

Note: Price increase on 19-in. tube bulb by Kimble (as predicted here, Vol. 16:43 p15) goes into effect March 1, amounts to 50¢, which will hike finished tubes about $1. Although cut applies to "strong" (non-bonded) bulbs which Kimble features, presumably Corning—which also makes strong bulbs—will follow suit. Whether similar increase in Corning's speciality—the weak bulb—is also in cards is not known yet.

RCA's Color Tube: First to employ new Pittsburgh laminated implosion plate will be an improved version of RCA's 21-in. round shadow-mask color tube, mentioned for the first time in any publication here in these columns Oct. 24 (Vol. 16:43 p16), and due to be introduced soon.

RCA has been discreetly silent about this development, has even postponed indefinitely a scheduled trip by set manufacturers to inspect the tube and its production in Lancaster, Pa. Although no details are available from RCA, we know that developments in the art have made advances possible, and this is what we believe improved tube will be like:

It will be same basic 21-in. round shadow-mask tube used for years by RCA. (To our knowledge, there is no development even on horizon which offers same color advantages as shadow-mask tube). Principal difference will be that color pictures will be as much as 85-90% brighter than on present version of tube, with greater contrast and higher apparent definition & resolution.

New type of color phosphor is principally responsible for improvement. Like black-&-white phosphors, it's a sulphide, 50-60% brighter than the phosphate phosphors previously used for color tubes. And—since sulphide phosphors give tube screen a darker body-color than do phosphates—less filtering (tinting) will be required in the glass in front of tube, adding further to brightness of picture.

Use of Pittsburgh laminated implosion plate will increase brightness by about 10% more by cutting down reflections. Therefore, total brightness increase can be estimated at approximately 85-to-90% in color, perhaps 20-to-25% or so in b&w. Laminated implosion plate may be etched for greater contrast. (Although RCA did select Pittsburgh laminated safety glass for color tube, it actually had no other choice, since Corning's laminated caps are made only for 19- & 23-in. tubes.) New phosphors leave color hues unchanged. It's not known whether RCA will register its improved color tube as a new tube type or continue to use old designation 21CYP22.

The intense competition in research by set makers & suppliers—such as that responsible for improved color tube—continues constantly, steadily, behind the scenes. While the battle for a better or cheaper way to shield picture tubes isn't as dramatic as earlier breakthroughs in TV-radio technology, in its own way it's just as significant. Such technical & commercial competition has consistently brought quality up, costs down. From where we sit, it appears there will be no clear-cut victory in the war of the implosion shield, and that several methods will coexist in foreseeable future. Real victor in this battle for better ways of doing things will be—once again—the consumer.

TV-RADIO PRODUCTION: EIA statistics for the week ended Nov. 18 (46th week of 1960):

	Nov. 11-18	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	118,019	113,321	146,673	5,215,029	5,634,110
Total radio	367,048	385,996	340,249	15,303,192	13,781,449
auto radio	123,098	128,657	75,066	5,815,946	4,913,037

Du Mont TV picture tubes will be produced in Buenos Aires starting March 1961 in the new 60,000-sq.-ft. plant of Allen B. Du Mont Labs' Argentinia licensee Gregorio & Numo Werthein. The Du Mont-designed plant is located at Otamendi 512. Du Mont has built & will ship next week complete production equipment which will give the plant an annual single-shift capacity of 50,000 tubes. In its first year Werthein will turn out about 25,000 19-, 21- and 23-in. kinescopes. Argentina currently has some 600,000 TVs & 3 stations in operation and a 4th station slated for March debut, according to Julio Werthein of the Argentina firm. He said the government soon will invite bids for 26 additional stations.

Mergers & acquisitions: Sprague Electric has acquired for operation as a wholly-owned subsidiary Vec Trol Engineering, Stamford, Conn. maker of electronic components, devices and industrial controls. • M. A. Miller Mfg., Libertyville, Ill. manufacturer of recording & playback needles, has acquired for an undisclosed price the synthetic sapphire phonograph needle business & production equipment of Union Carbide's Linde Co. div.

Advertising complaint against Midwest Electronics Corp., St. Louis, has been dismissed by FTC. The company had been accused of misrepresenting tube-testing devices, but is no longer in business, FTC said.

More about

EIA WINTER MEETING: Discussion of FCC's proposed TV-set-control law may be the most significant topic at EIA's board session and the meeting of its consumer-products div. executive committee (see p. 1). But there may be several other important actions taken in the consumer electronics sphere at EIA's Nov. 29-Dec. 1 winter conference in San Francisco.

The consumer-products committee will consider 2 projects—both developed & pushed by its chairman, Motorola's Edward R. Taylor. It will receive, and possibly vote on, a draft of the proposed TV-radio-phono ad-practices code, patterned after that of the American Home Laundry Assn. (Vol. 16:38 p6). Whether this industry-enforced code ever reaches fruition may well depend on interpretations by EIA and member company attorneys on its legality.

Also submitted to the committee will be a proposal for a consumer-electronics promotion campaign—aimed at getting the public to buy more TVs, radios & phonos. This is the latest version of several proposed drives in TV & stereo fields, which failed to get committee approval.

Electronic product imports will also feature prominently on the EIA agenda and in corridor discussions, as usual. One new item due for action will be a proposal by EIA's tube & semiconductor div. that FTC be asked to reopen the TV-Radio Trade Practice Conference proceedings and insert a rule requiring the marking of sets containing imported components.

Speaking on microminiaturization, deputy research dir. Edward G. Witting of the Office of the Secy. of Defense will address the Nov. 30 luncheon.

In addition to all-channel receiver legislation and the import problem EIA's board of directors is expected to consider military procurement procedures, patent policies, and minimum wage laws.

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Electronic component shipments leveled off in the 2nd quarter this year from their first-quarter plateau, the Commerce Dept.'s Business & Defense Services Administration reported. Counterbalancing declines in output of receiving tubes, transistors, capacitors and connectors were increases in diodes & rectifiers, power & special purpose tubes, TV picture tubes, transformers and quartz crystals. For the first time since BDSA started collecting the data, shipments of semi-conductors failed to go up during quarter.

Record factory sales of transistors in September set a monthly high with 13 million units at $28.4 million, reports EIA. The sales spurt—up 3.2-million transistors & $5.7 million over August—also pushed the 9-month totals ahead of the 12-month record unit-&-dollar volume established in 1959. The 9-month volume climbed to 90.3-million units, vs. 82.3 million for all of 1959. Dollar volume increased slightly to $222.2 million from $222 million, reflecting decreasing transistor prices. The EIA's monthly figures on factory sales of transistors:

	1960		1959	
	Units	Dollars	Units	Dollars
January	9,606,630	$24,714,580	5,195,317	$13,243,224
February	9,527,662	24,831,570	5,393,377	14,550,056
March	12,021,506	28,700,129	6,310,286	18,117,560
April	9,891,236	23,198,576	5,906,736	16,864,049
May	9,046,237	24,714,580	6,358,097	19,007,293
June	10,392,412	27,341,733	6,934,213	18,031,593
July	7,070,884	18,083,802	6,030,265	15,618,315
August	9,732,993	22,739,969	7,129,696	18,054,138
September	12,973,792	28,442,229	8,652,526	20,851,290
TOTAL	90,263,352	$222,198,961	57,910,513	$154,337,518

SALES & INVENTORIES DOWN: Retail TV sales took another tumble in October, preliminary estimates showed last week, confirming reports from industry leaders previously printed in these columns. There were silver linings in October, though: (1) TV production cutbacks finally brought inventories below last year's level. (2) Radio at retail showed a nearly phenomenal rise.

Sales of TV sets to consumers were down 16% from Oct. 1959—about 550,000 vs. 637,147—biggest monthly percentage drop yet. For the year's first 10 months, however, cumulative retail sales were still about 5% ahead of last year—4,650,000 vs. 4,449,000 sets. TV sales by distributors to dealers took another sharp drop—about 30%—to 545,000 in October this year from 716,000 in Oct. 1959. Total year-to-date distributor sales are 4,583,000—down from last year's 10-month figure of 4,865,000.

Cumulative 10-month TV production was 4,872,844, well below the 5,195,440 for the same 1959 period.

As a result of the sharp break on production, total inventories of TV sets in all distribution channels fell below 1959's level at the end of October—2,272,000 vs. 2,331,000. Although the drop is only 2%, the pattern of these inventories gives sharp indication that retailers prefer to go into the Christmas season with far lower inventories than last year, relying on distributor & factory stocks if demand becomes strong—rather than carrying their own heavy supply of sets.

As compared with Oct. 31 last year, retail TV inventories declined 19% to 930,000 from 1,149,000. This was the only level at which TV inventories dropped, but the dip was large enough to pull the industry-wide inventory level down. Distributor inventories were up to 848,000 from 809,000 last year and factory stocks were 494,000 vs. 373,000 in 1959.

The radio picture was cheery, October seeing a 25% rise in dealer sales of home radios over last year (1,050,000 vs. 839,000 in Oct. 1959). This sales increase was entirely from inventory, since home-radio production for October was actually lower than in the year before (1,072,000 vs. 1,264,000). But 10-month radio production totaled 8,699,318, nearly 660,000 units higher than last year's 8,040,008.

Distributor radio sales in October totaled 1,170,000, up substantially from 931,000 in October last year. Year-to-date distributor sales were 7,646,000 vs. 6,911,000. Nevertheless, and despite the inventory reduction through heavy sales & curtailed production, total radio inventories were still higher than a year ago—4,936,000 vs. 4,601,000. Only distributor inventories were lower than last year. Here's the Oct. 31 home-radio inventory lineup (1959 figures in parentheses): factory, 996,000 (624,000); distributor, 1,765,000 (1,905,000); retail, 2,175,000 (2,072,000).

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New plants & expansions: Sylvania will begin construction in April of a 17,000-sq.-ft. addition (for a total 53,000 sq. ft.) to its Hillsboro, N.H. semiconductor plant. • **GE** has announced plans for a major expansion & renovation of its California Ave. electronics plant in Palo Alto, Cal. Included is the construction of an 8,000-sq.-ft. single-story addition, slated to get under way in December. • **IBM** has purchased a $1.6-million tract in downtown Philadelphia for the site of a $10-million skyscraper office building. • **Collins Radio** will begin construction Dec. 15 of a $1.8-million, 117,000-sq.-ft. production plant on a 200-acre site at Richardson, Tex. Slated to be ready Aug. 15, it will be built by Collins' Alpha of Tex. subsidiary.

TV-RADIO EXPORTS & IMPORTS: Exports of TV sets in August were the highest since last May, according to Commerce Dept. estimates. They showed 8,913 receivers & 1,687 TV chassis shipped to foreign countries during the month.

Because of differing definitions & classifications, export & import figures can't be compared directly, but the following tables sum up major classifications of consumer electronic & related exports & imports. In the tables, the largest customer or largest supplier is given for each category; where 2 countries are given for a single category, one was the largest in unit number, the other in dollars.

Here are the summaries of Census Dept. export & import data for Aug. 1960:

U.S. EXPORTS—AUGUST 1960

Product	Units	$	Biggest Customer
TV receivers	8,913	$1,215,981	Venezuela (3,188 at $420,422)
TV chassis	1,687	124,561	Uruguay (830 at $50,668)
Auto radios	3,134	82,661	Canada (1,707 at $39,311)
Home radios	8,454	254,751	Canada (4,254 at $86,375)
Radio chassis	3,688	26,780	Chile (3,100 at $14,552)
Radio-phonos	491	43,581	Guatemala (159 at $7,016) Canada (74 at $11,707)
Phonographs	2,571	136,725	Venezuela (913 at $43,377)
Coin-op. phonos	964	523,536	W. Germany (287 at $195,166)
Phono parts	—	371,781	U.K. ($84,695)
TV picture tubes	107,299	2,069,695	Argentina (30,444 at $533,334)
Recorders & parts	—	992,015	Canada ($254,004)
Transistors, diodes	723,310	1,307,040	Canada (144,240 at $203,548) U.K. (51,125 at $237,087)
Receiving tubes	1,626,707	1,249,720	Argentina (437,891 at $250,893) Canada (247,302 at $279,811)
TV transmitters & parts	—	198,692	W. Germany ($58,950)
TV studio equip.	—	1,206,739	Canada ($245,459)
TV camera tubes	122	102,333	Japan (50 at $59,050)

U.S. IMPORTS—AUGUST 1960

Product	Units	$	Biggest Supplier
Transistor radios	676,292	$5,724,703	Japan (666,604 at $5,627,464)
Portable tube radios	57,324	391,382	Japan (52,635 at $310,852)
Other radios	91,843	935,204	Japan (76,490 at $487,790)
Radio-phonos	7,120	609,496	W. Germany (5,203 at $518,414)
Phonographs	1,560	31,844	Japan (828 at $17,424)
Changers, turntables	—	576,658	U.K. ($420,662)
Radio tubes	3,154,591	1,018,071	Japan (1,816,236 at $497,178)
Radio parts	—	1,628,552	Japan ($588,339)
TV tubes & parts	—	19,939	Netherlands ($10,239)
TV parts, etc.	—	123,384	France ($40,004)
TV cameras, parts	—	59,425	U.K. ($55,301)

Japan's TV-Radio Exports: TV showed up strongly in September for the first time in Japanese figures on exports to the U.S. Japanese govt. statistics showed 2,305 sets were sent to this country that month, at a total value of $111,111 (declared custom clearance value), as opposed to 322 sets at $19,238 for the other 8 months of 1960. TV shipments to the U.S. in 1959 were nil.

The 2,305 sets average out to a cost of $48.20 each. These presumably were mostly Delmonico 19-in. sets, with possibly a smattering of Star Lite 8-in. (retail $88) receivers (Vol. 16:40 p15). The Delmonico sets are shipped here without picture tubes, the 19-in. tubes being added here—hence the stated value is misleadingly low.

Other 9-month Japanese electronic-product exports to U.S. (corresponding 9-month 1959 figures in parentheses): Radios, 3 or more transistors, 2,944,534 at $39 million (2,449,534); tape recorders, 101,967 at $4,679,969 (41,000 for all of 1959); radio-phonos, 21,369 (12,211); radios, less than 3 transistors, 1,767,081 (1,148,008); tube radios, 461,255 (302,966).

Trade Personals: P. J. Casella, RCA consumer-products exec. vp until his reassignment in July to the international div. (Vol. 16:28 p15), has resigned from the corporation, an RCA spokesman has confirmed. Casella tells us he has a 10-year retirement contract that runs through 1970, his future plans are indefinite, his immediate plans call for a 6-month European vacation starting shortly after the first of the year.

Jack S. Beldon, RCA Sales Corp. president until his resignation from that post in August (Vol. 16:34 p16), has also tendered his resignation to the corporation, it's reliably reported. Although Beldon told us last week that "I'm still with RCA at the present time," it's understood he leaves officially Dec. 1.

Bryce S. Durant moves up to RCA Sales Corp. product planning & development mgr., succeeding James M. Toney, who was reassigned last month (Vol. 16:43 p18) to staff of Sales Corp. Chmn.-Pres. W. Walter Watts, as vp in charge of special projects. Durant had been sales planning & development mgr. for RCA radio & "Victrola" wing.

Ernest L. Ward elected president of Sprague Electric Co., succeeding the late Julian K. Sprague. The following were named senior vps: **William J. Nolan**, legal affairs; **Neal W. Welch**, mktg. & sales; **Wilbur A. Lazier**, technical dir.; **Robert C. Sprague Jr.**, industrial relations. Named vps: **David B. Peck**, special products; **Hollis R. Wagstaff**, fiscal; **Carroll G. Killen**, industrial & military sales; **Bruce R. Carlson**, corporate planning systems.

Robert E. Hogan named Packard Bell industrial relations vp . . . **Dr. Charles F. Robinson**, Bell & Howell Research Center dir. elected vp of subsidiary Consolidated Electrodynamics . . . **Edward L. Lavine**, ex-Ling Electronics, named vp-gen. mgr., Communications Measurements Lab . . . **George E. Tirone Jr.** promoted from Du Mont Labs international div. technical product sales head, to the new post of mktg. mgr., for 4 industrial electronic product lines.

Portus M. Wheeler named vp-gen. mgr., Indiana Steel Products div. of Indiana General Corp. . . . **Alwyn L. Carty Jr.** promoted from contracts dir. to customer-relations mgr., Adler Electronics military products div. . . . **Richard J. Bamberry**, ex-Admiral Corp., appointed vp, American Concertone & parent Astro-Science Corp.

Elmer Metz named asst. community sales mgr., Jerrold Electronics; **Jim Forgey** appointed Western regional mgr., community-sales div. . . . **Ted Cutler** named distributor sales mgr., Radio Receptor Co., a General Instrument Corp. subsidiary . . . **William E. McKenna**, Litton Industries treas. & controller, and **Crosby M. Kelly**, in charge of advertising, PR & employe communications, named vps.

F. L. Ankenbrandt named to new post of defense-product assurance mgr., RCA; **Earl W. Russell** named to new post of supplier relations administrator, RCA industrial electronic products . . . **Clifford A. Busse** named operations vp, Siegler Corp.'s Hallamore Electronics div.

Tiros II weather satellite, like its younger brother Tiros I (Vol. 16:15 p11), was developed by RCA's astro-electronics div. and contains 2 tiny vidicon cameras with tape recorders to store the slow-scan pictures. Tiros I is still in orbit, its radio still operating, but it no longer is sending out pictures. During its lifetime, it took 23,952 pictures. Tiros I was launched last April 1, Tiros II Nov. 23.

Sonotone has licensed Japan's Furukawa Battery Co. to develop, produce and sell Sonotone's nickel-cadmium batteries in Japan and other Far Eastern territories.

Webcor has acquired Dormeyer Corp. from Webcor Chmn. Titus Haffa and members of his family, and will operate it as a wholly owned subsidiary. The Chicago-based manufacturer of small appliances, electric tools, staplers and plastic parts, was acquired through issuance of 290,000 shares of Webcor stock at $12.50 a share for a total acquisition price of $3,625,000. Dormeyer's sales in the fiscal year ended last May 30 totaled $19,480,000, while Webcor's sales for the year ended June 30, 1959 were $33,498,227. Fiscal-1960 Webcor sales haven't been announced yet, but for 9 months to March 31, 1960, sales were $24 million vs. $26.4 million in the similar 1959 period.

New models: Packard Bell introduces 23-in. table model in 3 finishes at $319.95-$339.95, and 19-in. table models in some finishes at $279.95-$299.95, both with new Roto/Remote, which uses ratchets instead of snap-buttons for ultrasonic set control (Vol. 16:47 p20) • Sarkes Tarzian Inc. expands its FM line with 6-tube AM-FM radio at $29.95, due Dec. 15 • Zenith announces 4-transistor "Courier" hearing aid, for mild hearing loss, at $115.

Stereo reply comments filed with FCC in its rule-making proceeding (Vol. 16:44 p15 *et seq.*) include a recommendation from H. H. Scott Inc. that the Commission adopt a system using AM modulation for the subcarrier. Scott said that its own tests & calculations indicate that AM produces less distortion, least degradaton of signal-to-noise ratio, etc. GE replied to its critics, saying that they're not familiar with its system, and it has supplied a point-by-point technical rebuttal.

"Striking transformation" in advertising for appliances sold in the District of Columbia has been noted by FTC Chmn. Earl W. Kintner following a conference with local dealers on "list-price" practices (Vol. 16:45 p18). "We hope the improvement will be permanent, but are prepared to bring action if it proves otherwise," he said.

Philco products will be fair-traded in N.Y. & N.J. Distributor John M. Otter Co. has set minimum resale prices under the fair-trade laws in both states. All Philco consumer products are covered by the floor-price pact.

Finance

Republic's Rosy Outlook: Republic Corp., formerly Republic Pictures, earned approximately $1.6 million, or about 80¢ per common share, in the fiscal year ended Oct. 29, Pres. Victor M. Carter said at a meeting last week of the Los Angeles Society of Security Analysts. He said "sales were approximately $30 million compared with $28,250,000 in fiscal 1959—and they give every indication of being substantially higher in fiscal 1961." In fiscal 1959 Republic reported net income of $884,880, or 24¢ a share.

Carter added that Republic's subsidiary, Consolidated Molded Products Corp., accounted for 25% of total sales last year; Consolidated Film Industries, 35%; TV and movie film distribution, 25%; studio rentals, 15%.

Republic has financed 2 TV series & 4 movies, he stated. The company has $2.7 million in cash and no bank debt. He said $5,002,000 in 4% debentures due in 1965 are being steadily paid off, and about $200,000 of the debentures were bought back during the last fiscal year. Current assets total $10.9 million, current liabilities $4.5 million.

Carter said he owns 30,000 of the 400,000 shares of cumulative convertible preferred stock, 317,000 common, and $1,264,000 of the 4% debentures. He predicted 1961 profits of "approximately $1.25 per share."

Desilu Productions' profits in fiscal-1961's 2nd quarter (ended Oct. 29) wiped out the $201,397 loss suffered in the first quarter (Vol. 16:35 p16), reported Pres. Desi Arnaz. He forecast that profits in the 9 months to Jan. 30 will be "within 10%" of the year-ago period. Outlook for the full fiscal year: Results "at the worst, look like they'll be equal to last year." In fiscal 1960, Desilu earned $811,559 on $23.4-million sales. Arnaz said that about 50% of the company's profit comes from network telecasts of shows in which Desilu has varying degrees of ownership. Another 25% stems from residual usage of older shows. The balance is from rentals of production facilities & sales of services to shows which are filmed on Desilu lots. At present, Desilu has ownership in 4 shows on the air, rents facilities & sells services to 13 others, has 50% of its facilities in use. Arnaz said prospects for Desilu-owned shows are bright, adding: "We hope to have 9 or 10 shows in which we have varying degrees of ownership on the air next year."

Federal Pacific Electric anticipates "disappointing" earnings for fiscal-1961's first half, ending Dec. 31. Pres. Thomas M. Cole told stockholders last week that the less-than-expected results stem from the general business slump, price competition, and the expenses involved in consolidating with Cornell-Dubilier earlier this year (Vol. 16:7 p24). However, Cole forecast a brighter 2nd half. He said Federal Pacific should earn about $1.2 million in each of the last 2 quarters, and pegged the "minimum earnings goal" for the fiscal year at around $3 million, vs. $2.8 million in fiscal 1960.

Siegler Corp. will absorb Jack & Heintz Inc. (Vol. 16:14 p23) in a stock deal involving issuance by Siegler of 410,000 common shares and 105,000 shares of no-par cumulative convertible preferred, according to an SEC registration statement. Subject to approval by stockholders of both companies, Siegler (Olympic Radio & TV, David Bogen Co., etc.) will offer alternative merger plans to Jack & Heintz holders. They may exchange each of their shares for .55 of a Siegler share or take preferred stock at a rate to be fixed. No underwriting would be involved, Siegler said.

Reports & comments available: Motorola, Microwave Associates and FXR, comments in a report on "The Microwave Industry," Halle & Stieglitz, 52 Wall St., N.Y. 5 • General Tire & Rubber, review, Fahnestock & Co., 65 Broadway, N.Y. 6 • Johnson Electronics, analysis, Security Associates, Park & New England Aves., Winter Park, Fla. • Capital Cities Bcstg., review, Bacon, Stevenson & Co., 39 Broadway, N.Y. 6.

Electro-Science Investors, Dallas-based small-business investment company, has purchased for more than $1 million a 30% interest in Communications Industries, the Dallas manufacturer of industrial communications & automation equipment. The investment is the first for recently organized Electro-Science.

Gibraltar Enterprises (WICU-TV & WICU Erie, Pa., other Edward Lamb operations) scored a 49.8% profit increase on an 11% sales gain in the first 9 months of 1960. The Jan.-Sept. earnings totaled $594,625 (48¢ a share) vs. $398,285 (32¢) in the year-ago period.

Crosby-Teletronics has established a stock option plan for key employes. Pres. Murray G. Crosby said the company has "definitely turned the corner on sales & profits," will push sales to more than $1.5 million this year.

Andrea Radio's sales & profits for 1960's first 9 months exceeded those of the same 1959 period, Pres. Frank A. D. Andrea announced last week. He gave no figures.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Consolidated Electronics	1960—9 mo. to Sep. 30	$69,558,327	$ 6,622,189	$ 3,118,149	$1.10	2,835,400
	1959[1]	—	—	—	—	—
Crowell-Collier Publishing	1960—9 mo. to Sep. 30	34,012,353	5,534,755	4,665,055	1.82[2]	2,561,102
	1959—9 mo. to Sep. 30	26,692,075	4,490,658[3]	4,490,658	1.75[2]	2,441,570
	1960—qtr. to Sep. 30	12,990,880	2,208,556	1,874,056	.73[2]	2,561,102
	1959—qtr. to Sep. 30	10,640,918	1,828,036[3]	1,828,036	.71[2]	2,441,570
Granco Products	1960—year to June 30	3,366,382	—	(94,674)	—	—
	1959—year to June 30	3,070,486	—	49,152	.15	—
Litton Industries	1960—qtr. to Oct. 31	52,111,000	—	2,150,000	.50[4]	4,265,421
	1959—qtr. to Oct. 31	36,435,000	—	1,537,000	.40[4]	3,761,534[5]
Loral Electronics	1960—5 mo. to Aug. 31	15,054,255	—	513,596	.89	580,148
	1959—5 mo. to Aug. 31	5,383,566	—	193,808	.35	550,000
Movielab Film Labs	1960—39 wks. to Oct. 1	3,802,481	—	159,680	.51	312,500
	1959—39 wks. to Oct. 1	3,066,791	—	100,780	.40	250,000
NAFI Corp.	1960—9 mo. to Sep. 30	40,135,150	2,264,302	1,329,302	1.08	1,230,755
	1959—9 mo. to Sep. 30	16,862,703	934,496	761,496	.77	987,655
	1960—qtr. to Sep. 30	12,756,675	(629,445)[6]	(243,445)	—	1,230,755
	1959—qtr. to Sep. 30	4,749,691	54,401[7]	58,401	.06	987,655
National Union Electric	1960—9 mo. to Sep. 30	26,197,765	1,244,323	626,323	.11	5,747,479[8]
	1959—9 mo. to Sep. 30	26,901,532	1,335,475	1,013,475	.18	5,747,479[8]
Radio Shack	1960—qtr. to Sep. 30	3,029,406	—	58,212	.13	—
	1959—qtr. to Sep. 30	2,264,428	—	21,798	.05	—
Republic Corp.	1960—year to Oct. 29[9]	30,000,000	—	1,600,000	.80	—
	1959—year to Oct. 29	28,250,273	—	884,882	.24	—
Textron Electronics	1960—9 mo. to Sep. 30	19,959,181	—	305,257	.10	2,961,093
	1959[10]	—	—	—	—	—
	1960—qtr. to Sep. 30	6,300,000	—	(91,000)	—	2,961,093
	1959[10]	—	—	—	—	—

Notes: [1]Comparative figures invalid due to corporate consolidation Oct. 1, 1959. [2]Based on 2,561,102 shares outstanding Sep. 30, 1960. [3]No Federal income tax reported due to loss carry-over. [4]After preferred dividends. [5]Adjusted for Dec.-1959 2-for-1 split & Oct.-1960 2½% stock dividend. [6]Before $386,000 tax credit. [7]Before $4,000 tax credit. [8]Outstanding Sep. 30, 1960. [9]Approximated. [10]Unavailable—company incorporated May, 1959.

Dividends were omitted last week by 3 electronics companies with downbeat 9-month and/or Sept.-quarter performances: Philco, Hoffman and American Bosch Arma. Philco, which suffered a 52% profit drop despite a 5% sales rise in 1960's first 9 months (Vol. 16:47 p23), took no action on a cash dividend. A 25¢ payment was declared at this time last year. Hoffman had record sales for 9 months & near-record volume in the September quarter, yet reported profit sharply down in both periods (Vol. 16:45 p20).

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Amphenol-Borg	Q	$0.35	Dec. 30	Dec. 16
Andrea Radio	Q	.12½	Dec. 15	Dec. 1
Arvin Industries	Q	.25	Dec. 28	Dec. 5
Canadian GE	Q	2.00	Jan. 3	Dec. 15
Canadian GE	Ex.	4.00	Jan. 3	Dec. 15
Con Electronics	Q	.25	Jan. 5	Dec. 15
Electro-Voice	Stk.	5%	Dec. 29	Dec. 12
Federal Pacific Elec.	Q	.20	Dec. 15	Dec. 1
Federal Pacific Elec.	Stk.	5%	Dec. 23	Dec. 1
GE	Q	.50	Jan. 25	Dec. 16
Globe-Union	Q	.25	Dec. 20	Dec. 2
Globe-Union	Ex.	.20	Dec. 20	Dec. 2
Indiana General	Q	.15	Dec. 13	Nov. 29
Speer Carbon	Q	.17½	Dec. 15	Dec. 1
Sprague Electric	Q	.30	Dec. 14	Nov. 30
Sprague Electric	Stk.	2%	Dec. 14	Nov. 30
Time Inc.	Ex.	1.00	Dec. 12	Nov. 25
Walt Disney Prod.	Q	.10	Jan. 1	Dec. 16
Warner Bros.	Q	.30	Feb. 6	Jan. 13

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Wednesday, November 23, 1960

Stock	Bid	Asked
Acoustica Associates	18¾	20⅝
Aerovox	7¼	8⅛
Allied Radio	22	23⅜
Astron Corp.	1⅜	1⅞
Baird Atomic	22	23⅞
British Industries	15¾	17¼
CGS Labs	6¾	4½
Cetron	3¾	4½
Control Data Corp.	44¼	47½
Cook Elec.	12	13⅛
Craig Systems	15¾	17½
Dictaphone	31½	34⅛
Digitronics	24	26¼
Eastern Ind.	13⅜	14½
Eitel-McCullough	14¾	16⅛
Elco Corp.	14	15⅜
Electro Instruments	19½	22
Electro Voice	8¾	9⅜
Electronic Associates	26¼	28½
Erie Resistor	8⅛	8⅞
Executone	20½	23
Farrington Mfg.	28	30⅛
Fischer & Porter	19	21
FXR	41½	45⅝
General Devices	8¾	9⅜
G-L Electronics	7¼	8⅜
Granco Products	2⅞	3⅛
Gross Telecasting	19¼	21¼
Haydu	1/16	¼
Hewlett-Packard	26⅜	28¼
High Voltage Eng.	138	146
Infrared Industries	16½	18⅜
International Rectifier	21½	23⅛
Interstate Engineering	19¾	21¼
Itek	53½	58
Jerrold	7⅜	8⅛

Stock	Bid	Asked
Lel Inc.	4¾	5½
Magna Theater	2⅛	2⅝
Magnetics Inc.	8½	9¾
Maxson (W. L.)	7¼	8⅛
Meredith Pub.	40	43½
Metropolitan Bcstg.	16¼	17½
Milgo Electronics	16¼	18⅛
Narda Microwave	3½	4¼
Official Films	2-3/16	2½
Pacific Automation	4	4¾
Pacific Mercury	5⅝	6⅝
Perkin-Elmer	44	47¼
Phillips' Lamp	160	165¾
Pyramid Electric	2⅞	3-5/16
Radiation Inc.	21¼	23¼
Howard W. Sams	34½	37⅝
Sanders Associates	29	31½
Silicon Transistor	4¾	5¾
Soroban Engineering	33	36⅝
Soundscriber	13½	15
Speer Carbon	19	21
Sprague Electric	44½	47½
Sterling TV	1½	2
Taylor Instrument	33	35⅝
Technology Inst.	8	9¼
Tele-Broadcasters	⅝	1-1/16
Telechrome	10¼	11½
Telecomputing	7⅝	8¾
Time Inc.	61	64½
Tracerlab	8¾	10
United Artists	5⅜	6½
United Control	16¾	18¾
Universal Trans.	1	1-5/16
Vitro	9¹	10¹
Vocaline	2¾	3-5/16
Wells-Gardner	17¾	19⅜

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WEEKLY **Television Digest**

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The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

FCC

ALLOCATIONS—DROP-INS & DISCUSSIONS: Syracuse & Rochester due for 3rd vhf each. Long-range plans are up for another FCC go-around (pp. 1 & 4.)

FORUM FOR AGENCY REFORMERS provided by Senate subcommittee, which hears every-which-way proposals. James M. Landis says regulators should be higher-class men (pp. 2 & 5).

KWK "FRAUD" CONFERENCE is set for Dec. 8 on FCC license-revocation charges that St. Louis radio deceived public with treasure-hunt & "bonus club" contests (p. 5).

Programming

AFTRA-SAG ARMISTICE IS IN SIGHT as negotiating teams of networks & talent unions reach "agreement in principle" (p. 2).

LIVE TV AT WHITE HOUSE press conferences contemplated by President-elect Kennedy. He may schedule night sessions (p. 3).

MORE POST 1948s ARE REACHING THE MARKET. Screen Gems has launched sales of 200 from Columbia Pictures with a station-group sale to the 5 CBS o&o's (p. 6).

Auxiliary Services

HARTFORD PAY-TV GO-AHEAD recommended by FCC's Broadcast Bureau, which finds "no substantial reason" for refusing 3-year test of Zenith system by RKO General (p. 2). Dept. (p. 24).

FCC AGAIN PONDERS CATV LEGISLATION; may seek power to control duplication, and require CATV to carry local-station signals. "Rebroadcast permission" unlikely (p. 3).

Film & Tape

GARNER TRIUMPHS OVER WARNER: Maverick star gets judge's decision for release from contract and upset of studio's force majeure action (p. 8).

IS TAXING AXING THE LITTLE MAN? Smaller telefilm producers hold that amortization method of taxation is unfair (p. 10).

Consumer Electronics

ELECTRONICS INDUSTRY SALES for 1960 set record of $9.7 billion at factory level, up 6% from last year, but short of predicted $10-billion level (p. 17).

EIA STILL OPPOSES FCC on all-channel TV, rejects for 3rd time any legislation which would force set makers to produce vhf-uhf receivers; FCC Comr. Lee sees "good chance" Congress will pass bill (p. 17).

FOREIGN "PERIL" haunts EIA conference, draws counterattack measures; consumer-products div. approves ad code in principle and outline of 3-year promotion program (pp. 18 & 19).

Stations

THAT FINANCIAL FORM 324 is bound to bring strong industry objection to filing more data—particularly on non-broadcast investments (p. 11).

PIGGY-BACK SATELLITE IN CANADA: CBAUT-1 (Ch. 9) Nelson, B.C. begins repeating satellite CBUAT (Ch. 11) Trail, B.C. (p. 11).

TV CODE CONFERENCE to strengthen present regulatory systems in the industry is proposed by Ogilvy, Benson & Mather vp Hendrik Booraem Jr. (p. 12).

Advertising

BACKGROUND NO. 10: Nine ad organizations—who they are & what they do (p. 14).

Educational TV

STATEWIDE ETV IN KANSAS: Detailed report for presentation before state legislature early in 1961 recommends a $6.7-million 6-transmitter network, estimates annual cost at $659,322 (p. 24).

Other Departments

CONGRESS (p. 6). **NETWORKS** (p. 15). **FOREIGN** (p. 15). **PERSONALS** (p. 16). **TECHNOLOGY** (p. 16). **FINANCE** (p. 24).

ALLOCATION ACTIVITY—2 DROP-INS SHAPING UP: Third commercial vhf channels for Syracuse and for Rochester are in the works. FCC is proposing regular-spaced drop-ins, after clearing the way with the new, nearly-completed Canadian agreement (Vol. 16:43 p2). Move came on eve of another of Commission's numerous agonizing reappraisals of whole allocations picture—with meeting due this week.

Commission proposed: Add Ch. 9 to Syracuse, shift Ch. 5 from Rochester to Syracuse and Ch. 8 from Syracuse to Rochester, add Ch. 13 to Rochester. It denied all conflicting proposals, and it deferred action on petitions seeking short-spaced drop-ins of Ch. 7 & Ch. 4 in Binghamton. Syracuse & Rochester proposals, if finalized, would require WHEN-TV Syracuse to shift from Ch. 8 to Ch. 5, WROC-TV Rochester from Ch. 5 to Ch. 8. They'd be issued show-cause orders and given opportunity to protest shifts in hearings. Commission also proposed to add Ch. 4 to Superior, Neb. Comments on all foregoing are due Jan. 6.

Commission has asked its staff to draft up pros & cons of alternative proposals for long-range expansion of TV. They're only a starting point for discussion, we understand, but impression is that staff seems to lean most toward: (1) Using both vhf & uhf, but taking strong measures to enhance future value of uhf, or (2) shifting all to uhf eventually. (For more on staff discussion, see p. 4).

AFTRA-SAG ARMISTICE: An aura of cautious optimism surrounded the talent strike last week. Although both sides have shown they mean business and major network-&-spot strike has been hanging in balance since Nov. 5 (Vol. 16:48 p2), networks last week resumed talks with AFTRA & SAG.

Network we-won't-budge stand has been abandoned, and both sides seem in mood to negotiate a settlement. Describing situation as "favorable," AFTRA is now willing to talk about a 3-year contract, whereas previous union demand was for only 2-year deal. On other side of fence, networks reportedly are easing on such demands as bigger discounts for multiple performances and closed-circuit performances at less than regular network rates.

"Agreement-in-principle" was reached Dec. 1 between negotiating teams, who made joint announcement that peace feelers cover "all substantive areas." Now talent unions will put proposed agreements before their respective national boards for approval, and ultimately to their memberships for ratification. Meanwhile, further N.Y. & Hollywood meetings between negotiators, to draft agreements embodying new terms & conditions, will be held.

Final agreement hasn't been reached between unions & networks, by any means. Advertisers & agencies don't like sizable pay hikes that would be due to talent under the "unit system" which the AFTRA-SAG alliance is seeking (Vol. 16:46 p6). They will meet union demands only if forced to—or if unions ease their proposals to achieve compromise.

FORUM FOR AGENCY REFORMERS: Nearly everybody at Senate hearings last week complained about deficiencies & inefficiencies of federal regulatory agencies, but there was almost no agreement among 16 expert witnesses on what should be done to reform them.

Better qualified men to head & staff agencies are best answer to perennial problems, President-elect Kennedy's special advisor James M. Landis told Judiciary Administrative Practice & Procedure Subcommittee. His testimony wound up 4 days of sessions which were intended—hopefully—by Chmn. Carroll (D-Colo.) to draw policy guidelines for upcoming Democratic administration.

"Greatest potential" for improvement in regulatory operations lies in permanent advisory assembly as proposed by his organizing committee for White House Conference on Administrative Procedure, said Court of Appeals Judge E. Barrett Prettyman (Vol. 16:48 p5). President Eisenhower's agency specialist, he was lead-off witness in hearings, which marked umpteenth time Congressional committees had tried to produce sure cures for agency ills.

In-between testimony ran every which way (see p. 5).

HARTFORD PAY-TV GO-AHEAD RECOMMENDED: As anticipated by pro-&-con parties in proceedings, FCC's Broadcast Bureau last week urged that Zenith-RKO General's Hartford Phonevision be given green light for 3-year tryout of pay TV on WHCT (Vol. 16:44 p1 et seq.).

"No substantial reason why the public interest would not be served by a grant of the pending application" could be found in record of October hearings, Broadcast Bureau said in 94-page "Proposed Findings & Conclusions." Commission can be expected to go along with staff.

"No undue risks of jeopardy to the public interest would be involved" in permitting Hartford Phonevision to try to prove that its pay-as-you-see system will work, FCC attorneys Louis C. Stephens, Sol Schildhause and Arthur H. Bernstone agreed in their review of pioneering proposals.

"Proposed operation coincides in all important respects" with Commission's test requirements in 1st & 3rd reports on subscription TV, they said.

Endorsement of Hartford plans was qualified by Broadcast Bureau in 7 proposed operational conditions, however: (1) "Faithful compliance [with] the letter & the spirit" of FCC's pay-TV policies. (2) Observance of all FCC rules "which are not clearly incompatible." (3) Careful review by RKO of all pay-TV promotional material prepared by Zenith & its programming arm Teco. (4) RKO must "safeguard against misleading representations to the public." (5) FCC is entitled to full information on "any aspect" of Hartford operation. (6) Copies of all programming agreements must be furnished to FCC. (7) Field surveys of potential pay-TV market must be completed before operations start.

Violently-opposed proposed findings of fact were filed—as expected—by applicant Hartford Phonevision and by theater interests which fought application.

"The proposed trial is essential so that private enterprise may gain access to the market place which, in the final analysis, is the ultimate testing ground for all new business," said W. Theodore Pierson for Hartford Phonevision.

"Commission has no alternative" but to reject application, argued Marcus Cohn for Conn. Committee Against Pay TV and other theater groups. Cohn contended that grant would lead to programming monopoly by pay TV, that all in all, effect on free TV in Hartford area would be "disastrous."

FCC AGAIN PONDERS CATV LEGISLATION: Only a few trouble spots remain in station-CATV relationships, according to Chmn. Ford (Vol. 16:47 p8), but Commission still wants new authority to deal with those. Last week FCC discussed legislative proposals but didn't come up with final language.

Current FCC approach, it's understood—and it may well prevail—is to ask for very broad powers and to indicate "examples," in law itself, of how powers would be used. This is precisely the route taken when Commission recommended that it be given authority to regulate networks (Vol. 16:21 p6). FCC's recommendations didn't come to vote. In its network-legislation suggestion, FCC proposed that it be allowed to: "Issue such rules & regulations with respect to . . . networks, as the Commission may determine to be necessary or appropriate to assure that the policies, practices, and activities of such networks shall not adversely affect the ability of broadcast licensees to operate their stations in the public interest. Such rules & regulations may include, but shall not be limited to . . ." Commission proceeded to list 11 specifics.

Similar language is being considered for CATV, we gather. Question, of course, is: "What are the specifics?" Good guess is these:

(1) Power to prohibit or limit CATV duplication of local-station programs whenever Commission believes it necessary to keep station going.

(2) Authority to require CATVs to carry local-station signals.

Out the window, it's believed, is Commission's former recommendation that CATVs be required to get originating stations' consent to redistribute their signals. Commission is expected to wrap up its ideas in week or two.

LIVE TV AT WHITE HOUSE: Another milestone in TV's coverage of public affairs is in sight. President-elect Kennedy, who has said he couldn't have won election without "Great Debate" series (Vol. 16:46 p1), may open his press conferences to live TV after he takes office.

"We still are a long way from any decision," Kennedy press secy. Pierre Salinger said last week. But he confirmed reports that White House precedent may be made by permitting TV & radio crews to put conferences on air as they happen. There'd be no fixed TV schedule, Salinger said. Under plan contemplated by Kennedy, live Q-&-A sessions between reporters & President would be arranged only occasionally—some at night—to assure maximum viewing audience. It's said that Kennedy was thinking of 7 p.m. as good White House programming hour.

Networks won right to carry filmed conferences under President Eisenhower, who broke new press ground by permitting cameras, recordings and verbatim quotations. Eisenhower press secy. James C. Hagerty reserved right to edit films & transcripts before they were released, however. And although editing restrictions never amounted to censorship, they resulted in delays in airing of conference films.

One network response to prospective new freedom for TV came from ABC spokesman who said his organization is "very happy about it," and is eager to carry White House proceedings live. CBS & NBC had no immediate comment. If & when Kennedy approves live TV, there'll be time enough for networks to find answers to such scheduling questions as how much pre-empted time to allow for conferences—the duration of which has always depended on reporters' questions.

Outlook for live TV reporting is clouded, however, by reported recommendations to Kennedy by Brookings Institution for more—not fewer—White House news restrictions. Editor & Publisher said secret memorandum prepared by non-partisan research organization urges reinstatement of pre-Eisenhower conference rules which "would eliminate direct TV & radio coverage."

"Peril of inadvertent blunder" by President at conferences is compounded when direct quotations are permitted, Brookings report says, according to E&P. "It is understood that the press conference report was written by a former newspaperman who is now in the academic world," newspaper trade paper said.

The FCC

More about

ALLOCATIONS ANALYSES: No FCC problem, except possibly AM clear channels, has received such thorough discussion & analysis as TV allocations (see pp. 1 & 17). The Commission is due to dig into the subject again this week, and, as is customary, it has had its staff present an evaluation of alternatives.

Our impression is that the staff has put substantial emphasis on ways & means of making vhf & uhf work together in order constantly to improve uhf while not hurting the vhf service. Some of its suggestions:

(1) Abandon the short-spaced "interim plan" for vhf.

(2) Make no more vhf grants whatsoever.

(3) Turn over to non-broadcast mobile services all unused vhf assignments, possibly also requiring TV to share its vhf channels with such services—the latter to be located beyond normal TV contours, however.

(4) Make uhf channels available on a first-come, first-served basis, dropping the table of specific city assignments & granting CPs according to the best engineering practices possible. FCC, not the applicant, would specify the channel. Operating uhfs would be permitted to go to lower channels.

(5) Ease some technical restrictions on uhf until they're needed.

The thinking behind the foregoing is something like this: Everyone would know that TV henceforth will expand only into uhf. Vhf operators would be happy because they would not be disturbed. Uhf operators would appreciate that TV would grow only in their direction, that their ranks would gradually be augmented. Non-broadcast services would get some relief for their growing needs for more vhf spectrum; they might even operate on adjacent channels to TV, provided a 1-mc guard band is used. Abandonment of the uhf table of assignments would encourage applicants to get in early to nail down low channels. Uhfs could build more cheaply if they didn't have to buy such things as vestigial sideband filters. And, finally, even if the plan doesn't work well after a few years, no one has been hurt and the FCC can still go back to considering other ideas.

A move to all-uhf seems to have a fair amount of support among Commission staff members. They note that many uhfs are rendering excellent service where they have little or no vhf competition, and they assume that much of the country, if not all, could be well served by uhf—but they acknowledge that it isn't yet known how well uhf could cover New York City. The big question: How to shift to uhf? Here are some staff suggestions:

(1) Announce all TV to go to uhf in, say, 5 years.

(2) Draft a new all-uhf assignment table.

(3) Grant no more vhfs in uhf-only cities.

(4) Grant vhfs in a few markets where they're badly needed but require them to simulcast on uhf.

(5) Make all vhfs build uhfs and simulcast within about 3 years.

(6) Ask Congress for new laws which would permit fast shift of vhfs to uhf without extensive hearings, court appeals and other due-process delays.

As for other alternatives, the staff notes: (1) Govt. won't give TV more vhf spectrum, so that's dead. (2) Short-spaced vhf assignments don't yield many new stations and they cut fringe service. (3) De-intermixture doesn't offer major national expansion possibilities.

It should be made clear that staff analyses such as these are starting points only. They by no means indicate what the Commissioners will eventually do.

FCC's Spot Watchers: NAB Radio vp John F. Meagher, reported last week to the association's radio members on the results of the informal FCC-NAB conference on the Commission's spot-counting practices. Filling out the impressions we had gleaned (Vol. 16:48 p5), he reported:

"The staff of the Commission employs certain processing tools which are applied in the review of renewal applications. One of these is the number of spot announcements. If the renewal application reveals more than a certain number of spots—roughly 1,000 [per week]—it is set aside for further staff review.

"This does not mean that the application will be set for hearing merely because the number of spots exceeds a given number. Rather, it is used to 'flag' the application for further review in all of its aspects, with particular reference to 'promise' vs. 'performance' . . .

"This does not mean that every departure from the preceding application statements is to be regarded as important or material. Where a substantial change has occurred, however, reflecting a sharp difference in the number of announcements or in other aspects of programming, the Commission usually requests further explanation from the licensee . . .

"The Commissioners indicated that one of the greatest problems in this area has been the failure of licensees to 'tell their story' adequately. By this is meant that adhering strictly to the form does not always give sufficient information upon which an informed judgment may be made. For this reason, it is indicated that in the very near future there will be a formal proposal to modify the existing renewal forms . . .

"Finally, the Commissioners pointed out that while many informal inquiries of licensees have been made, very few have necessitated the formal 309(b) letter of the Communications Act. Moreover, even in these few cases, there have been factors involved other than a quantitative analysis of a station's spot announcement policy."

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Reasons for uhf CP cancellations (Vol. 16:48 p6) were spelled out by FCC in the text of its decision released last week: "We believe that none of the applicants herein—all of whom, at the time they obtained their construction permits, stated they would construct the subject station, and who now substantially state that they do no intend to commence construction—have demonstrated that their failure to construct was due to causes not under their control. The applicants have failed to satisfactorily demonstrate that they could not have physically constructed their stations . . . Applicants propound arguments which *inter alia*, contain contentions bearing on matters of applicants' business judgment and the availability of TV sets capable of receiving uhf signals. The former argument concerns matters solely within the business judgment of the individual applicant. The alleged non-availability of uhf receivers also involves the matter of business judgment, since it bears on the availability of an audience. In connection with the foregoing, we emphasize that the Commission is not compelling the applicants to construct facilities for which they have applied. On the other hand, we do not feel that it is in the public interest to have these construction permits outstanding, when the applicants have no intention of going ahead with construction in the near future. It is in the applicants' choice to build or not. Since they do not choose to build and the reasons they have advanced do not involve causes beyond their control, their applications for further extensions of time within which to construct their stations should be denied." Comrs. Hyde & Lee dissented.

More about

HOW THEY'D REFORM THE AGENCIES: Last week's Senate hearings (see p. 2) brought out, among others, these thoughts from witnesses who wished to aid in improving operation of federal regulatory agencies:

Separate administrative courts to take over some judicial functions of the agencies were advocated by American Bar Assn. spokesman Donald C. Beelar, who was backed up by a panel of 4 other ABA leaders. "We have witnessed in one generation a gradual shifting of legislative power from the Congress to the agencies, and a grant of judicial powers to the agencies rather than the court," Beelar protested. He complained that for 25 years "committees, commissions and conferences" have probed problems & accomplished little.

An over-all Office of Administrative Procedure should be set up to police agencies much as the Inspector-General now reviews actions of the Armed Forces, Columbia U. Prof. Walter Gellhorn told the Judiciary Administrative Practice & Procedure Committee. With "deference & diffidence" he also suggested that Congress could spend its time better than by headline-hunting for instances of misbehavior by govt. regulators.

Super Commission Termed Impractical

"Almost impossible task" was FPC's retort to suggestions that a super commission should provide "guidance over the vast array of administrative agencies in order to force conformity." Regulatory bodies "operate under such diverse statutes that wide-scale procedural uniformity is a practical impossibility," said FPC Chmn. J. K. Kuykendall in a statement read by FPC gen. counsel John C. Mason.

"More freedom of action" is required by agencies to cope with "delays & backlogs" of cases, said Budget Bureau's deputy dir. Elmer B. Staats. "There is evidence," he reported, "that formal hearing processes are used when modern fact-finding & data-processing techniques could provide better information more quickly & at less cost."

"Radical reorganization" must be undertaken, insisted ex-CAB member Louis J. Hector. To start with, he proposed that at least 4 of the Big 6 agencies—FCC, CAB, FPC, ICC—should be removed from "independent" status and placed directly under White House control. In any event, Hector said, it's long past time for action.

"The basic soundness of the regulatory system" has been proven by "time & experience," countered CAB Chmn. Whitney Gillilland. He argued that what's needed most of all is a stiff law providing criminal penalties for agency litigants who try to subvert the system through backdoor influences. Subcommittee member Dirksen (R-Ill.), Senate Minority Leader, disagreed on the need for legislation on ethics. "It just won't work," he said. AEC Comr. Loren K. Olsen testified that his agency required no such law.

"It is popular to slug our govt. right & left," Civil Service Commission Chmn. Roger W. Jones observed. But he said agency employes—particularly lawyers—should be spared unfair criticism. One way to improve agencies, Jones said, would be to give legal staffs Civil Service protection from the constant danger of dismissal.

Note: For once, much-battered FCC came in for little specific criticism at Senate hearings. Stressing that he wasn't trying to run a Legislative-Oversight-type investigation (such as won FCC headlines for House Commerce Committee), Chmn. Carroll called no FCC witnesses. He was just trying "to come to grips with the fundamental problems," he said.

KWK 'Fraud' Conference Set: Milwaukee Bcstg. Co. management will go into pre-hearing conference Dec. 8 with FCC hearing examiner Forest L. McClenning on Commission's move to revoke the license of radio KWK St. Louis on fraud charges (Vol. 16:45 p2).

In setting the date for the conference, McClenning ordered a scheduled Dec. 1 hearing for the station continued. KWK meanwhile demanded a bill of particulars from FCC, protesting that Commission's complaints against the station weren't explicit enough for preparation of a defense.

The KWK revocation proceedings were based on allegations that the public was defrauded by treasure-hunt & "bonus club" contests conducted by the station. The case against Milwaukee Bcstg. Co. (which also operates radio WEMP Milwaukee) was developed by FCC's new Complaints & Compliance Div.

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"Sanctions may be invoked," FCC warned 37 stations which have failed to respond to the Dec.-1959 questionnaire on payola. The Commission said that these are the laggards: KASL Newcastle, Wyo.; KCKC San Bernardino, Cal.; KDIX-TV Dickinson, N.D.; KEYT Santa Barbara, Cal.; KFUO-FM Clayton, Mo.; KFML Denver, Colo.; KHAM Albuquerque, N.M.; KIHN Hugo, Okla.; KHPC-FM Brownwood, Tex.; KKAS Silsbee, Tex.; KMEO Omaha, Neb.; KORK Las Vegas, Nev.; KROC-TV & KROC Rochester, Minn.; KTER Terrell, Tex.; KTRY Bastrop, La.; KUEQ Phoenix, Ariz.; KWNA Winnemucca, Nev.; KZEY Tyler, Tex.; WAIM-TV & WAIM Anderson, S.C.; WAND Canton, O.; WCBQ Whitehall, Mich.; WDIX Orangeburg, S.C.; WDLT Indianola, Miss.; WDXR Paducah, Ky.; WFPR Hammond, La.; WGIR Manchester, N.H.; WLAQ Rome, Ga.; WLSB Copperhill, Tenn.; WMAB Munising, Mich.; WMRP Flint, Mich.; WMDD Fajardo, P.R.; WORX-FM Madison, Ind.; WQMM Memphis, Tenn.; WVNA Tuscumbia, Ala.; WNCO-FM Ashland, O.

Defense of Conelrad and praise of industry for its cooperation was offered by FCC Comr. Lee Nov. 30 in an address before the National Assn. of Railroad & Utilities Commissioners meeting in Las Vegas. "There are those who feel," he said, "that Conelrad is obsolete in this day of the guided missile & high-speed jet aircraft. However, let me say that only last March the Dept. of Defense re-evaluated Conelrad, and has concluded without qualification that it is a military must for the foreseeable future, perhaps 10 years. We are obliged to accept these expert opinions, and to do our best to provide the best type of emergency backup for existing communications."

Westinghouse's multiple-ownership petition, long on file with FCC, appears likely to get favorable action. WBC argued that minor stockholdings shouldn't be counted against a widely-held corporation when the Commission tallies station holdings. It's understood that the Commission is inclined to discount holdings up to 5%—provided the holder is neither an officer nor director and has no substantial voice in management. If the Commission's inclination persists, it will start rule-making proceedings to put the changes into effect.

Conelrad tieup with AP & UPI is fine, Gale Mix, pres. of the Ida. Bcstrs. Assn., decided after learning more about it (Vol. 16:48 p13). He wired Defense Dept., withdrawing his protest, after getting details from FCC Conelrad chief Kenneth Miller.

Sponsorship announcement waiver for filmed & taped TV & radio programs supplied by the National Council of Churches has been denied to that organization by FCC. No "substantial allegation of hardship" was shown by the Council's Bcstg. & Film Commission in asking that application of the Communications Act's Sec. 317 be lifted for its programs, FCC said. The opinion & order added that Commission wasn't "persuaded that the 'loss' of the few seconds required for the identification of this material is an important decisional factor" in the Council's programming.

North Dade Video asked the Court of Appeals last week to instruct FCC to reinstate it as an applicant for Miami Ch. 10. That channel was won by L. B. Wilson by default in the "influence" case against National Airlines' WPST-TV (Vol. 16:29 p1 et seq.). North Dade said FCC acted "arbitrarily & capriciously" in excluding it as an applicant. Its claim for Ch. 10 should be judged "free of demerit" on a comparative basis with L. B. Wilson, North Dade said.

FCC show-cause order has been issued against Mandan Radio Assn. (radio KBOM Bismarck-Mandan, N.D.), calling on the station to explain at a hearing why its license shouldn't be revoked. The Commission cited "unauthorized relinquishment of control and other violations" of rules.

Political-broadcast questionnaires are still slow in arriving at FCC, the Commission noted last week. In addition to delays caused by inadequately answered station forms (Vol. 16:48 p5), there's a holdup in network responses that is produced by the failure of many affiliates to report their clearances of political broadcasts. Deadline for all replies is Dec. 5.

First vhf translator CPs complying with new FCC rules have been granted to Mexican Hat Assn., Mexican Hat, Utah, on Ch. 3 & 6. Also granted last week: Ch. 80 & 82 uhf translators to Dubuque Area Translator Co., Dubuque, Ia.; Ch. 80 uhf translator to Blacktail T.V. Assn., Big Fork, Mont.

Compatible single-sideband AM operation was endorsed last week by RKO General, which told FCC that the system would produce improvements in many areas.

Upcoming special FCC meetings: Dec. 5, TV allocations; Dec. 8, legislative program & station renewal forms; Dec. 9, AT&T earnings; Dec. 29, FM stereo rule-making.

Congress

Swan-song report on 3 years of investigations of the broadcasting industry & FCC may be polished up next week by the House Commerce Legislative Oversight Subcommittee under Chmn. Harris (D-Ark.). Preliminary drafts of the final report reviewing the Subcommittee's hearings & legislative recommendations were worked over Nov. 28 by members & staff. Harris said he expects to have it ready when the 87th Congress convenes Jan. 3, when the legislative life of the Subcommittee will end. He has indicated he won't ask the new Congress to renew it (Vol. 16:37 p10 et seq.).

TV network spokesmen may be called by Chmn. Davis (D-Tenn.) as witnesses at Dec. 15-16 hearings by the House Campaign Expenditures Committee on what to do about length & expense of Presidential electioneering. Davis said he hoped the hearings, at which Democratic & Republican leaders will be main witnesses, will produce "substantive" suggestions for cutting down the duration & costs of campaigns.

Programming

BIG FEATURE DEAL: Screen Gems last week jumped into the front ranks of film distributors selling post-1948 features to TV with one of the biggest kickoff deals: The long-term lease of 200 Columbia Pictures-controlled features to the 5 CBS-TV o&o's. Also included in the package were 75 pre-1948s, the last of a Universal-International library being distributed by Screen Gems. The deal, for an estimated $12 million, is the largest made by any of the CBS stations since they signed the MCA-distributed Paramount pre-1948 backlog. It is significant on a number of counts:

Screen Gems Placed in Post-1948 Lead

1. It's the first TV release of movies from Columbia's 400-picture backlog of post-1948s, and puts Screen Gems squarely into competition with other distributors of post-1948s such as NTA, Flamingo, UAA, Programs for TV Inc., and 7 Arts (Vol. 16:34 p3).

2. It virtually puts an end, at least for several years, to any CBS-TV network plans to launch a late-night show series against Jack Paar on NBC-TV. The CBS-TV o&o's, vital to any such series, are hardly likely to drop late-night local feature programming in favor of network service.

3. It strengthens the feature-library position of the CBS o&o's considerably—and even rival stations generally concede that the CBS outlets, particularly WCBS-TV N.Y., have the heftiest collection of new-to-TV movies and high-rated feature blockbusters in their respective markets. The CBS stations have been pace-setters in selling full sponsorships of hand-picked features as local specials.

4. Because TV devours feature films with an inexhaustible appetite, Screen Gems intends to see that the audience values of the films aren't exhausted through constant exposure—as much for the stations' protection as the pictures'. Accordingly SG plans to make safeguards against rapid wear-outs a contract condition for its sales in other markets. They will model the exposure patterns and multiple-run privileges on those in the CBS deal.

5. Although the CBS o&o's bought the whole 200-plus-75 feature package, Screen Gems isn't dropping it into the film market as a giant block. In line with the thinking of most film distributors today, SG has put an individual price tag on each picture, scaled to market size & picture's importance. And the group will be released into the market in small packages over an extended period of time, rather than dumped quickly as were the original pre-1948 RKO and Warner Bros. packages.

Bulk of Package is Pre-1956

Movie exhibitors will hardly welcome the news of the Screen Gems-CBS o&o deal (larger by far, incidentally, than any deal announced to date by 7 Arts on the sale of its 200-odd post-1948 Warner Bros. films, see below). But the exhibitors can find some comfort—however cold—in the deal: (1) The 200 pictures are nearly all "early" (1948-1955) post-1948s. (2) Several contain stars (Broderick Crawford in "All the King's Men," Fredric March in "Death of a Salesman," etc.) who are more likely to appeal to adult TV viewers than to the teen-aged moviegoers who comprise the bread-&-butter of moviedom's remaining popcorn palaces. In N.Y. last week, for example, the big draw on the RKO circuit was a double bill composed of "How to Make a Monster" and "I Was a Teenage Caveman." (3) Theaters, rather than TV stations or even pay TV, will get

first crack at some extra-choice post-1948 items like "From Here to Eternity" and "Bridge on the River Kwai" still in the Columbia library. Stated Columbia Pictures vp Paul Lazarus: "We are holding back those pictures which we feel will still have theatrical exhibition values."

* * *

22 Hollywood-filmed post-1948s, many in color, have been acquired by Colorama Features Inc. in a $2-million deal with Pine-Thomas Productions, which produced them independently for Paramount Pictures release. Colorama Pres. Jules Weil stated last week he plans to make some of the films in the package available for theatrical re-issue, and then distribute the whole package in TV. The fact that negotiations for the 22 features were initiated by Pine-Thomas, gave further indication of the growing interest of Hollywood producers in seeking TV revenue for their backlogs. Although Paramount distributed the pictures theatrically ("El Paso," "Captain China," "Tripoli," "Hong Kong," "Tropic Zone," "Run for Cover," etc.), they aren't part of the Paramount post-1948 backlog—for which Paramount has announced no plans other than Telemeter pay-TV showings.

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Seven Arts' first 40-title group of post-1948 Warner Bros. pictures scored its 9th station sale recently to KVAR Phoenix. Other stations which have purchased the Warner package: WWLP Springfield-Holyoke, WBEN-TV Buffalo, KONO-TV San Antonio, WOC-TV Davenport, WTVH Peoria, WTVP Decatur, WTVT Tampa-St. Petersburg. Color is playing a major role in stimulating sales of the package, Seven Arts vp & gen. sales mgr. Robert Rich told us. Approximately one third of the stations which bought the features may eventually colorcast them. Sales deals are being discussed by Seven Arts with stations in Houston, Baltimore, Minneapolis, Philadelphia, N.Y., Chicago, Los Angeles and Milwaukee, Rich said.

* * *

Another big post-1948 deal may be in the offing—between producer Sam Goldwyn & anyone who will pay the right price for a prize package of 65 top features. Goldwyn has pretty well decided not to hold out for pay TV, as he originally planned, but he demands programming stipulations & substantial dollar figures. "I've been offered as much as $500,000 for one picture," he said, "but I've turned down all offers, because I felt that conditions were not right." The right conditions would mean one or 2 TV showings at prime times. "Pictures that cost millions & represent real creative efforts have been shown as many as 10 or 12 times over one station and at all sorts of odd hours," Goldwyn complained last week. His features include: "The Best Years of Our Lives" (winner of 11 Academy Awards), "Guys and Dolls," "The Secret Life of Walter Mitty," and "Hans Christian Andersen."

* * *

Showcorp of America's package of RKO post-1954s has grossed nearly $500,000 in 44 markets during the past few weeks of selling. Latest sales deals include: CBS o&o's WBBM-TV Chicago & WCAU-TV Philadelphia; WTVJ Miami; WOR-TV N.Y.; WMAR-TV Baltimore; KHJ-TV Los Angeles; WFAA-TV Dallas. Some of the newest features in the firm's "big 12" package: "Bundle of Joy," "Susan Slept Here" "New York Confidential." To date, Showcorp. has distributed 50 RKO post-1948s and has some 25-to-30 more films about to go into syndication.

"Not guilty," pleaded Charles Van Doren to a charge of perjury Dec. 1 in N.Y. Special Sessions Court. The plea followed a clash between Van Doren's lawyer Carl J. Rubino and Justice John M. Murtagh, who adjourned the cases of 9 other former TV quiz contestants (Vol. 16:13 p16) until Jan. 13. (This group has motions pending in General Sessions aimed at testing the legality of the informations.) Rubino had asked for a few days to decide whether he would join the General Sessions motions. Justice Murtagh denied the request, saying he had "indulged" the defendant long enough, and insisted that a plea be entered. Rubino said his client "has admitted lying before the grand jury, to Congress, to the district attorney and to the world, and that he is ready to take his medicine." Calling the demand for a plea "shocking & unreasonable," he added "we are forced to plead not guilty under the circumstances." Van Doren's case will be tried on Jan. 18. Six other former contestants pleaded innocent.

Walt Disney-NBC deal was signed last week, after weathering an on-again-off-again period of several months (Vol. 16:6 p8). Disney, once a mainstay of ABC-TV's nighttime lineup, will now produce & host a weekly series of 60-min. color-film programs plus color specials ranging from live entertainment to full animation. Announcement of the deal came Dec. 2 from Disney Productions Pres. Roy O. Disney and NBC Pres. Robert E. Kintner. Meanwhile, the *Walt Disney Presents* series is still slotted on ABC-TV, Sun. 6:30-7:30 p.m. New Disney shows on NBC probably won't appear before the fall of 1961. Not involved in the deal: Disney's backlog of some 3 dozen post-1948 color pictures ("Treasure Island," "Robin Hood," "Lady & the Tramp," etc.). But NBC hopes to tap the backlog for an occasional holiday special, following CBS-TV's arrangement with MGM's "The Wizard of Oz."

Students spend too little time on homework because of nighttime TV viewing, reported 3 out of every 4 elementary school teachers surveyed by the National Education Assn. The study, published last week in the NEA journal, polled 1,149 elementary & secondary school teachers representing 42,000 U.S. school districts. Major finding: The conflict between TV & homework is greatest in large towns & city areas. In school districts with more than 500 teachers, only 1 in 10 said TV did not hurt home study; smaller districts showed a 1 to 7 ratio. Of the teachers queried, 57% felt that TV "restricts" homework time, 24% said school work "suffers seriously" and 13% believed that TV doesn't affect homework at all. A breakdown into elementary and secondary teachers indicated that TV troubles mount on the high school level. Among this group, 28% called TV a serious handicap, only 8% said TV did not interfere.

Highest rating yet received by a public-affairs program in 1960 was scored Nov. 29 by the first of NBC-TV's *White Paper* series. The kickoff show, a blunt-if-belated look at the Eisenhower administration's handling of last May's U-2 incident, drew a 7-city Arbitron rating of 20.6, vs. ratings of 23.1 for *Garry Moore Show* on CBS-TV and 10.0 for *Alcoa Presents* on ABC-TV. Audience share for *White Paper* was a whopping 32.7%. Half-sponsor of the show was Timex Inc., in recent seasons a bankroller of star-name jazz & entertainment specials, but which has now signed for co-sponsorship of 6 NBC *White Paper* shows.

KDKA-TV Pittsburgh spiced its late-evening announcement of the birth of President-elect John Kennedy's son with a documentary film detailing a Caesarean birth. The educational embellishment "kept the switchboard ringing with compliments," reports the station.

Film & Tape

GARNER'S VICTORY OVER WARNERS: In a dramatic & surprisingly quick verdict, Los Angeles Superior Court Judge Arnold Praeger ruled Dec. 1 in favor of James Garner in his dispute with Warner Bros., thus freeing the *Maverick* star from his contract. Judge Praeger said he would decide later on the amount of damages Garner should receive from Warners in his breach-of-contract action (Vol. 16:48 p9, 47 p13).

The Judge said that "Warner Bros. had no justification for laying Garner off, particularly in view of the testimony of Jack L. Warner (WB pres.)." Garner wept when the verdict was announced. He told us, "I'm so happy, I don't know what to say now that I'm free."

Warner Bros. had invoked the *force majeure* contract clause against Garner and Jack Kelly, stars of *Maverick*, and Clint Walker, *Cheyenne* star, last March 3, on the grounds that it couldn't get scripts because of the writer strike, which began Jan. 16. Garner then claimed this to be a violation of his contract—which made him a free agent. Warner sued for breach of contract, and Garner counter-sued for release from his contract as well as $106,000 damages. (Kelly and Walker were restored to the Warner payroll.)

A crucial point in the argument of Garner attorney Martin Gang revolved around the interpretation of *force majeure*, and his contention may be precedental. Gang argued it was not enough under *force majeure* for a studio to show it was hampered by a strike. It was required also to show its "inability" to produce films, because the writer strike, by testimony of Warners' own executives, did not prevent that company from continuing production.

May Affect Future Force Majeure Clauses

Warner Bros. refused to take Judge Praeger's comments as the final verdict, and a spokesman, when asked if WB would appeal, said: "Inasmuch as the judge has not given his complete & final decision, it is not possible to make any comment." Industry attorneys were of the opinion that if Warners appeals and the decision is upheld, studio attorneys may have to rewrite *force majeure* provisos to avoid Garner-type litigation.

Garner immediately received offers to star in movies from 3 major studios, including MGM and 20th-Century Fox. "I don't really know yet what I'm going to do," he told us. "We haven't allowed ourselves to think past this point. I'll do a couple of [theatrical] features a year, but no TV." He & his agent will mull the various offers being made, then reach a decision, he said.

Warner witnesses included Pres. Jack L. Warner, vp-TV executive William Orr, exec. vp Steve Trilling, Orr's assistants Harold Hugh Benson and Richard Bluel, producer Coles Trapnell and asst. story ed. Carl Stucke.

Through the testimony was woven a story of how WB acquired approximately 100 scripts during the WGA strike which began Jan. 16 and ended June 20. Also disclosed was something the trade had long suspected—that Warners frequently took a story which had been used in one series and adapted it to another.

At times the trial was deadly serious, at others amusing—as when Judge Arnold Praeger confided he had never seen a *Maverick*, adding: "They are not within the range of my cultural background." His comment on Westerns generally: "I've often thought that if they had a factual background, the West would have been depopulated."

Orr, the initial witness, testified that when the imminence of the strike was apparent, "we exhorted everyone to use any means possible to find material & people who could make shootable scripts. We asked writers to work for us. We had no legal obligation to keep them from writing during a strike."

He said that when the strike came, seasonal production on *Maverick* and *Cheyenne* was finished, and while the first *Maverick* of the 1960-61 season had been produced, there were no further scripts. Continued Orr: "We had some success in getting scripts on various series, but not with *Maverick* and *Cheyenne*." He termed *Maverick* an unusual series, requiring skilled writers who could understand the offbeat character of its 2 heroes.

Orr testified that there was no written agreement between Warners and ABC-TV which shows the series. He said that when ABC-TV had renewed *Maverick* last December, he had told producer Coles Trapnell to get as many scripts ahead as possible because of the strike threat. Warners then began interchanging scripts between series, and at one point Trapnell "converted" 3 *Cheyenne* scripts into *Alaskan* episodes. However, "we felt the continuation of this policy would lead to a reduction of overall quality," Orr testified. He said he'd told Warner that "strike or no strike, we will continue making TV pictures," and all series were completed.

Enter: Jack L. Warner

Last Warner witness was Pres. Jack L. Warner, who described the key March 2 meeting as a "general business conference," and recalled that at that session it was said that "they could keep going by re-adapting old scripts." Warner said the studio had hiked its TV production from one to 8 hours a week, and it could well go back to one if its shows didn't have quality.

He testified that he had made the decision to invoke the *force majeure* provisions of the contracts of the 3 actors involved as "good business judgment." "If the circumstances came to the point where we couldn't proceed with any show, naturally we would take advantage of that clause," he remarked.

Asked if the studio's TV arm had met its commitments, he replied, "I don't know. I imagine they did, because I didn't hear anyone complaining." He said he didn't recall setting a date for invoking the *force majeure* provisos. He said that while he had made the decision then, it may have been weeks later before it was put in force. Gang told him it was a part of the record that Garner received his suspension notice March 3.

"We had work for Garner, a movie, 'Fever in the Blood,' but he wouldn't show up," said Warner. (Garner denied ever having been offered this picture.)

Warner admitted under cross-examination that just before Garner was placed on suspension, the studio had arranged for him to appear as a guest on a Bob Hope TV show, with WB & Garner to split the $10,000 fee. Asked by Gang if he had given any consideration to other such work for the actor before placing him on suspension, Warner indignantly said "I'm not a booking agent." Asked if Warners' series were on ABC-TV, Warner replied "I don't know. It's all done in N.Y."

Asked about an April press release to the trades in which he was quoted optimistically in regard to Warners' TV & movie production, Warner acknowledged that he had not only made the quote but, "I wrote the release." Quizzed about the statement which came in the midst of the strike, Warner hedged and said some of his quote was true, some of it wasn't. "You have to be optimistic in this business. It's what we call good propaganda," he said.

NEW YORK ROUNDUP

Electronic journalism was probed in a workshop session of the Sigma Delta Chi (journalistic fraternity) convention in N.Y. Dec. 1. Participating in the after-lunch discussion were Sig Mickelson, CBS News pres., Jack Gould, *N.Y. Times* TV-radio critic, and Gilbert Seldes, dir., Annenberg School of Communications, U. of Pa. Moderating the discussion was William Small, WHAS-TV Louisville news dir. & chmn. of Radio-TV News Dirs. Assn. Accepting the group's first Freedom Award, Rep. John E. Moss (D-Cal.), chairman of the House Subcommittee on Government Information, predicted that the Kennedy administration will release more govt. news to the public than ever before (see p. 3).

Another "pilot salvage" is due on NBC-TV Dec. 13. This time it's 60-min. *O'Conner's Ocean*, starring John Payne as a sea-going lawyer. Directed by Earl Bellamy from a script by associate producer Tony Barrett, the show was originally planned by NBC as a 1960-61 nighttime entry, and was financed through NBC. Eager to recoup its investment, NBC will now give it the same one-shot special treatment given *Rivak, the Barbarian* earlier this year.

Goodson-Todman Productions has signed deals in N.Y. for 2 new NBC-TV program projects. One is for *Say When*, a Mon.-Fri. daytime audience-participation show in which home viewers, according to NBC, will "match their own shopping skill against the studio players." The series, which will star Art James, former announcer on *Concentration*, will be produced in N.Y. and will replace *Dough Ri Mi* in NBC-TV's morning (10-10:30 a.m.) lineup Jan. 2. The other G-T project is for a 60-min. *Las Vegas* pilot to be shot on location in the Nevada resort city as a joint production of G-T and Fenady-Kowalski Productions. The latter project, it's interesting to note, is similar to a 60-min. series planned by Warner Bros. TV.

BBC now has 2 N.Y. outlets scheduled to air its export program fare. The latest deal is with WNTA-TV N.Y., for a 30-min. documentary trilogy, *The Wind of Change*. The film series focuses on life & opinion in Africa and was scheduled to begin Sun. Dec. 4, 9:30-10 p.m. An earlier deal was signed by BBC with WNEW-TV N.Y. and WTTG Washington for *An Age of Kings*, a package of 15 Shakespearean programs (Vol. 16:44 p13).

Cal. National Productions is dropping its 3-year old economy rerun division, Victory Program Sales, because it no longer has an unsold backlog of TV films for rerun. VPS will reassimilate its staff into the regular CNP syndicated sales organization.

NTA Telestudios, N.Y. tape commercial offshoot of NTA, has developed a new single-camera technique using Ampex's latest Intersync equipment. This technique in video-tape production gives the medium a "control" factor which it didn't have before. Reported NTA Telestudios' Pres. George K. Gould: "It is now possible to shoot single scene footage on tape and electronically edit & mix the tape at a later time." Reynolds Aluminum is the first advertiser to use the new method for its Telestudios commercials."

People: Steve Krantz has been elected Screen Gems (Canada) Ltd. vp . . . Emanuel Gerard has been named Robert Lawrence Productions art dir.

HOLLYWOOD ROUNDUP

COMEDY COMEBACK A FIZZLE?: Despite the much-touted resurgence of situation comedies on TV this season, few have delivered pay-off ratings & good critical reception. On the whole, the comeback is a dud, in the opinion of many in the industry.

Of the 1960-61 entries, Don Fedderson's *My Three Sons*, starring Fred MacMurray, and *The Andy Griffith Show* have probably won the best receptions. But the welcomes have been only so-so for *Harrigan & Son, Guestward Ho!, My Sister Eileen, Tab Hunter Show*, to name some.

But, Hollywood producers being a hardy lot, the present situation is not apt to stem the flow of situation comedy pilots for this & next season, and some have already been filmed. Among those still due are Revue Studio's *Mother Climbs a Tree*, Four Star Television's *The Freshman* (Gertrude Berg & Cedric Hardwicke), MGM-TV's *Andy Hardy*, Harry Tatelman's *Mack Sennett's Comedy Theater*, an untitled Ben Brady pilot, and projects from virtually every company in Hollywood.

The collective fate of the new comedies bears out the Hollywood axiom that there is nothing more difficult to do with quality than a comedy show. This is because good comedy writers—like good comedians—are at a premium. In addition, the field has been so thoroughly explored since the success of *I Love Lucy*, that the danger of imitativeness is omnipresent.

Trade reaction to the apathetic reception for comedies is that the shows aren't good—"but we can do comedy better." Producers point to a valid reason for turning out more: Obviously TV needs a balanced program diet—it can't be all Westerns & private eyes. There's a big vacuum, which comedy must fill, they say.

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MGM-TV will shoot 2 pilots in co-production with NBC —both 60-min., blueprinted for 1961-62: *Cain's Hundred*, an *Untouchables*-type show about a dedicated crime buster out to catch the 100 top syndicated-crime bigshots (and thus, theoretically, providing the basis of a series that can stretch to 100 weeks); the other a suspense anthology, *Woman in the Case*, with a series of feminine guest stars in dramas of the "Sorry, Wrong Number" variety.

Revue Studios has postponed its pilot of *Mother Climbs a Tree*, following the collapse of negotiations for Joan Fontaine to star . . . **KTTV Los Angeles** has finished production on 130 tapes of *Sincerely, Maria Palmer*, 5-min. series produced for syndication by the station.

Goodson-Todman Productions is considering reactivating its *Jefferson Drum* series . . . **Ex-20th Century-Fox TV** executive Irving Asher is discussing a co-production series deal with *Hong Kong* producer-distributor Run Run Shaw. The series would be filmed in the Far East.

Revue Studios has made a 20-min. presentation film for *Tom Sawyer*, starring Maureen O'Sullivan & Chuck Herbert. Jennings Lang supervised.

Ziv-UA study of its client list during the past year revealed that regional power & public utility companies accounted for $1.8 million of its syndication business. Properties purchased regionally by such companies include *Miami Undercover, Sea Hunt* and *Lock Up*.

IS TAXING AXING THE LITTLE MAN? Hollywood TV-film circles are becoming increasingly bitter toward the U.S. Internal Revenue Service's method of taxation.

Many film executives contend it's an unfair arrangement, imposed because of the successful capital-gains deals made on 2 of TV film's early hit series, *I Love Lucy* and *Dragnet*. They complain that it's unjust to use 2 rare hits as the standard by which to measure a field that has a turnover of more than 40 series a year.

What producers want is a return to the cost-recovery method of taxation. Under this procedure, if a producer spent all of his production budget on a series (and he normally does), he was not taxed, because he had no profit.

But under the current, much-criticized method of amortization, IRS projects an estimated net income on his series and allows the producer to write off only 60-to-90% of his production costs. The figure is flexible, depending on an estimation of the potential income of the series.

This is what rubs producers the wrong way. The film men say that instead of being taxed on the realistic basis of the show's true costs & profits, they are taxed on its problematic rerun value. "But with the downturn in the syndication market, potential income becomes an illusory figure," one executive told us bitterly.

But IRS contends that costs should match revenue, and it bases its amortization on the producer's best judgment of the value of his series. "We have a realistic, flexible approach to the problem, based on our interpretation of Sec. 167 of the Tax Code," one IRS source told us. "We rely basically on the judgment of the taxpayer unless we find his judgment is not in conformity with the facts." Moreover, points out IRS, comparatively few decisions regarding TV film makers have been appealed, although hundreds of such decisions have been made.

Smaller Firms In Trouble

But the smaller, one-&-2-series companies say this method of taxation will put them out of business. Some threaten to sue the govt. to recover their payments, contending that the method is illegal. With market conditions so fluid, they ask, how can anyone accurately assess the potential value of a series?

The same producers argue that the tax puts an additional burden on them for each year a show continues, and some say that, because of this, they are ending successful series before they might normally do so. Take, for example, a series of 35 episodes, budgeted at $50,000 each. Under the IRS amortization method, there could be a $5,000 tax on each film, for a total govt. bill of $175,000 at the end of the season. But the "little" producer can't ante up a tax sum like that each year the series continues, because he is frequently prevented from gaining additional revenue by a sponsor-exclusivity contract which won't allow him to syndicate his show while it's still in first run.

These smaller producers do not consider the tax to be any great hardship on the giants of TV, but the little fellows often have to borrow money to pay their taxes.

IRS officials in Hollywood told us they were well aware of the strong opposition to their amortization method, but refrained from going into detail because of 2 developing factors which may have a strong bearing on the situation.

Said Frank Schmidt, acting district dir. of IRS in Los Angeles: "We are now in the process of making quite a bit of examination in this area, but we haven't completed our study. It is being coordinated by our national office because of TV's national scope. We seek a base of facts."

The other factor: The issue is now before the U.S. Tax Court, and much depends on the disposition of these pending cases & the current study. The cases: (1) Jack Chertok Television and Ann Sothern, concerning the Sothern series produced by Chertok, and (2) J.C.P. Corp. and Thomas Lewis, in regard to the Loretta Young series. Chertok and Miss Sothern filed their appeal in 1958, are now in the process of settling their dispute, and expect the situation to be resolved by the end of this year. J.C.P. and Lewis instituted their appeal last July 7, against a tax claim of $1,250,000.

In Washington, IRS is expected to issue a clarifying ruling soon—but observers are inclined to doubt that it will include much of a break for the producers. Experts think that relief, if it's to come, must be given by Congress.

One of those most outspoken against the present set-up is Bob Cummings. Although his 193 episodes of *The Bob Cummings Show* have been in rerun for a year, Cummings says he hasn't yet made a cent on the show, and points to taxes as the principal heavy. In order to pay the taxes on the series during the 5 years it was in production, Cummings told us, "we had to borrow enormous sums of money from the bank."

Adds the producer-star: "I believe that in the long run we'll do better by leasing the films as MCA is doing. MCA will make a lot of money out of them, and the better it does, the better I will do.

"But in the first year I received nothing, because of distribution costs & residual payments. As owner, I waived my own residuals, although that doesn't seem right. I own 50% of the 193 films. If you own a show, you're in trouble. The govt. seems to insist that we go broke. So in my new series, I will be an employe. If you are owner & producer, you watch others taking all the fruits of the orchard, and leaving you one tree. A hot show becomes a tax target."

Concludes Cummings morosely: "The sad part of it is that Hollywood has almost disappeared as a movie capital. So here's TV—in which the creative talent took over—and now there's a chance it, too, could be destroyed by excessive taxation. I have been closed down by the govt., and our 91 employes have lost their jobs. Some don't have new ones yet. What is happening is socialistic."

Another Hollywood producer-star who finds himself in a tax bind is Ozzie Nelson, owner-producer-star of *The Adventures of Ozzie & Harriet* on ABC-TV. He is currently contesting a tax claim of $1.1 million, covering the first 3 years of his series. The case is in the appellate div. of IRS.

Explaining his situation, Nelson told us, "I would not be allowed to sell my films if I wanted to, because I have exclusive contracts with Coca Cola and Eastman Kodak. In addition, I am not sure I will *ever* syndicate the films, what with David & Ricky having their own careers. But the govt. tells me 'maybe you will want to syndicate them eventually'—and taxes me on this assumption. We claim this is speculation and that they are also speculating as to the value of the films."

Nelson has a backlog of more than 300 films. ABC-TV finances his series in return for 40% interest in the show.

Robert Saudek Associates, producer of the Leonard Bernstein concert specials for CBS-TV, will syndicate the series in Europe & other overseas TV markets. The 12 Bernstein specials made thus far will be sent on tape or kinescope. The move represents Saudek's first venture into the international syndication market.

Stations

THAT FINANCIAL FORM 324: Broadcasters are irked, naturally, with FCC's proposal to require a greatly increased amount of financial information in its annual questionnaire form 324 (Vol. 16:45 p3). But the Commission will give the industry plenty of time to get its irks off its chest—having last week extended the deadline for comments from Dec. 9 to Feb. 1, as requested by NAB.

Though the new form asks for approximately the same amount of information that FCC used to get up to 1953, the industry had hoped that its long-fought battle for simplification would stay won. However, we're told that the FCC move for more information was produced by the belief of some Commissioners that they can better judge a station's ability to carry out its programming plans by having more extensive financial data on hand.

Most industry complaints are focused on the proposed requirement that operators disclose their non-broadcast investments & income.

NAB has asked its members to supply it their views which will be used as a basis for NAB's comments. Radio vp John Meagher reports that about 30 comments have been received so far. Of these, he says, about 80% have objections to various aspects of the FCC proposal, while the balance say they don't care one way or the other.

Some operators may not be aware that the Commission keeps replies in strict confidence and therefore think their financial souls will be bared. However, most are aware of the confidential nature of their replies, but they see no public benefit in filing the data.

Actually, most are irritated with the work involved. To smaller stations, it's quite a headache.

If the Commission goes through with its revision plans, the new form won't be adopted until well into 1961. Therefore, broadcasters won't have to use the form until they get it in 1962, covering 1961.

One broadcaster termed the move "a step backward." "I have the feeling that the FCC believes it's on the spot and must make a showing to Congress," he said. "I imagine that the Hill has asked for data that the Commission doesn't have—and it wants to be able to comply."

Another broadcaster had similar thoughts: "I think that the FCC is reacting to political & other pressures, and deems it necessary to give off an aura of more intensive regulation. But there's such a thing as overdoing it. The Commission should gather only the information it needs for legitimate regulatory functions."

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WDAM-TV Laurel-Hattiesburg, Miss. has filed an application for transfer of control with FCC as follows: Wm. S. Smylie family, now 100% owner, will hold 43.75%, while S. A. Rosenbaum (11.5% of WTOK-TV Meridian) will have 43.75%, Marvin Reuben (vp-gen. mgr. of WDAM-TV) 8.33% & Jerry P. Keith (sales mgr. of WDAM-TV) 4.17%. Rosenbaum is to pay $5,250 and assume half of the station's $100,691 in obligations. Reuben pays $1,000, Keith $500. The Smylies will have a first option to repurchase the stock of Reuben & Keith.

WFRV (Ch. 5) Green Bay, Wis. has been sold for approximately $1.6 million to George Norton Jr., owner of WAVE-TV (Ch. 3) Louisville and WFIE-TV (Ch. 14) Evansville, Ind. The sellers also are grantees for WIRM (Ch. 8) Iron Mountain, Mich.

NEW & UPCOMING STATIONS: Piggy-back satellite operation began in Canada when CBUAT-1 (Ch. 9) Nelson, B.C. advanced its programming target from Dec. 1 and began Nov. 25 with the Grey Cup football game. The outlet is operated by CBC as a satellite of CBUAT (Ch. 11) Trail, B.C. which, in turn, operates as an unattended repeater of CBUT (Ch. 2) Vancouver, B.C. CBUAT-1 also is an unattended repeater. It uses a 150-watt Canadian GE transmitter with an antenna on a telephone company tower. CBUAT-1, along with CBUAT, is sold as a bonus to CBUT, which has a $680 hourly rate. The debut of the Nelson outlet raises the Canadian on-air total to 77.

Note: WTVI Fort Pierce, Fla. which began programming Nov. 29 (Vol. 16:48 p12) has $300 base hourly rate. Rep is Forjoe.

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In our continuing survey of upcoming stations, here are the latest reports received from principals:

XHFA (Ch. 2) Nogales, Mexico, planned as a Spanish & English border outlet, has a Christmas target, reports Mort Zimmerman, pres. of Electron Corp., which is supplying the transmitter. The owners are Drs. Felipe & Francisco Arriola, with the former to be gen. mgr. The transmitter will be on 5200-ft. Cabellero Mt., using a 150-ft. tower. Base hourly rate & sales rep not yet reported.

Visalia, Cal. (Ch. 43), granted to Norwood J. Patterson's Sierra Bcstg. Inc. will go on the air about Jan. 1, he reports. Patterson, who owns 40% of radio KSAN San Francisco, also owns the former plant of off-air KVVG Tulare (near Visalia), which has a 100-ft. guyed tower. It will use a GE transmitter. Sales rep not chosen.

KOAP-TV (Ch. 10, educational) Portland, Ore. plans to begin tests Jan. 15, writes Grant S. Feikert, engineer for grantee Oregon State System of Higher Education. It has a 5-kw RCA transmitter on hand, but the studio-transmitter building is only 30% completed.

KSLN-TV (Ch. 34) Salina, Kan., owned by Prairie States Bcstg. (radio KAWL York, Neb.), is expected to start tests next Feb.-March, but a programming target has not been set, according to Pres. Melville L. Gleason. It has a 1-kw RCA transmitter and most of the other equipment on hand, but the plans for the studio building are still on blueprints. It will use a 221-ft. tower.

KVNU-TV (Ch. 12) Logan, Utah is planned as an educational outlet by its new owner Utah State U., according to Burrell F. Hansen, chairman of radio-TV at the school. Transfer of the CP from Cache Valley Bcstg. (KVNU) was approved by the FCC last Nov. 8. Utah State will ask for different call letters and hopes to have the outlet on the air a year from now. However, all plans are tentative, depending on how the state legislature acts on a request for an appropriation. A studio with TV-tape recording facilities is being completed for the school, and it expects to use this for Ch. 12 also. Boyd Humpherys will be chief engineer.

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Anti-payola consent orders drawn up by FTC have been signed by these record firms, settling cases in which they were charged with making illegal payments to TV & radio disc jockeys: General Distributing Co., Baltimore; Triumph Records Inc., N.Y.; Jay Kay Distrib. Co., Detroit.

Transfer of KBAK-TV (Ch. 29) Bakersfield, Cal. from the Chronicle Publishing Co. to Reeves Bcstg. & Development Corp. was effected Nov. 15.

CRITICS & CODES: A special TV code conference to strengthen present industry regulatory systems was suggested last week as an answer to the rising tide of public criticism of TV programming & commercials. The proposal came from Hendrik Booraem Jr., Ogilvy, Benson & Mather vp, at a N.Y. RTES "Roundtable" luncheon Nov. 30. In view of Ogilvy's recent decision to abandon the 15% media commission in favor of straight fees for client Shell Oil Co. (Vol. 16:47 p9), Booraem's attacks had added significance.

While conceding that much of TV is excellent, Booraem said: "The few examples of bad taste & excessive violence are a matter of deep & immediate concern to both advertisers & agencies." The problem is particularly serious for the big advertiser, he continued, because "ultimately his good name is damaged, and important advertisers are going to think about finding some place else to tell the public of their products."

Booraem was convinced that current methods of screening programs & commercials are inadequate. "Network continuity acceptance departments are put in the position of judging material to which their own managements have given prior approval." On the subject of the NAB Code he stated: "NAB is dependent for its support on the very people it seeks to regulate . . . and it cannot bring to bear sufficient weight, either of economic power or of public opinion, to force the offender back in line." Producers were also Booraem-blasted: "There are top executives of the biggest producing firms on the West Coast who are unaware that their companies have subscribed to the NAB Code. This can hardly be called active participation."

Calls for Single Code for Everyone

Any solution, Booraem suggested, would require "a single, enforceable code of standards" for all involved in the medium. Such a code, according to Booraem, could be worked out at a conference of representatives from ANA and 4A (see Background, p. 14), NAB, the 3 networks and the Alliance of TV Film Producers.

Comments followed from panel members E. K. Hartenbower, NAB TV Code Review Board chmn.; Joseph Ream, CBS-TV vp for program practices; James A. Stabile, NBC-TV standards & practices vp; ABC-TV vp Alfred R. Schneider; industry consultant Edgar Kobak.

The 3 network officials agreed that a conference would be useful but that final responsibility for what goes on the air should rest with broadcasters. ABC's Schneider stated: "Such a conference may serve to bring the problems out into the open and this would be a good thing." NBC's Stabile remarked: "We would welcome the Booraem conference, but first NBC would want to know what directions it would take. The continuity-acceptance department is very active, and does a good job of turning down unacceptable or tasteless material." CBS's Ream added: "Our continuity-acceptance department is not a captive office boy of management . . . These people get in from the beginning." Ream cited a recent study which showed a decrease in the number of CBS Westerns, adventures and mystery series from 16 to 9 over the past year.

But NAB's Hartenbower voiced objection to the Booraem-proposed conference. "The TV industry already has a good, workable code of self-regulation. The increase in subscribers to the Code attests to its growing importance." Admitting that all problems are not solved, he added: "We would welcome the help of advertisers & agencies and they can do this by resisting the temptation to cut corners for competitive reasons."

NAB's N.Y. Meeting: The question of broadcaster "freedom" was featured again at NAB's N.Y. windup conference. Eastern-area broadcasters heard opinions on it not only from Clair R. McCollough, NAB Policy Committee chmn., and Vincent T. Wasilewski, vp for govt. affairs, but even from a print-media executive—Arthur H. (Red) Motley, publisher of *Parade* and pres. of the U.S. Chamber of Commerce.

Motley bluntly urged NAB members to "stop wrapping ourselves in the mantle of righteous indignation every time someone points the finger of scorn at the news media." Stating that the TV station need not be locally owned to achieve local identity, he concluded that it "cannot hope to be as important or influential as the newspaper until, like the newspaper, it begins to think, act and 'publish' like a local medium."

NAB's Wasilewski, earlier, told broadcasters that govt. officials, friendly or unfriendly to TV, recognize "the great potential" of the medium for political power, particularly in light of the role of newspapers in shaping "the attitudes of the public." Broadcasting, he added, was not as influenced by "partisanship" as are print media.

Chmn. McCollough stressed a need for broadcasters to be "more articulate" about their industry and "the sum of our contributions to a forward-moving society." As "touchstones" for NAB's future, McCollough proposed: "A determined, organized effort to bolster the economy through ethical advertising; a dedication, within our capacities, to the cause of better education; an awareness of our responsibility to inform, fully and fairly; a comprehension of the public interest . . . and a concerted, organized effort to portray our industry to the public for what it is and what it aspires to become."

With post-1948 movies heading, in ever-increasing amounts to TV (see story p. 6), NAB TV Code Review Board Chmn. E. K. Hartenbower warned stations to screen them carefully, pointing out that several recent films had "raised a few eyebrows when exhibited in the theater." He commended the Code's personal-products subcommittee for what he termed an "affirmative" approach to commercials. "Our reception at the agency & advertiser levels has improved greatly."

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√ TV station wages (average $13,208 for sales mgr., $9,568 chief eng., $9,308 program dir., $7,800 news dir., etc., Vol. 16:46 p11) compare with averages in the newspaper profession, as compiled by Medill School of Journalism's Prof. David E. Botter. The average annual salary of career writers, he found in a survey, is $6,825; $6,736 copyreaders; $7,373 sub-editors; $9,068 for top editorial men under managing editor. These salaries compare with such national average income as $16,587 for physicians, $10,220 dentists, $7,692 engineers with 5-year experience, $7,644 salesmen with 5 years experience, $4,575 teachers.

Canadian allocation changes recommended by the BBG for Dept. of Transport approval: Addition of Ch. 7 to North Battleford, Sask., which will also retain Ch. 4; Ch. 3 to move from Battleford area south to Coleville-Stranraer-Kindersley, Sask. Substitution of Ch. 4 for Ch. 3 in Pivot, Alta. Designation of Ch. 10 Coronation, Alta. to change to Stanmore-Coronation.

Sale of radio KCOR San Antonio to Inter-American Radio Inc. (Ralph N. Weil, KATZ St. Louis, pres.) has been approved by FCC. Terms: $400,000 plus $120,000 for an agreement by the seller not to compete in the same area for 10 years.

Advertising

'Polarized' Animation: A cost breakthrough for animation was promised in N.Y. last week. The current top prices ($10,000-per-min.) which make animation one of the most expensive TV commercial forms may be reduced by a "polarized light" process from the new firm of Technamation Films.

The company is a joint venture of Martin H. Poll, pres. of Gold Medal Studios (one of the largest rental facilities outside of Hollywood), and Stanley Schwartz, pres. of Technical Animations Inc. (which has so far specialized in animation for displays, exhibits, etc.).

As applied to TV commercials, the Technamation process can "produce animated commercials at about one-third the costs of normal animation," Technamation films vp Robert Jacobs stated at a Nov. 29 press demonstration. So far, the process has been used for a series of animated TV spot announcements in N.Y. for the recent Electra City exhibition, and in experimental commercials for Goodyear, Socony and Vick Chemical.

Technamation's idea is actually a new twist to an old scientific principle. To prepare an animated drawing (such as the insides of a watch, or the effects of a nasal spray in clearing a stuffed-up sinus), a single "master cell" drawing is prepared. Those portions of the drawing to be animated are then backed with carefully-cut pieces of acrylic plastic that have the ability to "polarize" light (i.e., permit light to go through in only one direction). Beneath the doctored-up cell is a revolving wheel of polarizing material, and beneath that a light source. When the wheel turns, the start-&-stop polarity changes create differing illusions of motion in the "cell" for the regular film camera which is then photographing the "animation." By using different types of acrylic plastic pieces, several different "speeds" and directions of animation can be contrived in portions of the same master drawing.

The new company, according to Pres. Poll, is also planning to invade the TV entertainment film realm. Due for Dec. 15 release is Technamation's first 10-min. theatrical film short, "The Wonderful World of Willie Doolittle." If it is successful, a low-priced TV cartoon series will be developed along similar lines for the syndication market.

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Farewell to Bert & Harry: The popular (with viewers) TV commercial brother act of "Bert & Harry Piel" is no more. The production contract between Goulding-Elliott-Graham Productions and Piel Bros. was not renewed Nov. 28. The decision marks the end of a 4-year saga of humorous commercials which had much to do with spurring other advertisers & agencies into soft-sell TV commercial messages. Reasons for the move are difficult to assess since Young & Rubicam isn't talking. The agency has a hefty public relations problem on its hands, Bert & Harry having won wide public acclaim. It's said, however, that Y&R has been trying to talk Piel Bros. out of using the animated characters for about a year. Piel Bros. wouldn't hear of it —until this past summer when beer sales started slipping.

U.S. Station Rate Increases

Stations	Base Hour	Minute	Date
WLWT Cincinnati	$1500 to $1600	$360 (no change)	Nov. 1
WICU-TV Erie	700 to 1000	150 to 180	Nov. 1
KBTV Denver	800 to 1000	265 to 300	Nov. 1
KRGV-TV Weslaco, Tex.	300 to 350	60 to 65	Dec. 1
KCSJ-TV Pueblo, Colo.	250 to 300	60 to 65	[1]
KNOX-TV Grand Forks	200 to 210	40 to 42.50	Dec. 1
KVIQ-TV Eureka, Cal.	200 (no change)	35 to 50	Dec. 1

[1] Not reported.

More emphasis on qualitative factors of TV audience research—is the promise of 2 research concerns, ARB and Pulse Inc. Starting with its November National Report, and continuing every other month, ARB will add new audience data analyzing "the entire viewing family structure with regard to education, income, age, heads of household and housewives per age group, and viewers per set." Additionally ARB will supply information on some specialized factors such as the percentage of homes in a show's audience with household pets, 2 cars, or a washing machine. Audience profile data (coffee & tea drinking, cigaret smoking, auto ownership, etc.) will also be provided by Pulse Inc., in a new series of quarterly reports covering network TV programming. The first Pulse study will cover November programming, with 1961 studies planned for Feb., May and Aug. Reports will be issued "within 2 months after the field work is completed," stated Pulse.

Admen are hep to tricks of their trade and aren't taken in by advertising claims that might mislead others, FTC has decided, dismissing 1957 charges against McGraw-Hill Publishing Co. & McGraw-Hill International Corp. In a deceptive-promotion case involving *Electrical Merchandising* and *The American Automobile*, FTC agreed with trial examiner John B. Poindexter: "When each & all of respondents' advertising pieces complained of as being false & deceptive are considered, especially in view of the limited, sophisticated and experienced audience to whom they were directed & exposed, it cannot be said, under a reasonable & fair interpretation of the evidence, that respondents' advertising is false & deceptive as alleged." McGraw-Hill had been accused of misrepresenting readership surveys in claiming that the 2 trade papers surpassed competitors in advertising impact.

Madison Ave.'s "image" not only is slipping, "it looks as though [it's] losing its pants," FTC Comr. Sigurd Anderson told the Insurance Advertising Conference in Washington. Pointing to "Congressional & govt. disclosure" of advertising practices in the past 2 years, he deplored "this loss of prestige" in the industry. "Advertising is too great, too important and too necessary to become the target & butt of ridicule & derision," Anderson said. He called on advertisers & agencies to "change this public conception of advertising that is calculated to sell at any cost." And media can help by displaying "real courage," Anderson added. As one example, he cited *Grit* magazine in Pa., which made refunds to all readers who fell for "an ad about small radios that turned out to be sour."

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Ad People: Maurice H. Needham, founder & pres., Needham, Louis & Brorby, advances to chmn., succeeded as pres. by Paul C. Harper Jr., promoted from exec. vp; James L. Isham named exec. vp for creative services; Richard H. Needham appointed exec. vp for administration . . . Eugene A. Raven, ex-United Air Lines, named vp, Erwin Wasey, Ruthrauff & Ryan.

Richard B. Bradshaw, from Foote, Cone & Belding Chicago office, named managing dir. & chief exec. officer of Foote, Cone & Belding Canada Ltd., headquartering in Toronto; Pat Freeman, pres. of Canadian firm, also becomes chmn. of plans board . . . Marjorie S. Plants, Ruth Cerrone & Joan Chamberlain, Lennen & Newell copy supervisors appointed vps . . . Louis N. Brockway, Young & Rubicam dir., named consultant to National Educational TV & Radio Center, N.Y.

BACKGROUND
No. 10

ADVERTISING'S ORGANIZATIONS — Their Various Functions

December 1960

ORGANIZATION	PURPOSE	WHO'S ELIGIBLE	NO. OF MEMBERS	TV ACTIVITY
Advertising Assn. of the West 337 World Trade Center, San Francisco, Cal. Pres. Richard Ryan (KLOK, San Jose)	To represent ad industry in the 13 Western states, including Alaska & Hawaii.	Individuals or companies in all fields of advertising; through local ad clubs.	6,500	Conducts annual all-Western craft competitions on behalf of broadcast media. Maintains media relations with the broadcasters in Western areas. TV-radio interests are represented on AAW Board.
Advertising Federation of America 655 Madison Ave. N.Y. 21, N.Y. Chmn. James S. Fish (General Mills)	To foster & promote advertising. "To defend ad freedom." To further education in advertising.	Advertisers, agencies, ad assns., all media, graphic art suppliers, individuals engaged in or interested in advertising. Operates primarily through local ad clubs.	50,000	Is liaison with NAB review board on local & national questions of ethics & taste. Advertising Week Committee of AFA deals with TV sponsor-network, sponsor-station relations during week in Feb. Seminars, meetings feature TV problems.
Advertising Research Foundation 3 E. 54th St. N.Y. 22, N.Y. Chmn. Arno H. Johnson (J. Walter Thompson)	To further scientific practices in advertising & marketing.	Advertisers, agencies, media, universities, official reps of 4A & ANA.	300	Maintains TV-radio Rating Review Committee. Also serves as consultation & validation checkpoint for TV-radio research organizations.
American Assn. of Advertising Agencies ("The Four A's") 420 Lexington Ave. N.Y. 17, N.Y. Pres. Frederic R. Gamble	Advance cause of advertising. "Foster, strengthen & improve agency business."	Agencies which meet 4A qualifications such as: being independently owned, owners being active in agency work, having adequate staff & facilities.	347	Safeguards members' interests through committees in the following areas: TV & radio administration; broadcast media; media relations; advertising content; international advertising; research. Provides self-regulation of TV ad content through joint ANA-4A Committee for Improvement of Advertising Content.
American Marketing Assn. 27 E. Monroe St. Chicago 3, Ill. Pres. Reavis Cox	To improve & "elevate the science of marketing."	Individuals, groups or companies involved in marketing research; rating services, media, agencies, advertisers, manufacturers.	8,600	Conducts continuing study of marketing aspects of TV-radio through Media Research & Copy Research Committees.
Assn. of Canadian Advertisers 85 Richmond St. West Toronto, Canada Pres. A. B. Yeates	To promote high standards of advertising. To encourage mutual advertiser assistance. To promote study of advertising.	Any concern, partnership, firm, or corporation marketing products or services in Canada.	160	Maintains liaison with Canadian TV-radio interests to "correct abuses & encourage taste" in TV & other advertising media.
Assn. of National Advertisers 155 E. 44th St. N.Y. 17, N.Y. Pres. Paul B. West	To serve as a clearing house for "useful & timely ad information." To express advertiser attitudes & interests to agencies, media, public & govt.	National & regional advertisers.	665	Provides self-regulation of TV ad content through joint ANA-4A Committee for Improvement of Advertising Content. Maintains liaison with networks, talent unions, etc. through Broadcast Advertising Committee.
Brand Names Foundation 437 Fifth Avenue N.Y. 16, N.Y. Chmn. J. H. Breck, Jr. (John Breck, Inc.)	To make known to the consumer "the benefits he gets from manufacturers' brand identifications." To emphasize to retailers the benefits of selling those brands.	Manufacturers of branded goods, advertising agencies, media, service organizations.	925	Plans policy for major ad campaigns promoting brand-names on TV & other media through the Consumer-Advertising Program Committee. Promotes Brand Names Week in May on TV & through other media.
International Advertising Assn. Hotel Roosevelt N.Y. 17, N.Y. Pres. Elmo C. Wilson	To elevate international standards, practices & ethical concepts of advertisers, agencies, media & allied services. To spread concept of "free world trade."	Individuals or companies engaged in international advertising (advertisers, ad agencies, ad media, & related marketing services).	1,400	Maintains ethics in TV & other media on world-wide scale through an International Code of Ethics & Standards of Practice written by IAA's standards committee. Researches many phases of international advertising in "International Advertising Survey."

Self-Policing Problem: Ever since the quiz scandals put a new spotlight on advertising ethics, various advertising organizations have played an increasingly important role in self-regulating the advertising industry. Most recently, the ANA and 4A groups have established a new "ethics" link through a 20-man Committee for Improvement of Advertising (Vol. 16:41 p2), although all of the organizations are concerned, in one way or another, with ad integrity.

Altogether, the leading ad organizations have over 68,000 members (including some duplication of membership) in the U.S. & Canada. Advertisers, agencies, research firms, media, marketing consultants and educational institutions are represented. In a sense, some of the ad organizations lead double lives; they represent the point of view of a particular group (such as ANA and 4A) in dealing with labor problems or media rate-increases, but are usually quick to join forces with other groups or media in defending advertising from outside critics. Nearly all of the major ad organizations maintain a liaison with TV-radio media or groups (Vol. 16:28 p20).

Networks

No important schedule changes are planned by the networks to meet the forthcoming (Jan. 1) FCC-ordered cutback in network option time to 2½ hours in each broadcast period. Pre-emptions for local shows, if any, will be up to the stations, which at least will have a privilege of refusal even if their schedules are left virtually undisturbed. NBC exec. vp Walter D. Scott summed up the situation thus: "A successful show seldom has problems getting station clearance. A weak show may, or may not, face clearance problems. But can you imagine a station throwing out a *Peter Gunn* or a *Wagon Train* or a Belafonte special—just because it happened to be in station-option time?"

TV-radio may be a young industry—but there are now 242 members of the "CBS 20-Year Club" in N.Y., plus another 320 in various offices, plants, news bureaus, laboratories, o&o's, etc. throughout the country & overseas. These newest totals were reached Dec. 1 when 32 new club members were inducted in special N.Y. ceremonies. NBC will also make employe-longevity news this week (Dec. 5) at the annual luncheon of NBC's "25-Year Club." Watches & certificates will be presented to 9 new members of the club by NBC Chmn. Robert W. Sarnoff. There are presently 361 active & retired NBC employes in N.Y. & elsewhere who have been with the company 25 years or more.

NETWORK SALES ACTIVITY

ABC-TV

Tournament of Roses parade, Mon. Jan. 2, 11:30-1:45 p.m., full sponsorship.
Quaker Oats (Lynn Baker)

Naked City, Wed. 10-11 p.m., participations eff. Feb.
Pan-American Coffee Bureau (BBDO)

The Law and Mr. Jones, Fri. 10:30-11 p.m., part. eff. Jan.
Union Carbide Consumer Prod. (Wm. Esty)

The Roaring Twenties, Sat. 7:30-8:30 p.m., participations.
Brown & Williamson (Ted Bates), eff. Jan.
American Chicle (D-F-S) eff. Dec.
Peter Paul (D-F-S), eff. Dec.
Pan-American Coffee Bureau (BBDO), eff. Feb.

The Islanders, Sun. 9:30-10:30 p.m., participations eff. May.
Northam Warren (DCS&S)

The Untouchables, Thu. 9:30-10:30 p.m., part. eff. Dec.
American Chicle (Ted Bates)

Daytime programming, Mon.-Fri., participations eff. Nov., Dec., Jan. & Feb. respectively.
Bristol-Myers (Young & Rubicam)
Drackett (Young & Rubicam)
Ex-Lax (Warwick & Legler)
Pan-American Coffee Bureau (BBDO)

CBS-TV

Daytime programming, participations eff. Jan.
Calgon (Ketchum, MacLeod & Grove)
Thomas Lipton (Young & Rubicam)

NBC-TV

Liberty Bowl football game, Sat. Dec. 17, participations.
B.F. Goodrich (BBDO)
Colgate-Palmolive (Ted Bates)
Schick Safety Razor (Compton)
Whitehall Laboratories (Ted Bates)

Boston affiliation switches now line up like this: Jan. 1, WHDH-TV will switch from ABC to CBS, and RKO General-owned WNAC-TV will switch from CBS to ABC. Westinghouse Bcstg.-owned WBZ-TV will remain with NBC. The switches are by-products of the NBC-RKO General station-swap deal whereby NBC takes over the WNAC-TV & WNAC outlets as network o&o's—currently being challenged in the courts. (Vol. 15:51 p7; 16:1 p9 et seq.). Network programming structures in the Boston market, however, will have some oddities. Despite the ABC affiliation, WNAC-TV will carry NBC's *It Could Be You* and *People Are Funny* after Jan. 2 until further notice. WHDH-TV will carry NBC's *Jack Paar Show*. Word from Washington, meanwhile, was that the legal front involving the NBC-RKO swap is "quiet." Challenging the proposed swap are Philco, Westinghouse, KRON-TV San Francisco.

Canada's sole TV network applicant, S. W. Caldwell's Canadian TV Network Ltd. (Vol. 16:47 p7), was opposed in a filing with the Board of Broadcast Governors by Toronto TV grantee CFTO-TV—the group which was victorious over Caldwell and his associates in competition for Toronto Ch. 9. Caldwell had told BBG that his network could start operating next September and provide 10 hours of service weekly over existing microwave facilities until Trans-Canada Telephone System builds new microwave routes especially for the private network. CFTO-TV Pres. Joel Aldred said his station is opposed to joining a large private network. He suggested Caldwell may be planning to use CBC-TV standby microwave facilities, which he said he did not believe could be arranged. BBG's final decision on the private network application is due within 10 days.

World communication is key to survival, and TV is the greatest force for such communication in the history of mankind. So said AB-PT Pres. Leonard H. Goldenson at a fund-raising dinner for the Institute of Logopedics held in Wichita, Kan. Dec. 2. "In the TV studio, equipment must be kept in perfect working order," he commented. "If one tube fails, electronic chaos results . . . In the human being, if nerve pathways are blocked, chaos also results."

Guest-violinist Jack Benny's technique may be questioned by musical experts, but his motives are above reproach. His appearances as a guest with symphony orchestras in N.Y., San Francisco, Cleveland, Denver, Honolulu, etc. have raised $2,110,770 for musicians' pension & endowment funds during the past 4 years, CBS-TV calculated last week. Although Benny's "image" is that of a tightwad, none of the loot goes to him.

Foreign

Ghana Broadcasting System, whose external radio operations are scheduled to start next year (Vol. 16:8 p16), plans a TV network, too. Preliminary TV proposals by the govt. call for a capital investment of $1.8 million to set up a studio center at Accra and transmitters at Ajangote, Kisi and Nkabin. Operating costs would be covered in part by spot advertising. Contracts for construction & equipment probably will be awarded by the govt. at Accra, following international competitive bidding in which credit terms & loans for purchase of receiving sets will be factors.

New Zealand may get independent TV as a fringe benefit of the National Party's victory in the Nov. 26 general election. The defeated incumbent Labor Party had administered the budding TV service under direct state control. The Nationals, in their campaigning, had recommended opening the industry to private enterprise.

Television Digest

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Personals: Nicholas C. Gilles promoted from NBC dir., business affairs, operations & engineering dept., to business affairs dir., NBC-TV . . . Edward R. Hitz retired as NBC-TV vp & gen. sales exec., NBC-TV . . . Robert J. Galvin named manager of NBC-TV videotape, film & kinescope operations.

Taft stations changes: Sam T. Johnston, ex-WTVN-TV Columbus gen. mgr., named gen. mgr., WKRC-TV Cincinnati, succeeding J. W. McGough, resigned; Robert C. Wiegand transfers from post of gen. mgr., WKYT Lexington, Ky., to succeed Johnston at WTVN-TV; Robert Schlinkert, gen. mgr., WBRC-TV Birmingham, named a Taft Bcstg. vp; Gene D'Angelo promoted from sales mgr. to station mgr., WTVN radio.

Theodore C. Streibert, formerly USIA dir., appointed gen. mgr., WTCN-TV & WTCN Minneapolis, and vp, Time Inc. bcstg. div. . . . Jack H. Mann, ABC Radio Sales development & program coordination dir., named also to new post of national dir. of research, advertising & promotion . . . Clifford Evans, ex-NBC, named vp, Sports Network.

J. Drayton Hastie, Reeves Bcstg. & Development Corp. vp, named pres. of the bcstg. div. (WUSN-TV Charleston, S.C.; KBAK-TV Bakersfield, Cal.; purchase of WHTN-TV Huntington, W. Va., pending FCC approval) . . . Sam Fleishman, ex-NTA & Screen Gems, named Gerald Productions Inc. vp-gen. mgr. . . . Frank A. Duffy named asst. to the pres. for operations, General Tire & Rubber Co., parent of RKO General; Charles F. Burke continues as asst. to the pres. . . . Paul E. Walton Jr. named operations mgr., WNDU-TV South Bend.

James D. Russell, pres.-gen. mgr., KKTV Colorado Springs, elected pres., Colorado Springs Chamber of Commerce . . . Thomas Velotta, ABC special projects vp, appointed member of NAB's Freedom of Information Committee to replace John Daly, who resigned as ABC News vp . . . Don B. Curran, sales promotion dir., KTVI St. Louis, elected first vp, Bcstrs.' Promotion Assn.

Dr. John E. Ivey, pres. of Midwest Program of Airborne TV Instruction, heads 12-member advisory committee named by U.S. Education Comr. Lawrence C. Derthick to study effects of govt.-sponsored programs on higher education; Derthick resigns eff. Jan. 19 to join National Education Assn. staff . . . Ivan H. Loucks promoted to chief, land transportation division of FCC's Special Radio Services Bureau.

Broadcasters Foundation has been founded by the N.Y. Chapter of Broadcast Pioneers "to foster & promote the welfare of persons in need of assistance who have been employed or engaged in working in the field of radio broadcasting for 20 years or more, or in TV broadcasting for 10 years or more, and to assist them in illness, emergency or financial need." The first fund-raising affair, a salute to radio WLW Cincinnati, is slated for Feb. 26, at the Latin Quarter in N.Y.

Meetings this week: RTES time-buying-&-selling seminar (Dec. 6). Louis Hausman, TIO; C. Wrede Petersmeyer and Herman Land, Corinthian, will speak on trends in public-affairs programming, Hotel Lexington, N.Y. • Advertising Council annual Hollywood luncheon (7). General Dynamics Chmn. Frank Pace Jr. will speak, CBS Television City • Bcst. Pioneers, N.Y., chapter Christmas party (8), Hotel Lexington, N.Y.

Myer (Mike) Feldman, radio veteran who has been Sen. John F. Kennedy's legislative asst., has been assigned by the President-elect to work with newly-appointed Budget Dir. David E. Bell. Following the changeover in administrations, Feldman will join Kennedy's personal White House staff as Deputy Special Counsel. Feldman, owner of 30% of WADK Newport, R.I., recently sold his KLAD Klamath Falls, Ore. for $175,000 to Ogden Knapp, ex-NBC.

Updated edition of *Radio & Television—A Selected Bibliography* has been published by the U.S. Office of Education under the direction of broadcasting education specialist Gertrude G. Broderick. Designed as a source book for educators and the TV-radio industry, it replaces a bibliography prepared in 1956.

Deadline for entries for National Safety Council's Public Interest Awards to information media is Feb. 1. Entry blanks are available from the Council, 425 N. Michigan Ave., Chicago 11.

H. Leslie Atlass, ex-CBS vp who died Nov. 18, left an estate of $1.2 million, according to his will filed last week in Chicago Probate Court.

From "Births" column in Nov. 30 *Variety*: "Mr. & Mrs. John F. Kennedy, Nov. 25, Washington, a son, John F. Kennedy Jr. Child is grandson of Joseph P. Kennedy, former pres. of Film Booking Office & RKO Theatres."

Obituary

Victor Emanuel, 62, Avco Corp. chairman, died Nov. 26 at his home in Ithaca, N.Y., after a brief illness. In 1937, he headed the group which bought Avco (then Auratron Corp.). Avco's Crosley Bcstg. Corp., a pioneer in both radio & TV, operates radio WLW Cincinnati and 5 TV stations. The firm discontinued its Crosley & Bendix home appliances divs. in 1956. Emanuel is survived by his wife, 2 sons, a brother and 3 grandchildren.

Technology

Allocation of 100 mc for "Mobots"—mobile robots—in the 13,000-35,000-mc band, sought by Hughes Aircraft (Vol. 16:26 p19), was turned down by FCC on the grounds that the request is "premature." However, the Commission said, the proposal "holds out possibilities for filling an important need," and it invited applications on an experimental or developmental basis. Hughes wants radio control of robots which operate in places inaccessible or dangerous to humans. It now uses cable control.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

1960 ELECTRONICS SALES—$9.7 BILLION: Electronics industry set another sales record in 1960, continuing its unbroken progression of new highs since World War II. However, preliminary estimates indicate total factory sales fell short of the predicted $10-billion mark, due to the 2nd-half decline in consumer-product & replacement-part sales.

Total industry volume this year was put at $9.7 billion, up 6% from last year's $9.2 billion, in an official estimate given by Pres. L. Berkley Davis to the EIA board at last week's winter conference in San Francisco. Although total sales ran 6% short of EIA's beginning-of-the-year prediction of $10.35 billion (Vol. 15:51 p13), industrial & military sales were up to expectations. Consumer-product sales (up $100 million from 1959), although setting a new record, fell short of the predicted $2.3 billion by $200 million, and replacement-parts sales were $400 million shy of original expectations.

Here are dimensions of electronics industry, as recapped by EIA, for 1960 and 3 preceding years:

FACTORY SALES BY U.S. ELECTRONICS INDUSTRY
(Add 000,000 Dollars)

	1957	1958	1959	1960
Consumer products	$1,700	$1,600	$2,000	$2,100
Industrial products	1,300	1,380	1,600	1,750
Military products	4,100	4,400	4,700	5,000
Replacement parts, tubes, etc.	900	860	900	900
INDUSTRY TOTAL	$8,000	$8,240	$9,200	$9,700

These preliminary figures for 1960 (subject to change after year-end) show consumer-product sales 5% ahead of last year, industrial electronics up 9%, military products up 6%.

Breaking down consumer-electronics factory-sales estimates, EIA noted a decline in TV, but increases in both radio & phono categories. The Association put total 1960 factory sales of TV sets at 5.9 million units, down about 6% from last year's 6.3 million; radios (excluding auto) at 10.5 million, up 6% from last year's 9.9 million; phonos at 5.1 million units, 19% ahead of last year's 4.3 million. Note that these are factory sales. Last year's retail figures: TV, 5.75 million; radio, 8.9 million; phono, 4.4 million.

Note: Disagreement with EIA's electronics sales totals was registered last week by big investment firm Television-Electronics Fund, whose annual report estimated this year's total electronics industry factory sales at $11 billion (see p. 20).

EIA STILL OPPOSES FCC ON UHF: If new Congress legislates for manufacture of all-channel TV sets (Vol. 16:6 p2)—and FCC Comr. Robert E. Lee now believes there's "good chance" it will—the law compelling set makers to produce only all-uhf-vhf receivers will have to come over the opposition of nation's TV receiver manufacturers. These salient points were made clear at EIA's 3-day winter conference in San Francisco last week.

Reiterating his oft-stated support of all-uhf TV, a la his speech before NAEB's October convention (Vol. 16:43 p4), Lee, addressing EIA Nov. 29, added these new points: (1) He is confident that Congress will pass FCC-sponsored legislation which in effect would make it mandatory to produce only all-channel TVs. (2) Proposal is contrary to his opposition to government interference with private enterprise, but he contends legislation is justified in view of "critical nature of the present situation." Emphasized Lee: "I have yet to

find an FCC engineer who does not believe that the only answer to the problem of getting new TV channels is a gradual shift to uhf."

Lee's confidence & present attitude seemingly reflect opinion that FCC's proposal will have support of Kennedy administration, as noted in these columns last week (Vol. 16:48 p1). However, EIA remained unimpressed.

For third time, EIA flatly rejected any & all proposals which in any way, shape or form add up to govt. control over TV-set specifications. Having reconsidered FCC proposal in light of Comr. Lee's speech and the prospect of change in Washington climate, EIA announced unequivocally, unanimously, without so much as a microminiature loophole, its continued & firm opposition to any legislation requiring TV manufacturers to produce only all-channel sets.

Summing up EIA's opinion & stand, Motorola consumer-products exec. vp Edward R. Taylor (EIA consumer-product div. chmn.) told us: "We feel that this all-channel proposal penalizes 90% of the population for the benefit of 10%. There is no reason to make that many people pay for something most of them will rarely or never use."

For other reports on EIA meeting, see stories below and on opposite page.

FOREIGN 'PERIL' HAUNTS EIA CONFAB: Massive industry counterattack to stem invasion of electronics imports was in the making last week as Electronic Industries Assn. concluded its 3-day winter meeting in San Francisco. By far the most pressing & discussed subject, foreign imports (spelled Japanese) drew these EIA actions:

(1) EIA's board approved a major program to educate nation at large to dangers posed to industry by imports. Electronic Imports Committee (Robert C. Sprague, chmn.) has been detailed to draw up such a program, one probably large enough to warrant a full-time staff organization. Proposed educational program, together with request for funds, probably will be submitted for approval at board's next meeting in March. Petitioning board for go-ahead approval on program, Electronic Imports Committeeman Mark Shepherd Jr. (Texas Instruments semiconductor-components div. vp) declared imports in recent years have obliterated 700,000 U.S. jobs, including 80,000 in electronics industry, and have siphoned off more than $5 billion of sales of U.S. industries.

(2) Strong endorsement of educational program was recorded by EIA's parts div. and tube & semiconductor div. Latter quickly established its own imports committee, chaired by EIA vp W. S. Parsons (Centralab pres.), to assist in working out over-all EIA program.

(3) EIA board authorized a protest by EIA to FTC over deceptive advertising by electronics importers. Letter, which will spotlight such practices as concealment of product origin, is being drafted by EIA gen. counsel John Olverson. It may get into the mail to FTC Chmn. Earl Kintner as early as this week.

Improvement of sales & image was major preoccupation of consumer-products div., headed by Motorola consumer-products exec. vp Edward R. Taylor. Committee took 2 decisive steps in these areas:

(1) Proposal for ad-practices code for electronics industry won unanimous approval. Envisioned guide would be patterned after ad code of American Home Laundry Assn. (Vol. 16:38 p6), would also incorporate elements of FTC's TV trade rules & practices. EIA's version will be drafted by Packard Bell Pres. Robert Bell for circulation among EIA members for legal opinion & approval.

(2) All-industry campaign to promote sales of more consumer electronic products also moved closer to fruition. Committee heartily approved outline for such a program prepared by Robert Bliss of N.Y. PR firm of Robert L. Bliss & Co. Subcommittee chaired by Taylor was formed to work with Bliss in developing & costing formal program.

Campaign will be extensive & long-range, Taylor told us. "If we can't get approval on a 3-year basis," he said, "there'll be no promotion." Over-all objective: "We want to get our fair share of the consumer dollar. To do so, we have to condition people to think about buying consumer electronic products as they now think about buying furs, jewelry and other gift & luxury items." Promotion program, when drafted & approved, will be implemented for EIA by Bliss, as PR consultant.

More details on import actions and other EIA business are on opposite page.

TV-RADIO PRODUCTION: EIA statistics for the week ended Nov. 25 (47th week of 1960):

	Nov. 18-25	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	91,627	118,019	121,595	5,306,932	5,756,210
Total radio	273,164	367,048	287,006	15,591,202	14,069,049
auto radio	98,333	123,098	60,612	5,912,785	4,973,777

More about

EIA ACTION ON IMPORTS: Ways & means of combatting the flow & effect of growing & more diversified electronic imports came under considerable discussion at the 3-day winter conference of the Electronic Industries Assn. in San Francisco last week. In addition to hit-back action taken at the board level (see p. 18), there were signs of developing counter-attacks at EIA's divisional levels.

The tube & semiconductor div. has developed and will start distributing shortly to companies & distributors in the electronics industry a brochure detailing the advantages of doing business with American manufacturers. The publication, *Plus Values*, emphasizes the availability to distributors of American industry's engineering services, salesmen, warehousing facilities.

EIA's Congressional Information Committee has been authorized to continue its efforts to gain "grass roots support" for EIA stands on 8 legislative proposals due to come before Congress.

Among them: EIA seeks amendment of the tariff act to make it mandatory for importers who repackage electronic imports to label the new package with the country of origin. Among other legislative actions sought and/or supported by EIA: establishment of a single authority in Washington for allocating blocks of radio frequencies to FCC, the armed services and other govt. agencies; repeal or amendment of the Walsh-Healy Act; adoption of legislation which would permit tax deduction of expense incurred by industry in making its position known to Congress.

Other highlights of EIA's winter conference:

Uhf—EIA restated its continued opposition to FCC-proposed legislation which would authorize FCC to require manufacturers to make only all-channel TV sets (see p. 17).

Trade shows—Increasing resentment among members over multiplicity of trade shows resulted in formation of 2 study groups which will report at March meeting.

Standardization—EIA board approved expenditure of $10,000 to create an international standardization committee to represent EIA in meetings with the International Electromechanical Committee, which sets international standards. The EIA committee group will be named later.

Appointments—Philco operations exec. vp Joseph H. Gillies was named by the consumer-products div. to the EIA board. Philco consumer-products vp Henry Bowes was named to consumer-products div. exec. committee, replacing Philco PR vp Larry F. Hardy. Sylvania electronic tubes sales vp W. O. Spink was named to the exec. committee of the tube & semiconductor div. Military products div. established a materials procurement committee, chaired by The Martin Co.'s H. A. Strickler, to handle problems of materials management.

■

NARDA 1961 convention at Chicago's Palmer House Jan. 13-15 will be addressed by Admiral Pres. Ross D. Siragusa Sr., Whirlpool vp-treas. Mason Smith, Communication Research Corp. Pres. Martin J. R. Corcoran.

Line of British-made radios, phonos & radio-phono combinations will be test-marketed in the N.Y.-N.J.-Philadelphia area by Philco, as a supplement to its domestically produced line. Initially, the British radios—all of which have at least one shortwave band—will be distributed to selected retailers (some of whom may not now be handling Philco's domestic line) by distributor John M. Otter Co. The Otter firm is seeking "class" outlets & dealers located in areas where there is a large foreign-speaking concentration—to capitalize on the revived interest in shortwave listening. The British radios are made by Philco's U.K. licensee, Thorne Elecrtical Industries, one of the nation's largest consumer-electronics manufacturers. Ten British sets will be offered, ranging from a 2-band table radio at $39.50, to a 4-band-plus-FM stereo phono combination at $459.50. The line consists of 6 table radios, one 7-transistor portable, one stereo-phono consolette, one consolette combination, one console combination.

Strike still hobbles production at 3 Long Island plants of Fairchild Camera & Instrument, including the Plainview, N.Y. facility of the components div. Some 800 members of the International Assn. of Machinists walked out at midnight Nov. 1 in a dispute over wages & fringe benefits. The union has rejected 3 alternative contracts that were proposed by Fairchild to replace the 2-year agreement which expired Oct. 31. Fairchild, we're told, already has abolished some 300 jobs at the plants in an "economic adjustment" necessitated by the strike, and indicates that other activities may be transferred. The company's latest offer, which carried a Nov. 28 deadline, was not accepted by the union. Negotiations continue with federal mediators.

Upturn in appliance sales will begin in the 2nd half of 1961 and continue through 1962, John W. Craig, vp-gen. mgr. of Westinghouse's major appliance div., predicted last week. He estimated total appliance sales in 1961 will be "slightly higher" than in 1960. He said 1960 will be the industry's 4th best year. He forecast that price-cutting will be less prevalent next year, as manufacturers gear production closer to sales and thereby eliminate excessive inventories. Craig said he based his prediction of increased sales on an anticipated rise in home building next year together with the ripening replacement market.

Switchover to 33-rpm 7-in. pop record singles from 45s may be heralded by RCA Victor's decision to enter this field next month. Columbia Records started the move toward using the same speed for single-selection records as LPs. RCA Victor, however, has no plans to abandon the 45-rpm disc, which it pioneered. RCA also plans to continue manufacture of its pre-recorded tape cartridges and tape cartridge players & recorders, with "substantial" price cuts planned next year.

Televideo Corp. of America, which trades in Culver City, Cal. as Picture Tube Mart, must stop misrepresenting rebuilt TV picture tubes as new, FTC said in an order upholding an initial decision by hearing examiner Loren H. Laughlin (Vol. 16:44 p16). Also subject to the order are company officials Thurman D. Brooms, Kenneth A. Redshaw and Milton Tobias.

Sizing Up Electronics: Factory sales of the electronics industry this calendar year "may be expected to approximate $11 billion, up from $9.2 billion in 1959, with all sectors of the industry sharing in the advance." So says the elaborate & attractive 60-page annual report of Television-Electronics Fund, issued by the open-end investment company to shareholders last week.

This size-up differs sharply from EIA's own estimate of 1960, which also saw electronics advancing to a new record this year—but with a more modest gain—to $9.7 billion (see story on p. 17). TV-Electronics Fund, whose estimates were prepared earlier than EIA's, gives this breakdown of 1960 factory sales:

Commercial & industrial electronics, up from last year's $1.6 billion to about $2.4 billion (EIA says $1.75 billion). Replacement parts, tubes & semiconductors, from $900 million to $1.1 billion (EIA says the figure remained at $900 million). Military electronics, from last year's $4.7 billion to $5.4 billion (EIA says $5 billion). EIA and the Fund agree only on the volume of consumer electronics—both say $2.1 billion, up from $2 billion.

When such "service" factors as wholesale & retail markups, broadcasting, installation & repair are added, says the Fund, the electronics industry's 1960 volume goes up to an estimated $15.5 billion, compared with $13.6 billion last year and $12.3 billion in 1958.

———■———

New 19-in. tube with 92-degree deflection angle is now being sampled to set manufacturers, as predicted here Oct. 24 (Vol. 16:43 p15). The non-bonded tube is a companion to the 23-in., 92-degree tube, for applications when slim cabinets are not essential. All 19-in. tubes currently in production have 114-degree deflection, while 23-in. non-bonded tubes are made in 2 types—with 114-degree or 92-degree deflection. Although the new 92-degree, 19-in. tube will be priced the same as the 114-degree tube of the same size, it will make possible some reduction in cost because of lower deflection voltages and the use of some related components with wider tolerances. The tube may be used in some spring drop-ins and 1962 models.

Exports of Japanese receiving tubes to Canada, suspended since Oct. 14 (Vol. 16:44 p17), are due to be resumed early next year, when a voluntary quota system is worked out. Before the suspension, Japanese tube shipments to Canada reached an annual level of 3.9 million units—up from the 2.3-million level of 1959. The Canadian govt. wants this cut to about 1.6 million a year.

Telectro Industries Corp. has been awarded an initial Air Force production contract of $300,000 for its Telectrovision slow-scan TV system (Vol. 16:11 p22). Using telephone lines to carry non-moving TV pictures, the Telectrovision system has provisions for picture storage & for making permanent copies. Deliveries are to start this year.

Magnetron-type cooking unit applicable for home electronic ranges has been developed by Litton Industries. Marking its "first large-scale entry into the commercial field," Litton has contracted to supply the electron-tube power packs to the Tappan Co., maker of electronic ovens. Litton described the new magnetron as "especially suitable for radio frequency food preparation," said it results from 2 years of development.

Japanese TV factory sales in September totaled a near-record 321,724, second only to the all-time high of more than 350,000 sets in Dec. 1959. September radio sales totaled 1.3 million sets.

GE Sees Prices Holding: Prices of consumer electronics and appliances should hold steady during 1961, declines in most electrical items having run their course. So said GE Chmn. Ralph J. Cordiner last week at his annual year-end news conference. At the same time, he said he foresaw little possibility of general price increases in TV next year—but rather an upgrading in price levels due to added features & innovations.

To freeze prices at their present levels, he said, it will be necessary to improve manufacturing efficiency, cut distribution costs and to respond quickly to consumer demands. He expressed confidence in the nation's economy by pointing out that GE's U.S. & Canadian plant & equipment expenditures for 1960 will total $135 million vs. $91 million last year, and will increase further in 1961. He said the company's 4th-quarter 1960 & first-quarter 1961 earnings will be adversely affected by the recent IUE strike.

He also made these points: (1) Like AT&T, GE intends to get into the field of exploration & economic exploitation of outer space without govt. contracts. (2) He expects consumer goods to continue to comprise about 25% of GE's total business in 1961.

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FM radio tuners in TV sets could become a trend next year—capitalizing on the upsurge of interest in FM and the improved sound systems in many TV consoles. Magnavox, which tried out a combination 23-in. TV & FM set this fall (Vol. 16:29 p15), found consumer acceptance good, now incorporates FM radio in 2 of its 5 new 27-in. models (Vol. 16:45 p18)—in addition, of course, to its TV-radio-phono combos. The FM tuner is a separate unit, with its own tone & volume controls, operating independently of the TV tuner. The FM-equipped 27-in. sets are $399.50, $419.50 & $435 (non-remote, depending on cabinet style) and $50 more for similar sets with remote control. Magnavox's pitch for its 27-in. sets, incidentally, will be that they supply "pictures almost half-again as large as today's 23-in. sets, in cabinets that take up no more wall space."

Mercury Tube Corp., Newark, has demanded dismissal of FTC charges that it marketed TV picture tubes without disclosing that they were rebuilt & contained used parts (Vol. 16:46 p18). In a formal answer to FTC's complaint, Mercury contended each tube carton showed "in large, clear and distinct language that the envelope portion has been reused."

Herold Radio & Electronics Corp., now operating under Chapter XI of the Bankruptcy Act, came close to the break-even point in October, Pres. Jerry Herold stated at a recent hearing before referee Arthur J. Doran. He predicted that November shipments would top October's $470,000.

Hospital TV set, designed for use in semi-private rooms & wards, is now being produced by GE and will soon be available through GE TV distributors. The 19-in. set, with alcohol & burn-resistant finish, is adaptible for wired remote control & pillow speakers, has volume limiter.

Merger talks between Lionel Corp. and the Muter Co. (speakers & components) have been terminated, according to Lionel Pres. Maj. Gen. John B. Medaris. Muter Co. vp Leslie F. Muter Jr. stated that Lionel's stock-exchange offer was "not acceptable," and that his company has insisted on "something close to 2.4 to 1."

Radio retail sales in the U.S. this year will total 20.5 million units, including imports—12½% ahead of last year—Radio Advertising Bureau estimated last week.

Nose-count of scientists & engineers in the electronics industry has been started by EIA for the Defense Dept. James M. Bridges, dir. of electronics of the Office of the Secy. of Defense, has requested the survey in order that the Dept. "may determine possible adverse effects which major shifts in defense programs could have on the reservoir of professional electronics manpower." Preliminary findings have indicated there are about 140,000 electronics engineers & scientists in the U.S.—of whom 110,000 are working in industry. Bridges believes 80-to-90% are working on defense-supported programs.

Detailed "plant location study" of Minnesota's electronics & related science industries has been published by Northwestern National Bank of Minneapolis. It includes a directory of the 117 electronics & related companies operating in the state as of Oct. 1960, together with analysis of factors relating to their growth. Copies are available from the bank's industrial development div. at 620 Marquette Ave., Minneapolis 40.

Unlimited atomic electric power came an important step closer recently with the report of a successfully controlled thermonuclear reaction at U. of Cal. The controlled hydrogen fusion reaction lasted only one-thousandith of a second. The announcement stated that the reaction on which the experiments were based released 3.25 billion volts of energy. Successful practical controlled reactions, said the University, "would provide the world with a virtually unlimited source of power."

Rebuilt TV tubes produced by 5 firms must not be misrepresented to buyers under terms of consent orders announced in a batch by FTC. Agreeing to FTC orders which settled cases against them were: Budco Inc. and Metropolitan Electronics Distributors Inc., 113 S. Beatty St., Pittsburgh, and their affiliate K. M. K. Corp., 3323 Superior Ave., Cleveland • Theta Electronics Inc., 123 Stark Ave., Greensburg, Pa. • Tube Mfg. Corp., 29th & Hunting Park Ave., Philadelphia.

Hercon Electronics, Newark, N.J. manufacturer of glass-to-metal seals, has changed its name to Harvey-Wells Corp. Its Natick, Mass. subsidiary, maker of nuclear magnetic resonance equipment & electromagnets, has been renamed Harvey-Wells Nuclear Corp.

New models: Magnavox adds 2 promotional Yule-season TV models with 90-degree 23-in. tubes—a horizontal console in 3 finishes, beginning at $229.90, and a vertical console in 4 finishes, beginning at $249.90 • **Autovox Corp. of America** introduces an Italian-made portable-auto AM-SW radio, which locks into a compartment under the dashboard when used as a car radio; price, $69.95 • **Muntz TV** adds 23-in. TV-AM-FM-phono combination at $395.

TV service was not needed in 1959 by nearly 50% of 2,500 Los Angeles families surveyed for Admiral by the Woodbury College Research Clinic. Findings: 25% called a TV serviceman only once during the year; 14% twice; 11% more than twice. The Admiral survey also found that 83% of the households required no service on radios during 1959. Only 13% needed one service call, 4% more than one.

Philco will market a coin-operated dry cleaning machine under the Philco-Bendix brand next year. The unit is slated for unveiling during the Feb.1-5 show of the National Institute of Dry Cleaning in Philadelphia.

RCA Chmn. David Sarnoff was named "Man of the Years" last week by the fashion div. of the Federation of Jewish Philanthropies of N.Y.

Trade Personals: Jack S. Beldon, who resigned from RCA as of Dec. 1 (Vol. 16:48 p18), will join Magnavox in a high executive post, it was learned last week, although no announcement will be made until mid-December, and Beldon himself was unavailable for comment. Beldon joined RCA in Feb. 1959 as vp-gen. mgr. for home instruments, coming from GE, where he was TV mktg. mgr. He became president of RCA Sales Corp. a year ago, resigning from that post last August, but remaining with RCA until last week. In last August's reorganization, RCA group exec. vp W. Walter (Wally) Watts became RCA Sales Corp. chairman & president, taking over the responsibilities of former Chmn. P. J. Casella and of Pres. Beldon.

Leslie J. Woods retires Dec. 31 as Philco research & engineering vp, after 35 years with the company, during which he served in a wide variety of top engineering & executive posts, after an early role as Philco's first TV engineer—in 1928. No successor will be named, technical planning vp David B. Smith continuing as technical chief.

Dermot A. Dollar, RCA exhibits dir., reportedly will move into electronic data processing div. as sales administration mgr. . . . **Earl M. Wood** has retired as RCA industrial tube mgr. of operations; the onetime mgr. of RCA Lancaster kinescope plant is succeeded in the industrial tube post by Sidney White Jr. . . . **John F. Daly**, promoted to new post of mgr. of field activities, Admiral Sales Corp. commercial electronics div.

Alan R. Shilts resigns as Stromberg-Carlson vp-gen. mgr., his gen. mgr. duties taken over by Pres. James D. McLean; successor to Shilts may be announced next week . . . **Charles G. Klock** named pres.-gen. mgr., GE Credit Corp., succeeding George F. Mosher, who continues as a dir. & consultant.

James E. Archambault, president of Dormeyer Corp., recently acquired by Webcor (Vol. 16:48 p19), also assumes presidency of Webcor; Titus Haffa, former Webcor president, continues as chairman of both firms.

Alex Arnold, Motorola controller, elected vp . . . **Dr. Jerome B. Wiesner**, MIT electronics research lab dir., elected to Sprague Electric board; **Dr. Jerrold Zacharias**, distinguished MIT nuclear physicist, named Sprague consultant . . . **Lester Krugman**, ex-Emerson Radio mktg. vp and onetime NTA ad vp, elected vp, mktg. services, Digitronics Corp., Albertson, N.Y.

Clayton Kiernan, ex-Transitron, named national distributor sales mgr., heading new headquarters distributor organization of General Instrument semiconductor div. **George Cohen** named distributor headquarters sales mgr., **Ronald Friedman** distributor sales administrator of the semiconductor div.; both were formerly with General Transistor, now merged with General Instrument.

Emidio A. DeLollis appointed engineering mgr., Raytheon's receiving tube operations . . . **Donald Christiansen** promoted from information services mgr. to new post of publications mgr., CBS Electronics.

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S. I. Neiman, head of Public Relations Associates, Chicago, well known as an electronics industry PR man, is the author of a Civil War book, *Judah Benjamin*, the story of the Confederate Secy. of State. It will be published next summer by Bobbs Merrill.

Distributor meetings: RCA Sales Corp., consumer-products lines, Cleveland (Eastern distributors), Dec. 6-10, and San Francisco (Western), Dec. 13-17 • Sylvania Electronic Tubes, annual distributor sales meeting, Bal Harbour, Fla., Dec. 6-10.

Mergers & Acquisitions: Audio-Dynamics' proposed merger with Teletray (Vol. 16:47 p22) will be voted by stockholders Dec. 9. The amalgamation would grant public shareholders of Audio-Dynamics 70 shares of Teletray for each 100 of A-D; management shareholders, 37 of Teletray for each 100 A-D. Teletray last week declared a 1-for-3 stock dividend, payable Dec. 22 to shareholders of record Dec. 5. • **Dictograph Products** has acquired controlling interest in Bellaire Electronics, Red Bank, N.J. maker of electronic devices.

American Electronics and Electronic Specialty plan to merge & operate under a new corporate name, subject to the approval of both companies' stockholders at special meetings in January. Under the proposed amalgamation, American's Chmn.-Pres. Philip W. Zonne will become president of the new company. Electronic Specialty's Chmn.-Pres. William H. Burgess will serve as chairman. American holders would receive one share of the new firm for each share held. Electronic Specialty holders would get 1¼ shares for each share held. • **Houston Fearless**, for 80,000 shares of common, has acquired privately-held Masterite Industries, Inglewood, Cal. manufacturer of printed-circuit connectors, electronic contacts and electrical assemblies. Masterite will function as a Houston Fearless div. • **Telectro** has formed & holds a 50% interest in Telectro-Mek, established to produce measurement & control instruments for jet engines. Telectro-Mek Pres. Daniel G. Russ holds the other 50% interest.

Bendix has sold its 7.5% interest in Elliott-Automation, British manufacturer of industrial instruments & equipment. • **Sonotone** has established a special department to design & develop new types of sintered plate, nickel-cadmium batteries. • **English Electric Co.** & London-based General Electric Ltd. have called off their merger plans (Vol. 16:40 p17) after failure "to bring to a successful conclusion their discussions on a merger by means of a holding company." • **Friendly Frost** (radio WGLI Babylon, N.Y., operator of 20 Friendly Frost Stores appliance & houseware outlets, other retail & service activities) has acquired County Hardware & Appliances' chain of 5 stores & warehousing in N.Y. & Conn.

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Kriss Electronics Inc., 191-95 Graton St., Newark, has been accused by FTC of misrepresenting rebuilt TV picture tubes as new. The FTC complaint alleged that used parts have been used in tubes labeled "new," giving "uninformed or unscrupulous dealers the means to deceive the public."

General Dynamics and Doubleday are publishing *Dynamic America*, a $20 "history book" dealing with "the revolutionary transformation of America from an agrarian to an industrial civilization, the scientific & technical advances that caused it, and the contributing role of an astonishing American corporation, General Dynamics."

TV-accessory market for converters, tuners and antennas is opening up in West Germany with the advent Jan. 1 of the new commercial network there (Vol. 16:24 p7), the Commerce Dept.'s Bureau of Foreign Commerce points out. It estimates that about 3 million receiving sets will require accessories for uhf reception.

Obituary

H. Robertson Boswell Jr., 66, recently retired sales executive, Westinghouse Electric International, died Nov. 28 at St. Luke's Hospital in N.Y. after a long illness. He had been asst. to the vp for foreign accounts. Surviving are his wife, a brother and 2 sisters.

Finance

Electronics Funds Report: The net assets of the Television-Electronics Fund climbed to an annual record of $339,389,489 at the close of its 1960 fiscal year Oct. 31. However, while assets were up sharply from $308,147,613 a year ago, they were down from the $357.8 million posted at the close of the 3rd fiscal quarter July 31 (Vol. 16:36 p15).

The fund's annual report gives net asset value per share as $7.41 on Oct. 31, 1960, down from $7.93 one year earlier. As of Oct. 31, the mutual fund's portfolio included $261,809,680 in common stocks, $2,196,250 in preferred, $13,567,559 in corporate bonds, $33,295,361 in commercial paper, $13,460,614 in govt. securities. Portfolio changes during the quarter ended Oct. 31:

New additions: $231,000 American Optical Co. 4.40% 1980 debentures; $200,000 Comptometer 6½%-1970; 250 units Teleregister $1,000 6% 1980 bonds (including 40 shares of common stock per unit).

Purchases: 5,000 shares of AT&T; 4,800 Bendix; 3,800 Clevite; 3,300 General Cable; 4,000 GE; 2,500 International Nickel (Canada); 8,300 Mallory; 4,200 National Cash Register; 12,000 Pitney-Bowes; 3,500 RCA; $150,000 Bausch & Lomb 4¾%-1980; $100,00 Burroughs 4½%-1981; 132,000 Collins Radio 4¾%-1980; $200,000 Philco 4¼%-1984; $200,000 Sperry Rand 5½%-1982; $179,000 Thompson Ramo Wooldridge 4⅞%-1982.

Securities eliminated: 17,900 shares of Amphenol-Borg; 4,000 Atlee Corp.; 14,500 Bullard Co.; 23,600 Bulova; 32,500 Columbia Pictures; 14,500 Federal Pacific Electric; 5,750 Lab for Electronics; 20,000 W. L. Maxson; 15,300 Oak Mfg. Co.; 19,400 Philco; 6,000 So. Cal. Edison; 15,360 Systron-Donner; 18,000 Telecomputing; 2,400 TV Associates; 33,400 20th Century-Fox; $550,000 Ampex 5%-1972; $200,000 Telautograph 4¾%-1965.

Holdings reduced by sales: Sold 8,800 shares of ACF Industries; 10,764 Addressograph-Multigraph; 17,200 Allegheny-Ludlum; 15,000 Allis-Chalmers; 16,150 American Bosch Arma; 10,000 Borg-Warner; 10,000 Cincinnati Milling Machine; 9,100 Eaton Mfg. Co.; 4,600 Friden; 15,000 Ford Motor; 5,000 Garrett Corp.; 10,200 General Mills; 10,000 GM; 10,000 General Railway Signal; 16,500 General Telephone; 8,300 Harris-Intertype; 15,000 ITT; 12,300 Lockheed Aircraft; 12,450 Mergenthaler Linotype; 5,000 Minn. Mining; 8,000 National Acme; 6,000 Northrop; 16,000 Otis Elevator; 39,200 Paramount Pictures.

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Electronics Investment Corp. reports its net assets climbed to $32,377,675 as of Oct. 31—up from $29,416,986 one year earlier. Its semi-annual report notes that net asset value per share declined slightly to $7.26 from the preceding year's $7.31, after adjustment for the mutual fund's net capital gains distribution of 55.5¢ a share paid May 31, 1960. As of Oct. 31, the portfolio included $26,801,072 in common stocks, $26,869, 514 preferred, $2,787,293 bonds & notes, and $1,535,406 U.S. govt. obligations. Portfolio changes during the July 31-Oct. 31 quarter:

Purchases: 1,200 shares of Aerojet General (making a toal of 13,200); 4,200 Ampex (total 19,200); 4,000 Elliott Automation (152,300); 800 GE (8,000); 14,500 Hallicrafters (14,500); 173,900 Hartmann & Braun (173,900); 2,300 Litton (8,500); 1,500 Microwave Associates (18,700); 3,600 Packard Bell (26,732); 1 Raytheon (10,757); 200 Siemens & Halske (7,000); 1 Varian (21,334); 2,200 Western Union (12,200). **Bonds purchased:** $310,000 Collins 4¾% convertible debentures due 1980 ($890,000); $100,000 Eitel-McCullough 5¼ convertible subordinate debentures due 1974 ($240,000).

Sales: 700 Borg-Warner (8,300 still held); 15,200 Cobu (5,043); 2.500 Eastern Industries (6,548); 3,400 Emerson Electric (10,749); 400 Hazeltine (8,172); 3.000 Speer Carbon (7,000); 4,400 Sperry Rand (10,500); $2.2 million U.S. Treasury bills ($1.5 million).

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AB-PT expects record profits for 1960 on gross revenues of about $325 million—or 13% higher than last year's $288 million—Pres. Leonard H. Goldenson told the Investment Analysts Society of Chicago last week. He said the improvement in net income may not equal the 48% rise in per-share results reported for the first 9 months of this year. Most of the improvement, he predicted, will be due to an anticipated 30% rise in gross billings of ABC-TV network—to about $164 million from $126 million last year. In the next 5 years, he foresaw the network's gross revenues doubling, due to increasing penetration of top markets, a possible rate increase and expansion of the broadcast day. Noting that TV is now growing faster overseas than in the U.S., he pointed out that AB-PT has interests in TV stations in Australia, Venezuela, Ecuador, Lebanon and 5 countries in Central America.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Ampex	1960—6 mo. to Oct. 31	$32,244,000	—	$ 361,000	$0.05	7,278,230
	1959—6 mo. to Oct. 31	31,480,000	—	1,780,000	.25[1]	7,217,943[1]
	1960—qtr. to Oct. 31	15,876,000	—	17,000	—	7,278,230
	1959—qtr. to Oct. 31	16,685,000	—	954,000	.13[1]	7,217,943[1]
Automatic Radio Mfg.	1960—year to Sept. 30	15,075,687	$3,536,152	1,766,152	.95	144,450
	1959—year to Sept. 30	13,871,695	3,796,395	1,849,561	.99	144,450
Desilu Productions	1960—26 wks. to Oct. 29	8,462,495	242,917	120,917	.10	1,155,940
	1959—26 wks. to Oct. 31	10,717,953	936,608	507,108	.44	1,155,940
	1960—qtr. to Oct. 29	5,903,717	—	322,314[2]	.28	1,155,940
	1959—qtr. to Oct. 31	6,917,979	—	242,058[2]	.21	1,155,940
Federal Pacific Electric	1960—qtr. to Sept. 30[3]	24,369,179	839,084	479,384	.11[4]	—
	1959—qtr. to Sept. 30	17,191,510	—	1,109,394	—	—
Lab for Electronics	1960—6 mo. to Oct. 28	20,725,000[2]	—	911,000[2]	1.30	700,628
	1959—6 mo. to Oct. 28	17,205,000	—	423,000	.81	525,022
Microwave Associates	1960—year to Sept. 30	8,691,500[2]	—	633,800[2]	.64	—
	1959—year to Sept. 30	6,670,487	—	384,492	.39	—
Perkin-Elmer	1960—qtr. to Oct. 31	5,391,363	278,500	138,710	.11	1,247,148
	1959—qtr. to Oct. 31	3,246,721	116,246	55,550	.05	1,146,238
20th Century-Fox	1960—39 wks. to Sept. 24	86,647,036	—	3,732,729[5]	1.57	2,383,286
	1959—39 wks. to Sept. 24	85,933,864	—	2,930,532	1.25	2,338,536

Notes: [1]Adjusted for Jan.-1960 3-for-1 split. [2]Record. [3]Includes Cornell-Dubilier and Pioneer Electric, acquired after Sept. 30, 1959. [4]After preferred dividends. [5]Includes non-recurring income of $735,614 from insurance on death of an employe.

Reports & comments available: Amphenol-Borg Electronics, review, Fahnestock & Co., 65 Broadway, N.Y. 6 • General Precision Equipment, study, Cohen, Simonson & Co., 25 Broad St., N.Y. 4 • MGM, research bulletin, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4; review by Hooker & Faye, 221 Montgomery St, San Francisco 4 • Hazeltine, review, Penington, Colket & Co., 70 Pine St., N.Y. 5 • Sperry Rand, analysis, Laidlaw & Co., 25 Broad St., N.Y. 4 • Davega Stores, prospectus, Amos Treat & Co., 79 Wall St., N.Y. 5.

Ling-Temco Electronics common stock may be traded on an unlisted basis on the Philadelphia-Baltimore and Midwest stock exchanges under SEC-approved application.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Bendix	Q	$0.60	Dec. 28	Dec. 10
British Industries	Q	.12½	Dec. 21	Dec. 12
British Industries	Ex.	.25	Dec. 21	Dec. 12
Corning Glass	Q	.37½	Dec. 27	Dec. 12
Corning Glass	Ex.	.50	Dec. 27	Dec. 12
Heli-Coil	SA	.30	Dec. 15	Dec. 9
Internatl. Resistance	Ex.	.12½	Dec. 29	Dec. 15
MGM	Q	.40	Jan. 13	Dec. 16
Radio Condenser	—	.07½	Dec. 20	Dec. 5
RCA	Q	.25	Jan. 23	Dec. 16
RCA	Stk.	2%	Jan. 30	Dec. 16
Standard Kollsman Ind.	Stk.	3%	Dec. 30	Dec. 19
Standard Radio Ltd.	Q	.20	Jan. 10	Dec. 20
Teletray Electronics	Stk.	33⅓%	Dec. 22	Dec. 5
Times-Mirror	Stk.	4%	Jan. 16	Dec. 15
Times-Mirror	Q	.10	Dec. 23	Dec. 7
20th Century-Fox	Q	.40	Dec. 30	Dec. 16
Wells-Gardner	Q	.30	Dec. 15	Dec. 8
Zenith	Q	.40	Dec. 29	Dec. 9
Zenith	Ex.	.50	Dec. 29	Dec. 9
Zenith	Sp.	.50	Jan. 27	Jan. 6

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, December 1, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	17½	19⅛
Aerovox	7¾	8⅝
Allied Radio	22	23⅞
Astron Corp.	1⅜	1⅞
Baird Atomic	20¾	22½
British Industries	15½	16¾
CGS Labs	7	8⅜
Cetron	3¾	4½
Control Data Corp.	47	50⅜
Cook Elec.	12	13⅛
Craig Systems	16	17¼
Dictaphone	30	32½
Digitronics	21	23⅝
Eastern Ind.	14⅛	15¼
Eitel-McCullough	14¼	15½
Elco Corp.	13½	14⅞
Electro Instruments	18	20⅜
Electro Voice	8½	9½
Electronic Associates	28	30⅜
Erie Resistor	7¾	8⅝
Executone	26	29⅜
Farrington Mfg.	27	29⅜
Fischer & Porter	18¼	19⅞
FXR	36	39⅞
General Devices	8¾	9⅝
G-L Electronics	7¼	8⅜
Granco Products	3	3⅝
Gross Telecasting	19¼	21¼
Haydu	1/16	¼
Hewlett-Packard	26¼	28
High Voltage Eng.	150	160
Infrared Industries	17	18⅞
International Rectifier	23	24⅞
Interstate Engineering	20¾	22¼
Itek	52	56½
Jerrold	7	7¾
Lab for Electronics	48	51⅜
Lel Inc.	4¾	5½
LFE Inc.	—	—
Magna Theater	2	2½

Stock	Bid	Asked
Magnetic Amp.	—	—
Magnetics Inc.	7¼	8⅜
Maxson (W.L.)	7⅛	8
Meredith Pub.	40	43½
Metropolitan Bcstg.	16⅝	17⅞
Milgo Electronics	16¼	17⅞
Narda Microwave	4	4¾
Nuclear of Chicago	34¼	37
Official Films	2¼	2⅝
Pacific Automation	4⅛	4¾
Pacific Mercury	6⅝	7⅛
Perkin-Elmer	41	44
Philips Lamp	154½	160½
Pyramid Electric	2⅞	3⅜
Radiation Inc.	20¼	22¼
Howard W. Sams	39½	42¼
Sanders Associates	29¼	31½
Silicon Transistor	4⅞	5½
Soroban Engineering	33½	37⅛
Soundscriber	14¾	16¼
Speer Carbon	18½	20⅜
Sprague Electric	45½	48¾
Sterling TV	1⅜	1⅞
Taft Bcstg.	11¼	12⅞
Taylor Instrument	32¾	35⅛
Technology Inst.	6¾	8⅛
Tele-Broadcasters	¾	1-3/16
Telechrome	10	11¼
Telecomputing	7⅜	8⅛
Telemeter	10½	11⅞
Time Inc.	65½	69
Tracerlab	8½	9¾
United Artists	5¾	6½
United Control	17	18⅝
Universal Trans.	1	1½
Vitro	9½	10½
Vocaline	2½	3-1/16
Wells-Gardner	18	19⅜
Wometco Ent.	13¼	14⅝

Walt Disney Productions expects to report a net loss of about $1.4 million for its 1960 fiscal year ended Oct. 1, compared with the profit of $3.4 million ($2.15 a share) earned on a gross income of $58.4 million in the preceding fiscal. Pres. Roy O. Disney attributed the loss to a $5-million writing-down of the value of the company's film library, but foresaw, as a result, a "good, profitable year" in fiscal 1961. Without the write-down, Disney said, the company would show a $1.1-million profit. The item covers all films in process or release, he explained and reflects, in part, a "general softening in the theatrical motion picture market in most countries [and a] considerable leaning on the part of the public toward pictures involving violence, sex and other such subjects." The latter trend has adversely affected Disney pictures, he noted.

Extra dividends were declared last week by Zenith, Corning Glass and International Resistance. In addition to its regular quarterly declaration of 40¢, Zenith authorized an extra 50¢ dividend, both payable Dec. 20 to holders of record of Dec. 9, and a special 50¢ dividend, payable Jan. 27 to holders of record Jan. 6. Corning declared a 50¢ extra in addition to its regular quarterly 37½¢ dividend, both payable Dec. 27 to holders of record Dec. 12. IRC's additional dividend is for 12½¢, payable Dec. 29 to holders of record Dec. 15. The company's regular quarterly dividend of 7½¢ was payable Dec. 1.

Davega Stores is offering its stockholders rights to subscribe for $1.5 million of 6½% convertible subordinated debentures due 1975. The offering is on the basis of $100 of debentures for each 25 shares of common held of record Nov. 23. The subscription price is par. Rights to subscribe will expire Dec. 14. The proceeds will be used in part to furnish 2 new retail discount centers—in Brooklyn & in New Brunswick, N.J.

Reeves Soundcraft Corp. has filed an SEC registration statement (File 2-17327) for a secondary stock offering of 150,000 common shares, price unreported. The shares will be bought by underwriters Emanuel, Deetjen & Co. from Prudential Insurance Co. of America, which holds warrants for them at $3 per share. The SEC statement said Reeves will receive none of the proceeds from the public sale.

Electronic Tube Corp., Philadelphia maker of electronic testing devices in the aircraft, missile and medical fields, plans public sale of 100,000 common stock shares through underwriters headed by Harrison & Co.

Vactron Corp., Mansfield, Tex. TV-tube rebuilder, is undergoing reorganization under Chapter X of the Bankruptcy Act with Ben M. Gilbert of Fort Worth as court-appointed trustee. SEC will participate in the proceedings in which the company lists 3,300 holders of 791,431 common stock shares ($2 par value) and assets of $1.6 million, liabilities of $360,598.

Diversification Institute Inc., 80 Pine St., N.Y., organized by the N.Y.-Washington management consultant firm of Boni, Watkins, Jason & Co. Inc., offers a brochure outlining services it offers to companies contemplating diversification moves. The services range from "a single consultation to a full implementation of a diversified program."

Electronic Research Associates, Cedar Grove, N.J. maker of electronic equipment, reports a profit of $43,600 on $568,023 sales in fiscal-1961's first quarter ended Aug. 31. In the year-ago quarter, the company earned $19,800 on $424,839 sales.

International Rectifier will be listed for trading on the New York Stock Exchange Dec. 12. Symbol: IRF.

Educational Television

How to Begin State ETV: The profile of a statewide ETV system in the making is sharply drawn in a survey & report on the feasibility of such a network for the state of Kansas. The report is slated for presentation before the Kansas Legislature at its next general session, beginning Jan. 10. It was drawn by a committee of ETV consultants & specialists headed by John C. Schwarzwalder (educational KTCA-TV St. Paul-Minneapolis gen. mgr.) as survey dir.

Concluding that "a statewide system for ETV for Kansas is entirely feasible [and] could solve many of the state's most pressing & immediate educational problems," the consultants recommend "a system of 6 transmitters (5 vhf, 1 uhf) covering the state, interconnected to each other and connected, in turn, to 7 production centers where programs can be produced."

The total capital cost for such a system is estimated at $6,752,877, after the 10% discount normally given to ETV-equipment buyers. This includes the gross charges of $2.6 million for transmitting equipment, $1.3 million for studio gear, $1.1 million for a microwave relay system, $2.3 million for housing.

The annual operating cost of the proposed statewide system, based on operation 40 hours a week or 2,000 hours a year, is listed at $659,322. The major costs: Salaries for 67 employes including 22 part-timers, $373,960; technical operating costs, $183,593; film expense, $22,000; personnel expense, $11,218. Included under the recommended salary schedule: Executive director, $15,400; assistant executive director, $12,480; chief engineer, $12,000; program manager, $12,000; assistant chief engineer, $9,600.

The report concludes that "the statewide system can be on the air within 18 months of the appropriation of funds—the capital costs of $6,752,877 & of an additional $710,000 for operating costs during the first 2 years. Operating funds for the first 6 months would approximate $65,000, for the 2nd 6 months $115,000, for the 3rd 6 months $200,000 and for the first 6 months of operations on the air $330,000."

Auxiliary Services

TelePrompTer-Kaiser Hawaiian Deal: Plans for a jointly-owned corporation to provide a CATV system in a Kaiser-developed resort town, Hawaii-Kai, have been announced by TelePrompTer Corp. Pres. Irving Kahn and Kaiser industries Chmn. Henry J. Kaiser. The system will distribute signals by underground cable.

"An important aspect of the plan," stated Kaiser, "is that in addition to providing uniformly clear reception of TV signals from 3 Honolulu stations, it will make possible an ETV channel." Negotiations for such a 4th station are now under way. TPT would provide facilities for the ETV outlet, as well as handle the distribution via cable.

The future of TPT-Kaiser CATV will depend on the success of the test experiment, said TPT. "Ultimately it is our hope to expand CATV to all Hawaiian areas which suffer from inadequate TV reception," Kahn reported.

Kaiser-Burns Development Corp. (Hawaiian Village Hotel) owns KHVH-TV & KHVH Honolulu, satellite KHJK Hilo & 2 uhf translators in Hawaii.

* * *

Tenth anniversary for TelePrompTer occurred Dec. 4, which day marked a decade of network-level use of the firm's actor-prompting equipment.

WEEKLY **Television Digest**

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The authoritative service for executives in all branches of the television arts & industries

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FCC MOVES TO BAR "TRAFFICKING," starts rule-making to prohibit sales of stations held less than 3 years, with certain exceptions (p. 1).

TV ALLOCATIONS—FCC still discussing. No decision reached but Commission aims for a position by the time Congress convenes. All-channel-set legislation has strong backing (p. 2).

FIRST SHORT-TERM STATION LICENSE is issued—to Richard Eaton for his 5 stations (p. 3).

MULTIPLE OWNERSHIP RULE would be eased under new Commission proposal (p. 9).

Networks

CBS & ABC REVAMP OPTION TIME. As expected, there's no major program shakeup. (p. 2).

SECOND CANADIAN NETWORK gets tentative go-ahead. S. W. Caldwell's Canadian TV Network Ltd. may have difficulties meeting BBC's conditions (p. 3). Canada station grants (p. 11).

Congress

TV FIGHT CONTROLS BY GOVT. URGED at Senate hearings on boxing rackets. Sen. Kefauver (D-Tenn.) says new federal athletic commission may be needed (p. 3).

HOUSE TV COVERAGE SOUGHT BY NAB, which urges relaxation of rule in order to permit cameras & microphones in hearing rooms. No decision on live White House TV (p. 6).

Film & Tape

NEW TAX RULE IRKS TV FILMERS. Their reaction to "clarification" of the TV tax ranges from annoyance to indifference (p. 7).

EXTRAS SIGN COMMERCIALS PACT: SEG, SAG & N.Y. film producers reach terms; special rates established (p. 7).

Consumer Electronics

MORE DOLLARS PER SALE in TV this year, despite declining unit sales. Average September TV factory price was $4.40 higher than a year ago. Public increases its buying of consoles & combos (p. 15).

ALL-OUT DRIVE mapped by Corning for laminated tube. Glass maker sticks with bonded approach, insists it is superior to all competitive processes (p. 15).

TV RETAIL SALES in Oct. 13% below same month last year, radio sales up 10%. Full-year 1960 estimates: TV, 5,785,000 units vs. last year's 5,749,000; radio, 10.5 million vs. 8.9 million (p. 17).

CONSUMER READY to start buying again, survey indicates. TV at top of list, with post-election purchase plans 21% higher than year ago (p. 17).

IMPORTED TV MOVING, says Delmonico, chalking up record sales. Sears buys 4,000 of its Japanese 19-in portables for promotion-pricing at $128 (p. 18).

Auxiliary Services

CATV LEGISLATION considered by FCC and NAB committee—both stress "non-duplication" & "carry local-station signals" (p. 9).

Programming

BLOCK-BOOKING DECISION by Judge Dawson will bring no appeals from the 6 film companies (p. 5).

Advertising

SPOT TV RAN 4% AHEAD in 3rd quarter with $125 million in gross time billings (p. 12).

Other Departments

TECHNOLOGY (p. 6). **FOREIGN** (p. 6). **EDUCATIONAL TV** (p. 10). **PERSONALS** (p. 14). **FINANCE** (p. 20).

FCC MOVES TO BAR STATION 'TRAFFICKING': FCC's intentions to tighten station-sales policies and discourage quick-buck trafficking (Vol. 16:45 et seq.) are now definite. With 5-2 vote, Comrs. Hyde & Craven dissenting, Commission proposed to restrict sales of stations held less than 3 years, as we indicated. Exceptions would be allowed, FCC said, when "the assignor or transferor has made an affirmative showing, based on probative evidence, to support his assertion that due to inadequacy of operating capital, to death or disability of station principals or of key management personnel, or to other changed circumstances affecting the licensee or permittee occurring subsequent to the acquisition of the license or permit, Commission consent to the proposed assignment or transfer of control will serve the public interest, convenience & necessity." In proposing the new rules (comments due Jan. 16), the Commission gave these reasons:

"The frequent turnover of a large number of broadcast stations is a matter of concern both to the Commission & Congress. Voluntary sales of stations which have been held by their owners for short periods raise questions as to whether they are engaged in trafficking in broadcast interests and whether the resultant uncertainty on the part of station personnel and disruption in operating continuity causes programming deterioration incompatible with broadcasting in the public interest." Commission also offered statistics on turnover, as we disclosed previously (Vol. 16:45 p5).

Commission went too far for dissenters Comrs. Hyde & Craven, not far enough for concurrer Bartley. Dissenters insisted that Congress intended no time limit on station holdings. "It would be a serious error," Hyde said in a statement with which Craven concurred, "for the Commission to adopt a rule that would tend to discourage the investment of private venture capital for the purpose of improving station operation & public acceptance. I submit that the rigid rule here proposed by the majority may unintentionally have this result.

"To carry out the Commission's responsibility to stamp out trafficking, I would subscribe to a procedural rule designed to facilitate a most comprehensive administrative evaluation of all pertinent factors pertaining to each transfer or assignment of a broadcast license, with an additional burden of persuasion resting upon those licensees or permittees who are divesting after short tenure or in other circumstances giving rise to a question of trafficking. In such a review the length of the holding period would be one factor among other pertinent facts to receive consideration in determining whether approval of a proposed transfer would be in the public interest."

Bartley said that the majority is too lax. "I would have preferred," he said, "that we receive comments on a rule which is based upon the fact that the fundamental public-interest considerations in all transfer cases is not merely how long a license has been held, but the quality of service rendered to the public both before & after the transfers take place . . .

"I favor the promulgation of a rule which would implement the foregoing policy, one which would place upon an assignee or transferee the burden of an affirmative showing with respect to implementation of, or improvement among, the following public-interest areas: (a) Licensee responsibility, (b) Integration of ownership & management, (c) Local residence, (d) Diversification of control of mass media, (e) Fostering competition among broadcast stations, (f) Participation in community affairs, (g) Direct supervision of the station, (h) Public-service responsibility, (i) and a continuing awareness of & attention to the needs of the area to be served. If the showing is meritorious and the applicant is qualified in all other respects, consent would be granted without a hearing."

TV ALLOCATIONS—FCC STILL DISCUSSING: Nothing final was agreed on at FCC's closed-session consideration of TV allocations last week. However, Commission is striving vigorously to come up with policy position to offer Congress when it convenes Jan. 3.

Commission came to no vote on choice of alternatives before it, including those analyzed by staff (Vol. 16:49 p4), but it's understood that one factor was very live topic last week: All-channel sets. Strong faction within Commission believes that all-channel sets—henceforth—are basic to any allocations solution, immediate, short-range, long-range or what have you. We'd say there's excellent chance Commission will recommend all-channel legislation to Congress—despite manufacturing industry's opposition (Vol. 16:49 p17).

There's some thought at Commission that all-channel sets may be produced an easier way—by getting Justice Dept. to grant anti-trust immunity to set makers who agree jointly to make such sets. There's no major steam in this idea, at the moment—because of doubt that the technique would really produce the sets.

CBS & ABC REVAMP OPTION TIME: As expected, there was no major shakeup in CBS-TV's basic program lineup (Vol. 16:49 p15) when that network announced its revised option-time pattern last week (see p. 4.) Only a moderate number of CBS network shows will be out on a station-option limb as of Jan. 1, and CBS expects most of them to have little trouble finding station clearances.

ABC-TV, too, announced first details of its revised option plan late last week. Generally, it's like the CBS pattern on week nights, differs slightly on week-end nights and in daytime by starting a half-hour earlier (see p. 4).

NBC-TV took a "no comment" position when queried for reaction to CBS's option formula. The network, of course, was quietly putting fishing touches on its own option-time revisions, but N.Y. sources were willing to make a few off-the-record guesses.

Most likely evening move for NBC-TV will be to protect the 60-min. film series ("Laramie," "Wagon Train," "Outlaws," etc.) which open weeknight schedules at 7:30 p.m. If option time starts at 8 p.m., for example, few stations will dare throw out the first half of a sponsored hour-long show, and NBC has fewer network shows than CBS in the 10:30-11 p.m. period. The marginal-time Jack Paar and Dave Garroway shows will continue to take their chances in getting clearances in station-option time.

Stations, of course, can now kick out any shows that land outside revised network-option periods. Film syndicators are generally of the opinion that weaker network shows will be station-bounced, thus providing an expanded market for syndicated telefilms & features. Networks have meanwhile been reassuring worried agencies & clients that option-time sitting ducks are perfectly safe—so long as they maintain audience support.

SHORT-TERM STATION LICENSE DEBUTS: FCC's first short-term licenses have been granted to Richard Eaton for his 5 stations, because it found he hasn't given them enough "personal supervision." The Commission had investigated his operations, queried him about them, and he had responded with assurances that he would pay more attention. The Commission then renewed his facilities until March 1, 1962, said it would review the situation at that time and see whether he had kept his promises. The stations: WMUR-TV Manchester, N.H., radios WANT Richmond, WFAN (FM) Washington, WINX Rockville Md., WSID Baltimore.

The vote was close—Comrs. Hyde, Craven & King dissenting. Hyde said he dissented for same reasons he disagreed with majority on whole concept of short licenses: "I am very much concerned that this scheme of things will tend to put more & more program responsibility on the Commission in the public mind and less responsibility on the licensees where it belongs."

TV-BOXING CONTROLS BY GOVT. URGED: Previously unheard-of threats of additional govt. regulation of broadcasting—by proposed new Federal Athletic Commission—were raised last week at Senate hearings on gangster influences in big-time boxing.

Televised fights must be kept clean, and establishment of new federal agency may be needed to do it, said Chmn. Kefauver (D-Tenn.) of Judiciary Anti-Trust & Monopoly Subcommittee. He said he deplored idea of setting up yet another Washington bureau, but warned that Congress may have to take the step to assure more "honesty & uniform regulations" for ring business.

Long arm of underworld touched TV as well as managers, promoters, matchmakers and all other aspects of boxing, witnesses testified at Kefauver hearings. In fact, said Secy. Truman Gibson of now-dissolved International Boxing Club, TV has become so big in mobster-ridden fight operations that: (1) Networks & sponsors actually "call the shots." (2) Sport would die without TV. (3) Interstate telecasts have made boxing "a classic example of an area that needs federal regulation" in place of state licensing.

Nobody charged that networks or sponsors were in cahoots with gangland figures. But parade of ring characters told Subcommittee that contracts for big fights—& big TV purses—couldn't be arranged without deals with such notorious operators as Frankie Carbo, who now is in jail.

Saddest ring saga of all was told by ex-TelePrompTer vp William P. Rosensohn. He ruefully recounted how his venture in promoting first Floyd Patterson-Ingemar Johansson heavyweight fight (Vol. 15:20 p9 et seq.) cost him $70,000. Rosensohn testified that gamblers Anthony (Fat Tony) Salerno & Charles Black muscled in on his Rosensohn Enterprises Inc., then ganged up with TelePrompTer Pres. Irving Kahn to try to push him out of his company altogether.

Note: Newspaper payola practices of boxing promoters, which Subcommittee staffers have investigated (Vol. 16:46 p12), were touched only lightly at last week's hearings. In answer to Subcommittee questions, IBC's Gibson conceded he had paid out money to undercover promoter Frank (Blinky) Palermo, but denied that he had ever put any sports writers on his payroll.

2ND CANADIAN NETWORK GETS GO-AHEAD: Canada has given tentative nod to formation of that country's first privately-owned TV network—to compete with CBC in areas with competitive stations. OK was given to the sole applicant—group headed by big Toronto TV-film producer-distributor Spencer W. Caldwell (Vol. 16:47 p7).

Caldwell's Canadian TV Network Ltd. (CTN) faces some rather formidable obstacles, however—which could keep it from getting off the ground. While approving formation of network company, Board of Broadcast Governors laid down these conditions: (1) CTN must apply for permit to operate before Aug. 31, 1961. (2) Programming time must be at least 10 hours weekly at outset. (3) BBG must approve outline of new network's programming. (4) At least 6 affiliates must sign up for network service.

That last proviso may be the big rub. Only 8 grantees (3 of which are now on air) are in "competi-

tive" situations and therefore eligible to affiliate with CTN. One of them, Toronto's CFTO-TV, has already told BBG it is opposed to joining large private network (Vol. 16:49). Others are described as "reluctant."

Caldwell told BBG that CTN could start operating next September, providing 10 hours of programming weekly over existing microwave facilities until Trans-Canada Telephone System installs new routes especially for the network. The 8 "competitive" cities which network is designed to serve are scattered coast to coast: Toronto, Winnipeg, Vancouver, Calgary, Ottawa, Montreal, Halifax, Edmonton.

CBC doesn't intend to get into competitive-programming dogfight with new network, Pres. Alphonse Ouimet said in Toronto. He vowed CBC won't follow U.S. pattern "wherein Western is matched by Western and stations battle over decimal points in audience ratings." New stations & CTN were warned, however, that they will find CBC-TV's "commercial activities conducted with vigor & competence."

New-station grants & other actions by BBG are reported on p. 12.

Networks

More about

NEW OPTION-TIME PATTERNS: Most of CBS-TV's strongest audience attractions fit cozily inside the trimmed-back option-time pattern which goes into effect Jan. 1. As announced by the network Dec. 6 to its affiliates (see p. 2), the changes shape up as follows:

Nighttime: For stations in the Eastern and Pacific time zones, Mon.-Fri. network option time will begin at 8:30 p.m. & end at 11. Stations in the Central Time zone will use 7:30-10 p.m.; Mountain Time will use 6:30-9 p.m. On weekends, Eastern outlets will have a Sat.-Sun. network option pattern that moves a half-hour earlier, 8-10:30 p.m., with corresponding half-hour moves for other zones.

Is the schedule seriously affected? Not really. Currently, CBS slots *CBS-TV News* from 7:15 to 7:30 p.m. in station time, receives good clearances. On other nights, some programs are threatened (theoretically) with local pre-emption for syndicated shows, features, etc. Among them: *To Tell the Truth* and *Pete and Gladys*, Mon. 7:30-8 p.m. and 8-8:30 p.m.; *Father Knows Best* (reruns), Tue. 8-8:30 p.m.; *Aquanauts*, Wed. 7:30-8:30 p.m.; *The Ann Sothern Show* and *Angel*, Thu. 7:30-8 p.m. and 8-8:30 p.m. (eff. Dec. 15, replacing *The Witness* which moves inside network option to a 9-10 p.m. berth); *Rawhide*, Fri. 7:30-8:30 p.m. Nearly all fall into 2 distinct categories: (1) Shows that are rating so well, the network isn't worried about clearance, or (2) Shows that aren't doing terribly well (like *Aquanauts*) and which the network has been thinking of junking at the end of the season anyway.

On weekends, the Sat.-night *Perry Mason* (7:30-8:30 p.m.) is doubly protected by its strong ratings and the fact that its second half (8-8:30 p.m.) is within network option time. On Sun., the before-8 p.m. lineup includes a solid block of network shows that bridge the gap between 5 p.m., when network option ends, and 8 p.m., when it begins again. These include *Ted Mack's Amateur Hour*, *GE College Bowl*, *Face The Nation*, *20th Century*, *Lassie* and *Dennis The Menace*. The last-named 3, at any rate, have achieved ratings that will make stations think twice about dropping them; the earlier 3 have faithful (& vocal) audiences and considerable prestige.

Morning, afternoon: In the CBS morning lineup, Eastern & Mountain stations will have 10:30 a.m. to 1 p.m. as network-option time. For Central & Pacific stations, it's 9:30 a.m. to noon. Same times apply weekdays & weekends.

There's actually very little commercial network fare outside these brackets. There's a 10-min. news segment at 8 a.m. and *Captain Kangaroo* at 8:15-9 a.m. Both have won good clearances in station time. Local shows follow, and only reruns of *December Bride*, a network participation carrier in the 10-10:30 a.m. slot, is then left in station time. CBS's biggest morning draws, which begin with *Video Village* (10:30-11 a.m.) and run through *Guiding Light* (12:45-1 p.m.) are inside network time. On weekend mornings, programming is either aimed at moppet viewers with fairly regular sponsorship (Sat.) or is prestige-type fare that isn't a major source of network revenue (Sun.).

Much the same is true of the afternoon scheduling, which operates at 2:30-5 p.m. Mon.-Sun. for Eastern stations, 1:30-4 p.m. for Central, Mountain and Pacific outlets. Again, the big sponsored network lineup, starting on weekdays with *Art Linkletter's House Party* (2:30-3 p.m.) and continuing through *Edge of Night* (4:30-5 p.m.), is within network time. Weekends are filled at these times with kid shows & sports, both relatively safe from pre-emption.

Summed up: There may, of course, be some CBS shuffles to move shows from outside the network-option corral to the relative safety of network-controlled periods, with weaker shows swapped into the new station-option slots. Nobody at CBS last week, however, would make specific predictions, and the general impression was that the schedule would be left pretty much alone. NBC hasn't announced its revised option-time plans, but will probably follow a pattern much like CBS's, although adjusted to fit its own program strengths.

* * *

ABC's option pattern, announced a few days after that of CBS, is much like it—with some interesting variations. For the Eastern & Pacific zones, evening network-option time spans 8:30-11 p.m. every night of the week (CBS's is 8-10:30 p.m. on weekends, 8:30-11 p.m. other nights). Central & Mountain zone stations will use a 7:30-10 p.m. pattern for the same programming.

The morning network-option schedule on ABC is also like CBS's—10:30 a.m.-1 p.m. for Eastern, Central and Pacific outlets. For Mountain outlets, it's 9:30 a.m.-noon. In the afternoons, the schedule is 2-4:30 p.m. for Eastern, Central and Pacific outlets, 1-3:30 for Mountain zone stations, Mon.-Fri. On weekend afternoons in Eastern, Central and Pacific zones, it's 3:30 p.m.-6 p.m. (an hour later then CBS's schedule), 2:30-5 p.m. for Mountain stations.

■

ABC-TV scored another foreign network sale last week. Goodyear (through Kudner) signed a 52-week contract with the Central American TV Network, which ABC represents and in which it has an interest. On Nov. 1, Nestle made a similar deal with CATVN (Vol. 16:45 p9). Goodyear will sponsor a Spanish-dubbed, weekly half-hour show, *The Man & the Challenge*, after Jan. 1.

NETWORK SALES ACTIVITY

ABC-TV

The Bing Crosby Show, Mon. March 13, 9:30-10:30 p.m., one-time special, full-sponsorship
Oldsmobile (D. P. Brothers)

The Law & Mister Jones, Fri. 10:30-11 p.m.; The Islanders, Sun. 9:30-10:30 p.m.; Walt Disney Presents, Sun. 7-7:30 p.m.; The Roaring 20's, Sat. 7:30-8:30 p.m., part. eff. Jan.
Simonize (Dancer-Fitzgerald-Sample)

Daytime Programming, Mon.-Fri., participations eff. June
Welch (Richard K. Manoff)
Carter (Ted Bates)

NBC-TV

NBC Special News Reports, as events develop, full-spon.
Gulf Oil (Young & Rubicam)

The Coming of Christ, (*Project 20*), Wed. Dec. 21, 8:30-9 p.m., full-sponsorship
U.S. Steel (BBDO)

Tournament of Roses Parade, Mon. Jan. 2, 11:30 a.m.-1:45 p.m., full sponsorship.
Minute Maid (Ted Bates)

The Shirley Temple Show, Sun., 7-8 p.m., part. eff. Jan. 1.
National Biscuit (Kenyon & Eckhardt)

Sing Along with Mitch, alt. Fri., 9-10 p.m., part. eff. Jan. 27.
P. Ballantine & Sons (William Esty)

Laramie, Tue. 7:30-8:30 p.m.; Outlaws, Thu. 7:30-8:30 p.m., part. eff. Jan.
Pepsi Cola (BBDO)

The Outlaws, Thu. 7:30-8:30 p.m., part. eff. late Dec.
Bristol-Myers (Ogilvy, Benson & Mather)

Riverboat, Mon. 7:30-8:30 p.m., part. eff. immediately.
Warner-Lambert Pharmaceutical (Lambert & Feasley)

Senior Bowl Game, Sat. Jan. 7, participations
B. F. Goodrich (BBDO)
American Tobacco (Sullivan, Stauffer, Colwell & Bayles)
Ebonite (John C. Dowd)
Colgate-Palmolive (Ted Bates)
Schick Safety Razor (Compton)
Whitehall Laboratories (Ted Bates)

Daytime Programming, part. eff. Dec. 21 and Jan. 1 resp.
Cracker Jack (Leo Burnett)
Mentholatum (J. Walter Thompson)

National Football League Championship Game, Mon. Dec. 26, part.
Philip Morris (Leo Burnett)

Astaire Time, Mon. Feb. 20, 8:30-9:30 p.m., full spon.
Chrysler (Leo Burnett)

New Central-African Bureau will be opened by CBS News as part of a general expansion & re-alignment, says CBS vp John F. Day. The new African news post will be in Nairobi, Kenya and will be headed, shortly after Jan. 1, by CBS News correspondent Blaine Littell, now stationed in N.Y. Serving with him will be cameraman Jean Reitberger, now stationed in Paris. In other CBS News shuffles: Correspondent Richard Kallsen, currently assigned to Havana, will transfer to the Paris bureau. Lou Cioffi, now in Paris, will join CBS's Washington bureau. George Herman will become CBS News White House correspondent. Malcolm R. Johnson will be Washington editor-in-chief, a new post. And Daniel Bloom, producer of *The World Tonight*, has been named to the newly-created N.Y. position of managing editor, radio news.

Programming

NO APPEAL FROM BLOCK-BOOKING DECISION: Feature-film distributors won't appeal the Dec. 2 decision by N.Y. Federal Judge Archie O. Dawson that TV sales of features in you-must-buy-all blocks are illegal.

The general feeling of most film companies, who are now feeding pictures slowly into the market in small packages, with each picture individually priced (Vol. 16:49 p6), is that the decision is largely academic. Strengthening this thinking was the denial by Judge Dawson of a govt. motion to make feature-film contracts negotiable on a retroactive basis. On the subject of post-1948s, Judge Dawson ruled that defendants in the trial be restrained from following "certain of the procedures which they followed with reference to the pre-1948 films, and which are found in this opinion to be violations of the anti-trust laws."

The trial windup marked the end of a long legal trail (Vol. 16:9 p12 et seq.) in which the govt. had charged 6 leading distributors with refusing to license pre-1948 pictures on an individual film & station basis: Loew's Inc. (now MGM), C&C Super Corp. (now TV Industries), Screen Gems, Associated Artists Productions (now absorbed in UAA), National Telefilm Associates and United Artists. The defendants, Judge Dawson held, had violated Sec. 1 of the Sherman Act.

There'll be no punitive action taken against the defendants as a result of the "guilty" judgment. It is primarily a cease-&-desist ruling. Judge Dawson denied the govt. the application of Sec. 5 of the anti-trust laws, under which the Court's decree would have applied as a presumption of guilt in a civil triple-damages action. Also, by denying the govt.'s move to make TV station contracts renegotiable, Judge Dawson saved the defendants from possible financial losses that might occur (plus a probable mountain of paperwork) if contracts had to be worked out all over again on a price-per-picture basis.

What the ruling does mean to station management & film buyers is that distributors—most of which have long since dropped the practice, anyway—can no longer insist on "block deals" whereby stations must buy several bottom-of-the-barrel features in order to obtain a few choice features. Now, picture-by-picture pricing will be mandatory, although there's nothing to prevent a station from buying a complete package group if it wants to.

AFTRA-SAG contract talks with networks and agency-advertiser representatives continued last week, following decision by both sides in the recent near-strike to work out a new talent pact (Vol. 16:49 p2). Although the contract isn't official (many details are still being discussed and the unions must ratify it in any case), it shapes up something like this according to N.Y. sources: (1) It will be a 3-year contract, in line with union demands. (2) SAG actors in commercials will now have pay scales & residuals raised to parity with AFTRA actors in taped commercials. (3) Commercial scales have been raised, largely due to AFTRA-SAG's proposed "unit system," so that the potential earning of performers in commercials has been raised about one-third. (4) There are improvements, from the talent point of view, in working conditions & rehearsal hours.

Corinthian stations will field their own team of local newsmen to cover the Inauguration and the first week of President-elect Kennedy's administration, on the pattern of their local coverage of the political conventions, which drew full sponsorship on all 5 Corinthian stations.

Congress

HOUSE TV COVERAGE SOUGHT: Emboldened by President-elect Kennedy's tentative plan to open White House news conferences to live TV (Vol. 16:49 p3), NAB set out last week to break down another Washington barrier to TV & radio newsmen—House rules for committee hearings.

Meeting in Washington, NAB's Freedom of Information Committee headed by Frank P. Fogarty (Meredith Stations) urged that the House line up with the Senate by relaxing long-standing bans against cameras & microphones in hearing rooms.

The NAB group said it "deems House committee hearings to be fully as important & newsworthy as those hearings in the Senate which have been covered routinely for years by the broadcasting industry." It proposed that "this coverage would be handled on a 'pool' basis, where necessary because of space limitations, as is the present coverage of Senate committees and special & joint sessions of the 2 houses of Congress."

NAB will have to overcome formidable opposition before it crashes House gates, however. Speaker Rayburn (D-Tex.), a strict traditionalist in the conduct of House affairs, always has been adamant against any photographs or recordings while committees are in session.

Meanwhile, Kennedy's press secy. Pierre Salinger told the Women's National Press Club in Washington that the President-elect will make his decision on news conference formats before his inauguration Jan. 20.

Salinger reiterated that there's "a possibility" that live broadcasts of conferences will be okayed—perhaps every 5 or 6 weeks, scheduled for 6 or 7 p.m., but he emphasized again that the innovation still was in a "discussion stage," that "we want to look at all the recommendations & come up with a plan."

Asked at the Press Club meeting whether there will be a *Great Debate* series on TV again in 1964, Kennedy's press aide said the question "will have to be studied" at the White House.

NAB's TV vp Charles H. Tower told the Washington Kiwanis Club 3 days later, however, that neither the White House nor the networks will decide whether Presidential candidates will appear together on TV during the next campaign. Scorning talk by Kennedy advisors that an incumbent president shouldn't "condescend to debate with a mere candidate," Tower said: "the decision will rest, as indeed it should, with the American people."

Tower was supported by another resolution adopted by the NAB Freedom of Information Committee. It said that during the 1960 campaign, the broadcasting industry had fully demonstrated the ability of TV & radio to handle politics without the equal-time restrictions of the Communications Act. The next step in Congress, the Committee said, should be outright repeal of Sec. 315.

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Better men are needed in federal regulatory agencies, Chmn. Carroll (D-Colo.) of the Senate Judiciary Administrative Practice & Procedure Subcommittee reiterated last week. Appearing on CBS Radio's *Capital Cloakroom*, Carroll said this conclusion was buttressed by testimony at his hearings on perennial problems of govt. commissions & boards (Vol. 16:49 p2). The need for higher-caliber personnel in the agencies had been stressed at the hearings by President-elect Kennedy's expert James M. Landis, whose pre-inauguration report is due Dec. 15.

Equal-time "watchdog" hearings may be held some time after Christmas, chief counsel Creekmore Fath of the Senate Commerce Freedom of Communications Subcommittee told us last week. He said a decision will be made by the 3-man Subcommittee following the scheduled return Dec. 20 of Sen. McGee (D-Wyo.) from an inspection trip to the Congo. Meanwhile, Fath & Chmn. Yarborough (D-Tex.), who since the election had been unable to get together with McGee and the 3rd Subcommittee member—Sen. Scott (R-Pa.)—dug through piles of Sec. 315 complaints reported by TV & radio stations (Vol. 16:47 p11). The Subcommittee's formal report to the Senate on how broadcasters conducted themselves politically during the campaign is due by Jan. 30. A separate report from FCC on the same subject, based on station replies to Sec. 315 questionnaires due Dec. 5 (Vol. 16:49 p6), will be submitted to Senate & House Commerce Committees by March 1. As the deadline for replies passed, some stations still were unheard from, and others hadn't filled out questionnaires adequately, we were told at FCC. Commission letters to laggards, warning them to respond, will be mailed this week.

Election contest between Rep. Moulder (D-Mo.) of the Commerce Committee and Baptist minister Robert Bartel, who apparently lost by a slim margin of absentee ballots (Vol. 16:47 p6), may be carried to the House itself. Republican Bartel said he'll file a formal protest with the House if Mo. Secy. of State Robert Crawford accepts the absentee votes & certifies the election of Moulder, who was the first Legislative Oversight Subcommittee chairman.

Iron Curtain breakthrough has been achieved by the Voice of America in 2 programs broadcast by Radio Moscow under terms of the U.S.-USSR cultural exchange agreement. USIA reported that Soviet listeners heard a taped concert by the Yale U. Russian Chorus Nov. 26 and descriptions of displays at Washington's National Gallery & Smithsonian Institution Dec. 2. Other VOA tapes in Soviet hands: a performance of "My Fair Lady," a narrative of a Washington-N.Y. automobile trip.

Technology

TV satellite sweepstakes' latest entry is Hughes Aircraft Co. At an American Rocket Society meeting in Washington last week, that company's engineers demonstrated a small unit—about the size of a hatbox—which they said could do the job for about $15 million, including launching, further development, ground installations, etc. The device is designed to hover over the equator at about 22,000 miles. Hughes doesn't plan to finance the project; it is seeking backing of govt. or commercial interests. Meanwhile, Bell Telephone Labs' Dr. John R. Pierce predicted that a TV satellite will be orbited in 2 years. Reviewing research that led to AT&T's application to FCC to be first in space with an industry owned-&-operated system (Vol. 16:43 p1), Pierce told the Chicago Economic Club that many problems are unsolved yet. Among them: radiation interference, frequency assignments, ownership of facilities. But he was confident his 2-year deadline would be met.

Foreign

TV came to Southern Rhodesia last month, featuring mainly U.S. film shows. The first African TV station south of the Equator is owned by the govt.'s Federal Bcstg. Corp., with programming supplied by privately-owned Rhodesia TV Ltd., which sells spot announcements only.

Film & Tape

NEW TAX RULE IRKS TV FILMERS: A new Internal Revenue Service ruling, issued in order to clarify the controversial method of taxation on TV films (Vol. 16:49 p10), has met a variety of reactions in Hollywood, ranging from indignation to apathy.

TV-film executives we checked want a cost-recovery method, whereby a producer is not taxed if he spends all of his budget on production and shows no profit. However, IRS has been allowing the producer to write off only 60-90% of his production costs, depending on an estimated projected income of the series.

The new IRS ruling bars cost-recovery and formally adopts the controversial method which it terms "income forecast." An IRS spokesman in Hollywood explained the new ruling to us in this way: "We are now clarifying what has formerly been a clouded area—the application of Tax Code Section 167 with respect to TV films. We have gone on record as saying cost-recovery is not an acceptable method, and flow-of-revenue is a more acceptable method. Now the industry knows where we stand. We base our estimate on the producer's judgment as to his potential income; we don't substitute our judgment—unless the producer's estimate is not in conformity with the facts."

But TV executives did not share this optimism. One top executive told us that in his opinion the new rule hadn't changed a thing—it was just a continuation of IRS policy.

A producer-owner of a series said: "It would seem to me to be an eminently unfair ruling & an arbitrary decision. Who can say what the potential worth of a series is?"

Ozzie Nelson, producer-owner-star of the *Adventures of Ozzie and Harriet* (on ABC-TV), who is currently appealing a tax claim of $1.1 million, told us he didn't think the new ruling applied to his situation: "I think this ruling is not applicable to us. No matter what their rule states, it's still a guess as to potential income of a series. The rule might apply to large organizations which have yardsticks to go by, but not to us. I don't think we will ever syndicate our films. I think the ruling is grossly unfair & unjust. I don't think the companies affected by it will hold still for it—but, of course, that's up to them. It will not affect our appeal."

Producer Jack Chertok who, with Ann Sothern, is contesting a tax claim on their series, *Private Secretary*, told us he preferred to withhold comment until he'd had a chance to study the ruling thoroughly.

IRS's rule states that "after an extensive study & consideration of the matter, the Service has concluded that the so-called 'income forecast' method is readily adaptable in computing depreciation of the cost of TV films without producing any serious distortion of income . . . If in subsequent years it is found that the income forecast was substantially overestimated or underestimated by reason of circumstances occurring in such subsequent years, an adjustment of the income forecast for such subsequent years may be made . . . The total forecast or estimated income to be derived from the films should be based on the conditions known to exist at the end of the period for which the return is made." Rule applies to tape & film shows.

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William Talman is returning to his role as district attorney in CBS-TV's *Perry Mason*, after having been dropped from the cast when he was arrested last April in a vice raid. He was acquitted at the subsequent trial.

EXTRAS SIGN COMMERCIALS PACT: A contract covering extra players in TV commercials has been negotiated by the N.Y. Film Producers Assn., Screen Extras Guild and Screen Actors Guild. Extra players who demonstrate or illustrate products are for the first time given special rates as well as additional re-use payments.

The deal establishes a new classification of extra player, known as "product extra player," with a minimum of $55 a day retroactive to last Nov. 16 and rising to $70.83 on July 1, 1962. Original payment to the extra is for only 13 weeks' use of the commercial, unless he is paid an additional 75% for unlimited use when first employed. Otherwise, for use after 13 weeks, the extra will be paid an additional 100% of his total original compensation.

On & after July 1, 1962, all extra players working on TV commercials will come under the same plan of additional percentage payments for re-use after 13 weeks as the product extra player. Rates for these other extras will be identical with those in the contract signed in Hollywood between SEG, Assn. of Motion Picture Producers and the Alliance of TV Film Producers.

The N.Y. extra players contract calls for a contribution by the N.Y. producers of an amount equal to 5% of all extra players' earnings for pension, and health & welfare plans, beginning Nov. 16, 1960. The contract runs to June 30, 1964, with reopening rights on TV commercials in 1963. In addition to FPA, the networks and ad agencies participated in the negotiations.

The Hollywood contract between SEG, AMPP, and the Alliance provides that the terms of the N.Y. extra players agreement covering rates & conditions for TV commercials shall be incorporated in the Hollywood agreement. SAG represents extra players in the N.Y. area, SEG represents them elsewhere.

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How to Save Money on Pilots: Hollywood's device to avoid the heavy expenditure of pilot-making (average half-hour cost: $75,000) is the so-called "presentation film."

Revue Studios first devised the method 3 years ago in selling the Ray Milland *Markham* series, using a 10-min. film. Now the studio has revived the idea with 20-min. films for *The Rangers* (Jock Mahoney), a Mickey Rooney series, and *Tom Sawyer* (Maureen O'Sullivan & Chuck Herbert).

Usually the films are made in a single day at a cost of about $8,000. *Sawyer*, however, required 3 days of filming & a budget of about $25,000.

Executives contend that the presentation film has other advantages over pilots beside the obvious one of economy. A presentation can explain all angles of a series and therefore be a more comprehensive sampling than a pilot. In the film, the star of the series usually makes the sales pitch, and the footage sometimes includes a sequence or two of the contemplated series. In the Rooney film, clips from a *Wagon Train* in which he guested were inserted to demonstrate his versatility.

Several scripts are usually presented to potential buyers along with the film.

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Writers Guild of America West TV branch has elected 3 board members to fill posts vacated by its recent recall election (Vol. 16:44 p8): Maurice Tombregel, Doris Gilbert and Martin Wark. WGAW sent a delegation to N.Y. to meet last weekend (Dec. 10-11) with WGA East for its national council session.

HOLLYWOOD ROUNDUP

Four Star Television's 60-min. anthology series, *The Dick Powell Theater*, for NBC-TV next season, means the end of the 5-year-old *Dick Powell's Zane Grey Theater* on CBS-TV. So we're informed by Powell, who will host the NBC-TV show. The deal is for 39 first-runs & 13 repeats. Powell has asked for & received his release from his producer-director contract at 20th-Fox because of his chores as pres. of Four Star. But he will produce & direct a 20th-Fox movie in 1962, another in 1963. Powell leaves soon for Europe to meet Four Star partner Charles Boyer & examine production facilities on the Continent.

"Dodge City Syndrome" is the clinical tag put by the American Medical Assn. on a recurring type of TV Western-inspired injuries—gunshot wounds of the feet & legs. An editorial in the *AMA's Journal* says that the typical patient is "a young man in his late teens or early twenties" who shoots himself while trying to outdraw Matt Dillon & other TV heroes. It's a major medical problem, the editorial complains: "What happens is that the patient-to-be is too slow on the draw and too fast with his trigger finger, so that he fires the weapon before it is disengaged from the holster, and while it's still pointed down at his foot." The editorial reported that "numerous gun clubs have sprouted across the land," dedicated solely to practice of the fast draw.

Twentieth Century-Fox TV and the production team of Rod Amateau & Max Shulman (*The Many Loves of Dobie Gillis*) have parted company for future properties. Amateau, who will produce the team's next pilot, *Daddy-O*, told us the split was due to the studio's demand to be its own sales agent; he doesn't think it can do the job. William Morris formerly was 20th's sales agent. CBS Films is financing the pilot, which goes into production Dec. 27 at General Service studio. GAC is sales representative.

Filmaster Inc. has filmed three 5-min. episodes in a new series, *Nightside*, based on a radio property originally heard on KMPC Los Angeles. **Donn Reed** is reporter-commentator on the series, produced by Fritz Goodwin. The firm plans to film 260 episodes.

Ziv-UA released Keith Larsen from his skin-diving *Aquanauts* contract last week. A World War II-incurred head injury, "aggravated by constant exposure to water pressure," caused Larsen's physician to advise the move.

Pay-TV technical transmission tests in Los Angeles, by International Telemeter, were authorized by FCC last week. Operation of a low-powered transmitter will be permitted on Ch. 5 between 1:30 & 8 a.m., when KTLA is off air. No public participation is permitted.

Four Star Television has signed Robert Claver as associate producer of its *Michael Shayne* series.

CBS o&o KNXT Los Angeles is moving to the east wing of its Columbia Square bldg. at 6121 Sunset Blvd. from 1313 N. Vine. Programming begins from new hq Dec.. 31.

Obituary

Marion Parsonnet, 54, TV producer & writer, died of a heart attack in Hollywood Dec. 7.

NEW YORK ROUNDUP

Four-nation co-production series is planned by Intertel (International TV Federation), marking what the new organization calls a "breakthrough in the dissemination of ideas & cultural exchange through global TV." Intertel has 5 participants, representing 4 countries: Associated Rediffusion Ltd. (Britain), Australian Bcstg. Commission (Australia), CBC (Canada), Westinghouse Bcstg. Co. and National ETV-Radio Center. First Intertel project is a 60-min. monthly documentary series on international public-affairs topics. Objective view rather than national chauvinism, is being sought; the U.S. team will film a show on Africa, the Canadians will profile Castro's Cuba, the Australians will examine U.S.-Canadian relationships, etc. Initial capital of $500,000 for the project has been budgeted by the participants. Said WBC Pres. Donald H. McGannon: "This is the first practical step, after years of talking & hoping." In the U.S. & Britain, the Intertel series will be available for commercially sponsored TV; in Australia & Canada, it will be televised on a public-service basis.

NBC-TV's new production of "Peter Pan" flew right through the rating roof Dec. 8, attracting what NBC hailed as "the greatest audience for any TV entertainment presentation on a single network in TV's history." A special National Arbitron, produced on an overnight basis, showed the following scorecard: Homes, 24,300,000 (nearly half of all TV homes). Average Audience level, 39.8. Audience Share during the average minute of the show, 59.3%. Sets-in-Use level, normally about 54.5% for the show's time period, 7:30-9:30, reached a whopping 65.0%. National Nielsen AA level is unofficially predicted to come in at between 54.0 and 55.0—tops for the season.

Fremantle International, specialist in foreign telefilm syndication, sold 6 shows in Brazil & Argentina during November. Sterling TV's off-network *Silents Please* was bought in 7 Brazilian cities. Other sales included Portuguese- & Spanish-dubbed *Felix The Cat & Cartoon Classics* . . . **Another south-of-the-border venture** is being made by WNEW-TV's Fred Scott, host of *Felix & Friends*. He left last week on a good-will tour to distribute toys to underprivileged children in Panama, Ecuador & Peru.

ITC has announced "biggest November sales" in its history. *Ramar of the Jungle* and *Jeff's Collie* were renewed in 6 markets this month, including WNAC-TV Boston, WTVI Ft. Pierce, Fla., KBLR-TV Goodland, Kan. *Best of the Post* led ITC Nov. sales with 18 new markets, bringing the total to 149. New markets include: WABC-TV N.Y., WBAL-TV Baltimore, WTAR-TV Norfolk. Nine other ITC shows sold in a total of 27 markets.

CBS Films has licensed literary rights to 2 public-affairs specials in the *Tomorrow* series to publisher J. B. Lippincott Co. Authors John Pfeiffer and John Ely Burchard have been commissioned to write hard-cover, illustrated books to be published in 1961, based on "The Thinking Machine" (about the TX-O digital computer) and "Big City—1980" (which deals with the uncertain future of man's population centers).

People: William McGee has been appointed ITC western div. sales mgr. . . . Francis M. Winikus has been named UA special asst. to vp Arnold M. Picker to supervise European advertising & publicity . . . Albert G. Hartigan has been named ABC Films eastern div. mgr.

Auxiliary Services

CATV LEGISLATION: "Non-duplication" seems to be the watchword in suggested CATV legislation. It's the prime tenet of FCC's probable recommendations to Congress (Vol. 16:49 p3), and it's understood NAB's CATV Committee, meeting in Washington last week, stressed the same element.

FCC hasn't finalized its recommendations yet, but there seems to be little doubt that the 2 important features will be: Non-duplication, ordered by the Commission when necessary; CATVs to carry local-station signals. It's understood that NAB's thinking is the same—and that it is not proposing that CATVs be required to get rebroadcast permission from stations whose signals they carry.

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Closed-circuit TV "diorama" made its debut in N.Y.'s Grand Central Station Dec. 8, utilizing a 30-in. direct-view tube installation designed by Thompson Ramo Wooldridge for the newly-formed Billboard TV Corp. Designed to catch the eyes of 400,000 daily commuters, the TV channel ("BBTV-Channel 1," according to the firm's Pres., Jules Baker) will feature newsfilm & reportage from UPI. Present operating schedule of the closed-circuit system, which Baker hopes to expand to other N.Y. railroad & bus terminals, will be 8 a.m.-to-midnight and may ultimately expand to a 24-hour service. Baker hopes to sell commercial spot sponsorship in the system, and, if closed-circuit advertisers want "permanent identification with the project," BBTV will—for a price—decorate the sign with a sponsor's logo or emblem.

Vhf TV translator transmitters are now being offered by Industrial Television, 7270 Beverly Blvd., Los Angeles 26. The firm announces that it is now offering a complete service for potential translator operators "from the initial survey & filing of FCC forms to the complete installation." Through use of translators, Industrial Television says, high-quality multiple-channel TV can be provided in any medium-size community for an average cost of $10 per year per person. It claims to have installed more than 70 translator stations and over 40 microwave systems. The company also announced a new line of broadband TV microwave equipment, including a complete portable system for $5,130, including antennas.

Dynair Electronics Inc., San Diego, Cal., has developed a video line-driving amplifier capable of sending a high-resolution, 600-line TV picture-signal through 5,000 feet of RG 11/U coaxial cable or longer distances when lower-loss cables are used. Pres. E. G. Gramman said the amplifier will extend the usefulness of industrial & closed-circuit TV by extending the distance between cameras & monitors, and stations will find it useful, particularly for remotes.

H&B American Corp., Los Angeles, which recently bought Jerrold's 9 CATV systems (Vol. 16:48 p2), is now negotiating for the purchase of several more, according to Pres. David E. Bright. "We may build some, too," he said. He also reported the resignation of Charles L. Glett, pres. of CATV subsidiary Transcontinent Communications Systems. Bright will assume its presidency & chairmanship.

Translator starts: K75AT Leadville, Colo. began Nov. 22 with KBTV Denver • K77AV Palm Springs, Cal. started Nov. 29 with XETV Tijuana-San Diego • K80AV Pagosa Springs, Colo. started tests Dec. 5 with KOAT-TV Albuquerque.

The FCC

Multiple Ownership Proposal: Rule of FCC would be amended, under proposed rule-making started last week, to ease restrictions on minor, non-influential stockholders. As anticipated (Vol. 16:49 p5), the Commission proposed not to count, in figuring maximum holdings (ceilings are 5 vhf, 2 uhf, 7 AM, 7 FM), holdings of 5% or less—if the holder is neither an officer nor director nor otherwise exercises control of a corporation with 50 or fewer stockholders. Under present rules, any percentage held means just as much as 100% in corporations with 50 or fewer stockholders. In companies with more than 50, a stockholder is ignored if he has less than 1%. In any event, the Commission said: "In the case of both the widely-held & closely-held corporation, any stockholder, no matter how small his holding, will be regarded as having an 'interest' if in fact he controls or has a substantial voice in the control or management of the corporation or its affairs." Comrs. Ford, Hyde & Bartley dissented. Though they issued no statements, their past attitudes indicate that they believe the current proposal is an unwarranted relaxation. Comments are due Jan. 9.

The language of the proposed new rule is as follows: "A person who is not an officer or director of a corporation shall not be deemed to have an interest in or to be a stockholder of that corporation unless he: (1) directly or indirectly owns 1% or more of the outstanding voting stock thereof if the corporation has more than 50 holders of voting stock; or (2) directly or indirectly owns 5% or more of the outstanding voting stock if the corporation has 50 or fewer holders of voting stock; or (3) owns any of the stock of the corporation whatsoever and in fact controls or has a substantial voice in the control or management of the corporation or its affairs."

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Duopoly difficulties which held up FCC renewals of licenses of KING-TV & KING and KIRO-TV & KIRO Seattle (Vol. 16:30 p9) have been resolved. The Commission voted the renewals following assurances that the Pacific National Bank of Seattle, of which KING-TV Pres. Mrs. A. Scott Bullitt is a dir. & stockholder, will dispose of its interest in KIRO-TV. The stations were given 90-day deadlines to advise FCC that the condition has been met. Comrs. Lee, Craven and King objected to the condition, however. Said Craven (Lee concurring): "No cross-interests can possibly arise" because Mrs. Bullitt is forbidden by law to vote on any questions involving KIRO-TV anyway. Said King: "Nothing less than bureaucratic tyranny." The fact Mrs. Bullitt is a dir. of the bank doesn't mean—by any "stretch of imagination"—that KING-TV operates or controls KIRO-TV directly or indirectly, he said.

Outer space frequencies should be assigned at once by FCC, American Rocket Society gen. counsel Andrew G. Haley said in a court appeal from the Commission's opinion that such allocations aren't needed now. Asking the Court of Appeals for reviews of FCC's Docket 11866 (890 mc & above) proceedings (Vol. 16:29 p4 et seq.), Haley contended that "the very nature of worldwide TV & radio requirements" makes quick assignments necessary. He argued that it's "basically unsound" for FCC to look for a shared-frequency system to take care of space needs. "If exclusive channels are not made available, it is obvious that interference from other countries will destroy the very possibility of affording worldwide broadcasting & communications," Haley said.

FCC's programming report of July 29, re-emphasizing responsibilities of broadcasters to meet needs of their communities (Vol. 16:31 p1), has been commended by the American Civil Liberties Union. In a letter to FCC Chmn. Ford, ACLU exec. dir. Patrick Murphy Malin said the report will "make for the better-balanced, more widely-diversified programming to which the ACLU holds the people are entitled under both the First Amendment and the [Communications] Act itself." Malin said FCC's insistence that stations consult with local community leaders "makes excellent sense." He conceded that it will "make life more complicated for the station owner & his staff," but told Ford that FCC should disregard any protests by broadcasters that the policy amounts to "unconscionable interference" with management's right to run its own business. Malin also called for strengthening of FCC's new Complaints & Compliance Div. "It is to be hoped that the next Congress will adequately support the FCC under its present revitalized leadership," he wrote Ford.

AT&T's petition for space-satellite frequencies, including opportunity to handle transatlantic TV (Vol. 16:43 p1), met strong opposition from other services using the microwave spectrum AT&T wants to share. Among the opponents are Central Committee on Communication Facilities of the American Petroleum Institute, National Committee for Utilities Radio, EIA Microwave Section, Aeronautical Radio Inc., Assn. of American Railroads, Motorola. Generally, they argue that AT&T can use presently allocated common carrier frequencies (5925-6425 mc) instead of the 6425-6925 mc sought. They say the AT&T petition is premature in light of FCC's long-range rule-making on space allocations and upcoming international conferences on the matter. They assert that sharing with terrestrial microwave would be extremely difficult to coordinate.

Fuller explanation of the new AP-UPI Conelrad alert system, using Teletype networks instead of telephone relays, has been issued by FCC. In answer to queries from stations (such as prompted a since-withdrawn protest by the Ida. Bcstrs. Assn.—Vol. 16:49 p5), the Commission stressed: (1) "It is not contemplated that a broadcast or TV station licensee will be required to subscribe to one of the radio-press serives. The vast majority of all broadcast station licensees are already subscribers . . ." (2) "It is contemplated that every broadcast licensee will continue to radio monitor another broadcast station, particularly a Skywave Key station." FCC said "full & complete details & instructions" will be sent all stations soon.

First protest by CATV against vhf repeater grants was registered with FCC last week. Aztec Community TV, operator of systems in Aztec & Blanco, N.M., complained to the Commission of interference caused by boosters operated by Bloomfield Non-Profit TV Assn. in Bloomfield, N.M. Aztec noted that Bloomfield's transmitting antenna is within a few hundred yards of Aztec's receiving antenna, and causes "intolerable" co-channel interference which can destroy Aztec's service. Aztec also said that Bloomfield didn't comply with FCC's rules, having built boosters since the Commission's July 7 cut-off date.

Uhf translator CPs granted: Ch. 78, Gallup, N.M., to TV for Gallup Assn.; Ch. 76, Truth or Consequences, N.M., to city of Truth or Consequences.

Uhf stronghold Harrisburg, Pa. will be host to FCC uhf sparkplug Comr. Robert E. Lee, who will speak at a Kiwanis Club meeting there Dec. 29.

KWK St. Louis revocation hearing will probably start in St. Louis Jan. 18, FCC examiner Forest L. McClenning indicated at a pre-hearing conference last week. KWK has pending before the Commission a petition demanding a bill of particulars spelling out all the whos & whats of contest-fraud allegations (Vol. 16:45 p2 et seq.) and the Commission's Broadcast Bureau has opposed it, stating that FCC never opens its investigatory files in such proceedings. McClenning said that the hearing's start will be delayed beyond Jan. 18 if the Commission doesn't rule on KWK's petition by Jan. 6.

Reaffirmation of grant of Biloxi Ch. 13 to CP-holder WVMI-TV (Radio Associates Inc.) has been recommended to FCC in a supplemental initial decision by hearing examiner H. Gifford Irion. Commission's 1957 award had been challenged in the Court of Appeals by contestant WLOX Biloxi, which questioned oral terms & conditions of an agreement by hotelman Edward Ball to lend $300,000 to WVMI-TV. After hearing the case again on remand from the Court, Irion said he found no evidence "to indicate that Bell's role as a principal of Radio Associates" discredited WVMI-TV.

FCC's financial form revision, seeking more details from stations (Vol. 16:49 p11), drew objections from 3 more stations last week. Radio WCTC New Brunswick, N.J., WESO Southbridge, Mass & KCRS Midland, Tex. told the Commission that the additional data sought is not needed by the FCC and that it imposes an unnecessary burden on licensees.

FCC Chmn. Ford will address the luncheon session of the NCTA Eastern Regional Management Seminar at Washington's Statler Hotel Jan. 9. Other speakers on the occasion: Herbert Jacobs, pres. of TV Stations Inc. (film buyers); new NCTA Pres. William Dalton; NCTA counsel E. Stratford Smith; NCTA Chmn. Sandford F. Randolph; Hamilton Shea, pres. of WSVA-TV Harrisonburg, Va.

Trusteeship for Ch. 5 Boston, sought by Greater Boston TV Corp., has been rejected by FCC. FCC has decided to take the channel away from WHDH-TV, but the Court of Appeals is reviewing the Commission decision and has held it in abeyance pending review (Vol. 16:29 p1 *et seq.*).

With Fresno going all-uhf—KFRE-TV shifting from Ch. 12—a 4th station is now in prospect after last week's grant of Ch. 53 to B. L. Golden, E. H. Dean & L. W. Fawns.

Transfer of control of WDAM-TV Laurel-Hattiesburg, Miss. (Vol. 16:49 p11) has been approved by FCC.

Educational Television

TV assault on illiteracy in the tri-state broadcast range of WFIL-TV Philadelphia will be launched next month with the backing of major civic groups: Board of Education, Greater Philadelphia Council of Churches, Junior Chamber of Commerce, Philadelphia Foundation, others. Beginning Jan. 30, and continuing for 20 weeks, WFIL-TV will telecast reading & writing lessons 5 mornings a week, 6:30-7 a.m. Instructor: Board of Education TV-radio staffer Alex Shevlin. Goal: to reach & teach 200,000 of an estimated 800,000 illiterates who live within a 70-mile radius of the city, in Pa., N.J., Del. • Educational WGTV Athens, Ga. is telecasting reading & writing lessons 3 nights weekly; some 550 adults in 17 counties have enrolled for supervised sessions of the TV course in their communities.

Stations

Canada-U.S. Satellites: Canadian TV satellites of U.S. stations were approved for the first time last week by the Board of Broadcast Governors. BBG established a new class of station license—renewable until the areas are served by Canadian TV stations—which doesn't require the satellites to meet Canadian-content programming requirements.

Four satellites were approved—to repeat programs from 3 U.S. stations. The Board recommended these grants: (1) To Horace M. Card for Ch. 4 & Ch. 5, to repeat programs of KXLY-TV Spokane from Saddle Mt. & Mt. Sentinel, British Columbia. (2) To Sioux Lookout, (Ont.) Chamber of Commerce, Ch. 9 & 7, to repeat WDSM-TV Superior, Wis. from Sioux Lookout, and KDAL-TV Duluth from Hudson, Ont.

BBG also approved French-language CBC-TV satellites at Mont Tremblant & Mont Laurier, Que., and these privately-owned satellites, to be licensed to their mother stations: To CHCA-TV Red Deer for Banff & Coronation, Alta; to CHBC-TV Kelowna for Keremeos, B.C.; to CHAT-TV Medicine Hat for Pivot, Alta.; to CKBI-TV Prince Albert for North Battleford, Sask., to CKRS-TV Jonquiere for Roberval & Chicoutimi, Que.

Grant for a new TV station was made to radio CJFP for Ch. 7, Riviere du Loup, Que., conditioned on its reaching agreement with CBC-TV for network service. Application by Northwest Bcstg. Co. for TV station at North Battleford was rejected in favor of the satellite granted there to CKBI-TV Prince Albert.

Power increases were approved for CHCA-TV Red Deer, Alta.; CKMI-TV & CFCM-TV Quebec (Vol. 16:47 p12). CFPL-TV London, Ont. was given permission to increase antenna height to 1075 ft.

BBG also approved the sale of CJSS-TV Cornwall, Ont. (Vol. 16:47 p12) to a group headed by Bushnell Bcstg. Co. (CJOH-TV Ottawa) & Canadian Marconi Co. (CFCP-TV Montreal).

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Anti-trust suit for $1 million by radio WNDR Syracuse against Samuel I. Newhouse's newspapers & stations there, alleging that their "package" advertising deals damaged WNDR competitively, has been thrown out of court for the second time. Instructed by the Court of Appeals to reconsider an earlier ruling denying WNDR's claims against Newhouse's WSYR-TV & WSYR and *Post-Standard* and *Herald-Journal*, U.S. District Court Judge Stephen W. Brennan said he'd heard nothing to change his mind. In his first dismissal of the suit in 1955, Judge Brennan said: "It seems to me the plaintiff is not in direct competition with the 2 newspapers, and it seems apparent that the dissemination of news by a newspaper differs essentially from the news broadcasts of a radio station. Likewise, newspaper advertising differs from the advertising matters broadcast from a radio station."

Add FTC consent orders: Concord Distributing Co., Cleveland, and Prestige Records Inc., Bergenfield, N.J., have signed agreements with FTC forbidding them to distribute payola to anybody for broadcasting their records.

Unusual pre-hearing conference in the Miami Ch. 10 *ex parte* case has been ordered for 2 p.m. Dec. 12 by the Court of Appeals in Washington. Attorneys aren't sure what the Court has in mind—except the general idea of discussing issues and the schedule for filing of briefs.

New Color Camera Shown: Developmental 2-tube color camera which could be made at relatively low cost (Vol. 16:46 p8) was demonstrated last week to representatives of networks, stations, manufacturers & others. Consensus of observers was that it shows great promise, probably can be made to work well, needs more development.

The new live camera is the brainchild of Iowa State U. Prof. William Hughes, inveterate & highly respected developer of simplified color-film cameras, who next month takes over as head of Okla. State U. engineering dept. That there is interest in his system was shown by the fact that a large number of industry engineers—including representatives of the 3 networks, RCA, Telechrome & others—made the trek to Ames, Ia. in order to see the demonstration.

His camera uses 2 image orthicon tubes, as opposed to 3 used by current color cameras. One tube is used to pick up the luminance (black & white) component of the color picture, while the other sequentially (by use of revolving filters) picks up red & blue components. By a subtractive process (subtracting red plus blue from the luminance component), the 3rd primary color—green—is constructed.

Hughes's color camera functions at quite low light levels—30 to 50 foot-candles—and lends itself to a conversion kit to transform standard b&w cameras to color for about $10,000.

* * *

Complete low-cost TV station packages are now being offered by Electron Corp., the Dallas-based electronics subsidiary of Ling-Temco Corp. Using Ling and Altec equipment, the company says it can supply a complete low-power vhf or uhf station for as low as $30,000, from engineering services to cameras, transmitter & antenna. The company's first such installation was KRET-TV (Ch. 23 educational—now on air) Richardson, Texas. Electron Corp. itself holds CPs for KCDA (Ch. 3) Douglas, Ariz., now under construction, and KGIN-TV (Ch. 11) Grand Island, Neb. (The latter's transfer to KOLN-TV Lincoln, Neb. pends FCC approval.) Electron has 8 other contracts to supply low-power stations: CP-holders KRNM-TV (Ch. 10) Roswell, and KFUR-TV (Ch. 11) Santa Fe, N.M.; KEFS-TV (Ch. 22) Fort Smith, Ark.; Prairie States Bcstg. (Ch. 34) Salina, Kan.; Saunders Bcstg. Co. (Ch. 13) Flagstaff, Ariz.; Nogales, Ariz. (Ch. 2); and applicants for Gallup, N.M., (Ch. 3) and Lamar, Colo. (Ch. 12). Transmitters offered by Electron: 100-watt uhf, 120-watt high-band vhf, 250-watt low-band vhf.

* * *

Automatic logging equipment for radio stations will represent a $10-to-15 million market for broadcast-equipment manufacturers, NAB engineering mgr. A. Prose Walker forecast recently at a Collins Radio broadcast sales meeting in Cedar Rapids, Ia. Walker predicted that NAB's proposal for use of automatic logging equipment will be approved by FCC.

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Television Factbook, published semi-annually by TELEVISION DIGEST, released its new rate card (No. 5) last week, Dec. 5. The new rates are effective now for the forthcoming 1961 Spring-Summer edition of *Television Factbook* No. 32, which is scheduled for release April 15. All contract advertisers in the 1960 Fall-Winter edition will have rate protection under rate card No. 4 for the upcoming Spring-Summer *Factbook*. Copies of rate card No. 5 may be secured by writing our Business Office, Box 700, Radnor, Pa.

Radio KLAC Los Angeles has been sold by 100% owner Mort Hall to Westinghouse Bcstg. Co. for $4 million cash "subject to minor pro rata adjustments," according to the application for transfer filed with FCC last week. Announcement of the deal came Dec. 9 from Hall Bcstg. Corp. Pres. Hall and WBC Pres. Donald H. McGannon. KLAC, a full-time independent, began transmission in 1928 and has been operated by HBC since Aug. 1956. Since Westinghouse is currently up to its limit of 7 radio outlets (in Boston, Baltimore, Pittsburgh, Chicago, Cleveland, Ft. Wayne and Portland, Ore.), one of its present outlets will have to be sold. WBC has also been eyeing the N.Y. market, and recently made a tentative offer to ABC (ultimately declined) to buy the network's radio o&o flagship, WABC N.Y.

Rep firm being established by Storer Bcstg. Co. to handle national spot sales for the group's 5 TV stations has a target date of July 1 for opening its N.Y. & Chicago sales offices. Peter Storer, WSPD-TV Toledo managing dir., will head the as-yet-unnamed rep firm. Stations: WJBK-TV Detroit, WJW-TV Cleveland, WITI-TV Milwaukee, WAGA-TV Atlanta and WSPD-TV Toledo. Eventually, according to Stanton P. Kettler, exec. vp for operations, the new firm will handle non-Storer stations as well. In deciding to set up its own rep organization, Storer joins such groups as Westinghouse Bcstg. Co. (TvAR and AM Radio Sales), CBS (CBS Spot Sales), and NBC (NBC Spot Sales). The 7 Storer radio stations will continue to be repped by the Katz Agency and John Blair. (See also p. 14 for Storer personnel changes.)

Radio KTHT Houston has been sold for $1.5 million to Winston-Salem Bcstg. Co. by the Texas Radio Corp. Winston-Salem also owns WTOB & off-air permittee WTOB-TV (Ch. 26) Winston-Salem, radio WSGN Birmingham & 50% of permittee WBMG (Ch. 42) there, 1/3 of WOLE-TV (Ch. 12) Aguadilla, P.R., and 55% of application for Ch. 8 Winston-Salem. Broker was Blackburn & Co.

Sale price of radio WMGM N.Y. was $10,950,000, Leow's Theatres Chmn. Laurence A. Tisch told stockholders last week. Under terms of the sale, to Crowell-Collier Bcstg. (Vol. 16:42 p10), which is subject to FCC approval, Loew's is to receive $7,950,000 at closing and $3 million within 18 months.

Sale canceled: Connie B. Gay's $1.85 million contract for KFEQ-TV (Ch. 2) & KFEQ St. Joseph, Mo. and radio KLIK Jefferson City (Vol. 16:32) expired Nov. 3 and FCC has dismissed transfer application. The stations remain with the Jesse D. Fine family.

KTVI St. Louis took top honors in creativity with its rate card entry in the 3rd annual awards exhibition of the Art Directors Club of St. Louis.

FCC has approved sale of KDAL-TV & KDAL Duluth for $3.3 million to Minnesota Bcstg. Co., subsidiary of WGN Inc., Chicago (Vol. 16:34 p7).

Sale of KFSD-TV & KFSD San Diego to United Artists for a reported $7 million (Vol. 16:44 p10) has fallen through—principals being unable to agree on terms.

KNOX-TV Grand Forks, N.D. has dropped NBC-TV to become a primary ABC-TV affiliate. Its network programs are repeated by KCND-TV Pembina, N.D., which serves the Winnipeg, Man. area (Vol. 16:47 p11).

Power boost: KELP-TV (Ch. 13) El Paso, Tex. boosted power to 209 kw Dec. 3, after moving to its new site on the south slope of Comanche Peak.

Advertising

SPOT RAN 4% AHEAD IN 3RD QUARTER: TV-spot sales in 1960's 3rd quarter produced gross time billings of $125,012,000 TvB noted last week in a report based on a 332-station checkup compiled with N. C. Rorabaugh. The sum—reflecting the new 4-part measuring system introduced by TvB with its 2nd-quarter report (Vol. 16:40 p10)—is down sharply from April-June's $160.6-million pace. But, on the basis of the measuring system in effect a year ago, 3rd-quarter 1960 business ran 4% ahead of 3rd-quarter 1959.

The big spending for spot time ($42,288,000 or 33.8% of the total) was poured into prime-night schedules. Other spot spending: day, $34,689,000 (27.7%); late night, $25,573,000 (20.5%); early evening, $22,462,000 (18%).

Nearly three-fourths of the spot volume (73.6% or $91,989,000) went for announcements. Programs accounted for 15.1% ($18,926,000) of the 3rd-quarter total. IDs attracted 11.3% ($14,097,000).

Food & grocery products, with total gross time billings of $29,760,000, led all product classifications (TV & radio receivers accounted for only $22,000 of total spot ads).

There were 9 newcomers to the list of top-100 spot spenders (see table below): Aerosol, 34th ($691,700); Ball Bros., 92 ($259,400); Jack LaLanne Co., 89 ($264,300); St. Regis Paper, 98 ($248,400); Sheaffer Pen, 69 ($377,300); Simon & Schuster, 68 ($381,000); Sunkist Growers, 57 ($421,600); Tetley Tea, 95 ($251,100); U.S. Time, 99 ($248,200).

100 Largest TV-Spot Advertisers of 1960's 3rd Quarter

Gross time costs only, as estimated by Television Bureau of Advertising (TvB) in cooperation with N.C. Rorabaugh Co.

Rank	Advertisers	Amount
1.	Procter & Gamble	$14,428,600
2.	Lever Brothers	3,337,700
3.	General Foods	3,262,700
4.	Lestoil Products	2,501,300
5.	Colgate-Palmolive	2,428,600
6.	Wm. Wrigley Jr.	2,197,600
7.	Amer. Home Prod.	2,096,700
8.	Brown & Williams'n	2,083,500
9.	P. Lorillard	2,060,800
10.	Bristol-Myers	1,609,900
11.	Kellogg	1,609,700
12.	Miles Labs	1,428,400
13.	Nestle	1,409,800
14.	Gillette	1,307,700
15.	American Tobacco	1,265,100
16.	Food Mfrs.	1,177,500
17.	Ford	1,155,200
18.	General Motors	1,074,400
19.	Wesson Oil	1,017,900
20.	Coca-Cola	991,700
21.	Standard Brands	908,400
22.	J. A. Folger	877,900
23.	Warner-Lambert	869,800
24.	Philip Morris	842,400
25.	Pabst Brewing	838,500
26.	Anbeuser-Busch	779,100
27.	Pepsi Cola	779,100
28.	R. J. Reynolds	776,300
29.	Avon Products	745,700
30.	Pillsbury	743,200
31.	Hamm Brewing	738,000
32.	Corn Products	713,600
33.	Welch Grape Juice	703,600
34.	Aerosol	691,700
35.	Shell Oil	680,100
36.	Revlon	678,000
37.	Continental Baking	665,200
38.	Lanolin Plus	654,800
39.	Associated Prod.	639,100
40.	Carling Brewing	619,400
41.	Norwich Pharmacal	585,900
42.	Schlitz Brewing	563,900
43.	Pacific Tel. & Tel.	550,200
44.	Internat'l Latex	547,400
45.	Standard Oil (Ind.)	504,300
46.	Chesebr'ugh-Ponds	495,700
47.	U.S. Borax	493,000
48.	Falstaff Brewing	479,200
49.	Esso	465,300
50.	Pharma-Craft	463,700
51.	Minute Maid	459,200
52.	Carnation	458,100
53.	Vic Tanny	449,800
54.	American Chicle	448,500
55.	Atlantic Refining	443,700
56.	Carter Products	434,300
57.	Sunkist Growers	421,600
58.	Standard Oil (Cal.)	417,400
59.	Armstrong Rubber	413,600
60.	General Electric	410,500
61.	Ex-Lax	407,000
62.	P. Ballantine	398,700
63.	A&P	396,300
64.	United Merchants	390,800
65.	General Mills	387,300
66.	Phillips Petroleum	382,500
67.	Hertz	381,800
68.	Simon & Schuster	381,000
69.	Sheaffer Pen	377,300
70.	Hills Bros. Coffee	375,800
71.	Swift & Co.	375,000
72.	Piel Bros.	369,000
73.	Burgermei'r Brew.	368,500
74.	Sterling Drug	360,100
75.	B. C. Remedy	360,000
76.	Safeway Stores	356,000
77.	International Shoe	344,400
78.	United Vintners	324,400
79.	General Motors	320,400
80.	Schmidt & Sons	319,800
81.	Kroger	314,800
82.	Miller Brewing	313,600
83.	Parker Pen	312,900
84.	Oscar Mayer	302,800
85.	B'ch-Nut Life Sav.	298,000
86.	Duncan Coffee	284,100
87.	Hudson Pulp	275,400
88.	Schaefer Brewing	267,800
89.	Jack LaLanne	264,300
90.	Jergens	263,800
91.	Pepperidge Farm	261,000
92.	Ball Brothers	259,400
93.	Drug Research	256,100
94.	M. J. B.	253,300
95.	Tetley Tea	251,100
96.	Chrysler	249,900
97.	Gallo Winery	248,900
98.	St. Regis Paper	248,400
99.	U. S. Time	248,200
100.	Plough	247,800

Swan Song by Kintner: FTC's aggressive Republican Chmn. Earl W. Kintner, who will be replaced when the Kennedy administration comes in, has some policy advice for his successor: (1) Recognize "the necessity for active govt. regulation." (2) "Focus on meaningful compliance with the laws." (3) Have "a regard for fairness."

In a speech prepared for the National Food Brokers Assn. convention in Chicago Dec. 10, Kintner said his 18 months in office had convinced him that "any official" must aim at these objectives if FTC is to do its job. He warned against policies leading only to "successful prosecution rather than meaningful compliance" or to "a willingness to allow business conduct to go unregulated." What's needed, Kintner said, is "vigorous enforcement & meaningful business education."

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Shell is seeking big discounts from newspapers, now that the oil firm's agency—Ogilvy, Benson & Mather—is handling the account on a straight-fee basis and is switching the $14-million Shell budget almost entirely to print media (Vol. 16:47 p 9). So reported *Printers' Ink* last week. It revealed that OBM media vp S. L. Frey had sent a letter to all leading newspaper publishers asking "cooperation" (i.e., volume discounts) with Shell. Frey specifically suggested discounts ranging from 10% for 7 columns or more running 26 times, to a 30% discount for the same campaign running 78 times. Shell will become what is probably the largest single-brand advertiser in newspapers, but only 11% of the more-than-300 newspapers Shell intends to use offer frequency or dollar-volume discounts such as those available in TV & other media. Hinting broadly, OBM also advised newspapers: "In 1962, we may decide to concentrate in TV or magazines." Shell's gross TV billings last year, largely in spot, were $2,666,000.

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Ad People: **Thomas A. McAvity**, former McCann-Erickson TV-radio programming vp & M-E Productions vp, joins J. Walter Thompson in new post as TV-radio programming vp . . . **Vincent F. Aiello**, ex-senior vp & creative planning dir. of MacManus, John & Adams, has joined the creative dept. of Geyer, Morey, Madden & Ballard . . . **Paul Wason** and **Wayne Stuart-Bullock**, Benton & Bowles creative supervisors, elected vps . . . **H. R. Haldeman**, on leave since Jan. 1 to work on Vice President Richard Nixon's campaign planning staff, rejoins J. Walter Thompson, as manager of Los Angeles office, succeeding **Tom R. Cooper** . . . **John S. Williams**, former senior vp & exec. committee chmn. of Cunningham & Walsh, has joined Foote, Cone & Belding N.Y., as vp & copy dir. . . . **Colin H. John** and **William B. Everson** named MacManus, John & Adams vps.

Guy Mercer moves up to plans board chmn., Needham, Louis and Brorby, succeeding newly elected Pres. **Paul C. Harper**; account supervisor **Otis L. Hubbard Jr.** elected vp . . . **Bruce L. Newman**, ex-McCann-Erickson vp, has joined Kudner as senior vp.

Advertising Research Foundation elections: President, ex-managing dir. **Alcuin W. Lehman**; chairman, CBS Radio Pres. **Arthur Hull Hayes**; vice-chmn., Sylvania marketing research dir. **Frank W. Mansfield**; treasurer, Dancer-Fitzgerald-Sample senior vp **Lyndon O. Brown**.

Jack Benoze elected Doherty, Clifford, Steers & Shenfield vp . . . **Jack M. Bristow** becomes manager of BBDO's Chicago office, succeeding Wayne Tiss who moves to Los Angeles office . . . **C. Burt Oliver**, Foote, Cone & Belding Canada vp-managing dir., named FC&B national best. mgr., with hq in N.Y.

Expansion of local Nielsen reporting is planned for 1961, the research firm announced last week. It will be reflected in the Nielsen Station Index and will include: (1) Measurement of all U.S. TV stations at least twice a year, a broadening of present Nielsen measurement of the 389 TV stations in multi-station markets. (2) Increased audience samples, chiefly to provide full audience composition data for marginal time periods. (3) More synchronization of local reports to allow for market comparisons by agencies. (4) Special "sales-area breakouts" available to major spot or network advertisers to allow for measurement of national-local, full-scale TV campaigns. (5) Canadian audiences of U.S. stations—& vice-versa—reported to give a fuller picture of audiences reached by border-area stations. In the past 90 days, 14 major ad agencies have become "full-package" NSI subscribers.

Network TV's top time buyer in 1960's 3rd quarter was Procter & Gamble, which spent $10,350,190 vs. runner-up Lever Bros.' $8,351,044. P&G also took top spending honors for September, reports TvB, with a $3,353,609 investment. The leading brand advertised for July-Sept. was Westinghouse Institutional with $2,737,368 in gross time billings. September's leader: Anacin tablets ($876,168). Product classifications which scored major gains in Jan.-Sept. over 1959's first 3 quarters (Vol. 16:47 p8): apparel, footware & accessories, billings of $5,871,727 vs. $3,750,255 a year ago; automotive, automotive accessories & equipment, $37,813,272 vs. $32,447,836; gasoline, lubricants & other fuels, $11,429,790 vs. $5,969,769.

More daytime quiz shows are due on ABC-TV this season. On Jan. 9, a live N.Y.-originated package from Jerry Hammer Associates—*Camouflage*—will replace film reruns of *The Texan* in the 12-12:30 p.m. period, Mon.-Fri. Then, on Jan. 30, a new Goodson-Todman package, *Number, Please*, will replace *Beat The Clock* in the contiguous time period, 12:30-1 p.m. Quiz shows have staged a rating comeback (up 25.8% in AA level this season as against last) to recover some of the network popularity they lost in the quiz-scandal aftermath (Vol. 16:48 p11).

Toy advertisers will spend a record $7 million in 1960, according to TvB. National & regional spot & network gross time billings were up 19.5% for the first 9 months of this year ($2,708,130 against $2,272,030 in the like period of 1959). The leading advertiser was Mattel, with network spot billings of $970,230, followed by Colorforms ($267,700) and General Toy ($224,550). Toy sales are also hitting new highs, rising to more than $1.7 billion (vs. $1.65 billion last year), reported TvB.

Almost $182 million of air time & space was contributed last year to the Advertising Council's campaigns by the country's communications services, vice-chmn. Edwin Ebel said at the Council's annual Hollywood luncheon, attended by 300 industry & media leaders. Ebel is also chmn. of the Council's national TV-radio committee. Pledges of continued cooperation were given by James T. Aubrey Jr., pres., CBS-TV; Oliver Treyz, pres., ABC-TV; and Walter Scott, NBC-TV exec. vp.

New reps: KBAK-TV Bakersfield, Cal. to Select Station Representatives and Weed Nov. 15 from Peters, Griffin, Woodward • WSLA Selma, Ala. to Radio-TV Representatives Oct. 15 from Forjoe • KXGO-TV Fargo, N.D. to Meeker Dec. 1 from Weed.

Correction: In Background No. 10 (Vol. 16:49 p14), the name of the pres. of the Assn. of National Advertisers should read Peter Allport.

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Personals: Storer Bcstg. changes: Effective Jan. 1, William Michaels, vp & managing dir. WJBK-TV Detroit, becomes regional vp, Detroit & Cleveland; Terry H. Lee, vp & managing dir. WAGA-TV Atlanta, becomes regional vp, Atlanta, Toledo, Milwaukee.

Fred von Stade, ex-WTVN-TV Columbus, O. national sales mgr., appointed gen. mgr. of Taft Bcstg.'s WKYT Lexington, Ky., succeeding Robert Wiegand who becomes WTVN-TV gen. mgr. . . . Jerrold P. Merritt, WICS Springfield, Ill. chief engineer, has been advanced to engineering dir. of the 3 Plains Television Stations, WICS, WCHU Champaign, WICD Danville.

Norman S. Livingston, onetime NBC executive, appointed vp of Tv Stations Inc. . . . John D. Maloy named programming dir. for WNAC-TV & WNAC Boston . . . Chester L. Stewart, Reeves Bcstg. vp, appointed president of Reeves Sound Studios div. . . . Soterios (Buddy) Pappas named ad & promotion dir., WTTG Washington.

Arthur D. Stamler, ex-radios WBUR Boston, WHIL Medford, Mass. and WGUY Bangor, Me., who has been operating his own Washington public relations firm specializing in station promotion, joins NAB's public relations staff . . . CBS's John Walsh has resigned as coordinator of special TV programs to become exec. dir., International TV Festival . . . Harry Wagner joins WSUN-TV St. Petersburg as program mgr., succeeding Leo Ribitzki who takes over supervision & production of special community-service programming . . . Thomas A. Pendleton, ex-Naval Ordnance Lab, Silver Spring, Md., joins Washington TV-radio engineering firm, Jansky & Bailey, as advanced technical development dept. head . . . Peter P. Theg named exec. vp, Broadcast Time Sales.

Frank P. Fogarty, WOW-TV & WOW Omaha vp-gen. mgr., elected RAB chmn. . . . Gayle Gupton resigns as dir. of radio's Clear Channel Bcstg. Service, Washington, returns Jan. 1 to Third National Bank, Nashville; successor not yet selected . . . Gene LaBrie, ex-Columbia Records, named program dir., Metropolitan Bcstg. Worldwide div.

Michael M. Grilikhes, gen. program exec. for CBS-TV, Hollywood, and Laraine Day have taken out a marriage license . . . Al Flanagan named pres., NAFI broadcast div., as Kenyon Brown steps down to devote his time to other interests. Flanagan will continue as mgr., KCOP Los Angeles . . . Henry R. Flynn, ex-NAFI Corp. bcstg. div. executive, becomes vp in charge of Kenyon Brown's personally-owned radio stations KFOX Long Beach, KITO San Bernardino, KSON San Diego, KANS Kansas City, KGLC Miami, (Okla.) . . . Asher H. Ende, supervising attorney in FCC's Common Carrier Bureau since 1956 & member of U.S. delegation at 5 international conferences, named a hearing examiner.

E. W. (Ted) Scripps, vp of Scripps-Howard Newspapers and associated TV-radio stations, elected pres. of Sigma Delta Chi; CBS Pres. Dr. Frank Stanton named a Fellow of the professional journalism society, the first broadcast executive to be so honored.

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Los Angeles Angels, new baseball club franchised by the American League, will be controlled by a group heavily loaded with broadcasting names. Gene Autry (KOLD-TV & KOLD Tucson, KOOL-TV & KOOL Phoenix, radios KMPC Los Angeles, KSFO San Francisco and KVI Seattle) is chmn. of Golden West Baseball Co., which won the franchise. His partner, Robert R. Reynolds, is pres.; Paul A. O'Bryan of the Washington communications law firm of Dow, Lohnes & Albertson is vp & gen. counsel. Others in the group include NAFI bcstg. div. Pres. Kenyon Brown and N.Y. banker Joseph A. Thomas. O'Bryan, Brown and Thomas in particular are old baseball hands, having had interests in the Detroit Tigers (Vol. 14:14 p10).

James A. Schulke, Paramount Television Productions vp & mgr. of Paramount-owned KTLA Los Angeles, has resigned, effective Jan. 1. He told us he'd made the move to avoid "conflict of interests" in negotiating on behalf of a syndicate of broadcasters & financiers to buy KTLA's Sunset Studios for an estimated $10 million. Schulke said current negotiations "look very favorable." If they are concluded successfully, he will head the new operation, which will place its emphasis on tape.

Ex-MBS Pres. Alexander L. Guterma, now under jail sentences for F. L. Jacobs Co. stock operations & for failure to register as a foreign agent (Vol. 16:45 p8), has been indicted again. A U.S. District Court grand jury in N.Y. charged Guterma & 12 other defendants with fraud in connection with 1955-56 sales of stock of Western Financial Corp., Diversified Financial Corp. of America and Consolidated American Industries Inc.

Harold E. Fellows scholarship for graduate studies in broadcasting, financed by the Bcstg. Executives Club of New England, has been announced by Boston U. Applications for the $500 scholarship honoring the late NAB pres. should be submitted by March 1 to Dean Melvin Brodshaug, School of Public Relations & Communications, 640 Commonwealth Ave., Boston.

Edward P. Whitney, NCTA exec. dir., is understood to be resigning as of Feb. 15 to become national sales mgr. of Ameco, Phoenix CATV & closed-circuit equipment manufacturer. Ameco is a div. of Antennavision Inc., headed by Bruce Merrill, which operates several CATV systems and which recently bought KIVA (Ch. 11) Yuma.

Rare white tigress from India has been presented to the National Zoological Park in Washington by Metropolitan Bcstg. Corp. Pres. John W. Kluge as "a gift to the children of America." Valued at $10,000 and named "Mahani Rewa" ("Enchantress of Rewa"), the 200-lb. beast was accepted for the zoo by President Eisenhower in much-photographed ceremonies Dec. 5 on the White House lawn. Metropolitan underwrote the purchase of the tigress from the Maharajah of Rewa and paid the expense of transporting it by plane.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TV'S DOLLARS-PER-SALE RISES: The decline in TV unit sales during past few months is only part of the story. What doesn't show up at first glance in statistics is this: Although there have been no general price increases, public is paying more per set than it paid last year.

In past few months they haven't been buying as many sets as last year, but they're buying more consoles, more combinations, more big-screen sets—and this year they're continuing & furthering the 3-year trend toward higher unit price per set.

Analyzing the month of September, we find average price of TV set sold by factory was $151.41 in 1960, compared with $147.01 in Sept. 1959. This $4.40 difference at the factory would translate to perhaps an $8 differential at retail.

There's no question that constant campaign to upgrade TV set purchases is paying off. Despite a 9.4% drop in total retail TV sales from Sept. 1959 to Sept. 1960, the public bought 8.7% more consoles & 15.5% more combinations in Sept. 1960 than in Sept. 1959.

In Sept. 1960, retail sales broke down as follows: 52% table models & portables, 43.5% consoles, 4.5% combinations. Just one year earlier, breakdown was 60% table models & portables, 36.5% consoles, 3.5% combinations.

Picture-tube size shows similar upgrading—aided sharply by public acceptance of new 19- & 23-in. sizes. In Sept. 1960, consoles sold at retail were divided 53.5% 23-in. & larger, 46.5% 21-in. & smaller, while the division a year earlier had been 19.1% & 80.9%. Among table models, Sept. 1960 saw retail sales divided 59.5% 19-in. & larger, 39.5% 17-in., 1% smaller sizes. In Sept. 1959, 34.8% had been 19-in. & larger, 62.5% 17-in., 2.7% smaller sizes.

These figures for a typical fall 1960 month show that while there are fewer unit sales (and total dollar sales have also declined), there are more dollars—and presumably more profits—per sale.

Note: With official release of EIA production-sales figures for October—showing TV sales down about 13% from Oct. 1959—it's a good guess that total 1960 TV retail sales will come to just about 5,785,000. This is a shade higher than last year's 5,749,000—but distributor sales & production will be lower than last year. For 10-month TV-radio production & sales tables, see p. 17.

CORNING'S ALL-OUT BONDED-TUBE DRIVE: Picture-tube safety-glass issue is shaping up as one of hottest intra-industry battles of 1961. Quietly confident of victory—but not in the least complacent—is world's biggest TV-tube bulb maker, Corning Glass Works, whose laminated-glass process is being challenged from several new directions (Vol. 16:48 p14).

Neither dealers nor public realize all the advantages, Corning has found, of the Corning-type tube (to which a wrap-around implosion plate is bonded, requiring no external safety glass). Recent survey made for Corning by Psychological Corp. showed that only 54% of dealers were aware of laminated tube's advantages and fewer used it as selling point. As to TV set owners, only 15% had any awareness at all of terms "bonded shield" or "laminated tube."

All-out TV promotion campaign—"Operation Snowball"—to which Corning will contribute about $500,000, with kickoff next month at Chicago winter market, will attempt to correct this situation. In cooperation with manufacturers, distributors & dealers of sets using laminated tubes, it will be aimed at promoting TV itself—with emphasis on what Corning has re-christened the "Eye-Saver Tube" and calls "the greatest advance in TV-viewing enjoyment in the past 10 years." Campaign will be elaborate, will use all media,

and was developed by merchandising-promotion specialist Ralf Shockey & Associates, which is currently conducting U.S. Steel's "Rhapsody in Steel" promotion.

Most set manufacturers have approved the drive, which is scheduled to run a full year and is aimed at generating excitement about TV, in addition to promoting "Eye-Saver" TV models—for Corning's TV-glass business is tied directly to success of TV sales. Details of campaign will be announced Dec. 21.

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Corning calls its laminated bulbs "implosion-proof," but has no plans to use scare factors in its promotion campaign. Nevertheless, for more than a year now, it has been conducting impressive implosion demonstrations for set & tube makers at its Corning, N.Y. hq.

We were privileged to witness the implosion demonstration last week. Two conventional table-model TV sets were used—on both of which the picture tube had previously been weakened by drilling a small notch in the top of the tube through a hole in the cabinet. A spike was then driven into the notch in a set with a 21-in. tube and conventional external safety glass. When it went, it made a noise like a bomb, and though implosion was contained within set by safety glass & cabinet, components were demolished by impact. Then spike was driven into laminated 23-in. tube of the 2nd set. Instead of a bang, there was a poof. Back was opened to expose all components intact, tube merely cracked. By wrapping completely around faceplate, laminated implosion cap holds glass together, we were told.

Corning looks on "implosion-proof" as added plus in laminated tube, says no other type bulb that it knows of has this feature. Implosion probably isn't significant hazard to consumers, since it rarely occurs and almost always is contained within the set. But use of implosion-proof tube, says Croning, cuts down manufacturers' costs by eliminating repeated test implosions of every TV model to satisfy Underwriters' Labs.

Implosion issue, of which we had heard very little since TV's early days, is coming in for some new attention, incidentally. December Popular Science magazine has photo of TV tube implosion (but no scare story). And, quite independently, a leading consumer-guidance magazine is understood to be preparing an article on TV implosions.

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Corning makes point-by-point rebuttal to proponents of both the dry-seal safety-glass approach (in which glass is separated from tube by vinyl gasket) and the developmental Mylar shield for picture tubes.

The glass manufacturer says its experimented with dry-seal techniques 5 years ago and discarded them. It says this method won't permanently keep dust & moisture from between glass & tube face—unless a truly hermetic seal is made, the cost of which "will be excessive."

One of biggest selling points for laminated tube is elimination of 2 reflective surfaces. When Corning rejected dry-seal approach over 5 years ago, "the prime reason was internal reflections."

As to costs, Corning insists that laminated tubes are as inexpensive as any approach. Although 23-in. laminated tube costs $3.50 more than conventional one, safety glass in included in cost—and, Corning reasons—gasket and extra mounting hardware for dry-seal or other tubes also help make up the difference.

Corning makes similar argument on the question of weight. Conceding that its tube is heavier than non-laminated tube plus a plastic implosion plate, it says it is nevertheless competitive weight-wise with any other tube-plus-glass approach. A 23-in. laminated tube weighs about 10 lb. more than non-laminated tube, and Corning says that most external safety glasses weigh about 10 lb.

Weight reduction may be on its way for laminated tube. We were shown developmental cap weighing only half as much as today's cap—which could chisel as much as 5 lb. from weight of 23-in. bonded tube. There was no estimate of when the new cap will be ready. Another possibility in future of laminated tube: Special caps could be built in unique shapes, even used to form all-glass front of set.

As to du Pont's Mylar safety shield, Corning says it's "virtually unknown" and hasn't been tested, either in TV or in homes. New Pittsburgh laminating process, too, was called unknown & untested.

Tube makers' early production problems in the laminating process are disappearing. Corning said that manufacturers who have set up properly have cut shrinkage (rejection) down to less than ½%.

All major set makers except Magnavox & GE now use laminated tubes in at least part of their lines.

Corning's rebuttal is a strong one, and the returns aren't in yet—but you can expect to hear, and be involved in, many more salvos in the safety-glass battle in coming months.

TV-RADIO PRODUCTION: EIA statistics for the week ended Dec. 2 (48th week of 1960):

	Nov. 25-Dec. 2	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	91,649	91,627	122,772	5,398,581	5,878,999
Total radio	400,179	273,164	288,755	15,991,381	14,358,176
auto radio	117,134	98,333	62,455	6,029,919	5,036,264

TV-RADIO OUTPUT & SALES: EIA's official October production & retail sales figures substantiate preliminary estimates in these pages (Vol. 16:48 p17)—TV retail sales for October are down about 13% from Oct. 1959, radio sales are up nearly 20%. Cumulative 10-month TV retail sales are still almost 5% ahead of 1959, while radio sales are sharply up. The sharp brake put on TV production is beginning to show up in reduced inventories, as we noted last month, and further year-end layoffs are expected to bring output down far more sharply in December.

On the basis of 10-month retail sales, it's now evident that, at the current rate of sales, TV retail movement for 1960 will total about 5,785,000 units, slightly higher than last year's 5,749,000, but probably considerably higher in dollar volume, due to the higher average price per TV sale (see p. 15). Radio retail sales (excluding auto) should total about 10.5 million units vs. last year's 8.9 million.

Reports of November business from all distribution levels indicate the slow business trend is continuing. There are some notable exceptions—for example, Emerson, whose Pres. Benjamin Abrams noted a "material improvement" in the last 2 months.

Here are the EIA month-by-month figures for 1960 with comparable 1959 data:

TELEVISION

Month	Total Production 1960	Total Production 1959	Uhf Production 1960	Uhf Production 1959	Retail Sales 1960	Retail Sales 1959
January	626,494	437,026	50,119	35,841	590,867	501,704
February	503,453	459,492	43,537	34,678	507,673	448,173
March	549,500	494,032	45,411	32,112	501,829	425,751
April	422,551	389,251	39,240	20,501	351,214	263,998
May	442,176	431,911	32,295	28,247	334,283	279,536
June	518,870	571,004	34,245	29,064	371,661	344,795
July	268,854	350,360	14,621	21,022	392,858	370,575
August	462,286	547,445	26,829	32,847	429,346	492,449
September	678,937	808,337	46,161	51,555	620,810	684,773
October	499,999	706,503	38,999	55,113	554,478	637,147
TOTAL	4,873,120	5,195,440	371,457	340,980	4,655,019	4,448,901

RADIO

Month	Total Production 1960	Total Production 1959	Auto Radio Production 1960	Auto Radio Production 1959	Retail Sales (excl. auto) 1960	Retail Sales (excl. auto) 1959
January	1,355,788	1,124,737	632,461	420,052	803,388	700,490
February	1,442,368	1,125,385	596,872	432,551	611,479	474,888
March	1,667,550	1,347,554	633,761	511,219	664,441	515,563
April	1,230,323	1,040,183	399,963	422,346	547,839	388,863
May	1,277,040	1,039,562	463,165	476,222	548,322	400,882
June	1,551,451	1,430,165	596,870	637,806	702,889	678,195
July	890,359	829,035	328,009	254,725	573,363	526,827
August	1,048,406	1,009,423	340,860	279,424	794,608	671,713
September	1,945,092	1,981,208	788,961	717,501	1,102,092	928,457
October	1,727,560	1,795,718	639,357	531,116	1,036,333	839,912
TOTAL	14,135,937	12,722,970	5,420,279	4,682,962	7,384,754	6,125,790

FM radio production (1959 figures in parentheses): Jan. 33,816 (30,235), Feb. 56,515 (29,145), March 83,127 (32,994), April 68,196 (31,425), May 65,438 (48,841), June 105,317 (50,783), July 49,707 (24,553), Aug. 71,125 (42,866), Sept. 111,745 (76,942), Oct. 88,596 (62,959). **Ten-month total:** 766,006 (430,763).

GE will introduce 4 new consumer-electronic products at distributor meetings next month—2 radios, one stereo & one TV receiver—all described as "completely new."

CONSUMER READY TO BUY? "In the 2 weeks after the election, the American consumer dramatically increased his buying plans"—and TV stands at the top of the list. So reported Dec. 12 *Newsweek* on the basis of a special report on its Continuing Survey of Consumer Buying Plans, conducted by the National Industrial Conference Board and based on interviews made by Sindlinger.

While conceding that the survey was based on "smaller-than-normal samplings," *Newsweek* stated that the figures show "a definite upsurge in consumer confidence" since the election, and speculates that the spurt in buying plans is due to a general belief that a Democratic administration promises an era of easier credit. While plans to buy new houses & appliances increased, new car-purchase plans dropped.

As compared with a year ago, these were the changes in consumer plans to buy various items: TV sets, up 21%. Vacuum cleaners, up 21%. Freezers, up 15%. New houses, up 13%. Ranges, up 11%. Dishwashers, up 9%. Used cars, up 6%. Refrigerators, up 2%. Furniture, unchanged. Driers, down 3%. Home improvements, down 4%. Floor coverings, down 6%. New cars, down 7%. Washing machines, down 14%. Older homes, down 18%.

In a separate analysis, *Newsweek* predicted a rise in the Gross National Product from 1960's estimated $503 billion to $510 billion next year, with consumer spending to go up from $327 to $330 billion, govt. spending to rise from $100.5 to $106 billion, and the consumer price-index to rise from 126.3 to 127. The publication forecast a decrease in industrial production from 108.5% of 1957's level to 105%, and an increase in unemployment from the present 5.4% to 6% of the labor force. The publication saw new housing starts rising from 1.2 million to 1.3-to-1.4 million.

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Upturn in TV business in 2nd half of 1961 was predicted last week by GE TV-receiver dept. gen. mgr. Herbert Riegelman, but he saw the first half continuing the downward trend which started last June. This year's distributor sales of TV sets probably will total about 5.7 million sets, he said, adding: "The corrective action instituted by the TV industry to overcome an unbalanced inventory situation saved the industry from what may well have been a disastrous situation." He saw present inventories at "close to a normal level." He stated that "GE's participation in the industry has shown a significant increase at both dealer & distributor levels." For 1961, he foresees "no significant or immediate increase in consumer demand for color TV," consoles gaining strength in proportion to the growth of the replacement market, combinations gaining in popularity.

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Battery-operated electronic computer that will continue to function for more than an hour despite power failure or irregularity has been developed by Packard-Bell.

IMPORTED TV IS MOVING: Success of its Japanese-made TVs & stereo consoles—now being imported in substantial quantity and distributed nation-wide—was largely responsible for Delmonico International's all-time sales record last month. So said Herbert Kabat, exec. vp of the subsidiary of Thompson-Starrett Co., which plans to introduce a complete line of TVs & TV-stereo theaters in Chicago Jan. 6, coincidental with the opening of the Winter Home Furnishings Market.

Perhaps Delmonico's biggest TV triumph was its recent sale to Sears Roebuck of 4,000 sets under an "initial contract." The 19-in. Delmonico receivers have been featured in special promotions by Sears retail stores in most major markets east of the Mississippi at a special "limited-time" price of $128. Results were said to be very good.

The 19-in. set (with U.S.-made picture tube) is the only TV model now being imported in quantity by Delmonico—or anyone else. It is now being sold by "every worthwhile account," according to Kabat—including Macy's, Davega, Liberty Music, etc.—from coast to coast. Liberty Music recently featured the 19-in. Delmonico in newspaper ads at $159.95 (Vol. 16:40 p15). Kabat said shipments of the sets from Japan are "at a good rate . . . meeting schedules."

Delmonico's other current hot seller is its 11-tube AM-FM stereo phono console, also made by Japan Victor, which lists at $129.95 (Vol. 16:20 p18). Kabat said the firm is "tremendously back-ordered" on this item.

The company's record November saw sales 21% higher than Nov. 1959 and 17% higher than the previous record month, Sept. 1959, said Kabat. In a statement, he credited "tremendous acceptance for Delmonico's new TV & stereo line . . . increased sales of our West German line of stereo consoles & AM-FM-SW table-model radios, along with a broader distribution base." He said he anticipates a 50% increase in volume next year.

Delmonico plans to emphasize TV-radio-phono combinations in its Chicago showing beginning Jan. 6 at the Ramada Hotel on Michigan Blvd. "Stereo theaters" are due to be shown in both 19- & 23-in. sizes, along with 23-in. TVs & additional stereo consoles. Pushing TV combinations is nothing new to Delmonico's executive team—Pres. Albert Friedman, exec. vp Herbert Kabat & sales vp Seymour Lipper. They're all alumni of Olympic, helped guide it to prominence in TV-phono combo field in early days.

Delmonico is still the only American firm importing TV from Japan in substantial quantities, although Star-Lite Merchandise Corp. brought in several hundred 8-in. sets (sold at Gimbel's in N.Y. for $99), but apparently has received no other sizable shipments. Second biggest importer of TV sets may well be Majestic International, which features several high-priced German Grundig TV-radio-phono combinations.

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Zenith has raised prices $10 each on two 19-in. portables, following a face-lifting. With new spotlight channel-indicator, changed trim & mask, dipole antenna, they're now priced at $199.95 & $209.95. They were among sets shown to distributors in Chicago last week. Also shown was a new 23-in. set with 92-degree deflection angle.

IRE International Convention will be held March 20-23 at N.Y. Coliseum & Waldorf-Astoria Hotel. Expected attendance is 70,000. About 850 exhibitors will display $15-million worth of equipment; 275 technical papers are slated.

Minimum wage rates in the electron tubes & related products industry for govt. contract workers were fixed nationally for the first time last week by Labor Secy. James P. Mitchell. Under the Walsh-Healey Act, he set a $1.42-per-hour minimum for those who work on electron tubes (expect TV picture tubes) and $1.35 for workers on solid-state semiconductor devices. The rates will apply to all govt. contracts for which bids are solicited or negotiations started on or after Jan. 7. Opposed by EIA, which wanted any Walsh-Healey minimums based on prevailing regional wages in the industry, the $1.42-$1.35 national rates were proposed by Mitchell in Aug. (Vol. 16:34 p16). EIA filed a formal protest in September, and followed up last week with another brief challenging Mitchell's final findings, which he said were based on evidence submitted at a public hearing and on an industry survey by the Labor Dept.'s Bureau of Labor Statistics. The survey showed 55,000 production workers were employed in 100 establishments with 8 or more employes. Govt. purchases of electron tubes & related products have been running at $100 million per year. In last week's brief, EIA said New England electronics plants would be subjected to a particularly "heavy blow" under the new minimums because they are more than 20¢ higher than rates prevailing in that surplus-labor area for electron tubes and 18¢ above rates for semiconductor devices. EIA's objections were backed up in a letter to Mitchell from gen. counsel William B. Barton of the U.S. Chamber of Commerce.

Jerrold Electronics' acquisition of Westbury, N.Y. hi-fi components maker Harman-Kardon (Vol. 16:37 p16) was approved last week by the latter's stockholders, who will receive one share of Jerrold for 1.8 shares of H-K. Jerrold now has about 1.7 million common shares outstanding. An additional 300,600 shares will be outstanding after the exchange for 464,853 shares of H-K stock. The acquisition will be operated as a Jerrold subsidiary. H-K Pres. Sidney Harman, who will continue in that post, forecasts record sales for the 1961 fiscal ending next June 30. The previous high: $3.8 million, posted in the 1959 fiscal year. In the 1960 fiscal, ended June 30, H-K earned $3,699 (1¢ a share) on $3,503,141 sales. For its 1960 fiscal, ended last Feb. 29, Jerrold earned $810,251 (67¢) on $8,416,750 revenue. For 6 months to Aug. 31, Jerrold earned $197,937 (13¢) on $3,205,887 revenue.

New plants & expansions: Zenith has purchased from the Milwaukee Road a 28-acre site on Chicago's west side. "On this property," Zenith Chmn. Hugh Robertson explained, "we will be able to construct some badly needed facilities, and have ample space for additional plant expansion as needed in the future." Initial construction planned: a 300,00-sq.-ft. manufacturing & office building and a warehousing & shipping facility. • Thompson Ramo Wooldridge subsidiary Space Technology Labs will erect a $25-million, 10-building space research & engineering center on a 110-acre site in Redondo Beach, Cal. • Foto Video Electronics, Cedar Grove, N.J. maker of closed-circuit & broadcast TV gear, broke ground last week for a $400,000, one-story, 30,000-sq.-ft. hq plant slated for occupancy next month.

One million TV picture tubes have been produced thus far in 1960 by National Video, marking the first time the 12-year-old company has hit that volume in a single calendar year. • The 2-billionth Sylvania receiving tube came off the line Dec. 2, reports Pres. Robert E. Lewis, adding: "This achievement comes less than 8 years after the manufacture of our one billionth unit."

New models: Canadian Admiral adds 6 new TVs—19-in. table model with AM radio ($289.95 & $299.95), 23-in. table with 92-degree tube ($249.95 & $259.95), 23-in. console with 92-degree tube ($279.95 & $289.95), 23-in. lowboy with 92-degree tube ($299.95 &$309.95), 19-in. TV-stereo-AM combo ($449.95 & $455.95), 23-in. TV-FM-AM-stereo combo ($799.95). Canadian Admiral also is showing 3 new stereo units—a portable at $99.95 and 2 reverb consoles at $779.95 • Curtis Mathes announces a 23-in. AM-FM-stereo combo in oiled American walnut at $569.95 • V-M Corp. offers tape recorder-slide projector synchronizer which cues automatic slide projector to tape recorder; list price, $49.95 • RCA Victor introduces 6-transistor Tuneflair, cordless clock-radio-barometer, with permanent self-charging clock battery, buzzer alarm and clock-controlled off-on feature, to retail at $125.

Add layoffs: GE will lay off 1,400 workers for 5 days (Dec. 23-Jan. 2) at its Syracuse TV plant in an inventory adjustment move. At its Utica, N.Y. radio-receiver plant, all 800 hourly employes will be furloughed for 4 days beginning Dec. 27 for an inventory adjustment attributed to "declining sales as a result of increasing foreign & domestic competition." The company laid off 200 employes after Thanksgiving at its Decatur, Ill. audio-products plant, anticipates no further cuts there. • Philco has reduced output of its Philadelphia TV plant because of market softness & seasonal adjustments, releasing about 1,000 workers.

There are more than 900,000 TV sets in motel rooms, according to a September survey by *Tourist Court Journal*, Temple, Tex. magazine of motel management. Referring to our hotel-motel TV story of last month (Vol. 16:47 p16), the *Journal's* editors forwarded us these results of their motel survey last week: There are 60,500 motels in the U.S., with a total of 1,512,500 rental units (rooms), 59.9% of which have TV. In 1960, some 200,000 new rooms were built in new or existing motels, and an equal number will be built in 1961, according to present plans. These figures include motels only, don't include an estimated 1.4-to-1.5 million hotel rooms.

Consumer electronic products—TVs, radios, phonos & accessories—represent biggest category in total gross volume of Davega Stores, according to the 26-store retailer's prospectus for its 6½% convertible subordinated debentures. For the year ended Feb. 29, 1960, consumer electronics represented approximately 40% of the stores' gross volume, sporting goods & apparel 25%, photographic equipment & supplies 17%. Based on $18,350,630 in net sales & operating income during same period, Davega's electronics sales volume totaled around $7 million.

International Home Furnishings Market at Chicago's Merchandise Mart will last for 9 consecutive days next month—as contrasted with the former 2-week mart covering 10 working days. The market opens Fri. Jan. 6, continuing daily (including Sat. & Sun.) through Sat. Jan. 14. Previously, the market had opened on Monday for a 2-week run, excluding Sat. & Sun.

Shure Bros., Evanston, Ill. manufacturer of electronic components & hi-fi equipment, has begun and will complete by July a $500,000, 38,000-sq.-ft. addition to its plant.

Obituary

William L. Carroll, 58, recently retired (1959) finance vp of Westinghouse Electric International, died in Pottsville (Pa.) Hospital Dec. 5 after a long illness. He had been with Westinghouse since 1926. He is survived by 3 sisters.

Trade Personals: Philco realigns its consumer-products marketing activities through the creation of 3 groups under consumer-products div. vp-gen. mgr. **Henry E. Bowes.** The Electronics Group is headed by group vp **Armin Allen,** ex-vp for electronics planning; Appliance Group by vp **Jack Cherry,** ex-refrigeration & air conditioner mdsg. mgr.; Laundry Group by vp **John A. Rishel Jr.,** ex-consumer products mdsg. mgr.

Robert G. Urban, continuing as Philco mktg. vp, retains responsibility for merchandising through the distribution system. **Fred Ogilby,** ex-sales dir., becomes consumer products sales vp. **John Utz** has been promoted to mgr. of special sales. **Gibson Kennedy,** ex-dir. of associate distributor sales, becomes div. mdsg. dir. **Rayford E. Nugent,** ex-asst. to mktg. vp, takes post of accessories & services div. vp. **Jack Kane** moves up from TV mdsg. mgr. to electronic products mdsg. mgr. **Owen H. Klepper** from sales promotion mgr. to mdsg. mgr., appliances & laundry products. **John E. Kelly** continues as ad mgr.

George H. Fezell, former Magnavox vp-gen. merchandising mgr., joins Montgomery Ward as mgr. of its new major appliances & electronics div., split off from the old home furnishings div., formerly managed by **Fred H. Dilg,** resigned . . . **George J. Dickey** named Stromberg-Carlson vp-asst. gen. mgr., succeeding vp **Alan R. Shilts,** who has resigned (Vol. 16:49 p21); Dickey was formerly asst. to exec. vp **C. Rhoades MacBride** of parent General Dynamics Corp. . . . **Dr. Lloyd V. Berkner,** IRE president-elect, elected president of Graduate Research Center, Dallas; he's succeeded as acting president of Associated Universities Inc., N.Y., by **Dr. Leland J. Haworth,** AUI vp & dir. of Brookhaven National Lab.

John P. Macri named sales mgr. of RCA's new Data Communications & Custom Projects Dept. . . . **John Ireg,** Webcor, and **William Gallagher,** Columbia Records, named to board of Magnetic Recording Industry Assn.; **Daniel E. Denham,** Minn. Mining, named public relations committee chairman . . . **Earl Olenick** returns to Oak Mfg. Co. as sales mgr. from Phaostron Instrument . . . **Larry Epstein** resigns as Bogen-Presto hi-fi & professional products sales & mdsg. mgr., future plans not announced.

Donald C. Power, GT&E chmn., named national chmn. of American Heart Assn.'s 1961 Heart Fund Campaign . . . **James B. Gordon,** pres. of Bendix subsidiary Hydraulic Brake Co., elected Bendix secy. . . . **W. C. Schultz** named national distributor sales mgr., Hoffman semiconductor div. . . . **Robert Tomer** promoted to CBS Electronics mgr. of information services . . . **James M. Christensen,** ex-Minneapolis-Honeywell, appointed Conrac personnel mgr. . . . **Edward L. Fitzgerald** promoted to Sylvania computer mktg. mgr.

Jesse Marsten, International Resistance senior vp, retires Dec. 31 after more than 30 years with the company. He will continue his relationship with IRC, as consultant and board member . . . **Charles P. Johnson,** ex-ITT-Kellogg, named military products div. dir., Adler Electronics; **Stanley P. Lapin,** ex-Motorola, industrial products div. dir. Both are new posts.

Philco holds distributor meetings this week, showing new appliance lines and spring consumer-electronics items Dec. 13-14 at Philadelphia's Bellevue-Stratford Hotel, Dec. 16 & 17 at Chicago's Morrison. Dealers will see the new lines Jan. 3-7 at "Philco Travaganza" shows at Miami Beach's Fontainebleau and at the Flamingo in Las Vegas. The dealer showings will feature championship athletic shows staged by *Sports Illustrated.*

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Columbia Pictures	1960—13 wks. to Sept. 24	——	——	$(1,107,000)[1]	——	1,319,287
	1959—13 wks. to Sept. 26	——	——	684,000[2]	$0.48[3]	1,270,350
Lynch Corp. (Symphonic Electronics)	1960—9 mo. to Sept. 30	$ 17,615,116	——	(219,810)	——	——
	1959—9 mo. to Sept. 30	16,405,913	——	22,937	——	——
MGM	1960—year to Aug. 31	130,444,607	21,394,908	9,594,908	3.83	2,506,129
	1959—year to Aug. 31	130,970,376	17,304,343	7,698,951	2.91	2,641,288
Pacific Industries	1960—qtr. to Nov. 30[5]	4,300,000	——	450,000	.30	——
	1959—qtr. to Nov. 30	4,590,000	——	161,000	.14	——
Packard-Bell	1960—year to Sept. 30	44,029,822	——	207,704	.26	812,135
	1959—year to Sept. 30	46,608,062	——	1,375,346	1.73	792,600
Stanley Warner	1960—year to Aug. 27	132,153,749	$ 7,163,803	3,513,803	1.73	2,025,374
	1959—year to Aug. 27	123,877,723	9,887,041	4,812,041	2.38	2,025,374
Technicolor	1960—44 wks. to Oct. 29	23,448,737	——	418,292	.19	2,211,679
	1959—44 wks. to Oct. 29	23,241,493	——	186,908	.09	2,033,792
United Artists	1960—9 mo. to Oct. 1	80,595,000	——	2,987.000	1.79	1,664,218
	1959—9 mo. to Oct. 3	72,061,000	——	2,885,000	1.73	1,664,218
Warner Bros.	1960—year to Aug. 31	89,963,000	13,702,000	7,102,000	4.64	1,527,900
	1959—year to Aug.31	85,328,000	15,375,000	9,375,000[4]	5.91	1,585,196

Notes: [1]Loss from operations—before $1.6 million profit on sale of land converted loss to net of $510,000 (34¢ a share). [2]From operations—before $202,000 profit on sale of land increased net to $886,000 (63¢). [3]After preferred dividends. [4]Exclusive of $6.5-million ($4.10) profit from sale of ranch. [5]Preliminary.

Format Films, animated film producers, will gross in excess of $950,000 for its first year of operation which ends Dec. 15, reported Pres. Herbert Klynn. He told the board that during this period the North Hollywood, Cal., firm had increased its staff from 12 to more than 100. The company specializes in commercials and is planning 4 half-hour animated film series, including *The Shrimp, The Alvin Show*, and *The Illustrated Man.*

International Electronic Research Corp., Burbank, Cal. firm which makes precision instruments and a heat-dissipating tube shield, has applied to SEC (File 2-17357) for registration of 220,000 common stock shares, 110,000 to be offered for public sale, the balance to present holders. Schwabacher & Co. is the underwriter. The public offering price wasn't reported immediately.

Reports & comments available: General Precision Equipment, survey, Shields & Co., 44 Wall St., N.Y. 5 • [illegible]n ral Instrument, Federman, Stonehill & Co., 70 Pine St., N.Y. 5 • General Dynamics, brief, Oppenheimer, Neu & C ., 120 Broadway, N.Y. 5 • Metropolitan Bcstg., report, J. R. Williston & Beane, 2 Broadway, N.Y. 4 • Telechrome Mfg., memo, R. S. Dickson & Co., 30 Broad St., N.Y. 4 • Pittsburgh Plate Glass, reviewed in *Weekly Review*, Fahnestock & Co., 65 Broadway, N.Y. 6 • Cryogenics, report, Bull & Low, 45 Wall St., N.Y. 5 • MGM, Shearson, Hammill & Co., 14 Wall St., N.Y. 5 • Audio Devices, brief, Cooley & Co., 100 Pearl St., Hartford 4.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Clevite	Q	$0.30	Dec. 28	Dec. 16
Decca Records	Q	.30	Dec. 29	Dec. 19
Fairchild Cam. & Inst.	—	.60	Dec. 29	Dec. 16
Sangamo	Reduced	.18¾	Jan. 2	Dec. 16
United Artists	Q	.40	Dec. 30	Dec. 16
Universal Pictures	Q	.25	Dec. 28	Dec. 19
Universal Pictures	Ex.	.25	Dec. 28	Dec. 19

Unlisted trading privileges for Ampex, General Telephone & Electronics and Minn. Mining & Mfg. common stock are sought by the Cincinnati Stock Exchange in SEC applications.

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, December 8, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked
Acoustica Associates	17½	19⅛
Aerovox	7½	8⅜
Allied Radio	21¾	23⅝
Astron Corp.	1⅝	1⅞
Baird Atomic	23¾	25⅝
British Industries	16¼	17¾
Centron Electric	3½	4
CGS Labs	6½	7¾
Control Data Corp.	53	56
Cook Elec.	12	13⅜
Craig Systems	15¼	16¾
Dictaphone	30	32
Digitronics	22½	24⅝
Eastern Ind.	14⅛	15¼
Eitel-McCullough	14¼	15¼
Elco Corp.	13½	14⅞
Electro Instruments	19	21¼
Electro Voice	7½	8⅝
Electronic Associates	29¼	31¾
Erie Resistor	8¼	9⅛
Executone	23½	26¼
Farrington Mfg.	27	29¾
Fischer & Porter	18	19⅝
General Devices	8⅝	9½
G-L Electronics	7	8⅛
Granco Products	2¾	3⅜
Gross Telecasting	19¾	21½
Haydu	1/16	¼
Hewlett-Packard	26½	28¼
High Voltage Eng.	165	175
Infrared Industries	16½	18¼
International Rectifier	23½	25⅛
Interstate Engineering	20¾	22¼
Itek	52½	57
Jerrold	7¾	8½
Lab for Electronics	48¾	52¼
Lel Inc.	4¼	5
Magna Theater	2⅛	2½
Magnetics Inc.	7	8⅛
Maxon (W. L.)	7⅛	7⅞
Meredith Pub.	40½	43½
Metropolitan Bcstg.	17¾	19⅜
Milgo Electronics	16	17½
Narda Microwave	4	4¾
Nuclear of Chicago	34½	37¼
Official Films	2-5/16	2⅝
Pacific Automation	4¼	4⅞
Pacific Mercury	5⅞	6⅝
Perkin-Elmer	41¾	44⅞
Pyramid Electric	2⅝	3-1/16
Radiation Inc.	21¾	23⅞
Howard W. Sams	36	38⅝
Sanders Associates	30	32¼
Silicon Transistor	4¾	5⅜
Soroban Engineering	33	35¾
Soundscriber	15½	17
Speer Carbon	18¼	20⅛
Sprague Electric	45½	48½
Taft Bcstg.	12	13⅜
Taylor Instrument	32	34⅝
Technology Inst.	7⅛	7⅞
Telechrome	10	11¼
Telecomputing	7¾	8½
Telemeter	12⅛	13⅛
Time Inc.	66½	70
Tracerlab	8¾	9½
United Artists	5⅝	6½
United Control	17	18¾
Universal Trans.	1	1½
Vitro	9¼	10¼
Wells-Gardner	18¼	19⅝
Wometco Ent.	13¾	14⅞

WEEKLY **Television Digest**

DECEMBER 19, 1960 © 1960 TRIANGLE PUBLICATIONS, INC. VOL. 16: No. 51

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Congress

CBS & NBC URGE REPEAL OF SEC. 315. They assure House campaign probers that action would save election time & expense. ABC asks only for more "Great Debates" (p. 1).

"HOODLUMS" & TV FIGHTS should be blanketed under federal licensing authority covering closed-circuit boxing promoters, too —says Senate prober Kefauver (p. 8).

FCC

FCC MOVES AGAINST MANAGEMENT PAYOLA in cease-&-desist proceeding against radios WAOK Atlanta & WRMA Montgomery. Management says practice stopped months ago (p. 2). Dept. (p. 10).

Film & Tape

AFTRA-SAG PACT DETAILS revealed: "Weighting" of cities by population units for spot-talent compensation is highlight of agreement with networks, agencies and producers (p. 3).

Networks

NEW CANADIAN NETWORK will be 49% owned by its 8 affiliates, which will use their studio & technical facilities for program origination, says Caldwell (p. 5).

NEWS SHAKEUP AT CBS continues with corporate affairs vp Richard S. Salant named chmn. of a News Executive Committee. It's the latest step in a long-range re-alignment of CBS News (p. 5).

CBS REGAINS FIRST PLACE in 2nd of Nielsen's November NTI reports, with NBC—sparked by election-night Nov. 8 success—and ABC close behind (p. 6).

Stations

EUGENE ORE. VHF STARTS OPERATION: KEZI-TV (Ch. 9) start is counteracted by demise of KNBS (Ch. 22) Walla Walla (p. 8).

HUGE KSWS-TV TOWER TOPPLES in freak windstorm, injuring one, demolishing transmitter & generator buildings, hitting homes of engineers (p. 9).

Consumer Electronics

NEW COLOR TUBE DUE FROM RCA in new 12-set line, shown to distributors. RCA also introduces 15 new 23-in. b&w models (pp. 12 & 13).

MAJOR SET MAKERS DROP FANCY "FINISH" TAGS for wood-like cabinets. Admiral, GE, RCA, Motorola, Westinghouse, Emerson, Philco, Sylvania, Zenith sign FTC stipulations (p. 12).

EIA SEES $10.3 BILLION 1961, up another 6%. "Rough spots" are ahead, but defense & industrial business will sustain industry, says Pres. L. Berkley Davis (p. 13).

PUBLIC ATTITUDES ON IMPORTS, as measured in survey: U.S. goods strongly preferred; Japanese image still means "cheap;" TV, hi-fi, transistor-radio attitudes observed (p. 14).

"GOOD PICTURE QUALITY" is most important factor to TV buyers, survey shows, but brand name is most significant consideration in actual set purchase (p. 15).

Auxiliary Services

TABOO ON TAVERNCASTS is issued by court as CBS and N.Y. Football Giants get after N.J. tavern which charged admission to see blacked-out pro games (p. 9).

CATV LEGISLATIVE PROPOSALS nearing completion at FCC. Latest: Protect both locally-originating stations & public's right to multiple service, on case-by-case basis (p. 9).

Advertising

RISING AD COSTS required 1960's advertisers to increase budgets 4.7% to match 1959's schedules. Printers' Ink adds that 1961 budgets must rise again to maintain 1960 schedule (p. 7).

Other Departments

PROGRAMMING (p. 10). **PERSONALS** (p. 11). **TECHNOLOGY** (p. 11). **FINANCE** (p. 16).

CBS & NBC URGE REPEAL OF SEC. 315: Speaking almost in unison, CBS Inc. Pres. Frank Stanton & NBC Chmn. Robert W. Sarnoff came up last week with cure-all prescription for perennial political problems of how to make nation's election machinery work better. Repeal Communications Act's Sec. 315, they said.

Excessive campaign time & expense can be cut easily by freeing broadcasters from Sec. 315 shackles on political programming, special House Campaign Expenditures Committee was told by chiefs of 2 networks.

Different tack was taken by AB-PT & ABC Pres. Leonard H Goldenson. He told Committee he had no sure answers to questions of whether campaigns are too long & costly—or what should be done. And he stopped short of recommending outright lifting of Act's equal-time requirements, suggesting only that Congress permanently suspend Sec. 315 for Presidential tickets.

Candidates & public alike would share benefits of equal-time repeal in at least 2 ways, Stanton & Sarnoff insisted on their side of network policy split. They argued: (1) Increased exposure of office-seekers on TV & radio would enable them to shorten electioneering periods—and spare electorate from boredom of being subjected to protracted oratory. (2) Public-interest broadcasting time which networks & stations could give candidates would save them much money.

CBS-NBC arguments were buttressed by facts & figures on 1960's "Great Debate" series under one-shot suspension of Sec. 315 for Presidential & Vice Presidential candidates this year only. And Goldenson contributed ABC data supporting other networks' case.

No candidates in history were seen & heard by more people than in 4 swift joint Kennedy-Nixon broadcast appearances—and the industry's performance demonstrated that there's no good reason why candidates for all offices shouldn't enjoy similar advantages, said Stanton & Sarnoff.

Sec. 315 repeal would be thrifty for politicians, too, Stanton & Sarnoff pointed out. Stanton estimated that the CBS TV & radio networks alone spent $1,425,000 on programs presenting Presidential & Vice Presidential candidates this year—expense which the parties were spared. Sarnoff said NBC-produced political programs cost $1,686,000—which was 66% more than the parties spent for paid NBC telecasts. Goldenson said ABC dropped $250,000 on "Great Debate" series alone.

Sarnoff presented his network's case in person. CBS Washington vp Edmund C. Bunker was stand-in for Stanton, whose statement was read while he was at President-elect Kennedy's home for 45-min. talk on subjects ranging from TV debates to USIA. Goldenson submitted statement for hearing record.

"You may be assured that great attention will be given to Sec. 315," Committee Chmn. Davis (D-Tenn.) said after hearing statements by Stanton & Sarnoff. But neither he nor any other Committee members appeared overwhelmed by arguments that equal-time protections for candidates should be removed entirely. Sec. 315 is expected to get only once-over-lightly treatment in Committee report, leaving Communications Act jurisdiction to House & Senate Commerce Committees and further equal-time hearing next session.

Networks were lauded for 1960 "Great Debate" shows by Davis & others. But Davis said 4 were too many for him (first one was enough, he told Sarnoff), and questions were raised at hearings about danger to candidates from "over-exposure" on air, whether paid for or not. Rep. Cramer (R-Fla.) also said he wouldn't be willing to let broadcasters fix formats for political programming if Sec. 315 restrictions were to be lifted. Candidates should have some say, too, he said.

Davis indicated that main recommendation by Committee will be that Democratic & Republican National Committees themselves set limits of 6 or 8 weeks on future campaigns vs. 4 months taken up this year. House campaign-investigating units (which have no legislative functions themselves) are set up every 2 years. They seldom produce lasting election reforms. Davis committee will go out of existence Jan. 3.

FCC MOVES AGAINST MANAGEMENT PAYOLA: First sharp FCC action against station owners (as distinguished from employes) who took record-maker payola was directed last week toward radios WAOK Atlanta & WRMA Montgomery. It ordered licensees to show cause why "cease & desist" orders shouldn't be issued against them.

Stations were singled out, we're told, because they're the only ones actually frankly admitting taking payments. However, stations' Pres. Stan Raymond informed us: "I don't understand it. We told them months ago that we had ceased & desisted." He said stations had started the practice in order to control payments to disc jockeys, each getting share according to his time on air—along with vp-program dir.-DJ Zenas Sears, 1/3 owner. "Never," Raymond said, "did the payments control what records were played."

Case will be cleaned up quickly, FCC staff members told us, if management accepts the cease-&-desist order—and lives cleanly ever after. No hearing would be needed.

It's believed that stations' action in disclosing complete details resulted in the relatively mild Commission action. Chmn. Ford, however, voted for revocation proceedings.

Amount of payments wasn't disclosed, but we're informed that it was "peanuts" compared with stations' profits, which are quite substantial. Programming is directed at Negro market.

Film & Tape

Screen Actors Guild has placed Gross-Krasne Inc. on its "unfair list," alleging that producer Phil Krasne had failed to pay actor Jerome Thor $28,988 for his services in the *Rogue for Hire* series. Several episodes were filmed, but the series was never sold. SAG's action means that no actors may work for Krasne until settlement.

Warner Bros. will appeal the Los Angeles Superior Court decision which freed James Garner from his contract (Vol. 16:49 p8). Judge Arnold Praeger, after upholding Garner's contention that Warners had invoked *force majeure* without justification, awarded the actor one week's pay, $1,750. He had sought a year's pay—$106,000, but Judge Praeger based his award on the week between Warners' suspension and Garner's declaration as a free agent.

DETAILS OF THAT AFTRA-SAG PACT: Specifics of the recently-negotiated TV-commercials contract between Screen Actors Guild, AFTRA and the networks, ad agencies and producers were disclosed over the weekend when SAG mailed copies to its 14,000 members to seek ratification (Vol. 16:49 p2; 46 pp3 & 7). AFTRA is still negotiating phases of its contract with the networks, and will seek membership ratification later.

Highlight of the agreement, covering both film (in SAG's jurisdiction) and tape (AFTRA jurisdiction), is a new formula in the spot area that is based on "weighting" of cities by population units & a structure of fees based on these units.

Compensation for 13-week cycles of spot use is based on a formula by which each city is given a unit of one for each million of population in its metropolitan area. A fractional population of 500,000 or more constitutes an additional million for weighting purposes. Each city below one million is weighted at one unit.

Under this formula, Baltimore, Cleveland, Pittsburgh, St. Louis and Washington, D.C. are weighted at 2 units; Boston and San Francisco, 3; Detroit and Philadelphia, 4.

N.Y., Chicago and Los Angeles are treated separately. For principals on camera in spots used in any one of these 3 cities, the rate is $200 (compared to the old rate of $125). For additional units a formula will be used beginning at 26 units ($1.25 a unit). For spots shown in any 2 of these cities, the rate is $312, as compared to the old rate of $170, plus additional units at 25¢ each. For all 3 cities, the rate is $345, up from $220, plus additional units at 25¢ each.

For the principals off camera in spots used in the 3 cities, the rate for any one city goes up from $72.50 to beginning at 26 units, $1 a unit; any 2 cities, from $105 to $190, plus additional units at 20¢ each; all 3 cities, from $150 up to $227, plus additional units at 20¢ each.

The old formula still applies to program commercials, although the guilds did receive scale hikes in this area. Under that formula, the classifications, A, B & C and weighting of N.Y. at 11 units, and Los Angeles & Chicago at 7 each, still prevails.

Session fees go up from $80 to $95 for principals on camera, from $55 to $70 for off-camera principals, and there are general raises all along the line.

The employers have agreed to a contribution of 5% of all compensation toward a pension & welfare fund.

The contract also calls for limitations on exclusivity; reduces the maximum period of use & reuse off camera from 30 months to 24, includes the showings of commercials in the U.S., Canada and Mexico in coverage of use & reuse fees, with rates for showings elsewhere to be up to the player's individual bargaining.

The 3-year contract is retroactive to Nov. 16, becomes effective Jan. 16.

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CBS Films has sold 90% of its international syndicated library to the Australian market, according to international sales dir. Ralph Baruch. Australia now gets 44 CBS series, including *The Brothers Brannagan, Twilight Zone, Rawhide, & Gunsmoke*, plus news & public-affairs films such as the CBS News film. Baruch also announced that in response to pleas that Australia needs product badly, and servicing by agents is proving unsatisfactory, CBS has set up its own Australian sales unit with William Wells as managing dir.

MGM-TV's Pilot Plans: MGM-TV will produce a minimum of 7, perhaps as many as 9 pilots for the coming season, we're told by Robert M. Weitman, vp in charge of TV production for the Culver City studio. The list ranges from musical comedy to action and anthology.

He lists as definite pilot projects: *Cain's 100*, contemporary action (60-min.), Paul Monash, exec. producer, for NBC-TV, going into production Jan. 10. *Woman in the Case*, anthology (60-min.), Monash, exec. producer, for NBC-TV, in production Jan. 12. *Darrow for the Defense*, courtroom drama, Norman Felton, producer, in production about Jan. 15. *Father of the Bride*, comedy, starring Leon Ames, Robert Maxwell, producer, General Mills financing, into production Jan. 15. *Andy Hardy*, comedy, Maxwell, producer, for NBC-TV, into production in late January. *Harry's Girls*, musical comedy, Ralph Levy, producer, Alan Jay Lerner, creator, Larry Blyden, star, just filmed in Europe. *Dr. Kildare*, drama, into production Jan. 25.

The pilot of *The Adventures of Hercules Poirot*, starring Jose Ferrer, has been delayed because of Ferrer's movie commitments. MGM-TV is also interested in other deals, and is in negotiation for network financial participation in its pilots, Weitman told us.

The executive said he expected a renewal for MGM-TV's *National Velvet*. The studio's *The Islanders* leaves ABC-TV April 9, after its commitment for 26 segments has expired, and will be replaced by MGM-TV's *The Asphalt Jungle*, which goes into production in mid-January. Arthur Lewis has been named producer of the series.

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Henry Jaffe Enterprises Inc. has filed a $3.5-million damage suit against Screen Gems in Los Angeles, alleging that SG conducted negotiations with ABC-TV for reruns of 1958 *Shirley Temple Storybook* episodes at the same time it was telling Jaffe it was trying to get a network commitment for new (1959) segments. Jaffe, exec. producer of the series, said his contract with SG demanded that he get a network commitment by Sept. 1, 1958, for new shows, or SG could distribute the 1958 shows without Jaffe's approval. He said the agreement was extended to Nov. 1, 1959, providing neither party would contact prospective buyers without the other's knowledge & consent. SG sold the reruns to ABC-TV without trying to sell the 1959 series, he alleges. This was done despite SG's knowledge that Jaffe Enterprises had paid $246,000 to Miss Temple to assure her availability, and that amount was forfeited when the 1959 series wasn't sold, the action claims. Jaffe charges SG made "false representations" & acted "deceitfully & fraudulently," and asks $2.5 million in actual damages, $1 million in punitive damages.

FTC action to force Hollywood "plug specialists" to disclose the names of national advertisers they have represented was dropped in Los Angeles last week. The case, which had been due for a hearing in U.S. District Court, was dismissed on motion of FTC attorneys who indicated the Commission was dropping its investigation of Dick Fishell & Associates, Mary Rothschild and Vicki Raaf. Their attorney, Oliver B. Schwab, had opposed government subpoenas on the basis that FTC had shown no violation of federal law, and that investigations were being conducted without giving his clients sufficient Constitutional guarantees. Schwab is also seeking to quash FCC subpoenas against the same clients, on the grounds that they have been deprived of counsel under FCC hearing ground rules, and that the information sought is confidential & beyond the scope of the FCC probe of TV film (Vol. 16:44 p7).

NEW YORK ROUNDUP

Goodson-Todman Productions will become the industry's leading Eastern-based producer in terms of weekly network program hours, effective with the January premieres of *Say When* and *One Happy Family* on NBC-TV, and *Numbers Please* on ABC-TV. G-T's weekly total will then be 12.5 hours (comparing favorably with such Hollywood giants as Revue Productions, Four Star and Warner Bros.), comprising 25 half-hour segments on the 3 networks.

Add Syndication Sales: CBS Films' *The Brothers Brannagan* has been sold in 120 markets to date, with new sales including WNAC-TV Boston, KDKA-TV Pittsburgh, WXYZ-TV Detroit. The series has also been sold in 6 Australian cities . . . **Ziv-UA's** *Miami Undercover* has been bought by WNEW-TV N.Y., bringing total markets so far to 61 . . . **Ziv-UA's** year-end Canadian sales report shows 142 sales of 27 separate series, including a CBC network deal on *Aquanauts*. International Television Programs, Ziv-UA's foreign distributor, handled . . . **UPA Pictures** began syndication of its *Adventures of Dick Tracy*, animated cartoon series, Dec. 15 . . . **MCA-TV** has picked up 6 additional markets for its mystery-adventure series, *Shotgun Slade*.

Screen Gems has become the first feature-film distributor to score a sales breakthrough in Canada with a major post-1948 package. A 209-picture group was bought last week by 3 CBS stations (CBMT Montreal, CBOT Ottawa, and CBUT Vancouver), by 3 newly-licensed TV outlets (CFTO-TV Toronto, CJAY-TV Winnipeg, CJCH-TV Halifax) and by CBC's Calgary affiliate, CHCT-TV. It's the same post-1948 package ("Born Yesterday," "Death of a Salesman," etc.) recently signed by the 5 CBS-TV o&o's and now being released in small sub-packages in this country by Screen Gems (Vol. 16:49 p6).

MGM-TV's pre-1948 feature library has been sold in a 5-year deal for the Australian market for an estimated $2.6 million. So states MGM's annual report for the fiscal year ending Aug. 31, 1960. The only other foreign deal for the MGM backlog is the sale of a few selected features to Canada's CBC. No plans for the sale of MGM's post-1948 library in or out of the U.S. have been announced.

British-made cartoons, produced by Halas & Bachelor Productions, are now being syndicated by Interstate TV Corp., an Allied Artists subsidiary. There are 2 series: *Snip & Snap*, which utilizes paper cutouts in settings created from common household objects—and *Foo Foo*, angled at adult viewers. Both are 26-episode, 7-min. shows.

Ziv-UA sold its first network show of the 1961-62 season in N.Y. last week—to ABC-TV. The package is *Small Town D.A.*, a 30-min. series (so far without a star) based on a similarly titled book by Robert ("Anatomy of a Murder") Traver.

People: Daniel M. Curtis has been appointed CNP (subsidiary of NBC) sales dir. Also named to top CNP posts: **Jacques Liebenguth,** national & regional sales dir.; **Bill Breen,** Eastern sales mgr. . . . **John J. Howley** has been named ITC central div. acct. exec. . . . **David E. Ferrin,** Iversen-Ford exec. producer, goes to Hollywood to tape a new TV series, *Concepts*, which features moral & spiritual values in today's culture. Star is Lew Ayres . . . **Leonard E. Hammer,** UAA national sales dir., has been given the additional duties of Eastern div. sales mgr.

HOLLYWOOD ROUNDUP

Prospects dimmed for a $4-million Hollywood motion picture & television museum last week when the Los Angeles County Board of Supervisors delayed a vote for putting up $500,000 to begin the project. The supervisors proposed that the film industry raise $2 million for the museum—a suggestion not well received by industry figures at the hearing. Warner Bros. vp E. L. De Patie said his studio had already contributed thousands to the project by assigning individuals to collect items for the museum. "If the success of this plan depends of further contributions from the industry, this delay will doom the entire project to failure," he said. Among those speaking for the project: Mary Pickford, Harold Lloyd, Sol Lesser, chmn. of the museum commission.

Desilu Productions is piloting 2 Cy Howard-produced comedies, *My Wife's Brother*, starring Rowan & Martin and Carole Cook, and *Mickey & the Comtessa*, starring Eva Gabor & Mickey Shaughnessy; also a duo—*Homicide*, a 60-min. action series, and an untitled Western—to be produced by Mort Briskin. John Bromfield may star in the Western. Tentative on the pilot schedule is a comedy, *You Can't Win 'em All*, which would probably be produced by Bob Schiller & Bob Weiskopf.

Burlingame Productions will pilot an action-adventure series for CBS Films in January, with Jess Oppenheimer producer . . . **Latest 20th Century-Fox TV pilot:** *The Jayhawkers*, 60-min. Western . . . **John Guedel Productions** will tape *Take My Advice*, panel show pilot, in January. George Fenneman, Eddie Lamarr, Carl Reiner, Bob Sweeney and Dr. Loriene Johnston are on the panel, and Guedel is producer.

Arrowhead Productions producer Richard Bare will make 2 pilots, a 60-min. action-adventure show, *Jamaica Reef*, and *The Joan Davis Show*, a comedy . . . **Cameron Productions,** owned by Rod Cameron, plans to pilot an adventure series starring Cameron in most of the films and featuring him as host. Guest stars would appear in the other segments.

Hubbell Robinson Productions will pilot *87th Precinct*, a 60-min. action series, for NBC-TV . . . **Four Star Television** is filming 17 episodes for 11 different series during the 2-week period prior to the holidays.

Girard-Lewis Productions plans a 60-min. pilot, *Room 63*, slated to go into production Jan. 25. The adventure series will be filmed in Los Angeles & Sacramento. Bernard Girard is producer.

Allied Artists and producer Lindsley Parsons plan a 60-min. pilot, *Patrol Boat 999*, to go into production in late January. Parsons is exec. producer, Aubrey Wisberg producer.

NBC-TV is developing a 60-min. circus series, *The Big Tent*, to be filmed in color.

People: Robert Justman named production liaison executive for MGM-TV . . . **J. Albert Trescony,** MGM talent director, named head of casting for MGM-TV . . . **Esme Chandlee** is associate producer of *Here's Hollywood*, on NBC-TV . . . **Arthur Manella** elected to board of Desilu Productions . . . **Producer Joseph Naar** has left Revue Studios to form his own independent TV film company—Nardo Productions.

Networks

CANADIAN NETWORK PLANS: Canada's 2nd—and first privately owned—TV network will be 49% owned by its 8 affiliates and will use their studio & technical facilities. So said S. W. (Spence) Caldwell, head of the group which received the go-ahead from Canada's Board of Broadcast Governors to form a network to serve privately owned TV stations in 8 areas coast-to-coast where there are competitive CBC-affiliated outlets (Vol. 16:50 p3). Toronto TV-film producer-distributor Caldwell made these points:

(1) The 8 basic affiliates will be offered 49% of the new network's capital stock "on a pro-rata basis," with provision for participation by future affiliates. The network will be "99 44/100% Canadian-owned," all investors being "well-known in business, the arts and social service."

(2) The new network "will not build any production plant of its own, but will, instead, employ those of its affiliated stations & other independent producers." Thus it will have available to it "some 24 studios, 20 video-tape recorders, 50 camera chains and 8 mobile units." Because it will have "no capital costs for facilities," it will put its money into programming and "we have established a program bank to provide funds for the production of pilot episodes of program series." This fund is expected to make available at all times "a minimum of 10 Canadian-produced program series ready for sale."

(3) The network already has a "basic agreement" with communication companies to provide a 2nd national microwave service with a reversible TV channel, so that programs may be originated at any point.

(4) Despite reports that some stations are reluctant to sign with the network, Caldwell says preliminary discussions "have indicated that our proposal has the support right now of a majority of the new licensees, and we are confident that the concrete proposals we will make to these stations will assure their agreement to the . . . plan."

(5) Caldwell hopes to apply next March for permission to form the network company, with first major programming in September.

(6) "We are proposing to begin at 10 hours per week with an expansion over the next 2 years to 25-to-28 hours per week. [But] the 8 basic affiliated stations will be primarily local TV services and, therefore, have no need of the all-embracing type of network which occupies 70 to 80% of the broadcast time."

(7) The network will establish a Program Advisory Committee, including representatives of affiliated stations, to work out schedules and to "assist & stimulate" local production. The new network will also buy independently produced program packages.

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A rumor that Frank Stanton would resign to head the U.S. Information Agency when the Kennedy administration takes over was flatly denied Dec. 15 by CBS. But the rumor easily led all others as a topic of luncheon & cocktail conversation late last week. Feeding the speculation was the report of a friendly talk in Washington between Stanton & President-elect John F. Kennedy, although Stanton—at the time—denied that he & Kennedy had made any agreements regarding a govt. position for Stanton. Also in Washington, Stanton's name was in the news in another connection, when his testimony on Sec. 315 and election campaigns was read to a House Committee (see p. 1).

NEWS SHAKEUP AT CBS: The reshuffle of CBS News continued last week in the wake of earlier changes. This time, however, it wasn't just a re-alignment of correspondents & bureau personnel. Named by CBS as chmn. of a new CBS News Executive Committee was corporate affairs vp Richard S. Salant, who has been a familiar CBS spokesman before various FCC & Congressional hearings.

In his new post, Salant will run a committee (whose members include CBS Chmn. William S. Paley, Pres. Dr. Frank Stanton, CBS News Pres. Sig Mickelson, and CBS-TV Pres. James T. Aubrey) that will make network policy on news & public affairs and speed up the process of planning & scheduling major news specials.

Although the network made no mention of it, observers saw the move as part of a long-range plan put in motion by Pres. Stanton soon after CBS took its convention-rating drubbing from NBC (Vol. 16:32 p8). The first indication that the shakeup was in progress came about a month later when several TV newsmen & news executives were shifted into new posts for the pre-election campaign (Vol. 16:35 p9). Then, as the elections came & went and NBC again took blue-ribbon ratings, the shakeup continued (Vol. 16:50 p5) with another re-alignment of rank & file newsmen. The latest move completes the net effect of a quiet revamp of CBS News from the top echelons on down.

Sig Mickelson remains as operational chief of CBS News, however, with news vp John F. Day as No. 2 man. Any further changes in the news div. lineup, according to the network, will now be announced through Mickelson's office. Meeting NBC's current news strength & the planned expansion of ABC-TV news operations under Jim Hagerty, Mickelson is now, in effect, responsible to a management-level committee above him, and has a re-aligned news team reporting to him.

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Plane Disaster TV-Covered: The mid-air collision of 2 planes inbound to N.Y. Dec. 16 brought mobile units from all 3 networks racing to crash scenes in Brooklyn & Staten Island. Late-morning coverage was confined to audio bulletins; live and filmed picture coverage began in the early afternoon as mobile crews established picture contact with news hqs.

Network schedules were quickly juggled to include spot coverage. CBS-TV yanked the originally-scheduled show in its *Eyewitness to History* series (Fri. 10:30-11 p.m.) and substituted a special 30-min. report on the crash, meanwhile scheduling a running series of bulletins & reports. NBC-TV pre-empted its sponsored *Dan Raven Show* (7:30-8:30 p.m.), and scheduled a 30-min. digest of on-the-spot films and tapes of live crash-scene pickups at 8 p.m., having earlier kept viewers up to date with bulletins. ABC-TV, which had aired 12 network bulletins on the crashes prior to 11:30 a.m. with continuing bulletins thereafter, telecast a special mid-afternoon report prepared by its mobile crews.

CBS newsman Walter Cronkite, who acted as anchor man on a 2-2:30 p.m. on-the-spot roundup on CBS-TV, revealed during the report at least one good reason why he seemed at times emotionally involved in the accident. He had, he stated, intended to return from a trip to Chicago on the jet that crashed in Brooklyn (a United Air Lines DC-8, flight 826, Chicago-Idlewild), but had at the last minute altered his plans and had returned Dec. 15, missing the fatal collision. (The other plane, a TWA Super Constellation, crashed in Staten Island, N.Y.)

NETWORK SALES ACTIVITY

ABC-TV

Oscar Night awards, Mon. April 17, 10:30 p.m.-conclusion, half-sponsorship.
Procter & Gamble (Grey)

Walt Disney Presents, Sun. 6:30-7:30 p.m., part. eff. Jan.
American Chicle (Ted Bates)
Norwich Pharmacal (Benton & Bowles)

Naked City, Wed. 10-11 p.m., participations eff. Jan.
American Chicle (Ted Bates)

Adventures in Paradise, Mon. 9:30-10:30 p.m., part. eff. Jan.
American Chicle (Ted Bates)

Roaring Twenties, Sat. 7:30-8:30 p.m., part. eff. Jan.
Hazel Bishop (Raymond Spector)

Cheyenne, Mon. 7:30-8:30 p.m., participations eff. April.
Pepsi Cola (BBDO)

The Islanders, Sun. 9:30-10:30 p.m., part. eff. April.
Pepsi Cola (BBDO)

CBS-TV

Inaugural Ball, Fri. Jan. 20, 11:15 p.m.-12 mid., full-spon.
Hanes Hosiery Mills (J. R. Flanagan)

Miss Universe Contest, Sat. July 15, 10-11:30 p.m., full-sponsorship.
Procter & Gamble (Grey)

Guy Lombardo New Year's Eve Party, Sat. Dec. 31, 11:15 p.m.-12:15 a.m., full-sponsorship.
Chock Full O'Nuts (Grey)

Daytime programming, Mon.-Fri., participations eff. Jan. 19 & Feb. 1 respectively.
Binney & Smith (Chirurg & Cairns)
Rainbow Crafts (Joseph C. McVicker)

NBC-TV

A String of Beads, Tue. Feb. 7, 10-11 p.m., full-sponsorship.
Stephen F. Whitman & Son (N.W. Ayer)

Laramie, Tue. 7:30-8:30 p.m.; Outlaws, Thu. 7:30-8:30 p.m., participations eff. spring 1961
Mennen (Grey)

Tales of Wells Fargo, Mon. 8:30-9 p.m., half-spon. eff. Jan.
Beech-Nut Life Savers (Young & Rubicam)

Daytime specials, full-sponsorship of 2 more programs, eff. last half of 1960-61 season.
Purex (Edward H. Weiss)

NBA basketball games, Sun. afts., participations eff. Jan. 8.
General Mills (Knox Reeves)

Bonanza, Sat. 7:30-8:30 p.m., participations eff. Jan. 1.
Pillsbury (Campbell-Mithun)

Michael Shayne, Fri. 10-11 p.m.; Americans, Mon. 7:30-8:30 p.m., participations eff. Jan. 1.
Dow Chemical (Norman Craig & Kummel)

Daytime programming, participations eff. Jan.
Dow Chemical (Norman Craig & Kummel)
Toni (North)
Simoniz (Dancer-Fitzgerald-Sample)

Saturday Prom, Sat. 5:30-6 p.m., participations eff. Jan. 14.
Beech-Nut Life Savers (Young & Rubicam)

ABC has signed Alex Dreier to a 5-year contract effective Jan. 1. The newsman had been in a feud with NBC Chicago officials, charging they harassed him. He had planned to sever his 20-year association with NBC at the end of the year, but discovered Dec. 12 that NBC's Chicago o&o WNBQ, was running a newspaper ad announcing another newscaster for Dreier's regular 10 p.m. news show. Dreier is expected to handle ex-news vp John Daly's ABC radio news and TV news specials.

CBS REGAINS NIELSEN HONORS: After zig-zagging up & down this season like a fever chart, Nielsen audience levels swung last week in favor of CBS in the 2nd of Nielsen's Nov. NTI reports. Back into 3rd place nationally went ABC, which had taken top honors in the previous report (Vol. 16:48 p12). NBC took 2nd place.

The AA scorecard: CBS—19.9; NBC—19.0; ABC—17.8. Period covered: the 2 weeks ending Nov. 20.

As usual, network researchers had handy explanations of why the losers lost & the winners won. NBC, for example, had been quick to point out that ABC's high score in the 1st Nov. NTI came at a time when NBC & CBS were loaded with low-rated paid political shows. ABC, on the low end of the ratings totem in the latest NTI, was quick to tell us that NBC's strong AA level was bolstered by NBC's election-night rating success, as indeed it was.

NBC's Huntley-Brinkley marathon Nov. 8 proved a real audience hit in NTI, drawing a 32.5 for the average 30-min. segment of the multi-hour coverage. This put NBC's election coverage in 3rd place nationally for the 2-week period, topped only by *Wagon Train* (34.4) and *Gunsmoke* (38.8). ABC quickly ran up a set of figures to show how the standings would have been if Nov. 8 ratings were dropped out of the total picture. Result: ABC was in 2nd place nationally on this theoretical basis.

Most researchers still agreed that the rating report that will really tell the story is the 1st of the Dec. NTI studies, because nighttime programming will have gone back to "normal" with no political-program upheavals.

Big daytime ABC sales spurt was reported by that network last week. According to ABC-TV daytime sales vp Edward Bleier, new & renewed business signed in the 4-week period ending Dec. 9 totaled a whopping $7.5 million. As a result, ABC's daytime (11 a.m.-5 p.m.) schedule is now "84% sold out for December & the first quarter of 1961," stated ABC vp for network sales William P. Mullen. The sales level, both executives added, is now "60% ahead of last year," with rating gains "averaging 20% to 50% ahead." The number of daytime sponsors has climbed at ABC in the past 6 months by 110% to a new total of 77 clients. These include 6 "charter" advertisers (Lever Bros., Armour & Co., Johnson & Johnson, General Foods, Gillette Co. and its Toni Co. div., and Beech-Nut Life Savers Inc.) who bought into ABC's original daytime schedule before it went on the air.

NBC's $2.5-million ad account is being switched, effective March 15, to McCann-Erickson from the Grey agency, where it has been for nearly 7 years. In announcing the move, NBC Pres. Robert E. Kintner also stated that Mc-E. pres. Emerson Foote, one of the original partners in Foote, Cone & Belding, will supervise the account. Grey, retains the RCA Victor Record div. account. The agency's decision to resign the account was made, a Grey employe circular stated last week, in the interest of "continuing growth." NBC gave no reason for the move, although some felt that Grey's position as agency for Westinghouse TV-radio products may have had something to do with it.

New head for BBC's TV operations was appointed in London last week. He's BBC program controller Kenneth Adam, who will succeed retiring Gerald Beadle as dir. of TV bcstg. in June. Beadle, who has been with BBC for 38 years, will continue his association as a consultant. Replacing Adam in his present post will be Stuart Hood, deputy editor for news & current affairs.

Advertising

Rising Ad Costs: TV shows up to advantage in contrast to print media, in the Dec. 9 *Printer's Ink* analysis of how media rates have risen since 1959.

Although the 1960 advertiser has had to increase his spending by 4.7% to maintain his 1959 schedule, the real increase to him has been only 2%. This is because, while rates have risen, so have audiences.

And this is the factor that makes 1960 network & spot TV look so good in the study. For, although both media are up in cost, they are up larger percentages in audience. This has resulted in a net decrease of 4.5% and 1.3% respectively for the advertiser.

Magazines & newspapers on the other hand are up in cost more than they are in circulation, leading to a 1960 real increase in cost to the advertiser of 6% and 3.7% respectively.

The *PI* study also contains a projection of how much more 1961 advertisers will have to spend to maintain 1960 schedules. Here are the figures:

	<——Change: 1959 to 1960——>			
	in Rates	in Audiences	in Real Cost	Cost of 1960 Schedule in 1961
Network TV	up 2%	up 6.8%	down 4.5%	up 5%
Spot TV	up 5.4%	up 6.8%	down 1.3%	up 5-8%
Network Radio	down 1.1%	no change	down 1.1%	little change
Spot Radio	up 1.7%	no change	up 1.7%	up 2%
Magazines	up 7.8%	up 1.8%	up 6.0%	up 6%
Newspapers	up 3.8%	up 0.15%	up 3.7%	up 3%

Ad People: George Haight resigns as senior vp, M-E Productions, McCann-Erickson TV-radio affiliate . . . Harmon O. Nelson named bcst. dir., MacManus, John & Adams Western div. . . . Kenneth S. Olshan, F. Richard Olsen, John S. Rothschild appointed asst. media supervisors, Doherty, Clifford, Steers & Shenfield . . . Helmut Krone, William Taubin, David Reider, E. B. Weiss, Dorothy Parisi named Doyle Dane Bernbach vps.

Wilson A. Shelton appointed Compton exec. vp . . . Donald E. Leonard named Fuller & Smith & Ross vp.

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Sindlinger announces that starting Dec. 25, his research firm is expanding its TV Activity Service to a daily, every day-of-the-month basis and that, during Jan. & Feb., new auto-buying plans & ownership, by make, will be determined for teh audiences of 126 network TV programs.

Largest percentage of space buyers (38.9%) presently earns under $7,500 a year, reveals *Sponsor's* latest survey. Lady space buyers have 55.5% of their number in this earnings category. Only 25.7% of male space buyers earn in excess of $10,000 annually (6.9% of female space buyers). Also, 84.6% of the men think they are underpaid.

Sexed-up movie trailers on TV, listed at NAB's fall conferences (Vol. 16:42 p9 et seq.) as one type of bad-taste commercials which broadcasters should spurn, will be discussed again at an NAB-MPAA meeting in N.Y. this week.

U.S. Station Rate Increases

Stations	Base Hour	Minute	Date
WTTG Washington	$2000 (no change)	$160 to $200	[1]
WCCO-TV Minneapolis	1700 to $1900	450 to 475	[2]
KCRA-TV Sacramento	1200 to 1300	300 to 330	Dec. 1
KAKE-TV Wichita	700 to 824	165 to 195	Nov. 1
KHVH-TV Honolulu	450 to 600	110 to 160	Dec. 1
KTWO-TV Casper, Wyo.	150 to 200	40 to 50	[1]

[1]Not reported. [2]20 Sec. only.

Aid to Ad Planners: A helping hand to admen was offered on 2 related creative fronts last week. The Committee for Improvement of Advertising Content, organized recently by ANA and 4A as a self-regulatory process (Vol. 16:49 p14), voted to offer to all ad media the chance to register their complaints concerning "objectionable" advertising. Media members are to forward their ad criticisms through their respective media associations.

The National Centennial Commission, which will ride herd on observances of the forthcoming 1961-65 commemoration of the Civil War, offered the services of a special advisory committee to executives planning Civil War ad tie-ins. The committee, according to commission chmn. Maj. Gen. U.S. Grant 3rd, will direct the queries of admen to acknowledged authorities on the Civil War and will help advertisers to avoid offending still-delicate public feelings.

On the TV front, commission exec. dir. Karl S. Betts hopes to improve a currently poor situation—several Civil War TV series having been planned, but most having been abandoned for lack of sponsor support before they were started—with the exception of Westinghouse Bcstg. Co.'s *The American Civil War*, syndicated 30-min. series.

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Bert & Harry may be down, but they're not out. Ever since Piel Bros. and Young & Rubicam admitted that the beer-selling cartoon duo was headed for advertising limbo after 4 years of soft-sell in Eastern-U.S. spot TV (Vol. 16:49 p13), there's been a shower of protesting letters & phone calls to the brewing company. Goulding-Elliott-Graham (the production firm which turned out the animated spots, often with only minor liaison with Y&R) has been urged by other TV executives to turn the pair into a cartoon situation-comedy series, à la ABC-Screen Gems' *The Flintstones*. G-E-G, which tried to peddle a cartoon series based on a movie-spoofing cartoon pilot called *Test-Dive Buddies*, is "considering" the idea. Meanwhile, Piel Bros. is weathering the same kind of how-did-we-ever-get-into-this? storm that was once experienced by Sir Arthur Conan Doyle when, quite inaccurately, he felt he had disposed of Sherlock Holmes forever by having Prof. Moriarty push him into the Reichenbach Falls.

Liaison group to work with reps has been created by RKO General and will be headed by Robert J. McNamara, formerly of Peters, Griffin, Woodward. It won't be station-group-owned (as in those of Storer and Westinghouse Bcstg. Cos.). McNamara, who will report to Hathaway Watson, RKO General bcstg. vp in N.Y., will function as dir. & coordinator of a special sales team of national sales mgrs. The team's main target will be major national advertisers & agencies, but actual billing will be handled through reps. Also named to the new sales team is Robert Wilke, as dir. of corporate sales relations.

Hollywood Advertising Club has received nearly 400 entries thus far in its first International Broadcasting Awards for TV & radio commercials. Responses have arrived from England, New Zealand, Mexico and Canada, and other countries are expected to enter before the Dec. 31 deadline. The group has received over 1,000 postcards indicating interest in the competition. The awards will be presented Feb. 7 at the Moulin Rouge in Los Angeles. Don Estey is gen. chmn.

New reps: WLUK-TV Green Bay, Wis. and WLUC-TV Marquette, Mich. to Young Dec. 1 from Hollingbery • KVOO-TV Tulsa to Petry Jan. 1 from Blair TV Associates • WCNY-TV Watertown, N.Y. to Bolling Jan. 1 from Weed.

Congress

'HOODLUMS' & TV FIGHTS: All participants in interstate boxing business—including closed-circuit TV promoters & networks as well as match-makers & fighters' managers—would be subjected to federal licensing authority, under terms of legislation proposed last week by Sen. Kefauver (D-Tenn.).

Winding up the second week of boxing hearings by his Senate Judiciary Anti-Trust & Monopoly Subcommittee, Kefauver said he had heard enough to convince him that a new govt. commission definitely is needed to take racketeering out of professional fights (Vol. 16:50 p3).

Kefauver had hesitantly suggested establishment of such a federal agency earlier in his Subcommittee's investigation. At last week's end, after listening to underworld character Frankie Carbo take the 5th Amendment when asked about gangsters' ring operations, Kefauver said he planned to introduce a fight-licensing bill after Congress convenes in January. The hearings will be resumed then.

Kefauver emphasized that closed-circuit fight promoters should be covered by any such legislation, pointing out that testimony showed they aren't required now to meet any legal standards. He said his bill would propose: (1) Establishment of a temporary Federal Boxing Commission. (2) Criminal penalties for persons or corporations participating in interstate matches without a license. (3) Criminal penalties for participation in a bribe offer.

"I do not envisage a permanent federal body," Kefauver said. "I will urge that its life be confined to 3 years unless dire necessity proves the need for continuance. It would be hoped [that] the hoodlum element would be eliminated and that state commissions would be in a better position to resume control."

Kefauver added that unless federal regulation of boxing is set up, "the sport might very well pass from the American scene. Racketeers & hoodlums who infest boxing must be eliminated."

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Final FCC-TV-radio report by House Commerce Legislative Oversight Subcommittee, which ends its headlined career in January (Vol. 16:49 p6), was drafted Dec. 16 in an all-day closed session. The report is expected to review this year's payola hearings and outline a series of additional legislative recommendations—including proposals for regulating networks and curbing trafficking in station licenses, among other things. Subcommittee Chmn. Harris (D-Ark.) indicated release of the staff-prepared report would be delayed by further rewriting & editing, but that it might be ready before Christmas.

FCC party poopers: Biggest Christmas parties given for FCC personnel in Washington—Westinghouse's & Motorola's—are kaput this year. Approached by potential hosts, Commissioners politely declined. Reason, of course, is that the Commission wants to avoid any possible criticism for "fraternizing with the industry"—having suffered enough from it. Traditionally, the 2 companies invite just about everyone at the Commission, including the youngest GS-2 clerk-typists.

Unique broadcasting team of Pa. Sens. Scott (R) & Clark (D) will be featured on home-state TV & radio for the 3rd straight season starting after Congress convenes next month. Their twice-monthly taped shows—in which Scott & Clark debate, answer questions, interview guests—will be carried by 7 TV & 20 radio outlets.

Stations

NEW & UPCOMING STATIONS: KEZI-TV (Ch. 9) Eugene, Ore. began programming with ABC-TV Dec. 19, becoming the 24th new outlet to begin operation in the U.S. this year. Its start is counteracted by the demise of KNBS (Ch. 22) Walla Walla, Wash., which notified FCC it discontinued operation Dec. 14 because of bankruptcy, after being on the air since last January (Vol. 16:2). This leaves the on-air grand total standing at 579, but operating uhfs decline to 91.

KEZI-TV has a 10-kw GE driver and 35-kw amplifier as well as a 200-ft. tower from Tower Sales Erecting Co. on Coburg Ridge. Studios are at 2225 Coburg Rd. Principal owners are orchard operator Donald A. McDonald, pres. & 35.36% stockholder; Dr. C. E. Carlson, vp & 17.4%; auto & real estate dealer Julio William Silva, treas. & 17.4%; Elizabeth M. Silva, 17.4%; biologist Durward L. Boyles, 8.7%. Marvin A. Krenk, ex-KVAL-TV Eugene, is gen. mgr.; Ron Ogle, program dir.; Leo Reetz, ex-KOAC-TV Corvallis, chief engineer. Base hour: $396. Rep: Meeker.

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More about piggy-back satellites: First Canadian piggy-back operation started in Nova Scotia Nov. 24, 1958 when CBHT-1 (Ch. 12) Liverpool began repeating CBHT (Ch. 3) Halifax and then relayed programs to CBHT-2 (Ch. 8) Shelburne. The following Dec. 20, CBHT-3 (Ch. 11) Yarmouth began repeating the Shelburne signal. According to the CBC engineering dept. CBUAT-1 Nelson isn't a piggy-back operation as reported (Vol. 16:49 p11), because it picks up CBUAT Trail, which gets its programming directly from the microwave network rather than repeating signals of CBUT Vancouver.

New Armed Forces station at Roosevelt Roads Naval Station, Puerto Rico, received an okay from FCC last week when it told the OCDM it had no objection to the construction of a 10-watt Ch. 8 facility. The Commission said the approval is subject to reconsideration if at any time it appears that the station would "impede the orderly development of private TV broadcasting or otherwise contravene the public interest." The station will be vertically polarized, carry no commercials.

FTC payola charges have been filed against 3 Hollywood businessmen—Herbert Newman, Louis J. Bedell and Max Newman—who were co-partners until May 1959 in Era Records. The FTC complaint said that the 3, who now manufacture records under separate corporate entities, made under-the-turntable payments to TV & radio disc jockeys or other station personnel.

It's only one chance in 10 that the set owner needs a new picture tube when he calls in the repairman. Two-thirds of the time it will be the more economical job of replacing a receiving tube. This at least, is what set-owners' replies added up to in the Psychological Corp.'s recent survey of 1,770 TV-owning households. (For more details, see page 15.)

Price of $1,440,000 was paid for KGUN-TV (Ch. 9) Tucson by owners of WEHT (Ch. 50) Evansville, Ind. in their deal with H. U. Garrett & his associates (Vol. 16:45 p10), according to terms of the sale approved by FCC.

Sale of radio KIMN Denver by Cecil L. Heftel to John C. Hunter and Associates (Vol. 16:43 p11), plus $155,000 to Heftel for an agreement not to compete for 7 years within 50 miles, has been approved by FCC.

Huge KSWS-TV Tower Topples: The 1,610-ft. tower of KSWS-TV (Ch. 8) Roswell, N.M., one of the world's tallest structures, toppled in a freak windstorm Dec. 8. It crashed into the transmitter & generator buildings, injuring Walter H. Campbell, engineer from Commercial Radio Monitoring Co., Kansas City. He suffered a badly broken knee, according to station owner John A. Barnett. Three other engineers escaped injury "miraculously," he said. Two dove under a workbench and the other squeezed against one of 3 control panels.

Barnett said that "practically everything in the buildings was demolished." In addition, the crash damaged 2 of the 3 houses maintained at the site, 2.5 miles S of U.S. Highway 380, near Caprock. The 14 people in the houses, families of the engineers, were unhurt. Barnett estimated the damage at "several hundred thousands of dollars." He said he expects to resume telecasting with temporary equipment in Roswell Dec. 20 or 21. Freakish nature of the storm was illustrated, he said, by the fact that utility poles in the area were sheared off.

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Explosion & fire wrecked radio WICO Salisbury, Md. Dec. 15 after the station had gone off the air for the day. The blast, believed to have occurred in the station's gas heater, ripped studios & offices in the one-story plant. Pres. Robert C. Boyle noted that the transmitter is not located in the building, said the station would be back on the air when studio equipment could be replaced.

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TV-radio scholarships are among grants totaling more than $60,000 which will be offered next year to Boston U. graduates & undergraduates by the School of Public Relations & Communications. Included: 15 educational WGBH-TV & 1 WGBH-FM Boston graduate scholarships, providing $1,500 for the calendar year; 3 radio WBUR-FM Boston graduate assistantships for $1,800 plus tuition; Bcstg. Executives Club of New England's Harold E. Fellows Memorial scholarship, providing $500 for a year of graduate study in broadcasting; Tarlow Associates Radio Stations $250 scholarship for an outstanding senior. Details & applications are available from Dean Melvin Brodshaug, Boston U. School of Public Relations & Communications, 640 Commonwealth Ave., Boston 15. Deadline: March 1.

Colleges & universities offering TV-radio degrees are listed in the *Journal of Broadcasting* quarterly (fall 1960 issue). This, the publication's 5th annual survey of the field, shows 96 schools (7 more than last year) now offering broadcasting education leading to a degree, and 49 others offering broadcasting courses without degree. The *Journal* is published by the Assn. for Professional Bcstg. Education, U. of Southern Cal., University Park, Los Angeles.

TV workshop for viewers is provided by WJRT Flint as an in-studio course in the city's adult-education program. The workshop, which begins its 3rd year with the winter semester, is instructed by production mgr. Ray Schwarz and other WJRT staffers. The course acquaints the students with over-all station operation, instructs them in the planning & production of TV commercials & programs.

TV-radio editorial campaign, seeking approval by state legislatures of a Constitutional amendment to grant D.C. residents the right to vote for President & Vice President, has been started by radio WWDC Washington. Fact sheets & suggested editorial material on the franchise issue have been sent to 300 stations by WWDC Pres. Ben Strouse.

Auxiliary Services

CATV LEGISLATION (cont.): FCC is about ready to make its recommendations to Congress with respect to CATV regulation (Vol. 16:50 p9). However, a final vote hasn't yet been taken.

The latest proposed legislation is broad. It would allow the Commission to do whatever it considers necessary to preserve a locally-originating station, in an area served by a CATV, while at the same time protecting the public's right to receive as many signals as possible. With such a law, FCC would be free to weigh each station-CATV conflict on a case-by-case basis.

If Congress goes for this approach, stations & CATV would get half a loaf each—with a chance to convince the Commission they're entitled to more in their specific cases.

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Taboo Taverncasts: Yankee enterprise notwithstanding, you can't rig up a trick antenna that'll pick up an otherwise-blacked-out pro football game in your area, and then use it as an advertised come-on for paying guests in your place of business. That's the gist of a precedent-setting injunction granted Dec. 16 in N.Y. to CBS-TV and the N.Y. Football Giants in a suit against the Circle Bar & Grill Inc. of Wayne, N.J. In effect, the injunction recognizes definite property rights in a TV program which contains no material protected by statutory copyright.

What had happened to cause the ruckus? Operators of the Circle Bar & Grill had installed a special antenna-&-booster system this fall capable of picking up Philadelphia & Hartford stations. Then, when a Nov. 20 game was scheduled between the Giants & the Philadelphia Eagles at Yankee Stadium in N.Y. (with N.Y. stations blacked out), Circle ran ads in local papers advertising a $2.50 buffet lunch and (in small print) inviting customers to see the game. On Nov. 27, when the Giants played the Eagles again at Philadelphia's Franklin Field, Circle's proprietors set up their TV system in Camden's Convention Hall and charged admission.

A temporary injunction had been issued on Dec. 9 by Judge John C. Grimshaw of Superior Court, Hackensack, N.J., restraining the tavern from continuing its practice. The Dec. 16 action made the cut-it-out order official. CBS and the N.Y. Football Giants did not state any plans to follow up their preliminary victory with further action.

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TV teacher training via closed-circuit system is a success at N.Y.'s Hunter College, announced dir. of teacher education Dr. Herbert Schueler. The project, begun last January under a National Defense Education Act grant, links 6 classrooms of Hunter's elementary school for gifted children with 3 college classrooms on the same floor, enabling instructors to observe student teachers at work.

Pay-TV oral argument was turned down by FCC last week, as expected. It rejected a petition of the theater owners. It granted all parties 10 days within which to file replies to each others' briefs (Vol. 16:49 p2). The Commission also turned down theater owners' petition to rebut the testimony of NAB TV vp Charles H. Tower.

Rambler's 1961 sales program was outlined to American Motors Corp. dealers & sales mgrs. in 35 cities Dec. 15 in a closed-circuit show produced by NBC telesales in conjunction with Geyer, Morey, Madden & Ballard agency. Host was American Motors Pres. George Romney.

The FCC

James M. Landis missed his Dec. 15 deadline for submitting his analysis of federal regulatory agency problems to President-elect Kennedy (Vol. 16:50 p6). Holed up in temporary Washington offices in a converted house at 1707 N St., NW (not far from NAB hq), he tried to finish his report in time, but at last week's end he advanced the schedule delivery date to Dec. 19 or 20. Landis may fly to Palm Beach to deliver the document personally to Kennedy, who will then decide if & when it will be released publicly. Landis said he wouldn't disclose details of the report, which is expected to call—at least—for careful selection of heads of such agencies as FCC and for establishment of an overall overseeing administrative office. Landis probably will continue to work with the incoming Democratic administration as an advisor on agency policy issues, but he has scorned suggestions that he is a candidate for "czar" of the agencies or for any other govt. payroll job. Meanwhile, Rep. Thomas (D-Tex.), who handles regulatory agencies for the House Appropriations Committee, gave Kennedy some of his own ideas about what should be done about them. In a talk with the President-elect, Thomas said Commission members should work harder and that decision-making processes should be speeded up.

Protest against stock transfers by WJPB-TV Weston, W.Va., filed by WSTV Inc. (Vol. 16:13 p16), should be denied, according to an initial decision by FCC examiner Herbert Sharfman. The protestant, operator of WSTV-TV Steubenville, O., WBOY-TV Clarksburg, W.Va., etc., charged that there was a long & deliberate delay in the reporting to the Commission of the acquisition of 45% by Thomas P. Johnson and 5% by George W. Eby. In a 29-page decision, Sharfman concluded that the protestant proved a portion of its charges but said that "it would be a drastic sanction indeed" to rule against WJPB-TV "because of the implications of a denial on the general right of WJPB-TV to retain the authorization." Also to be considered, he said, "is the increased awareness of the requirements of the Commission reporting and the assurance of future compliance."

Expansion-minded Fla. ETV Commission is pressing for an extension of its ETV network, already the largest in any state (Vol. 15:3 p4). It has asked FCC to reserve 13 uhf channels for possible ETV stations in Florida and has filed with the state legislature a 1961-63 budget of $1,660,750 to expand the current 5-station network. Included in the budget are funds for construction of a vhf educational station on Ch. 11 at Orlando. Commission Chmn. Judson Freeman says the vhf station plus 2 uhf outlets can be on air by 1963, assuming availability of funds.

Grant of Ch. 2, Portland, Ore. to Fisher Bcstg. Co., and denial of Tribune Publishing Co., was indicated by FCC last week as it instructed the staff to draft a decision affirming a Dec. 1959 examiner's recommendation. Fisher Bcstg. ownership interlocks with KOMO-TV Seattle. Tribune Publishing operates KTNT-TV Tacoma-Seattle.

TASO's 210-page supplementary report—covering analysis & theory and the results of directional antenna tests—is now available in printed form for $10 from exec. dir. Dr. George R. Town, 104 Marston Hall, Iowa State U., Ames, Ia. The report was given to FCC on June 13.

Bay Video Inc. was lined up for a Ch. 13 grant in Panama City, Fla. last week when FCC examiner Elizabeth C. Smith recommended approval after competitor withdrew.

Programming

CBS lost $20 million last year on informational & public-service telecasts; will probably top that figure in 1960. So said CBS news administrative vp Robert Lang last week in N.Y. to the Academy of TV Arts & Sciences. He added that the average network salesman has no conception of how to sell public-service programming. At the same session, David Burke, institutional programs mgr. for General Electric, pointed to one measure of reward for commercial sponsorship of public-affairs shows. GE, he stated, received more than 10,000 viewer letters of approval when it recently sponsored a one-shot education special, "The Influential Americans." The encouragement, he added, has given "a new perspective" to GE for 1961-62 program planning.

TV gives "greatest pleasure" among leisure activities, outranking movies & play-going by a wide margin. Pulse Inc. reported that fact last week on the basis of a N.Y.-area poll made in October among 500 men & women. Of those interviewed, 50% gave TV top leisure-time honors. Runners-up were movies (16%) and Broadway shows (10%). TV, however, was outranked by newspapers (37%) and books (28%) from the viewpoint of "education & information," with TV drawing a 24% score. A paradoxical inconsistency in the study: 77% of the respondents were of the opinion that the family members who would miss TV most were those in the 6-to-11-year age bracket.

Plans for TV festival to be held in N.Y. & Washington next fall under National Academy of TV Arts & Sciences auspices are moving ahead. The 3 TV networks have each agreed to donate $25,000 to the international event. John Walsh has been appointed exec. dir. of the festival, and publicity man Tex McCrary has been named festival committee chmn. TV festivals (or cultural festivals that will include TV) are also planned by other groups for 1961 in Switzerland and the principality of Monaco.

Cliff-hanger technique will be tried by *Have Gun, Will Travel* for the first time in the Western's 4 seasons. Part one, which will actually be the first half of a 60-min. Western, is scheduled for Jan. 7, with the concluding episode Jan. 14. The drama is by Harry J. Fink, Buzz Kulik directing.

Drama treating the controversial problem of school integration in the South is under consideration by NTA for *Play of the Week*'s 1961-62 season. The play is "Black Monday," by Reginald Rose, who hopes the TV airing will be a prelude to a Broadway production. Original dramatists haven't been attracted to *Play of the Week* largely because of the small financial return ($2,000).

WTVJ Miami is urging its viewers to buy Christmas toys for the 10,000 Cuban refugee children in South Florida. Manolo Reyes and Mike Alonso of the station's Spanish-language news program originated the campaign, which by last week had netted more than 2,000 toys. Cuban refugee agencies in the area will distribute.

Average rating of the 50 shows canceled last year was 13.9, reports Nielsen (1958: 16.4 average rating for 42 canceled shows. 1957: 15.8 average for 45 canceled shows). Accenting the positive, 71 shows were continued in 1957 with a 23.7 average rating; 69 shows in 1958 with a 22.9 average; and 64 shows in 1959 with a 22.0 average.

WFAA-TV Dallas's first live telecast from its new $3.5-million studio (Vol. 16:30 p7) will be the Jan. 15 debut of *Young America Speaks*, which the station hails as "the first intercollegiate debate tournament ever televised."

Television Digest

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Personals: Terry Lee promoted from vp-managing dir., WAGA-TV Atlanta, to TV regional vp, Storer Bcstg. Co. . . . **Barry MacDonald** named dir. CBC corporate affairs policy section.

Bob King, ex-KSWO-TV Lawton, Okla., appointed vp-gen. mgr., WTVP Decatur, Ill. . . . **Mrs. Edward Harvey Long** named vp-treas., Huntington Publishing Co. (WSAZ-TV & WSAZ Huntington-Charleston, W.Va.) . . . **Bess Myerson**, *I've Got a Secret* panelist and Ajax TV commercials saleswoman, appointed sales-promotion dir., M. C. Schrank Co. (pajama manufacturer). She will continue her TV activities . . . **Reg Miller**, national sales mgr., KOMO-TV Seattle, elected a vp, World Affairs Council of Seattle . . . **Ervin T. Melton**, news dir., WBTV Charlotte, N.C., named pres., Carolinas Press Photographers Assn.

Donald G. McGlathery appointed sales mgr. & operating head of the new Nielsen Media Service, which will measure TV & magazine audiences in the same national panel for direct comparison of the 2 media (Vol. 16:39 p12) . . . **Mrs. A. Scott Bullitt**, pres. of the Crown Stations (KING-TV & KING Seattle, KGW-TV & KGW Portland, KREM-TV & KREM Spokane) named one of the "10 Outstanding Citizens of Puget Sound" for 1960 by *The Argus*, Northwestern journal . . . **Mel Pierce**, ex-KHJ-TV Los Angeles, named mdsg. dir., KTLA Los Angeles.

Obituary

Ernest D. Herider, 53, engineer in FCC's Frequency Allocation & Treaty div., died in Washington Dec. 14 of a massive cerebral hemorrhage. Native of Indianapolis, he had worked for several stations before joining the Commission as a radio-monitoring officer in Lexington, Ky. in 1940. He transferred to the Frequency Allocation & Treaty div. in 1956 after handling broadcast matters—AM, TV, renewals & transfers. His wife survives.

Ralph Berger, 56, head of Desilu Productions art dept., died of a heart attack in Hollywood Dec. 12. His art direction on Desilu's *The Untouchables* won an Emmy last spring. His wife and 2 sons survive.

John Charles Thomas, 69, popular radio, opera and concert-stage baritone, died Dec. 13 of cancer at his home in Apple Valley, Cal. For a time he managed radio KAVR Apple Valley, Cal. He is survived by his wife.

Grants totaling $5,500 have been made by the CBS Foundation to 6 privately supported colleges & universities from which CBS women employes have graduated. Begun in 1956, the plan grants the employes' college $1,000 after 15 years of CBS service and $500 after each additional 5 years. Latest grants: $1,500 given to Columbia U. on behalf of May M. Dowell, CBS News special projects mgr.; $1,000 to Bryn Mawr, Long Island U., and Russell Sage for Alice Weel, TV news writer, Sherley Abrams, special projects librarian, and Winifred Williams, secy. to CBS Pres. Dr. Frank Stanton. Conn. College for Women and Eastern Nazarene College received $500 on behalf of Emma Schaumann, Columbia Records accounts supervisor, and Olive Tracy, CBS radio graphics presentation specialist.

Alexander **Guterma's legal saga** continued last week, with 3 alleged business associates of the imprisoned financier pleading innocent to the Federal Court charge of violating the anti-fraud & registration provisions of the 1933 Securities Act. Involved in the govt.'s running affair with Guterma (Vol. 16:30 p9 et seq.) were Paul M. Hughes, asst. to the pres. of Lionel Corp., John Ehrlich and Rolando J. Pepe. The govt. is seeking to prove, on the basis of an indictment by a federal grand jury, that Guterma and his associates fraudulently sold 350,000 shares of Western Financial Corp. common (now bankrupt). Guterma himself, now under sentence in Atlanta Federal Penitentiary, has already pleaded innocent to the same charge. Jan. 16 has been set as the date for hearings on motions in the case.

Fred Knorr, Mich. radio station operator & part owner of the Detroit Tigers, was reported recovering well from 2nd & 3rd degree burns suffered Dec. 9 when he fell into a bathtub of scalding water in a Ft. Lauderdale hotel while there on business. His wife said that he hit his head, was knocked unconscious, remained in the tub until a friend found him there. Knorr is 47, owns WKMH Dearborn, WKHM Jackson, WSAM Saginaw, WKMF Flint, part of WELL Battle Creek.

Harold C. Stuart, pres. & 12% owner of KVOO-TV Tulsa, and 1948-51 Asst. Air Secy. under Stuart Symington, is reportedly set to be named Secretary of the Air Force.

Technology

Jet-powered underwater TV camera that can be operated remotely to depths of 300 feet has been developed by Edwin A. Link, inventor & producer of the famed World War II Link air trainer, and 2 associates. The deep-sea TV camera, named "The Shark," has been assigned patent 2,963,543. It is granted to Link and co-investors Gunne Lowkrantz & Karl A. Kail, long-time associates in Link Aviation Inc., now a div. of General Precision. The underwater scenes recorded by the camera are transmitted by cable to a TV set aboard ship for direct viewing or taping.

Bi-directional TV distribution system which allows transmission of video signals in 2 directions sumultaneously over the same cable network has been announced by RCA, which termed it "a major advance in the distribution of ETV signals to classrooms." Explained consumer-products service div. vp L. G. Borgeson: "This represents a basic advantage over conventional distribution systems since it permits closed-circuit material to be introduced into the system from any classroom, while enabling reception of off-the-air TV signals. This means that one part of a school can receive closed-circuit programming at the same time another part is receiving off-the-air telecasts."

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

NEW COLOR TUBE FROM RCA NEXT MONTH: RCA confirmed for first time last week that it will be using an improved color tube in some of its sets slated to hit distribution channels next month. The company showed 12 new color models to distributors last week, and, in response to our question, said:

"Certain color models which we will be shipping to our distributors around the first of the year will use a new tube." No details were given, but we reported in these pages Oct. 24 & Nov. 28 (Vol. 16:43 p16, 48 p16) that the tube uses new phosphors and a Pittsburgh laminated implosion plate to increase brightness & improve contrast. It's understood that tube will be of the same 21-in. round shadow-mask type as is the current RCA color tube.

Other improvements in RCA color sets include use of sensitive New Vista tuner (with Nuvistor tube) in all 12 new models, new video peaking & vertical deflection circuits, circuit-breaker in place of fuse. RCA also showed 15 new 23-in. black-&-white sets, 13 of them featuring New Vista tuner. (For details, see p. 13).

MAJOR SET-MAKERS DROP FANCY 'FINISH' TAGS: In quiet & unreported negotiations with FTC lawyers, 9 big TV-radio-phono manufacturers have promised that from now on they'll label their sets so clearly that no buyers will mistake metal or hardboard cabinets for wood.

FTC stipulations against any deceptions in descriptions of wood-simulating cabinet finishes were signed simultaneously by Admiral, GE, RCA, Motorola, Westinghouse, Emerson, Philco, Sylvania and Zenith.

"These actions could not have been accomplished without the manufacturers' cooperation & their willingness to discontinue objectionable practices without time-consuming & costly litigation," said FTC chmn. Earl W. Kintner in announcing agreements Dec. 15. No formal anti-deception complaints against manufacturers had been filed by FTC, and stipulations didn't mean companies admitted they violated any law.

Banned under terms of stipulations are such traditional trade tags as "mahogany-grained finish" & "blond oak-grained finish" for cabinets made of metal or hardboard but dressed up to look like wood. FTC said 8 of 9 makers—Zenith excepted—has used these terms.

All 9 companies conceded that they had failed to label sets adequately to disclose true composition of non-wooden cabinets. And all agreed in stipulations to "label or tag properly cabinets which so closely resemble wood as to have the capacity to deceive the public as to their true composition."

Stipulations are good for industry as well as public, FTC's Kintner said. He pointed out that they not only will enable set purchasers to know just what they're getting for their money, but will prevent one manufacturer from gaining unfair competitive advantages over others.

TV-RADIO PRODUCTION: EIA statistics for the week ended Dec. 9 (49th week of 1960):

	Dec. 2-9	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	110,386	91,649	147,985	5,508,967	6,027,018
Total radio	384,279	400,179	367,234	16,375,660	14,725,906
auto radio	112,297	117,134	138,659	6,142,216	5,174,994

Canadian TV sales to dealers slumped in October to 44,812 units from 56,410 a year ago and 46,944 in Sept. 1960 (Vol. 16:47 p20), reports EIA of Canada. The year-to-date volume increased to 275,911 TVs, but trailed markedly the 327,632 units sold during Jan.-Oct. 1959. The 10-month breakdown (1959 figures in parentheses): Portables, 51,852 (56,385); table models, 55,952 (85,537); consoles, 154,478 (175,077); combinations, 13,629 (10,633). For Oct. (vs. Oct. 1959): Portables, 8,476 (9,548); table, 8,721 (15,907); cons., 24,815 (29,151); comb., 2,800 (1,804).

EIA SEES $10.3-BILLION 1961: Electronics business will advance another 6% next year to a $10.3-billion volume vs. $9.7 billion estimated for 1960 (Vol. 16:49 p17), EIA Pres. L. Berkley Davis said Dec. 15 in a year-end statement.

"While its short-term outlook is somewhat obscured by uncertainties over the state of the national economy, we can expect total electronics sales to be strongly supported by increases in defense requirements & steady expansion of the industrial electronics market." Davis said.

"The prospect for consumer-goods sales will be substantially brightened if the FCC, as expected, soon establishes transmission standards for FM stereo-radio broadcasting."

Citing EIA's volume-figure for 1960, which was up 6% from last year, Davis pointed out: "This means that the industry will have set new sales highs in every year of the last decade, irrespective of declines in the national economy—a record with few equals in the history of American industry."

Davis scorned opinions expressed by some industry observers that the consumer-electronics business had reached a period of relatively static growth. "Most promising opportunities" still lie ahead in development of non-entertainment products which are near mass production at mass-market prices, he said. Examples: electronic ovens, home safety devices.

Moreover, Davis said, "experimental equipment now exists which will enable the housewife to prepare meals without effort by feeding punch cards into household versions of industrial-process control systems."

Davis conceded that there are some rough spots, however:

"With domestic unemployment a matter of growing national concern, it seems significant to point out that, although electronics industry employment is now about double what it was in 1950, thousands of jobs in this industry have been abolished due to foreign competition. This is a problem which should concern the 87th Congress."

He also warned that "some extremely rough competition" is ahead at home for all electronics manufacturers, that "only manufacturers who keep abreast of rapid technical developments in electronics will survive."

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Packard Bell's home-products div. "recorded its greatest year [in fiscal 1960 ended Sept. 30, Vol. 16:50 p20] since the boom TV year of 1953 with a 5.5% increase in sales over fiscal 1959," Pres. Robert S. Bell informed stockholders in a pamphlet report. "The division's average TV unit selling price," he continued, "rose $16 compared with an average industry rise of $5.64 per unit. Our share of total industry dollars increased by approximately 6½%, largely as a result of expansion in the TV-radio-stereo combination field and the introduction of the industry's first color-TV combination. The division also captured the largest share of the stereo hi-fi console combination sales in our marketing area."

Production of electronic components is now a $3-billion annual business in the U.S.—nearly 3 times greater than it was a decade ago—reports Commerce Dept.'s Business & Defense Services Administration. The report represents BDSA's first annual review of the components field: *Electronic Components, Production & Related Data, 1952-59*, available for 20¢ from the U.S. Govt. Printing Office, Washington 25, or Commerce Dept. field offices.

More about

New RCA Sets: RCA's 12 new color sets—some of which will use the improved brighter tube (see p. 12)—all will be equipped with New Vista tuners, new-type video peaking circuits for increased bandwidth, new vertical deflection circuitry for greater stabilization with line-voltage changes.

Four of the models have Wireless Wizard remote control. Only 4 of the sets have been tabbed with a "retail price guide." They range from $495 for a table model to $775 for a 3-speaker lowboy (Eastern U.S. prices). The line is topped by a stereo-AM-FM-color-TV combination with open list. Four of the non-remote models are equipped with "Touch Bar" channel selector.

The 13 new 23-in. b&w sets with New Vista tuner range from a table model at $229.95 to 2 lowboy remote-control consoles at $359.95. Five are unpriced. A new 23-in. table model with "Long-Range" tuner is priced at a suggested $199.95; a console with same tuner is unpriced.

Magnavox TV & stereo orders are running 30% ahead of a year ago, Pres. Frank Freimann announced last week. The company's November sales were 17% higher than Nov. 1959, setting a new high for that month, he stated. He added that govt. & industrial electronics were largely responsible for last month's sales rise, consumer-products sales remaining about the same as in 1959. However, he said, consumer-product sales began improving immediately after Thanksgiving. "We've had a tremendous upsurge in TV & stereophonic hi-fi phonograph orders," Freimann said. "We're working our plants overtime & Saturdays."

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Mergers & acquisitions: Telex, Minneapolis manufacturer of electronic components, has acquired 82% of **Waters Conley Co.**, Rochester, Minn. phonograph maker, by exchanging 102,500 shares of Telex common (valued at more than $2.7 million) for 5,500 shares of Waters Conley held by Waters Electronics (Vol. 16:41 p15) • **Minnesota Mining & Mfg.** and **Warner-Lambert Pharmaceutical** have suspended their merger negotiations (Vol. 16:35 p15) pending a ruling from the Justice Dept. on the legality of the proposed amalgamation • **Standard Kollsman Industries** is purchasing for an undisclosed price the **electric blanket div. of Bobrich Products.** The blankets, produced at Beacon, N.Y., will be distributed by Standard Kollsman subsidiary Casco Products, acquired earlier this year (Vol. 16:23 p20).

Motorola will introduce new TV sets at a distributor meeting Jan. 5 in Chicago's Edgewater Beach Hotel.

Factory picture-tube sales dropped in October to the lowest figure since last February, reflecting cutbacks in TV set production. October normally is a month of high CR tube sales. In Oct. 1959, for example, sales totaled more than a million units, vs. the 771,000 registered in the same month this year. Also for the first time this year, cumulative year-to-date picture-tube unit sales dropped below the 1959 figure, although 1960 still led 1959 in dollar sales volume. Receiving tube sales were also down from last year's level. EIA's figures for October and year-to-date:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	795,250	$15,831,430	31,367,000	$26,872,000
February	741,233	14,495,480	32,734,000	27,881,000
March	794,375	15,654,281	36,382,000	31,751,000
April	707,252	13,782,769	29,737,000	25,759,000
May	659,859	13,329,826	30,354,000	25,580,000
June	756,827	15,505,481	33,916,000	29,065,000
July	681,785	13,898,468	34,883,000	28,810,000
August	928,164	18,843,067	38,540,000	31,702,000
September	913,496	18,345,103	34,612,000	28,007,000
October	771,324	15,478,435	33,506,000	27,628,000
Jan.-Oct. 1960	7,749,565	$155,164,340	335,965,000	$282,544,000
Jan.-Oct. 1959	7,864,893	151,772,066	358,477,000	304,871,000

PUBLIC ATTITUDES ON IMPORTS: The American public talks one way about imports—particularly Japanese imports—but buys another. This fact has emerged from a comprehensive survey by N.Y. ad agency Young & Rubicam on attitudes toward imported products. Released in a special N.Y. presentation by *Time* magazine, the study—entitled "Is Made in U.S.A. Passé?"—may reveal to U.S. (& foreign) manufacturers & merchandisers some valid ad & promotion points they have been missing.

Weakness of the survey is that it is relatively old—fall 1959—but there's no reason to believe there's been a marked change in public attitude. Some 2,600 consumers were interviewed, using scientific sampling techniques.

Despite the inroads of Japanese quality products into the U.S. market, the image of Japanese goods in the eyes of the public was best described in one word—"cheap" Surveyed consumers expressed overwhelming preferences for U.S.-made goods in almost every category. Example of survey results:

Questioned about the quality of foreign-made products, consumers placed Japan near the bottom of the heap, higher only than Russia. With regard to low prices, however, 83% nominated Japanese goods.

Asked to name foreign-made products sold in U.S., only 8% mentioned radio & hi fi. ("Cars" were first, with a 63% mention.) And 9 other products received more mentions than radio & hi fi.

Transistor Radios: U.S. First, Then Germany

Among questions asked about specific products:

"What country makes the best transistor radios?" Only men were asked this question, and 85% picked U.S. as their first choice; 3% chose West Germany; 1% Canada. Of those selecting the U.S., 26% picked West Germany as 2nd choice, 17% Japan, 15% Britain, 3% Canada, 3% France, 2% Italy, 2% Switz., 2% USSR, 30% "don't know."

"What country makes the best TV sets?" Both men & women were asked this question, and they picked the U.S. overwhelmingly—96%. West Germany got 1% of the first-place mentions. Of those picking the U.S., 2nd choice broke down to: 27% Britain, 16% West Germany, 7% Canada, 3% France, 2% Japan, 2% USSR, 1% Italy, 1% Switzerland, 41% "don't know."

"What country makes the best high-fidelity equipment?" U.S. was named by 82% of men, 6% naming West Germany, 1% Britain, 1% Switzerland. For 2nd choice, 29% chose West Germany, 18% Britain, 8% Canada, 5% France, 3% Japan, 2%Italy, 2% Switzerland, 1% Sweden, 1% USSR, 34% "don't know."

Owners of domestic & foreign-made transistor radios were asked to evaluate foreign vs. domestic sets in various categories. The question read: "If you were looking for a transistor radio (which is not really expensive . . . on which service is easy to obtain . . . which you feel more reassured about buying . . .) which of these things would you do?"

On every score except one—price—both foreign & domestic set owners indicated they would choose an American-made set—but in every case owners of U.S.-made radios showed more tendency to prefer domestic products. Qualities measured were service availability, reassurance, better value, pride of ownership, design & style, workmanship, inexpensive price. Only in the latter category did the majority of foreign-radio owners give the nod to imports. But even in the price category, domestic-set owners said they'd choose a U.S.-made transistor radio.

Hi-fi instruments were evaluated in the same way. The majority of owners of foreign sets gave the nod to imported sets only in the category of workmanship. Domestic owners strongly preferred domestic sets on every criterion. As Y&R interpreted it: "The lowest preference or lowest area of loyalty to domestic hi-fi equipment is in the area of workmanship. The owners of foreign hi-fi equipment are not fully satisfied about the service they get, because most of them would also choose domestic hi fi as being easier to get service for; but they are a little less strong in their feelings than are domestic owners. However, they prefer foreign hi-fi equipment in the area of providing better workmanship."

Public's attitude toward imports in general is divided, the survey indicated. Some 43% are opposed in principle—they think it's a bad idea, that it hurts the U.S.; 36% favor it because it helps recovery in poorer countries; 19% indicated they don't care where the product comes from so long as the consumer is benefited.

Opinion on imports of foreign-made consumer goods is sharply divided, the study found. "Those most likely to accept foreign products come from the younger age group, the better-educated group and the monied."

More than half of consumers would place their faith in the retailer when buying foreign goods without known brand names. The question: "If you were going to buy a foreign-made product and the brand was one you had never heard of before, which one of these factors would make you buy this brand?" The answers: Sold in a reliable store, 51%; recommended by a friend, 24%; lower cost, 13%; recommendation of a salesman, 2%.

Lower price seems to overcome patriotism in many consumers. The surveyed group was asked this question: "Assuming that the quality of all 3 is equally good, which brand would you most like to own? (1) An American brand made in this country. (2) An American brand even if it's made in another country. (3) A foreign brand sold in this country." Category 1 was chosen by 93%, No. 2 by 4%, No. 3 by 3%. But if the product in Category 1 cost 20% more, how would their preferences stack up? With this price difference, preference for No. 1 dropped to 59%, No. 2 rose to 27% and No. 3 to 14%.

The survey results were presented by Robert Y. Mayer, asst. to Y&R's research director.

Trade Personals: L. C. Diekmann named mfg. dir., Westinghouse consumer-products group,—serving in a consulting capacity to all consumer-products divs. He formerly held a similar post in the general products group . . . **Dr. Nisson A. Finkelstein**, asst. vp & research dir., Jan. 1 becomes Stromberg-Carlson research vp; **W. Edwin Boyette** named mfg. dir., **Miles A. Bailey** plant controller, Stromberg-Carlson commercial products div.

Sidney M. Robards, former dir. of press relations, promoted to RCA dir. of public affairs, with over-all responsibility for corporate press relations, editorial & publication services, product news & field relations, presentations & exhibits . . . **Karl H. Carstens** resigns as Magnavox ad mgr., effective Jan. 1; successor not yet named . . . **W. C. (Red) Schultz**, ex-national field sales mgr., Hoffman consumer products div., appointed distributor sales mgr., semiconductor div.

D. L. Nettleton named chief engineer, RCA electronic data-processing div., succeeding **J. W. Leas** who was recently appointed data-communications & customs-projects dept. mgr . . . **Fred A. Speaks** promoted from asst. mktg. dir. to mktg. div. dir., Eitel-McCullough.

HOW PUBLIC BUYS TV: Brand awareness & brand loyalty play the single most important role in the consumer's selection of a TV set. This is indicated in a voluminous survey of 1,770 heads of TV-owning households, conducted by the Psychological Corp. for Corning Glass Works as groundwork for Corning's upcoming TV promotion campaign (Vol. 16:50 p15).

Also surveyed—by interviewers posing as prospective customers—were sales personnel in 486 stores selling TV sets in all major U.S. regions. Some of the highlights of the nation-wide scientific-sampling surveys:

Most-desired features: Although 22% of TV set buyers indicated their purchase was dictated mainly by brand name, consumers gave picture quality as the most important feature desired in a TV set. Asked to name the 3 most important, they selected these major factors: picture quality, 69%; "good clear picture," 61%; external appearance of set, 44%; sound quality, 36%; reliability, 26%; large screen size, 17%; freedom from picture distortion, 10%; from picture "rolling," 5%; from snow, 3%; from interference, 3%.

Shown a check-list, viewers were asked to select the picture qualities they considered most important. Brighter picture was selected by 35%; contrast, 26%; reflection-free, 12%; freedom from "roll," 11%; from snow, 8%; from "lines," 1%. Asked which features were least important to them, the element of "square corners" was chosen by 41%; flat viewing surface, 14%; freedom from picture roll, 10%; from snow, 9%; from reflection, 8%; from "lines," 5%.

20% Can't Recall Sales Pitch

How sets are sold: One-fifth of TV set customers could recall no effort on the part of sales personnel to stress features of sets. Of those who could recall sales points, 18% mentioned factors related to quality of the image & reception, 6% to design or styling of the set. Nevertheless, 22% chose their sets on the basis of brand name, 14% "just saw it & liked it," 10% made the purchase because of the guarantee or warranty.

In an aided-recall survey, consumers chose these factors as features stressed by salesmen when selling them the set: Year's warranty on picture tube, 72%; 90-day parts warranty, 65%; brighter picture, 22%; better contrast, 16%; reduced glare, 8%; laminated picture tube, 3%; flat viewing surface, 1%; implosion-proof tube, 1%.

Multi-set ownership: For the U.S. as a whole, the survey projections indicated that 88% of TV households have a single set, 11% have 2 sets, 1% have 3 or more. Multiple-set ownership is greatest in the Northeast, where 21% of TV households own 2 or more sets (17% having 2 sets, 4% having 3 or more). Multi-set ownership is lowest (6%) in the South. Classified by city category, suburbs have the biggest multi-set ownership—28% of suburban TV homes owning 2 or more.

Ownership by brand: The nationwide sample was divided this way: RCA was first in ownership, with 17% of households; Philco, 13%; Zenith, 11%; Admiral & Motorola, 10% each; GE, 9%; Silvertone, 6%; Emerson, 5%; Westinghouse, 4%; Sylvania & Magnavox, 3% each; [no other brands were listed on surveyers' forms] all others, 21%. There were these regional variations in big-3 status: Northeast—RCA, 23%; Philco, 17%; Admiral, 11%. North Central—RCA, 19%; Admiral, 13%; Zenith, 12%. South—Philco, 14%; Motorola & GE, 12% each; RCA, 11%. West—RCA, 14%; Zenith, 13%; Admiral & Philco, 9%.

As classified by socio-economic status of owners, the big 3 were: Upper class—RCA, 24%; Philco, 18%; Zenith, 11%. Upper-middle—RCA, 20%; Philco & Zenith, 13% each; Motorola, 12%. Lower-middle—RCA & Philco, 13% each; Admiral, 11%; Motorola, 10%. Lower—Admiral, 12%; RCA & Zenith, 11% each; Philco, 10%.

Repairs & service: 62% of all TV households reported that their sets required repair in the past 12 months; professional technicians were called in by 55%. Receiving-tube replacement was required in most cases (62%); 2nd biggest trouble was picture-tube replacement (11%). Incidentally, 8% of all respondents, when shown a check list, indicated that the picture tube had been removed to wipe off dust or dirt; 4% said they had the tube removed to relieve fogging.

Survey of dealers: One out of five salesmen refers to the laminated tube in his sales pitch to prospective customers—but somewhat fewer (15%) use specific product features of the tube as a sales aid. The feature of the tube stressed most often is "elimination of dust & dirt" (11% of all dealers). Others: "reduced reflection" (9%), "cuts glare" (8%), "square-cornered picture" (7%).

The survey contains one interesting and unexplained bit of information: More people in the lower & lower-middle economic groups watch TV in darkened rooms. In the lower group, 30% said they view without room lights; in the lower-middle, the figure is 17%, dropping to 8% in the upper-middle and 6% in the upper group.

* * *

Consumer plans to buy TV sets increased in October from July, the Federal Reserve Board reported, but they were still below the Oct. 1959 figure. FRB's survey found that 4.8% of families polled in October expressed an intention to buy TV sets within the next 6 months, up from 3.9% in July. In October last year, potential buyers numbered 5.6%, also up from 3.9% in July. New-car & used-car buying plans also were up, but Oct. buying plans for washing machines & refrigerators were down as compared with July. November survey made for *Newsweek*, reported here last week (Vol. 16:50 p17), showed upsurge in TV buying plans.

———— ■ ————

Steven Baltz, 11-year-old son of Admiral vp-gen. counsel William S. Baltz, was the sole survivor on Dec. 16 of the air disaster over N.Y. city (see p. 5). He had been traveling alone on the United Air Lines jetliner from Chicago to N.Y. to join his mother, was said to have been saved by falling into a deep snow bank. At press time, his condition was listed as critical. His father, who at first was erroneously reported as a passenger on the plane, was in Chicago at the time of the crash, and flew to N.Y. on learning of the disaster.

Pre-recorded 4-track stereo-tape sales next year will double this year's volume. So predicted Ampex vp Herbert L. Brown, pres. of the Magnetic Recording Industry Assn. He put this year's retail sales level at nearly $5 million, forecasting 1961 sales at $10 million. He said 40 companies now produce 4-track music tapes, with approximately 1,000 different selections now available. He said about 2,000 more will be introduced next year. The 1959 retail volume was less than $1 million.

Andrea introduces 3 new sets—19-in. portable at $230 & $240, sliding-door 23-in. console at $495 & $525, and a 23-in. TV-AM-FM-stereo combination at $1,295.

Burnell & Co., Pelham Manor, N.Y. manufacturer of electronic filters & associated products, has been listed for trading on the American Stock Exchange. Symbol: BCI.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
British Industries	1960—qtr. to Sept. 30	$ 1,269,289	——	$ 27,418	$0.08	361,115
	1959—qtr. to Sept. 30	1,710,235	——	112,577	.32	356,777
Collins Radio	1960—qtr. to Oct. 31	53,341,464	$3,374,100	1,484,958	.69[1]	2,163,628
	1959—qtr. to Oct. 31	42,003,394	4,778,270	2,024,317	1.07[1-2]	1,889,632[2]
International Resistance	1960—42 wks. to Oct. 23	17,150,228	——	1,705,942	1.23	——
	1959—42 wks. to Oct. 23	15,676,568	——	1,493,370	1.08	——

Notes: [1]After preferred dividends. [2]Adjusted for Aug.-1960 4% stock dividend.

Officers-&-Directors stock transactions as reported to SEC for November:

Allied Artists. George D. Burrows sold 2,000, held 41,786. Sherrill C. Corwin sold 3,600, held 23,400. Robert W. Hurlock bought 200, held 20,500. Herman Rifkin sold 5,000, held 14,261 personally, 13,007 in Rifkin Management. Sam Wolf sold 1,550, held 22,000.

American Bosch Arma. W. G. Tuttle exercised option to buy 250, sold 500, held 1,500. William Stix Wasserman sold 22 personally, 1,500 through Investment Corp. of Philadelphia, 1,500 from trusts in transactions dated from Oct. 1950 to July 1960, held none personally, none in Investment Corp. of Philadelphia, 600 in trusts.

Amphenol-Borg. Edmund A. Stephan bought 500, held 1,000.

Arvin Industries. Orphie R. Bridges bought 200, held 1,325.

Audio Devices. Joseph K. McCammon sold 500, held 10,971.

Cinerama. Nicholas Reisini bought 41,300 through Robin International Inc., held 87,650 in Robin International Inc., 350,000 personally.

CBS Inc. Henry C. Bonfig bought 7,278, held 8,527.

Columbia Pictures. Samuel J. Briskin exercised option to buy 16,971, held 19,232 personally, 564 in S. J. Briskin Pictures, 117,763 in Fico Corp.

Consolidated Electronics. John Bentia sold 1,000, held 9,000.

Daystrom. Carlton S. Proctor bought 100, held 500.

Electronic Research Associates. Donald D. Grieg bought 100 Class A for daughter, held 100 for daughter, 1,187 personally.

Electronics Capital. Neil H. Jacoby bought 100 as trustee, held 300 as trustee, 1,000 personally.

Electronic Communications. Lorain W. Willey bought 501, held 600.

Electronics International Capital. Neil H. Jacoby bought 1,000, held 1,000. Jerome Kohlberg Jr. bought 1,000, held 1,000. Bernard Koteen bought 1,000, held 1,000. Joseph M. Pettit bought 300, held 300. Maurice M. Rice bought 5,556 held 5,556. Charles E. Salik bought 5,377, held 7,877. Richard T. Silberman bought 1,390, held 3,890.

Filmways. William Cowan acquired 1,000 for services rendered, held 1,000.

GE. John W. Belanger sold 500 held 17,568. Lemuel R. Boulware exercised option to buy 3,218, held 21,288. Hubert W. Gouldthorpe bought 133, held 1,740. Halbert B. Miller exercised option to buy 270, held 3,408. Arthur F. Vinson exercised option to buy 4,227, held 14,958 personally, 465 as custodian. William C. Wichman exercised option to buy 1,695, held 6,921.

General Instrument. Louis Scadron sold 1,000, held 7,378.

Globe-Union. John P. Hanson exercised option to buy 500, held 705. William S. Parsons exercised option to buy 500, held 3,755.

Hazeltine. William A. MacDonald bought 200, held 5.686.

Indiana General. John H. Bouwmeester sold 500, held 10,488.

IBM. E. R. Piore sold 100, held 304.

International Resistance. George I. Back sold 1,000, held 1,200. Walter W. Slocum exercised option to buy 500, held 800.

ITT. Frederick R. Furth sold 200, held 3,904.

Lear. William P. Lear bought 11,200, held 462,261. Glen C. Warman sold 381, held none.

Litton Industries. Charles R. Abrams Jr. sold 135, held 5,400. Harry J. Gray acquired 1,000 in private transaction, held 6,342. Joseph A. Thomas sold 3,000, held 10,681 personally, 211 in trust, 10,250 in Lehman Bros. Charles B. Thornton disposed of 4,000 in transfer of community property interest, sold 400, held 291,646 personally, 31,191 in partnership.

Loew's Theatres. Herbert A. Hofmann bought 100 as trustee, held 1,100 as trustee, 1,000 personally.

P. R. Mallory. Leon Linn bought 200, held 458.

Microwave Associates. Joseph C. Bothwell Jr. sold 200, held 5,700.

Minneapolis-Honeywell. Richard P. Brown sold 1,200, held 56,937 personally, 600 in trust.

NAFI. George L. Coleman bought 5,000, held 16,476 personally, 149,386 in Nafco Inc. H. V. Sherrill bought 6,000, held 12,700 personally, 149,386 in Nafco Inc., 225 as custodian.

Packard Bell. Kenneth R. Johnson exercised option to buy 510, held 1,530. Grover D. Rogers exercised option to buy 255, held 255.

Pentron Electronics. Richard F. Dooley sold 2,000, held 2,363.

Philips Electronics & Pharmaceutical. Arlie Vernes bought 400, held 1,000 personally, 20 for wife.

Raytheon. Richard E. Krafve bought 1,000, held 4,050.

Stanley Warner. Charles F. McKhann sold 100, held 800.

TelePrompTer. Roy R. Coffin bought 300 and 300 more through holding company, held 900 personally, 1,300 in holding company.

Texas Instruments. F. J. Agnich sold 400, held 23,475. S. T. Harris bought 200 for Trust A, held 454 in Trust A, 584 in Trust B, 17,720 personally.

Thompson Ramo Wooldridge. Harold L. George sold 400 in Oct. and amended report to indicate he sold 400 in Sept., held 29,335.

Trans Lux. Harry Brandt bought 800 personally, 500 through Brapick Inc., 1,100 for foundations, sold 2,300 from foundations, held 162,900 personally, 3,500 in Brapick Inc., 34,180 in foundations, 17,000 for wife. 100 in Barvic Theatres, 200 in Marathon Pictures, 400 in Bilpam Corp., 400 in Pamela Amusement. Jay Emanuel bought 1,100 and sold 2,300, held 34,180. Milton C. Weisman sold 1,000, held none.

United Artists. Robert S. Benjamin sold 400, held 300.

Varian Associates. Sigurd F. Varian sold 500 from community property, held 72,848 in community property, 14 personally.

Westinghouse. W. O. Lippman sold 200, held 600. W. Waits Smith sold 500, held 1,230.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Capital Records	Q	$0.50	Dec. 30	Dec. 15
Clarostat Mfg.	Stk.	3%	Jan. 20	Dec. 30
Columbia Pictures	Stk.	2½%	Jan. 30	Dec. 30
General Bronze	Stk.	2%	Feb. 9	Jan. 12
Motorola	Q	.25	Jan. 13	Dec. 30
MPO Videotronics "A"	—	.10	Jan. 16	Dec. 30
Muter	Stk.	5%	Jan. 20	Jan. 5
Sangamo Ltd.	Q	.15	Dec. 21	Dec. 19
Terminal-Hudson	Q	.06	Jan. 20	Jan. 9
Western Electric	Q	.90	Dec. 30	Dec. 20

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, December 15, 1960

Stock	Bid	Asked
Acoustica Associates	17¾	19⅜
Aerovox	7¾	8⅝
Allied Radio	22½	24⅝
Astron Corp.	1¼	1⅜
Baird Atomic	22½	24⅝
British Industries	17¼	18⅞
CGS Labs	7	8⅜
Cetron Electric	3¼	3⅞
Control Data Corp.	58½	62½
Cook Elec.	13½	14⅝
Craig Systems	14¾	16¼
Dictaphone	29½	31¾
Digitronics	22	24½
Eastern Ind.	15⅛	16⅜
Eitel-McCullough	16	17⅜
Elco Corp.	13¼	14⅝
Electro Instruments	23	25⅝
Electro Voice	7½	8⅜
Electronic Associates	29½	32
Erie Resistor	8⅝	9½
Executone	21½	24⅛
Farrington Mfg.	26¼	28¼
Fischer & Porter	19¼	21¼
FXR	36½	39⅞
General Devices	9⅞	10¾
G-L Electronics	7	8⅛
Granco Products	2⅝	3¼
Gross Telecasting	19¾	21¾
Haydu	1/16	¼
Hewlett-Packard	27½	29⅜
High Voltage Eng.	161	176
Infrared Industries	16	17⅞
Interstate Engineering	23½	25⅛
Itek	52½	56½
Jerrold	7¼	8⅛
Lab for Electronics	48½	51⅞
Lel Inc.	3⅞	4⅝
Magna Theater	2⅜	2¾

Stock	Bid	Asked
Magnetics Inc.	7¼	8⅜
Maxson (W.L.)	7	7⅞
Meredith Pub.	40	43
Metropolitan Bcstg.	17¼	18½
Milgo Electronics	15½	17
MPO Videotronics	4	8⅛
Narda Microwave	4	4¾
Nuclear of Chicago	39	42
Official Films	2¼	2⅝
Pacific Automation	4⅞	5½
Pacific Mercury	5¾	6⅛
Phillips Lamp	155¼	161
Pyramid Electric	2½	3 1/16
Radiation Inc.	23¾	25⅞
Howard W. Sams	36½	39¼
Sanders Associates	35¼	38
Silicon Transistor	4½	5⅛
Soroban Engineering	35½	38⅝
Soundscriber	16¼	17⅞
Speer Carbon	18¼	20⅛
Sprague Electric	54	57½
Sterling TV	1½	2
Taft Bcstg.	12	13⅜
Taylor Instrument	32½	35¼
Technology Inst.	8	9
Telechrome	12¾	14¼
Telecomputing	8	8¾
Telemeter	11⅝	12⅝
Time Inc.	67	70½
Tracerlab	10	11¼
United Artists	5⅝	6⅜
United Control	14¼	16
Universal Trans.	1	1½
Vitro	9¾	10⅝
Vocaline	2½	2⅝
Wells-Gardner	19½	21¼
Wometco Ent.	13¾	14⅞

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WEEKLY **Television Digest**

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The authoritative service for executives in all branches of the television arts & industries

1960 IN REVIEW: Summary of an eventful TV year (p. 9). Telecasting chronology (p. 14). List of 1960's station starters (p. 15). Consumer electronics year in review (p. 18). Industry leaders' electronics predictions for 1961 (p. 19).

SUMMARY-INDEX OF WEEK'S NEWS

FCC

FCC STUDIES HIGH-SPEED LEGAL TOOLS to cut backlogs—split into 2 final-decision panels, adopt "summary judgment" procedure, give staff authority to grant routine broadcast CPs (p. 1).

NO RUSH TO REPLACE FORD in Kennedy camp. He's likely to remain FCC chief several months. Frear not interested in job (p. 2). Dept. (p. 3).

Congress

WHITE HOUSE HOMEWORK on agencies laid out for President-elect Kennedy by voluminous reports from House probers & special advisor James M. Landis (pp. 2 & 3).

Educational TV

TV ALLOCATIONS—AIRBORNE ETV a factor, may call for big chunk of uhf spectrum for nation-wide system (pp. 2 & 4).

Networks

NBC & RKO WIN ONE in Supreme Court which declines to upset lower-court anti-Westinghouse ruling, but biggest hurdle to station swap remains—FCC (p. 6).

NBC's OPTION PATTERN, due to start Jan. 1, is similar to those of ABC and CBS (p. 6).

NETWORKS' PARTICIPATION IN PILOTS on increase; they are involved in 30, with more coming (p. 7).

Auxiliary Services

ARMY'S MEDICAL TV IS MENACED by economy order axing 38 staffers at Walter Reed production center. "Precipitous execution" of pioneering program feared (p. 8).

Consumer Electronics

DU PONT MYLAR TUBE SHIELD demonstrated. One tube maker plans production; use in portables forecast in year. Weight saving is big selling point (pp. 16 & 23).

TV PROMOTION DRIVE, designed to create year-long "excitement" about TV, unveiled by Corning. Original emphasis on bonded tube is now soft-pedaled (pp. 17 & 22).

1960 WASN'T TOO BAD in consumer electronics, with higher unit sales & average prices in TV & stereo, runaway radio sales highlighting sum-up of what started as a better year (p. 18).

NOV. TV SALES SOFT, preliminary figures showing dip of 12% at retail, 15% at distributor level. Radio retail sales below 1959 level for first time in Nov. (p. 22).

CANADIAN LOOK at 1961 by 3 major electronics firms reveals a dim view resulting from falling sales & rising import competition (p. 22).

Advertising

TV-RADIO SPENDING by top 10 air-media ad agencies in 1960 increased to $1.07 billion or 73% of their total media buying (p. 5).

Technology

FCC WIDENS SPACE PROBE to include issues of whether protected geographic areas should be reserved for future space-relay earth terminals (p. 13).

Other Departments

STATIONS (p. 4). **PROGRAMMING** (p. 5). **PERSONALS** (p. 8). **FINANCE** (p. 24).

FCC STUDIES HIGH-SPEED LEGAL TOOLS: Two new tools for cutting into FCC's hearing backlog are under consideration at Commission. If majority buys them, Congress will be asked for necessary law changes to put them into effect. They are:

(1) Split the Commission into 2 "decision panels"—each with authority to make final decisions. As of now, FCC can form panels whenever it chooses, but panels' decisions can be appealed to full Commission. Under new proposal, decision-making capacity could be doubled.

(2) Adopt "summary judgment" procedure, a la courts. Example of how it would work: Two competing applications are before Commission. One has all local ownership, other all out-of-town. The local man tells Commission: "Look, based on your precedents, the other man doesn't have a chance. It's black-&-white. Why waste time in a hearing? I make a motion for an immediate decision in my favor, based on the applications before you." Commission holds quick oral argument on the motion—and makes its decision.

Another backlog-breaking idea under study: Delegate to the staff the authority to grant routine broadcast CPs. Common Carrier Bureau staff now has such delegation, and Commission could do same in broadcasting without law changes, we understand.

WHITE HOUSE HOMEWORK ON AGENCIES: There's at least one thing sure about President-elect Kennedy as he approaches Inauguration day and such domestic problems as govt. regulation of broadcasting & other industries. He'll have plenty of reading matter to carry with him into White House.

Two more weighty analyses of ills of regulatory agencies—latest in long series of treatises on subject—were added last week to piles of literature available in field. One came from staff of House Commerce Legislative Oversight Subcommittee (see p. 3). Other was dispatched to Kennedy from his special agency advisor James M. Landis.

"Program of action" was called for by House report—29th issued by Oversighters or Subcommittee staff since they went to work on FCC in 1957. No "superficial tinkering with existing statutes & regulations" will do, report warned sternly. "Laws are not self-executing."

"We must have administrators with ability, vision, and above all, with a sense of their responsibility," House investigators went on. Concluding sentence of 166-page report was this: "Whether we have such men in public service depends in large measure upon the wisdom which is used by the President & the Senate in exercising their respective powers of nomination & approval."

Similar admonitions were directed at Kennedy by New Deal agency veteran Landis in 150-page report filed coincidentally with President-elect. His study of commissions & boards was due Dec. 15 (Vol. 16:51 p10), but Landis told us he didn't finish rewriting & polishing his "specific recommendations" until 5:15 a.m. Dec. 21. His report was then handed in N.Y. to Kennedy's father Joseph P. Kennedy, who acted as courier next day in flight to Palm Beach to join son's family for Christmas.

And these new reports were only starters for incoming Democratic administration. Still to come are: (1) Findings by Legislative Oversight Subcommittee itself. (2) Report by Senate Judiciary Administrative Practice & Procedure Subcommittee (Vol. 16:49 p2). (3) Hearing for agencies planned by Senate Commerce Committee (Vol. 16:48 p5). (4) Proceedings of White House conference on agencies planned by Circuit Court Judge E. Barrett Prettyman (Vol. 16:36 p5 et seq.).

NO RUSH TO REPLACE FORD: Look for FCC Chmn. Ford to continue as head of Commission for some months. Word is out that Kennedy administration is in no hurry at all to effect FCC shifts, is in fact inclined to let Ford continue his legislative & regulatory revitalization program. Kennedy could change mind fast, of course, but that's how things stand today.

Ford will be replaced as chairman sooner or later but his replacement hasn't been selected. Friends of defeated Sen. J. Allen Frear (D-Del.) have sent up trial balloons touting him for FCC, but he says: "My interests don't lean in that direction."

Also mentioned for chairmanship is Comr. Cross, Ark. Democrat. "If the President wants me for chairman," he said, "he'll designate me chairman. I'm not actively seeking it."

TV ALLOCATIONS—AIRBORNE ETV A FACTOR: Basic to FCC's allocation thinking today is the all-channel set. In fact, belief is that such sets must be fairly well distributed before a true decision can be made (Vol. 16:50 p2).

However, a new & important factor is about to enter picture—ETV and its potential heavy uhf requirements. If ETV requests and gets substantial number of exclusive uhf channels, commercial interests will begin to worry about lebensraum any time anyone talks of an ultimate shift of all TV to uhf. Earlier this year, FCC Chmn. Ford, in an off-record talk to educators, chewed them out for seeking ETV assignments on piecemeal basis, and for not having long-range nation-wide allocation plan. They took words to heart, intend to come up with recommendations. Question is when. Ford apparently expects it soon, to be considered in whole TV picture. But educators say they can give only rough judgment now, before Stratovision experiment bears technical fruit (see p. 4)—because many educators & engineers believe that airborne transmitters will be more efficient than ground-based in every way, including spectrum use. They don't expect full data before end of 1962.

Current engineering speculation is that airborne TV would need 15-20 uhf channels, 25 planes in air, to blanket nation with 6 simultaneous ETV programs. If 3-mc channels can be used—and Stratovision experiment will test them—spectrum needs would be less.

Congress

More about

OVERSIGHTERS' STAFF REPORT: Badly buffeted in nearly 4 years of headlined House hearings, broadcasters & FCC were spared new bruises by Commerce Legislative Oversight Subcommittee staff investigators in their final report last week.

Some salt was rubbed into old TV-radio-FCC wounds by chief counsel Robert W. Lishman & his team of probers. But there were no fresh barbs for the industry in the 166-page report (plus 97 pages of appendix) which Chmn. Harris (D-Ark.) will use as the working paper for the Subcommittee's own windup review, due Jan. 3 when the Oversighters officially shut up their shop.

Oversight staff stilettos were reserved this time for CAB, ICC and FPC among 14 regulatory agencies under the Subcommittee's investigative jurisdiction. The report indicated members of the 3 agencies for general laxity & inefficiency. Also cited were alleged instances of misconduct—some of which were never subjected to hearings at which agency officials could defend themselves. Rep. Derounian (R-N.Y.) and other Republicans on the Subcommittee opposed release of the entire report because of the sections on CAB, ICC and FPC. Derounian said "it isn't very American" to make charges without a hearing.

No such Subcommittee objections to a 30-page section on the communications industry were raised. Lishman & staff recounted quiz, payola-plugola and FCC "influence" cases explored at hearings, pointed with scorn at sins exposed, and boasted about enactment of reform legislation this year. Only 2 prescriptions for more legislative medicine—to control networks and ban trafficking in station licenses—were recommended by the staff, however. Both recommendations had been anticipated (Vol. 16:51 p8).

To License or to Regulate?

Even so, the Subcommittee's staff couldn't make up its mind whether it would be better for FCC to license networks or just regulate them. And Counsel Lishman told reporters that Commission itself already has done "very good" work in policing trafficking (Vol. 16:50 p1).

In its recommendation for network legislation, the report said investigation & study had demonstrated "the complexities of the problem & the difficulty in selecting the most suitable method for its solution."

The staff suggested that Chmn. Harris reintroduce his bill (HR-11340) calling for network licensing, that Oversighter Bennett (R-Mich.) revive his bill (HR-5042) for regulation short of licensing—and that both be subjected to "early legislative hearings." In the absence of the Oversight Subcommittee next year, the hearings would be conducted by the Communications Subcommittee—also headed now by Harris.

As for trafficking, the report reiterated a 1959 recommendation by the Subcommittee itself that the Communications Act should be amended to forbid a "voluntary sale" of a station within 3 years of its license date unless a mandatory public hearing shows "affirmatively that the proposed transfer is in the public interest."

The only other staff recommendation in the broadcasting field—and it wasn't for additional legislation—called for: "Administrative & Congressional study [of] how far broadcast content & balance should be determined by the rating services' appraisal of audience size." The Subcommittee has contracted with the American Statistical Assn. for an examination of ratings' "statistical validity."

The FCC

Miami Ch. 10 status quo was preserved in effect by a Court of Appeals order last week. Ruling on moves & counter-moves in the complex "influence" case (Vol. 16:49 p6), Judges E. Barrett Prettyman & John A. Danaher denied a request by FCC that it be permitted to proceed pronto with withdrawal of the Ch. 10 grant from National Airlines' WPST-TV. But the Court also held in abeyance a motion by WPST-TV for staying & vacating FCC's decision against WPST-TV. Elzey Roberts' petition to intervene in the tangled proceedings as a friend of the court was granted. North Dade Video was permitted to consolidate its appeals with others. Noting that "this case, long delayed, has become ensnarled in procedural technicalities," Judges Prettyman & Danaher then instructed all parties to get a move on. Attorneys for the parties were ordered to report by Dec. 28 on any pre-trial agreements they can reach on issues. Following filing of the FCC record in the case, which may come within a week, the contestants for Ch. 10 will have 25 days (instead of the usual 40) to file briefs, which must be answered within 15 days by FCC, followed by a 10-day period for reply briefs. This schedule indicated that the case may get to trial within 2 months.

Allocations actions by FCC: finalized—adding Ch. 9 to Redding, Cal., substituting Ch. 13 for Ch. 9 in Alturas. Proposed—(1) Making Ch. 18, Austin, Tex., educational, deleting Ch. 70, adding Ch. 67, substituting Ch. 75 for Ch. 53 in San Marcos. (2) Adding Ch. 15 to Madison, Wis. and Ch. 40 to Richland Center, deleting Ch. 33 from Madison and Ch. 15 from Richland Center. (3) Adding educational Ch. 28 to Newark, O., substituting Ch. 68 for Ch. 28 in Lancaster. (4) Adding Ch. 37 to Lexington, Ky., swapping it with Ch. 70, Winchester. (5) Adding Ch. 14 & educational Ch. 31 to Columbia, S.C., deleting educational Ch. 19 & Ch. 67, substituting Ch. 19 for Ch. 14 in Camden, and Ch. 67 for Ch. 31 in Lancaster.

Option-time appeal by KTTV Los Angeles (Vol. 16:47 p5 et seq.), which charges that FCC should have dropped option time altogether, will have plenty of participants. The Court of Appeals granted motions to intervene by 7 parties—3 networks, 3 affiliate groups, Westinghouse Bcstg. Co. but the court put a novel twist in its ruling: It told the 7 to get together in one brief—something of a forensic miracle. Attorneys are likely to ask the court for mercy.

FCC has corrected its list of stations which had failed to respond to its political broadcast questionnaire (Vol. 16:49 p5). It reports that the following should not have been included: KFUO-FM Clayton, Mo.; KKAS Silsbee, Tex.; WAND Canton, O.; WCBQ Whitehall, Mich.; WDIX Orangeburg, S.C.; WLAQ Rome, Ga.; WORX-FM Madison, Ind.; WNCO-FM Ashland, O.

FCC's uhf receiver radiation limits—1,000 uv/m at 100 ft.—will be retained until Dec. 31, 1962, at EIA's request. However, the Commission told EIA that, if it wants more extensions, "it should file supporting data as to receiver cost, production measurement and other pertinent factors to meet the 500 uv/m radiation limit originally scheduled."

Vhf-uhf ETV in Miami is proposed by WTHS-TV (Ch. 2) which has filed an application for Ch. 17 there. It reported having bought some equipment from off-air WITV which had once operated commercially on Ch. 17. Plans call for mounting Ch. 17 antenna on the Ch. 2 tower.

Uhf translator grant: Ch. 82, Waimea, Kauai, Hawaii, to KGMB-TV Honolulu.

Educational Television

More about

ETV STRATOVISION STATUS: High hopes, pedagogically & technically, were expressed to FCC & staff last week when they were briefed on ETV Stratovision experiment of the Midwest Council on Airborne TV Instruction (see p. 2).

Westinghouse is handling the transmission end of Stratovision work for MCATI, and last week it took FCC Commissioners & staff members out to Baltimore's Friendship Airport for a status report—which was, mainly, that educators are ready, but airplanes aren't, and won't be until about the end of January.

Dr. John E. Ivey Jr., pres. of MCATI, said he hopes Westinghouse's Air Arm div. will have planes ready shortly after Jan. 30. Originally, he said, the target was to test in 4th quarter 1960 but technical delays developed.

An area 300 miles in diameter will be served by the 4-engine DC-6 plane traveling about 300 mph in a 20-mile diameter circle 23,000 ft. over Montpelier, Ind., near Ft. Wayne. Two 10-kw transmitters (Ch. 72 & 76), using Adler drivers & Varian klystrons, will feed signals into a 10-db gain antenna.

Dr. Ivey said that 526,518 pupils and 16,221 teachers in 16,939 classrooms will participate in the Feb.-May tests —with a full program to start in Sept. 1961.

The project will cost $7,750,000, he said, with $4.5 million donated by the Ford Foundation, the balance by industry. It's understood that industrial contributors include not only electronics firms but such companies as U.S. Steel. These will be identified soon.

To obtain the best teachers, some 300 applicants were screened, and 20 were selected & trained at Purdue U. Courses are designed for students from the elementary grades to college level.

Plans call for 6-8 hours of telecasts daily—all emanating from 2 VR-1001-A Ampex recorders on the planes. A standby plane with duplicate tapes will be ready to take off in case of trouble, take over telecasting within 1-2 hours. Each plane will carry 3 crewmen & 3 TV engineers.

The original Stratovision protagonist, Westinghouse's Charles E. (Chili) Nobles, who pushed the program for commercial use immediately after World War II—but couldn't persuade the FCC then—went through the technical aspects, describing components. He said that a gyro-hydraulic system is designed to keep the antenna within one degree of vertical. If turbulence becomes too great—not frequent at that height—a standby antenna will be locked into position, and it's expected that its lobe will be broad enough to keep signal fluctuations within tolerable levels. The 3-mc bandwidth work, by CBS, will use 441 lines, 48 frames—as did CBS's sequential color. Incidentally, no color is planned for the project.

The allocations & measurements aspects of the program are being supervised by consulting engineer A. Earl Cullum. Reached in Dallas last week, he reported that the objectives are to study service & interference ranges for the airborne system and compare them with ground-based transmissions. The Bureau of Standards, under Kenneth Norton, is doing the theoretical calculations.

"The quality of reception," Cullum said, "must be better than the average home picture—or the planes may just as well remain in Baltimore. We're aiming for quality as good as closed-circuit." He added, as an aside: "You know, the home installation is the weakest link in TV generally. I'd like to see the industry do something about it. It's a shame—because the stations generally put out good pictures."

Cost of expanding the system would be enormous, of course, but the argument is that this would still be much less than a ground-based system offering the same coverage —and that TV offers enormous savings when used to supplement conventional schoolroom techniques. Enthusiasts foresee both federal & state govts. making the appropriations when confronted with experimental results.

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Educational TV factsheet on "current developments" has been issued by the Joint Council on Educational TV, 1785 Massachusetts Ave., NW, Washington 6, D.C. Prepared by JCET exec. dir. David C. Stewart, the 15-page report lists operating ETV stations. It also charts plans for stations that are proposed, reports actions of the FCC in the ETV field, and summarizes educational programming advances.

Stations

KMBC-TV (Ch. 9) & KMBC Kansas City have been bought for $10.4 million by Metropolitan Bcstg. Corp. from Cook Paint & Varnish Co. Cook's KMOS-TV (Ch. 6) Sedalia, Mo. will be transferred by Metropolitan to the owners of KRCG Jefferson City, Mo. for $200,000. Metropolitan has agreed to buy Cook's radio KFRM Concordia, Kan., which it will seek to sell, but will operate if not sold. In N.Y., Metropolitan Bcstg. Co. officials told us 1960 will prove to be one of the station group's best years. Outlook at the moment is for gross 1960 earnings of over $40 million and a net-before-taxes of $4 million. We are also told not to be surprised if Metropolitan adds a 5th vhf station to its vhf-uhf string before mid-1961.

Token verdict of $4 has ended a $7,300,000 triple-damage anti-trust suit against the *Kansas City Star* by Craig Siegfried, ex-owner of radio KIMO Independence. A federal court jury in Kansas City set the $4 figure for losses Siegfried claimed he suffered from monopolistic practices of the *Star* and its since-sold WDAF-TV & WDAF (Vol. 14:51 p4). The court, however, ordered the newspaper to pay Siegfried's court costs & counsel fees. Siegfried based his 2-year litigation on the *Star's* conviction on govt. anti-trust charges. He acknowledged, however, that he made a profit of several thousand dollars when he sold KIMO & 2 suburban newspapers he operated in *Star* territory.

Sale of WHTN-TV (Ch. 13) Huntington, W.Va. for $1,925,000 by Cowles to Reeves Bcstg. & Development Corp. has been approved by FCC (Vol. 16:43 p11).

Snowbound N.Y. agency timebuyers, gloomily listening to weather news in the suburbs, form a fine "captive" audience for a resort-area station pitch. Such was the theory of KOOL-TV & KOOL Phoenix, which ran a spot announcement series on radio WCBS N.Y.'s 6-10 a.m. Jack Sterling program in the wake of the Dec. 12 traffic-snarling snowfall. Comparing N.Y.'s chilly temperatures with those of sun-drenched Phoenix, and noting that New Yorkers would love nothing better than to escape their climatic plight, the announcements offered this business-angled consolation: "If you are a timebuyer and cannot get to Phoenix, you can get the full Phoenix market story by calling KOOL."

NAB's Radio Code Board under Chmn. Cliff Gill (KEZY Anaheim, Cal.) will meet Jan. 12-13 at Washington hq to review operations since they were restyled in June.

Advertising

73% of Top Agency Spending Goes to B'casting: The top 10 air-media ad agencies in 1960 increased their spending for TV & radio to $1.07 billion—73% of their entire expenditure of 1.46-billion ad dollars. In an end-of-year analysis, Dec. 19 *Sponsor* also found that the "average" agency among the top 50 air buyers invested 53% of its total billings in broadcast media.

These 1960-over-1959 increases were posted by the big 10: 1% for network TV, 13% for spot TV, 21% network radio, 6% spot radio.

The top air-media agency: J. Walter Thompson, which spent 55% of its estimated total $275-million billings in TV-radio. In 1959, JWT's TV-radio investment totaled 49% of similar billings. The No. 1 agency in terms of emphasis on broadcast media: Ted Bates, with 81% of its billings earmarked for TV-radio.

Agency buying habits: Shops with annual billings of $100-to-199 million spent an average 61% of their budgets for TV-radio, topping all other groups. Runners-up: $50-to-99-million agencies, 53%; $15-to-24 million, 52%; $200-million-plus, 49%; $25-to-49 million, 42%.

* * *

Magazine lineage will be up almost imperceptibly—one-tenth of 1%—for 1960 over 1959, reports *Printer's Ink* in a preliminary statement. Final figures will be available next month. December itself is off 7.8% from Dec. 1959 for the magazines.

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Oddest network sponsorship of season may well be credited to Mead Johnson & Co. subsidiary Edward Dalton Co. Ignoring all the standard TV precepts whereby the star of the show should at least look as though he uses & enjoys the sponsor's product, the Dalton firm has signed with ABC-TV as exclusive sponsor of its Sun.-night documentary series *Winston Churchill—the Valiant Years*. Dalton's hottest product: Metrecal.

Star-Crest Recording Co., Hollywood firm operated by Stephen F. Singer, has denied FTC charges that it used false royalty claims & other deceptions to obtain fees from song writers (Vol. 16:48 p8). Demanding dismissal of FTC's complaint, Singer conceded he made advertised claims cited in the case, but maintained FTC took them out of context so that they "assumed distorted meaning."

S. Klein Dept. Stores Inc., N.Y., accused by FTC of making false price & savings claims in interstate newspaper & broadcast advertising, has countered the charge with arguments that the govt. agency hasn't established its local jurisdiction. Demanding dismissal of the complaint, Klein also denied that store customers were deceived by comparative prices listed in the cited advertising.

Of the 130 U.S. cities with population of 100,000 or more, 80 now have their daily newspapers under single ownership, reports the latest *Editor & Publisher*.

Ad People: Kelso Taeger named McCann-Erickson vp & media dept. mgr. . . . **Sam Auerbach** named vp-controller, Advertising, Radio & Television Services Inc. . . . **Frank J. Fucito** named Kenyon & Eckhardt vp . . . **Lawrence J. Mulhearn** and **Lee W. Baer** named Cunningham & Walsh vps.

Obituary

Allen E. Braun, vp of North Advertising Agency, and **Robert W. Ellis**, 29, asst. producer, Benton & Bowles TV-radio commercial production dept., were killed in the Dec. 16 TWA-UAL airplane crash.

Programming

Specials on Film: Allied Artists' informational films div. is planning a dozen film specials, with budgets of $200,000 "and upwards" on each, we're told by exec. producer Jack Copeland. Realizing it would be too much of a gamble to make these for TV without a sponsor in sight, AA plans to release them abroad as theatrical features.

The first 2 specials (life of Albert Einstein; D. W. Griffith and early Hollywood days) go into production in February & March, and negotiations are now on with ad agencies for TV sponsorship.

Copeland's other projects include subjects such as the legend of the old West, George Washington Carver, and some in association with Pearl Buck. The producer believes the film special to be a wide open field that has been virtually ignored to date by the TV-film industry. He sees the potential as great because of the scope of film.

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Taped-in-London special, packaged by Val Parnell, a dir. of Britain's Independent TV Program Co. Ltd., will be telecast next spring on NBC. Although various U.S. shows (notably Jack Paar's, with a week-long stand) have taped shows in the British capital, this is the first major live package from a British commercial TV firm to be signed by a U.S. network. The deal was arranged between Parnell, who runs London's famed vaudeville showcase, the Palladium, and David Tebet, NBC-TV talent-relations vp who has just returned to N.Y. from a European trip. Titled "A Night at the Palladium," the 60-min. show will have as its host actor Laurence Harvey, best known to U.S. audiences for his "Room at the Top" film role. The show is a sort of "best-of-the-Palladium" effort—performances by featured British & American stars are being taped over a period of time at the Palladium during regular stage performances.

Nielsen "P.S." to TV election coverage revealed these highlights: 91.8% of all U.S. TV homes tuned in for some part of the election returns. The average home in this group spent 4.3 hours watching the final race. This produced a total-home-hours figure of 186,750,000—a little better than double the total amount of time spent viewing the 1956 election. Each U.S. TV home (88% of all U.S. families) spent a total of 20 hours watching convention coverage, the 4 debates and the election reports (not including time spent viewing other pre-election political shows & specials). "The top-rated TV program *Gunsmoke* would require over 2 years of weekly telecasts to equal this volume of audience," Nielsen added.

Network programming vps are the first appointees to the National Academy of TV Arts & Sciences' Telecast Committee. Thomas Moore (ABC-TV), Oscar Katz (CBS-TV) and David Levy (NBC-TV) will develop a special telecast on distinguished achievements in world-wide TV programming for the Academy's International Festival next fall (Vol. 16:51 p10). Upon its completion, the 3 networks will submit sealed bids for the telecasting rights, stated Telecast Committee Chmn. Henry S. White.

Lincoln radioscripts prepared & distributed by BMI as a contribution to sesquicentennial observances were presented to President Eisenhower at a White House ceremony Dec. 13. The presentation of an embossed leather-bound volume containing more than 70 scripts & a companion book, *Lincoln for the Ages*, was made by BMI Pres. Carl Haverlin, a Lincoln scholar.

Networks

NBC & RKO Win One in Supreme Court: One court hurdle was passed last week by the NBC-RKO station deal when the U.S. Supreme Court declined to overrule a lower court decision. The high court let stand the ruling of Philadelphia Federal District Court Judge Kirkpatrick, which rejected Westinghouse Bcstg. Co.'s efforts to present anti-NBC testimony (Vol. 16:27 p7).

The biggest hurdle remains, however. It's the FCC—which has lawyers studying about 30 pro & con pleadings & applications (including almost every imaginable filing by Westinghouse, Philco & KRON-TV San Francisco) to block the deal and, if possible, take Philadelphia & Washington TV licenses away from NBC.

No one, including FCC attorneys, can predict when it will end. There are also 2 more court proceedings—KRON-TV's attack in San Francisco's federal court and Philco's appeal in the D.C. Court of Appeals, from FCC's denial of its protest against renewal of NBC's WRCV-TV.

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Feature-movie plans of NBC-TV in which a hand-picked premium-priced group of Hollywood features will be slotted on Sat. night at 9 p.m., are nearing the final stage after several months of top-level negotiations with film companies. The search for top product (preferably in color and with strong star names) has been spearheaded by David Levy, NBC-TV programs & talent vp (Vol. 16:34 p3). Young & Rubicam (of which Levy is an alumnus) has indicated strong interest in the program plan.

THIRD OPTION PATTERN: Contrary to trade guesses, NBC-TV's revised option-time pattern, announced to affiliates last week in an NBC bulletin, turned out to be almost the same as the recent revisions in CBS-TV and ABC-TV option periods (Vol. 16:50 p2).

Although NBC has a 60-min. film show slotted at 7:30 p.m. on 6 nights of the week (the taped-and-filmed *Shirley Temple Show* is seen on the 7th night, Sun. 7:30-8:30 p.m.), NBC chose to begin its nighttime option period at 8:30 p.m., running to 11 p.m., across the board. This, in effect, puts all 7 of the 7:30 p.m. shows out on a station-option limb. However, NBC's attitude is that most of them (i.e., *Wagon Train* on Wed., *Laramie* on Tue., *Bonanza* on Sat. at 7:30 p.m.) are strong enough to arrange their own clearances, even in station-option time.

Bridging the 10:30-11 p.m. period with network option time is also an interesting NBC move. In this time period, NBC, has fewer shows than CBS, with Wed., Thu. and Sat.-night 1030 p.m. periods having been returned to affiliates for syndicated shows or movies. NBC's strategy, therefore, is on a long-range basis (protecting future shows in a 10:30 p.m. slot) rather than an immediate protection for existing network programming. Since NBC is the only network with a post-p.m. show (*Jack Paar Show*), the movie is also seen as an added hedge against pre-emptions of Paar by stations to continue feature movies that may have started at 10:30.

NBC's weekday afternoon option-time pattern is identical to that of CBS, running from 2:30-5 p.m. and is an hour later (3:30-6 p.m.) on weekends. (See table below.)

NEW OPTION-TIME SCHEDULES OF THE 3 NETWORKS

Effective Jan. 1, 1960

ABC-TV

		EASTERN	CENTRAL	MOUNTAIN	PACIFIC
MORNING	Mon. thru Fri.	10:30 a.m— 1:00 p.m.	10:30 a.m— 1:00 p.m.	9:30 a.m.— noon	10:30 a.m— 1:00 p.m.
	Sat. & Sun.	10:30 a.m— 1:00 p.m.	10:30 a.m— 1:00 p.m.	9:30 a.m.— noon	10:30 a.m— 1:00 p.m.
AFTERNOON	Mon. thru Fri.	2:00 p.m.— 4:30 p.m.	2:00 p.m.— 4:30 p.m.	1:00 p.m.— 3:30 p.m.	2:00 p.m.— 4:30 p.m.
	Sat. & Sun.	3:30 p.m.— 6:00 p.m.	3:30 p.m.— 6:00 p.m.	2:30 p.m.— 5:00 p.m.	3:30 p.m.— 6:00 p.m.
EVENING	Mon. thru Fri.	8:30 p.m.—11:00 p.m.	7:30 p.m.—10:00 p.m.	7:30 p.m.—10:00 p.m.	8:30 p.m.—11:00 p.m.
	Sat. & Sun.	8:30 p.m.—11:00 p.m.	7:30 p.m.—10:00 p.m.	7:30 p.m.—10:00 p.m.	8:30 p.m.—11:00 p.m.

CBS-TV

		EASTERN	CENTRAL	MOUNTAIN	PACIFIC
MORNING	Mon. thru Fri.	10:30 a.m.— 1:00 p.m.	9:30 a.m.—12 noon	10:30 a.m.— 1:00 p.m.	9:30 a.m.—12 noon
	Sat. & Sun.	10:30 a.m.— 1:00 p.m.	9:30 a.m.—12 noon	10:30 a.m.— 1:00 p.m.	9:30 a.m.—12 noon
AFTERNOON	Mon. thru Fri.	2:30 p.m.— 5:00 p.m.	1:30 p.m.— 4:00 p.m.	1:30 p.m.— 4:00 p.m.	1:30 p.m.— 4:00 p.m.
	Sat. & Sun.	2:30 p.m.— 5:00 p.m.	1:30 p.m.— 4:00 p.m.	1:00 p.m.— 3:30 p.m.	1:30 p.m.— 4:00 p.m.
EVENING	Mon. thru Fri.	8:30 p.m.—11:00 p.m.	7:30 p.m.—10:00 p.m.	6:30 p.m.— 9:00 p.m.	8:30 p.m.—11:00 p.m.
	Sat. & Sun.	8:00 p.m.—10:30 p.m.	7:00 p.m.— 9:30 p.m.	6:00 p.m.— 8:30 p.m.	8:00 p.m.—10:30 p.m.

NBC-TV

		EASTERN	CENTRAL	MOUNTAIN	PACIFIC
MORNING	Mon. thru Fri.	10:30 a.m.— 1:00 p.m.	9:30 a.m.—12 noon	9:00 a.m.—11:00 a.m.	10:30 a.m.— 1:00 p.m.
	Sat. & Sun.	10:00 a.m.—12:30 p.m.	9:00 a.m.—11:30 a.m.	8:00 a.m.—10:30 a.m.	10:00 a.m.—12:30 p.m.
AFTERNOON	Mon. thru Fri.	2:30 p.m.— 5:00 p.m.	1:30 p.m.— 4:00 p.m.	12:30-3 p.m.; 5:30-6 p.m.	1:00 p.m.— 3:30 p.m.
	Sat. & Sun.	3:30 p.m.— 6:00 p.m.	2:30 p.m.— 5:00 p.m.	1:30 p.m.— 4:00 p.m.	3:30 p.m.— 6:00 p.m.
EVENING	Mon. thru Fri.	8:30 p.m.—11:00 p.m.	7:30 p.m.—10:00 p.m.	6:30 p.m.— 9:00 p.m.	8:30 p.m.—11:00 p.m.
	Sat. & Sun.	8:30 p.m.—11:00 p.m.	7:30 p.m.—10:00 p.m.	6:30 p.m.— 9:00 p.m.	8:30 p.m.—11:00 p.m.

Daytime Looks Brighter: CBS may have an audience edge at night and ABC may be enjoying a hot sales streak in daytime (Vol. 16:51 p6), but NBC is out in front during the network morning & afternoon periods, garnering the biggest daytime audience and enjoying a sales boom too.

That's the gist of a report on NBC's daytime status circulated among that network's executives last week. According to the 2nd of Nielsen's Nov. NTI reports, covering the 10 a.m.-1 p.m., 2-5 p.m. periods: (1) NBC led in both average rating & audience share (7.1 rating & 33.6 share). (2) NBC's *Concentration*, 11:30 a.m.-noon keystone of the network's morning "game-show" block, scored an AA rating of 10.3 and an audience share of 50 to become the top daytime program.

Since daytime TV is enjoying a general growth (much of it due to the tight-as-a-drum situation in strong nighttime availabilities which creates an advertising spill-over into daytime), all 3 networks have little to complain of this season. Although CBS has lost its daytime rating edge, that network's schedule is still loaded with major spenders. And ABC, which doesn't crowd the other networks in daytime in any real degree of its nighttime rivalry, is making steady progress. The average length of ABC daytime lineups in Nov. 1958 (when ABC's daytime schedule was just getting started) was 83 stations for an 82.4% coverage factor. A year later, this had risen to 91 stations and 82.8% coverage. This season, it's up to 103 stations and 85.2% coverage with other markets joining regularly.

NETWORK SALES ACTIVITY

ABC-TV

Winston Churchill—The Valiant Years, Sun. Jan. 1, 9:30-10:30 p.m., and subsequent Suns., 10:30-11 p.m., full-sponsorship.
Edward Dalton (Kenyon & Eckhardt)

Action cartoon series, Mon.-Fri., 5:30-6 p.m., participations eff. this month.
Wm. Wrigley Jr. (Erwin Wasey, Ruthrauff & Ryan)

Cheyenne, Mon. 7:30-8:30 p.m.; Adventures in Paradise, Mon. 9:30-10:30 p.m.; Roaring Twenties, Sat. 7:30-8:30 p.m., participations eff. April & June.
Mennen (Grey)

Walt Disney Presents, Sun. 6:30-7:30 p.m., participations eff. Jan. & Feb. respectively.
Simoniz (Dancer-Fitzgerald-Sample)
Dow Chemical (MacManus, John & Adams)

The Law and Mr. Jones, Fri. 10:30-11 p.m., part. eff. Jan.
Simoniz (Dancer-Fitzgerald-Sample)

NBC-TV

Projection '61, Fri. Dec. 30, 9-10 p.m., news special, full sponsorship.
Gulf Oil (Young & Rubicam)

The Americans, Mon. 7:30-8:30 p.m., part. eff. Jan. 23.
Block Drug (Sullivan, Stauffer, Colwell & Bayles)
Dow Chemical (MacManus, John and Adams & Norman, Craig & Kummel)
Pan-American Coffee Bureau (BBDO)
Pepsi-Cola (BBDO)
Reader's Digest Services (J. Walter Thompson)

Everybody's Doin' It, Tues. Jan. 17, 10-11 p.m., one-time special, co-sponsorship.
Kitchens of Sara Lee (Cunningham & Walsh)
Timex (W. B. Doner)

Film & Tape

NETWORKS' PILOT PARTICIPATION: Networks are getting into the pilot act earlier than usual. Either by financial participation or direct development, networks are involved in at least 30 pilots to date. The number likely will go up, with other negotiations now on.

NBC-TV is busy on a minimum of 10 projects; ABC-TV has 8; CBS-TV, 5; CBS Films, 4; Cal. National Productions, 4.

NBC-TV has financial ties with: tentatively titled 60-min. *Monte Carlo*, being produced by 20th Century-Fox TV; *Cain's 100* and *Woman in the Case* (each 60-min.) and *Andy Hardy*, all from MGM-TV; *Las Vegas Beat*, Goodson-Todman Productions; *87th Precinct*, Hubbell Robinson Productions; *Ski Patrol*, being produced by Bill Thomas & Sam White. On its own, the network is developing a 60-min. pilot, *The Big Tent, Panama* and *3 Men and a Girl.*

ABC-TV is financially linked with 2 QM Productions pilots—the 60-min. *The Happy Breed & The Impatient Years*; *Dr. Kate*, 60-min. pilot starring Jane Wyman, produced by Telman Inc.; *The Hathaways*, Screen Gems. It's also in negotiations for several 60-min. pilots at 20th Century-Fox TV, including *Bus Stop, Tanganyika* and *The Circus.* ABC-TV is also reported to have an interest in Warner Bros.' upcoming 60-min. project, *Solitaire.*

CBS-TV is backing a 60-min. pilot, *3 to Make Ready*, to be made by Tandem Productions; a 60-min. circus show at Revue Studios; and a Robert Young comedy to be produced by Eugene Rodney and Temopic Enterprise S.A. It is also developing a number of projects, including *Hurricane Island & Marina.*

CBS Films has a deal with Burlingame Productions' Jess Oppenheimer for the pilot of an action-adventure series, *The Rolling Stone, Mr. Dodd* and a Western, *Charles Russell.* Cal. National Productions is partnered with Starward Productions in the pilot of *3 White Hats;* has a deal with producer Sam Gallu for 2 pilots, and is talking about a project with Ray Singer & Dick Chevallat.

Screen Gems' Dozen Pilots: Screen Gems, the Columbia Pictures TV-film subsidiary, is blueprinting about a dozen pilots for next season. Comedy, action and adventure comprise the principal formats. There'll be 60-min. as well as half-hour pilots, but not a single Western in the group.

Two syndicated projects are included—both action and already filmed: *Shannon*, starring George Nader, and *Man in the Middle*, starring Robert Sterling. Robert Sparks is producer of both.

Also filmed: *The Hathaways*, a comedy for ABC-TV starring Peggy Cass, Jack Weston and the Marquis Chimps, produced by Sparks. Being filmed: *The Insider* (60-min.), action, starring David Janssen, produced by Wm. Sackheim.

Other SG pilots include 3 comedies, *Archie, Hazel*, and *Bringing Up Mother*, and the 60-min. *Baron of Boston*, an adventure format, all being produced by Harry Ackerman. *Riviera*, action, starring Mike Connors & Quinn Redeker, and *The Daring Deeds of Donnie Drew*, adventure, both Greene-Rouse productions with SG. And *Safari*, 60-min. action-adventure, and *Empire*, half-hour action-adventure, both produced by Sackheim.

Another possibility is 60-min. *Grand Deception*, based on a volume of hoax stories by Alexander Klein. This would be a co-production of SG and Freddie Fields Associates Ltd. *Occupation: Female*, which SG plans for Polly Bergen, is a comedy drama being produced by Ackerman.

Television Digest

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Personals: Bernard Goulet, Montreal producer, named member of Canada's Board of Bcst. Governors. BBG member Carlyle Allison elevated to vice chmn., succeeding Roger Duhamel, who has been appointed to head Govt. Printing Bureau as Queen's Printer. . . . Jim Walsh, KCMO-TV Kansas City newscaster, will join Justice Dept. staff in Washington as law school honor graduate in Jan. after receiving degree from U. of Kansas City. . . . Marvin D. Melnikoff, ex-research dir. of *Television* magazine, appointed Weed TV Corp. marketing & research dir. . . . Mrs. Elizabeth Bernard Harris named research mgr., ABC Radio. . . . Claron C. Spencer, Alan D. Hutchison & Angelo A. Iadarola become associates in Washington law firm of Wilkinson, Cragun & Barker . . . Harry M. Mohr, ex-WTVN-TV Columbus, named program mgr., WKRC-TV Cincinnati . . . Lewis H. Avery, Avery-Knodel, named pres., Station Representatives Assn.; Daren F. McGavren, named vp; Eugene Katz, Katz Agency, named treas.; Robert Dore, Bob Dore Associates, named secy.

Paul R. Swimelar, KOMO-TV (Seattle) sales mgr., voted "man of the year" by the Seattle Executives Assn. . . . John Silva, chief engineer, KTLA, elected pres., Society of Television Engineers.

Lyle Bond, ex-KNBS Walla Walla appointed sports dir., KFMB-TV San Diego . . . Dr. William P. Shepard, retired chief medical dir. of Metropolitan Life Insurance Co., joins Institute for Advancement of Medical Communication & its Council on Medical TV as associate dir.

New NAB Pres. LeRoy Collins will bring his administrative asst. John L. Perry with him when he leaves the Fla. governor's office to take over his Washington job next month. Gov. Collins said ex-newspaperman Perry "will serve as my personal asst., not in an administrative staff capacity." Perry's NAB assignments will include research, writing, observing industry meetings and serving as liaison man for Collins. He first went to work for Collins in 1955 following jobs with the *Buffalo Evening News, Tampa Morning Tribune* and *St. Petersburg Times.* Perry was Collins's representative in development of the Fla. Educational TV Network, and in Sept. 1959 moved to N.Y. to join staffs of the Midwest Council on Airborne TV Instruction and Learning Resources Institute. He rejoined Collins's staff last Feb.

Auxiliary Services

Army's Medical TV Menaced: The 5-year-old TV div. at the Walter Reed Army Medical Center in Washington, which has pioneered uses of the medium for medical instruction & information, was threatened last week with almost immediate dissolution.

In a sudden budget-economy move, Surgeon General Leonard D. Heaton and Walter Reed's commanding officer Maj. Gen. Clement F. St. John ordered Dr. Paul W. Schafer, the civilian exec. dir. of the TV div., to prepare pink slips for dismissal or transfer of 38 of its staff of 57 on Dec. 30.

Dr. Schafer refused to comply at once in the hope that the order would be countermanded. "I really believe the problem will be solved," he told us. "But the solution isn't in sight yet, although a great many people are trying to get a stay in this precipitous execution." He said his appeals to the Surgeon General's office for reconsideration had been rejected so far, but that "20 or 30" Senate & House members already were up in arms over the order.

Dr. Schafer said the economy dismissals—represented by Gens. Heaton & St. John as necessary to provide money for other Walter Reed programs—might give the govt. a paper payroll saving of $60,000 during the balance of the fiscal year ending next June 30. This would represent salaries (less payments for annual sick leave, etc.) of 31 civilians on the TV div. staff. Transfer of 26 enlisted staffers would save no money, he pointed out.

But Dr. Schafer argued it would actually cost the govt. several times the $60,000 figure to eliminate the TV programming of medical techniques for military & professional groups. He cited Walter Reed's $1-million production center, whose equipment would have to be put up for salvage at depreciation prices. And cancellation of the Army's 5-year microwave contract with the phone company, which has 4 years to run, would cost $140,000 in penalties.

Operating now on a $400,000 fiscal budget, the TV div. transmits live or filmed technical programs to points within the Walter Reed Medical Center establishment. They are carried via microwave to other nearby military posts such as Ft. Meade, Ft. Belvoir, Andrews Air Force Base and the Bethesda (Md.) Naval Medical Center.

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No impact on CATV is seen by NCTA exec. dir. Edward Whitney in the N.J. court decision stopping a Wayne, N.J. tavern from charging customers for a buffet & N.Y. Football Giants games (Vol. 16:51 p9). Though the area is blacked out in the CBS-TV telecasts, the Circle Bar & Grill had used special pickup equipment to bring the games in. Said Whitney: "As I understand the decision, the judge ruled against the use of the signals as a 'performance for profit.' CATV provides an antenna service, nothing more."

CATV for Daytona Beach, Fla. was rejected in a recent referendum by a margin of 687 out of 5,309 votes cast. Community TV Systems of Fla. Inc. had sought a 30-year non-exclusive franchise. Reportedly, the measure was defeated by a last-minute campaign by dealers & technicians.

National Amusement, a division of NT&T, has been formed to operate the company's recently enlarged community antenna system in Williamsport, Pa. Also in the new division will be NT&T's Pacific Ocean amusement park and the exhibition & distribution of Cinemiracle Productions. Samuel P. Norton is pres. of the new division.

Translator starts: K70CC Susanville, Cal. started Dec. 14 repeating KOLO-TV Reno • K70CB Carrizo Springs & Crystal City has been carrying WOAI-TV San Antonio since Sept. 12.

Summing up 1960:

What did the year mean to the field of television? Here is Television Digest's annual report to you:

Congress: This was the year Congress finally did something about broadcasting. Public Law 86-752 (better known as S-1898, "Communications Act Amendments, 1960," or as anti-payola Harris-Pastore Act) was enacted. It was legislative monument to 3 years of FCC-TV-radio investigations by House Commerce Legislative Oversight Subcommittee, which in other sessions had been long on headlines & talk about broadcasting's sins but short on action.

"Anything could happen" to broadcasting in 2nd session of 86th Congress, we said at outset of year. And it almost did. Hodge-podge reform bill which emerged just under adjournment wire was much less monstrous than had been threatened by Oversighters, however. Payola, plugola and quiz-rigging were banned. FCC controls were tightened. But stations escaped punitive license-suspension penalties for misbehavior, and networks weren't put into license harness.

Congress gave pat as well as slap to industry, too. Vote of censure in Harris-Pastore Act was balanced by vote of confidence in resolution suspending Communications Act's equal-time Sec. 315 for Presidential tickets. All in all, considering raft of reform proposals which weren't passed, much-abused-&-bruised broadcasting came out of session in better shape than it had had reason to fear.

Federal Communications Commission: This was year of the big switch—from extreme laissez faire back to something like pre-GOP days. Harried by the Hill, Commission began tightening surveillance early in year, but tempo increased many-fold when Ford became chairman in March.

Notably, there were tough Miami Ch. 10 & Boston Ch. 5 "influence" decisions, strong anti-payola moves, new Complaints & Compliance Div., policy decision on FCC's programming role, shaving of option time, pay-TV hearing, short-term licenses. There were proposals to slow station sales, get more financial data.

On one of most important fronts—TV allocations—FCC's "new look" was still looking. Only one certainty developed: No more vhf from military services.

All in all, Commission didn't turn out to be the ogre some feared it might become as result of Congressional pressures. Generally, industry found it could still reason with the agency.

Our predictions at beginning of year held up well. Commission got tougher with rules violators. It questioned more operators on their promises vs. performance. It didn't revoke any licenses—but some licensees did sweat. And Comr. Lee did get his re-appointment.

NAB: NAB's year was darkly overshadowed by death in March of Pres. Harold E. Fellows at time when industry was buffeted—as never before—by storms whipped up by exposes of quiz & payola scandals. Policy rudder was taken over firmly by 3-man committee headed by broadcaster Clair R. McCollough, however. Washington hq staff, reorganized & strengthened, took on administrative responsibilities which had been carried single-handedly by Fellows for 9 years. And NAB ended 1960 bigger—and perhaps better-organized—than ever.

All-time highs in members & subscribers to self-regulating rules will be reported to new NAB Pres. LeRoy Collins when he assumes leadership of industry Jan. 4. At end of 1959, when many hold-out TV & radio stations already had flocked in self-protection to NAB's banner, roster reached 341 TV & 2,000 radio members. TV Code supporters totaled 354 stations then; Radio Code pledges mounted to 900. Current counts: 362 TV members, 383 TV Code subscribers; 2,260 AM & FM members, 1,088 Radio Code subscribers. (See also Industry Self-Regulation, p. 10.)

"Year of resurgent strength & prestige" for NAB was predicted by us before unexpected death of Fellows. McCollough & Co. bore out that prediction & others: (1) Codes "will take on new & real meanings for stations & public alike." (2) "There will be tougher NAB supervision of subscribers' behavior." (3) "Fast-buck operators will begin to think twice about offending NAB."

Nobody at NAB hq would boast that year of interregnum was time of unbroken triumph against industry's attackers. But there were real advances—and not only in numbers. Increasing display by stations of Code seals in public indicated they were paying more than lip service to good-taste rules. TV Code was broadened, Radio Code was toughened with enforcement teeth for first time. Code staffers

did missionary work with film producers & ad agencies to stop trouble at sources. Unlike other years, no revolts by TV Code subscribers against restrictions were started. And on legislative front, where dangers to industry were constant threat, NAB staffers did some skillful infighting which did much to save broadcasting from punitively repressing laws.

Industry Self-Regulation: Closer-than-ever control of programs & commercials through new network & industry machinery was in clear evidence during 1960, as we predicted a year ago. In program area, CBS and NBC issued written & verbal directives to producers concerning overt violence in dramatic shows (Vol. 16:6 p6); movie features—particularly some earthy items in post-1948 crop—received careful pre-telecast screenings, and NAB's Hollywood Code office opened as a pre-production advisory service to producers. Early in year, networks & stations implemented internal directives designed to forestall any future payola-quiz scandals (Vol. 16:9 p8 et seq.). Interestingly, TV became more "liberal" than ever in some dramatic specials, notably NBC's Sacco-Vanzetti documentary and NTA's tape-syndicated, full-length version of O'Neill's "The Iceman Cometh."

General standards-tightening in TV commercials was also a 1960 trend, as expected. The 4A issued a new TV interpretation of its 23-year-old copy code (Vol. 16:4 p7), and later joined with ANA to establish a 20-man Committee for Improvement of Advertising (Vol. 16:41 p2). AFA performed a parallel function at local-regional level with publication of an advertising "Truth Book," and NAB opened a N.Y. Code office which quickly became, under ex-NBC censor Stockton Helffrich, a focal point of pre-production clearance of TV commercials (Vol. 16:32 p10). CBS, a front-runner in much of the post-quiz cleanup, issued a new set of "guide lines" to agencies & advertisers (Vol. 16:14 p14), and other networks & station groups set up tighter screening procedures. Net effect of these & other measures by year's end was a notable improvement in quality & honesty of TV commercials.

TV's Election-Year Role: Industry leaders could point with pride to job done by TV-radio during the hard-fought Presidential campaign. Lifting of Sec. 315 by Congress in response to pleas by top network officials & other leaders (Vol. 16:35 p1 & 4) opened door to extensive new political coverage, although it cost all 3 networks a considerable sum in lost paid-political revenue. Huge TV audiences followed largest-yet coverage of Democratic (Vol. 16:29 p5) & Republican (Vol. 16:30 p4) conventions.

Then came something new: the all-network debates between the 2 major candidates—now likely to be a fixture in future campaigns—plus heavy concentration of pre-election political specials. Election-night coverage was massive audience success (Vol. 16:43 p3). It took over 3,000 newsmen, technicians, commentators, et al. and as-yet-untotaled millions of dollars to accomplish the 3-network 1960 political coverage. But even TV's toughest critics had to admit that the results gave new stature to TV, and regained much of the public confidence lost at time of quiz scandals.

Network Programming: Film grew in strength as the backbone of nighttime programming during 1960. By mid-year, only 18 of 74 weekly nighttime network program hours were live or tape. Rest were film, with 60-min. shows gaining favor with networks & advertisers (Vol. 16:27 p11).

Network financial participation in residual profits was another trend in programming. Networks had a thumb in financial pie of more than half of all nighttime shows when fall lineups were finally blueprinted (Vol. 16:28 p3 & 8). Our predictions in these areas last January proved correct (Vol. 16:1 p3).

Fall season's first national rating reports showed that rivalry between 3 networks had narrowed considerably, with less than 2 AA points representing spread between first & 3rd place and with NBC in strong 2nd place (Vol. 16:47 p3). Later reports showed ABC the winner, and still later CBS.

Public-affairs programming, as forecast, came into its own during 1960. Early in year, all 3 networks adopted basic proposal of then-FCC Chmn. John C. Doerfer to set minimum goal of 60-min. weekly in prime time for public-service fare. Move, in effect, opened season on new public-affairs planning. NBC & CBS promptly began planning a new crop of informational & cultural shows (Vol. 16:16 p11). By fall, "image-building" programming, much of it utilizing production techniques of straight entertainment shows, was frequent sight on all 3 networks, and advertisers could count several successes.

Individual stations, too, moved strongly into the public-affairs programming picture—with sufficient impact to allow TIO dir. Lou Hausman to point with gratification at the growing leadership of broadcasters in local community affairs.

Courts & Justice Dept.: FCC ran up impressive string of victories in courts—with a few exceptions. When Congress was flailing Commission, courts began doing same. When Congress let up, courts seemed to do so, too. Maybe it was coincidence. Maybe it was careful FCC decisions. Maybe it was good Commission trialsmanship. However, judges were jealous of their prerogatives, and became irritated when they thought Commission was ignoring their instructions on how to handle "influence" cases.

FCC-Justice Dept. relations weren't exactly cordial at year's beginning, what with Attorney General Rogers telling President Eisenhower that agency's operations left much to be desired and with Commission continuing network option time despite Justice's opinion that it's illegal. Mood improved noticeably by year's end, due in no small part, undoubtedly, to fact that FCC Chmn. Ford had worked for Rogers several years as a top assistant and had his strong backing for chairmanship.

New Station Starters: This year again saw 24 new TV outlets—repeating last year's record (Vol. 15:52 p4). Last January we predicted that not more than 25 new stations would get going and that at least 5 would be educational non-commercial outlets (Vol. 16:1 p3). Actually 7 of this year's 24 were in the non-commercial category. (For list of 1960 U.S. & Canadian starters as well as stations that went off air, see p. 15).

TV Station Sales: The year's transactions emphasized the trend toward multiple ownership. Prime example was Reeves Bcstg. & Development Corp. which began by expanding its holdings in WUSN-TV Charleston, S.C. from minority ownership to control (Vol. 16:29 p11) and then proceeded to buy KBAK-TV Bakersfield, Cal. and WHTN-TV Huntington, W.Va.

Metropolitan Bcstg. Corp. at press time announced biggest buy of year, acquiring KMBC-TV & KMBC Kansas City from Cook Paint & Varnish Co. for $10.4 million, bringing its holdings up to 4 vhfs & 2 uhfs (details on p. 4).

Transcontinent Television Corp., in year's 2nd biggest deal, also bought Kansas City outlets—WDAF-TV & WDAF—for $9.75 million, making its total holdings 5 vhf plus control of a uhf.

RKO General added a 6th outlet, WHCT (Ch. 18) Hartford, Conn., as part of a plan with Zenith for experimental subscription TV (Vol. 16:23 p6).

The Friendly Group added a 5th TV outlet to its holdings.

Wometco Enterprises is acquiring its 4th TV, and the following acquired a 3rd station during the year: NAFI Corp., the Rollins group and WAVE Inc. Some 10 others became multiple station owners by acquiring full or partial interest in a second outlet.

Contrary to the trend went the Gannett interests which sold WDAN-TV (now WICD) Danville, Ill. and the Taft Bcstg. Co. which sold WBIR-TV Knoxville.

Still pending are the NBC-RKO station swaps resulting from a federal court consent judgment requiring NBC to dispose of its Philadelphia stations (Vol. 15:39 et seq.).

Following sales were cancelled: United Artists' $7 million purchase of KFSD-TV & KFSD San Diego; Paul F. Harron-Gordon Gray's $3.1 million purchase of KSBW-TV & KSBW Salinas-Monterey; Connie B. Gay's $1.85 million purchase of KFEQ-TV & KFEQ St. Joseph and radio KLIK Jefferson City.

AFTRA & SAG won a sizable 1960 talent victory without resorting to full-scale strike. Last spring, AFTRA told us that new contracts covering raises in spot & network talent scales would be sought in the fall (Vol. 16:20 p4). It was no empty promise; as fall season got under way (Vol. 16:42 p11), AFTRA, joining with SAG, sought stiff talent pay hikes for spot tape & film commercials, as well as increased scales for network live & tape performers. A major strike threatened almost at once as agencies & advertisers sitting in on network negotiations balked at new prices. AFTRA, meanwhile, hammered out a precedent-setting formula for pay-TV talent scales, then bided its time until networks threw in the towel and accepted AFTRA-favored compromise contract (Vol. 16:46 p3, 49 p2). In all, it had been a tense year on talent fronts, but all major labor hassles were at least resolved.

Educational TV: For always-impoverished but always-ambitious ETV, year was one of steady if unspectacular progress all along line, marked by one big reverse & one big advance. At start of year, when 45 ETV stations were operating, we figured "50 or more" would be on air by end of 1960. Actually, 7 new non-commercial stations made it (vs. 9 in 1959), making total 52. Big reverse was handed out by House

Rules Committee, which killed federal-aid-to-ETV legislation after Senate approved it and House Commerce Committee endorsed it. Big advance came when $7-million Ford Foundation-backed Midwest "Stratovision" project got off ground with preparations for test flights. Demonstration telecasts begin Jan. 30, 1961.

On other ETV fronts: (1) NET's savvy programming made it look more & more like real network. (2) Texas lined up with half-dozen other states for statewide ETV scheduling. (3) Use of closed-circuit installations spread, although there was doubt at year's end about future of Hagerstown pilot project. (4) ETV programming by commercial stations became commonplace instead of exceptional examples of public-service TV.

Network & Spot Business: Our prediction of "record amount" of TV ad revenue in 1960 despite quiz-scandal problems proved correct. TvB's calculation for 1960's gross network & spot TV spending (combined) is $1.6 billion—or 13.9% of all media spending ($11.7 billion). Advertisers' TV expenditures rose 9% over 1959. Network gross-time spending hit a new high of $680 million—up 10% over 1959. National & regional spot rose 7% to reach $650 million.

TV-Film Production: TV film continued to set financial & production records, despite a general lack of "quality" in the thousands of films turned out by Hollywood. Industry production mounted to $150 million (last January we predicted $155 million).

Major-studio film companies' operations were lusterless, although in some instances (Warner Bros. & Screen Gems) they had volume. It was increasingly evident the independents such as Revue & Four Star were the giants of the industry. Major labor problems, pinpointed by the Writers Guild of America & Screen Actors Guild strikes, were resolved in what undoubtedly was the industry's most turbulent year. WGA's 6-month strike vs. TV was settled with a historic "royalty concept" established for writers.

We were right last December about: (1) Resurgence of comedy. (2) Fewer Westerns. (3) More family series. (4) Producers making many pilots, despite risk. (5) Independents dominating TV. (6) Revue leading the independents, Screen Gems the majors. (7) Networks' TV-film production operations increasing. (8) TV guilds getting part of residuals & minimums they sought. (9) Less concentration on stars for series. (10) Major studios would be struck over post-1948 movie issue. We were wrong about: (1) Producers seeking offbeat & musical series. (2) Movie & TV-film industries reaching agreement on establishment of registration bureau to avoid title conflicts. (3) Reduced production of 60-min. series.

Post-1948s & Syndicated Telefilms: Our timetable was off in a feature-film prediction a year ago: "No early end in sight to the wrangling between Hollywood majors & talent guilds on TV residual formulas for release of post-1948 movies." Payment formulas emerged sooner than expected when 1960 strikes by Writers Guild of America & Screen Actors Guild against major studios forced settlement. With green light at last, majors began opening their post-1948 film vaults.

Ice-breaking move was made by Warner Bros. and 7 Arts (Vol. 16:29 p7), and others followed (although some, like MGM and Paramount, are still fence-sitting). A number of distributors launched post-1948 packages (Lopert, TPI, Flamingo Films, Colorama Inc., Showcorp of America)—climaxed in 1960 by Screen Gems' marketing plans for 200 post-1948 Columbia Pictures.

Block-booking practice was outlawed, however. Although Screen Gems won an anti-trust battle with the govt. in N.Y. concerning distribution of Universal's pre-1948 movies, a late-year ruling definitely ended obligatory purchase of pictures by stations in large packages (Vol. 16:50 p5).

Our forecast for "limited growth" in domestic syndication and mild boom in overseas telefilm sales was right on target. Syndicators continued to find U.S. market tight, and played it so cautiously that by late year there was shortage of new syndicated shows. Foreign market continued to be plagued by problems of preferential quotas & artificial prices, but some progress was made (Vol. 16:22 p4). In syndication's biggest 1960 corporate deal, privately-held Ziv TV was purchased by United Artists for $20 million (Vol. 16:11 p5).

Federal Trade Commission: "Chmn. Earl W. Kintner, a staunchly Republican free-enterpriser, will make new history for FTC as guardian of public against advertising & merchandising gyps," we said in Jan. 1960. And that he did. Through no administrative fault of his own, Kintner also worked himself out of his job by staying Republican.

All advertising & merchandising felt stinging impact of FTC under crusading Kintner this year, and

no segments felt it more than broadcasting & broadcasting-related enterprises. High-budget or low-budget, TV sponsors found that they couldn't get by with commercials which used hyped-up claims or camera trickery to sell their products. Big-time & hole-in-the-wall record promoters learned (much to their professed surprise) that payola was illegal.

Kintner can claim credit as he leaves office for doing as much as anybody in past 12 months to re-awaken advertising industry to ethical needs of self-restraint & self-regulation. Record firms & disc jockeys will be the first to acknowledge that if any one man was responsible for drying up payola sources, it was Kintner more than anybody in Congress, FCC or NAB.

Community Antenna Systems: CATV pulled a miracle, beating down a licensing bill by 39-38 Senate vote—through direct, unabashed, lobbying. Meanwhile, more & more big investors asked themselves: "Where have we been?" and plunked down up to 7 figures for systems or groups. CATV ran into snag at FCC as small-market stations succeeded in slowing expansion of microwaves used to bring signals from big-market stations, forcing Commission to schedule hearings. But CATV forces, anxious to smooth out trouble spots and deflect restrictive legislation, were achieving considerable success in persuading station & CATV operators to compose differences outside hearing rooms.

Pay TV: After more than a year's operation, Telemeter's cable experiment was inconclusive at best —as far as outsiders could learn, and they seemed to learn fairly well by extensive surveying. Then RKO & Zenith joined to propose off-air tests in Hartford. FCC gave them and their theater-owning opponents 5 full days to argue the pros & cons. Results: inconclusive at best. Just about everyone—except exhibitors—seemed weary of the argument. FCC staff recommended approval of test, with carefully spelled out conditions.

Closed Circuit: Activity in this TV field increased steadily. TelePrompTer sought a permanent 8-city AT&T network in summer (Vol. 16:31 p8). And Teletalent Inc. estimated that 1960 spending for all closed-circuitcasts for sales, business, professional and stockholder meetings, telecast auctions, sports events etc. would hit $9.5 million—up noticeably from $7.2 million in 1959 & $3.8 million in 1958.

Foreign TV: Active foreign expansion of U.S. broadcasters continued during 1960. For most part, deals involved U.S. & foreign partnerships in new TV stations, networks or production facilities. ABC was easily the most aggressive U.S. network in this area, with 1960 deals including: Formation of the Central American TV Network (CATVN) with ABC as 51% owner and U.S. sales agent (Vol. 16:8 p9). Purchase of minority interests in 3-station Venezuelan network (Vol. 16:33 p9). Projected network in Lebanon (Vol. 16:34).

CBS Stations div. arranged to serve as "special consultant" to West German group planning commercial network there, and joined Latin-American broadcaster Goar Mestre in forming program-production center in Argentina (Vol. 16:24p7 et seq.) Underlining an obvious danger in foreign investment, however, were Castro's seizure of all Cuban TV stations, his ban on U.S. telefilms and his expropriation of U.S. TV interests (Vol. 16:5 p3 et seq.).

It's small wonder investors are willing to take such risks on foreign TV—1960 saw real wildfire growth of TV abroad. TV outside of U.S., Canada & their possessions had its biggest year of growth. Nearly 10 million new sets were added to overseas audience for total of about 43,750,000, while some 300 new stations went on air to make some 1,385 operating TV transmitters. Growth was fastest in free-world areas which have commercial TV—particularly in Japan and commercial-TV countries of Europe.

FCC Widens Space Probe: Out-of-this-world space communications issues in FCC's prosaically-named Docket 11866 inquiry (Vol. 16:50 p9) have been expanded in response to "interest in this proceeding." Participating parties are asked to file 30 instead of 15 copies of comments by the March 1 deadline.

In its Dec. 22 announcement of the augmented space inquiry, FCC said: "It seeks comment on whether & what protected geographic areas might be established & held in reserve for future earth terminals for civil communications systems via space relays.

"It added that if such a concept were adopted, it might be advisable to prohibit, for example, the use of certain frequency bands between 1,125 mc & 10,000 mc within 'X' miles of a given site for any use other than space communications."

FCC also said that because of "the urgency" of space issues, it wouldn't be precluded from making space allocation grants while the proceedings are pending.

* * *

Space communications system which uses ultraviolet light for transmitting signals is being developed by Westinghouse. Its "Ultracom" system, Westinghouse says, will extend the range of satellite communications up to 50 times that of radio, radar, TV. The company also claims a "first" in ultraviolet-transmission of TV pictures.

Chronology of 1960's Major Television Events

Dates shown are of the issues of TELEVISION DIGEST in which these accounts appeared.

January 4

NBC's station-swap moves continue as the network prepares to trade its Philadelphia o&o's.

CBS-TV launches drive against free plugs in TV film.

January 11

FCC proposes interim allocations plan: short-spaced vhf drop-ins.

Attorney General Rogers reports to President Eisenhower on means of improving FCC & FTC operations.

January 18

FCC Chmn. Doerfer suggests networks adopt a plan for prime-time public-service programs.

SEC opens hearings for Skiatron Electronics & TV on false-&-misleading stock registration charges.

CBS issues a guide to its o&o stations for on-the-air editorials.

Writers Guild of America strikes TV film & movies.

January 25

A new 3-network public-affairs agreement is adopted; sets a minimum goal of at least an hour per week in evening option time.

4-A issuse a new TV interpretation of its 23-year old copy code.

February 1

FCC proposes short-spaced vhf drop-ins for Providence & Grand Rapids-Kalamazoo.

Testimony in FCC programming inquiry presented by Sarnoff, Stanton, Fellows, Seymour & McGannon.

February 8

Senate Commerce Subcommittee conducts hearing on TV allocations.

Wrather buys into Jerrold Electronics Corp.

House Commerce Legislative Oversight Subcommittee reports its TV quiz hearings uncovered "a sordid commercial scheme," recommends sweeping legislative reforms.

ANA votes for a new client-level program of TV-radio-print ad cleanup.

CBS-TV and NBC-TV issue written and verbal directives to producers re violence on TV.

TelePrompTer buys 2 CATV systems.

February 15

FCC proposes anti-quiz-rigging & anti-payola rules.

CATV rate patterns analyzed.

Oversight Subcommittee starts payola hearings.

February 22

FCC asks uhf CP-holders to justify non-construction.

First Central American TV network, joining 5 TV outlets in 5 countries is announced by ABC-TV, 51% owner.

February 29

Telemeter starts wired pay TV in Etobicoke, Toronto suburb.

NBC buys KTVU San Francisco, draws opposition from KRON-TV which loses NBC-TV affiliation.

Cuba's Castro issues a ban on all foreign-made TV & motion picture commercials.

March 7

Screen Actors Guild strikes major movie studios. One issue: residuals to actors for post-1948 movies sold to TV.

Accused record firms start lining up to sign FTC consent orders against payola.

The top 10 ad agencies billed $708.9 million in TV during 1959, according to *Advertising Age*'s annual billings report.

March 14

Ford becomes FCC Chmn. after Doerfer resigns in Storer "yacht incident."

NAB Pres. Harold E. Fellows dies.

United Artists buys Ziv TV Programs, one of the biggest syndication producer-distributors, for $20 million.

CBS distributes a new set of "guide lines" on taste & time standards in TV commercials to agencies.

March 21

WGA strikes TV film at networks.

Warner Bros. suspends 3 actors under *force majeure* clause; blames WGA strike.

March 28

KFRE-TV Fresno agrees to shift to uhf.

Edward K. Mills nominated for FCC vacancy.

April 4

Zenith & RKO General join forces to request Hartford pay-TV test.

TvB reports spot sales rose 18% in 1959—to $605,603,000.

April 11

SAG ends strike against major movie studios. TV-residual issue for post-1948 movies is compromised.

NAB convention in Chicago reappraises industry.

Castro prepares to seize CMQ-TV network after freezing Mestre fortunes and taking over CMBF-TV Cadena Nacional, to put all TV under govt. ownership.

April 18

CBS and NBC blueprint a new crop of cultural shows in wake of quiz scandal.

April 25

Minnesota Mining & Mfg. buys MBS for $1.3 million.

NAB financial survey promises a good year for TV & radio.

May 2

Network TV advertising is 11% above last year.

May 9

Ford reiterates his philosophy of station responsibility & violence.

May 16

FCC asks for laws to tighten network regulation & station sales.

AFTRA's plans for future network-contract re-negotiation are discussed by National Secy. Donald F. Conaway.

"Violent" shows top large film casualty list.

House Rules Committee kills federal-aid-to-ETV legislation.

Producers sign new contract with directors.

May 23

FCC establishes Complaints & Compliance Div. to examine station broadcasters more closely.

Comedy dominates buying for fall season.

Senate kills CATV-licensing legislation.

Mills withdraws nomination to FCC because of conflict of interest.

Network TV's first quarter gross-time billings are 18% ahead of the year-ago volume.

May 30

Four Star Television challenges Revue's dominance.

June 6

N. W. Ayer & Son media vp Leslie D. Farnatb warns station reps that the agency will set up its own time-buying squad unless stations stick strictly to card rates.

June 13

WGA ends strike against major movie studios.

CBS stations div. to serve as a special consultant to West German group planning a commercial net; will join with Goar Mestre to plan a program-production center in Argentina.

June 20

WGA ends 22-week strike against TV film.

Senate Commerce equal-time "watchdog" subcommittee set up.

CBS-TV increases from 2 to 4 the number of pre-emptions to which sponsors must agree in election year.

June 27

WGA ends its strike against network film.

NCTA convention votes opposition to CATV-control legislation.

Robert E. Lee confirmed for another FCC term.

July 4

Charles H. King given recess appointment to FCC.

Congress legalizes vhf boosters.

House passes TV-radio reform bill outlawing payola.

Senate approves suspension of Sec. 315 for TV debates by Presidential tickets.

New figures show that of 74 weekly nighttime program hours on the networks in the 1960-61 season, only 18 will be live or tape.

SAG and TV producers agree on new contract.

July 11

Networks have thumb in financial pie of more than half of all shows, survey indicates.

July 18

FCC decisions crack down on Miami & Boston "influence" cases.

TV Democratic convention coverage draws big audiences, with NBC taking rating lead.

Screen Gems wins anti-trust battle with the govt. in N.Y. District Court concerning distribution of Universal's pre-1948 backlog.

Activity in post-1948 film sales increases as logjams break.

July 25

Jerrold sells its 9 CATV systems.

ABC-TV creates a subsidiary to film shows.

August 1

Storer Bcstg. Co. signs option to buy WINS N.Y. from Gotham Bcstg. Corp. for $10 million.

More deals reported for post-1948 feature-film packages.

FCC issues report outlining policy on station programming, presents conclusions of long inquiry.

August 8

Screen Extras Guild signs contract with TV-film & movie producers.

William Morris agency's record year; sells 25 network series.

Industry leaders predict 1960 revenues will rise 9-10%.

Earliest pilot push; 74 being prepared for 1961-62 season.

Network TV's first-half gross time billings are 8.9% ahead of the year-ago volume.

Networks slash prices of unsold shows as sales season ends.

August 15

Record $150 million to be spent in Hollywood for TV-film production.

ABC-TV signs a 1-year renewal contract with A. C. Nielsen Co.; other networks on the fence.

ABC's international div. buys a minority interest in a planned 3-station Venezuelan TV network.

August 22

Agencyman says co-op market for telefilms is being overlooked.

OCDM tells FCC it can't give military vhf spectrum to TV.

August 29

Three studios preparing 90-min. weekly film series: Warner, Paramount and MGM-TV.

Senate modifies, then passes TV-radio reform bill.

House approves Sec. 315 suspension.

September 5

FCC issues report on 1959 broadcast financial performance showing 29.3% profit increase over 1958.

Networks step up film production.

House accepts Senate changes in TV-radio reform bill.

President Eisenhower calls for White House conference on regulatory agency problems.

Oscarcast is signed by ABC in long range deal.

September 12

KRON-TV San Francisco applies for Ch. 4 Washington, occupied by NBC's WRC-TV.

September 19

Era of small independents in TV vanishing.

FCC votes 4-3 to cut option time segments from 3 to 2½ hours.

FCC examiner Stern recommends Miami Ch. 7 decision be voided and 3 applicants disqualified.

September 26

Lifting of Sec. 315 to cost networks a large sum in lost revenue from paid political telecasts.

Fla. Gov. Collins selected as NAB president.

October 3

First of the TV-radio debates on all 3 networks is a big success; may alter technique of Presidential politicking.

October 10

ANA and 4-A establish a new 20-man Committee for Improvement of Advertising (including TV).

Comments filed in FCC's interim allocations proceeding.

NAB's TV Code Review Board bars commercial for cocktail mixes.

SEC suspends Skiatron Electronics & TV stock registration.

October 17

FCC quizzers learn how networks have increased series ownership.

Fla. Gov. LeRoy Collins elected NAB pres.

NAB starts fall conferences.

Thurman Whiteside acquitted of Miami Ch. 10 conspiracy charges. Illness prevents retrial of co-defendant ex-FCC Comr. Richard A. Mack.

AFTRA presents demands to the networks; they're "stunned."

October 24

Senate's equal-time "watchdog" unit calls for all stations' reports.

FCC moves to ease border TV allocations in Canadian-Mexican talks.

MCA defies FCC quiz in Hollywood, refuses to testify.

AT&T proposes satellite capable of handling TV.

Standardized contract forms are developed by the Station Reps Assn. and 4A.

October 31

Plug specialists won't talk to FCC probers.

FCC conducts 5-day hearing on Zenith-RKO proposed Hartford pay-TV test.

AFTRA and International Telemeter draft a precedent-setting pay-TV contract covering talent in taped or live pay-TV specials.

Sales drive on post-1948 films shows first big results.

November 7

AFM signs contract with major movie studios.

Telemeter is not yet a success in Toronto, say independent studies.

Shupert quits as MGM-TV vp in policy clash.

Revocation proceedings started against radio KWK St. Louis; fradulent contests alleged.

Industry tells FAA that FCC has final word on tall-tower approvals.

FCC considers restraints on station sales, restricting transfers of those held less than 3 years.

FCC moves to require more financial data from stations.

NCTA picks Dalton for president.

November 14

Details of U.S.-Mexican border TV assignments disclosed.

Harrington describes workings of FCC Complaints & Compliance Div.

FCC considers revising of program portion of application & renewal forms.

TV scores a massive audience success on election night.

AFTRA-SAG strike threatens the networks and spot advertisers.

November 21

Producers cutting down on sex & violence in TV.

KTTV Los Angeles appeals FCC option-time decision.

FCC acts to implement provisions of new law governing pre-grant and public-notice procedures.

Major studios having trouble in new TV season.

Nielsen shows a real 3-network competition for the first time with less than 2 average-audience rating points between first and 3rd place.

Shell Oil and agency Ogilvy, Benson & Mather abandon the 15% media-commission system.

November 28

Hollywood gloomy, sees axing of 40 series.

Unbuilt uhf CPs canceled by FCC.

SAG collects record $6.5 million in residuals.

FAA spokesmen say FCC still has final yes-or-no on towers, claim industry is "too apprehensive."

A TELEVISION DIGEST survey shows local TV stations registering big sales successes for auto advertisers.

ABC-TV takes first place, for the first time, in nighttime network Nielsen ratings.

December 5

James Garner wins *force majeure* suit vs. Warners.

Few new comedy series are doing well.

TV-film producers unhappy with amortization method of taxation.

FCC proposes 3rd vhf for Syracuse & Rochester, resumes allocations policy discussions.

Screen Gems sells 200 Columbia post-1948 features to all CBS o&o's.

December 12

FCC starts rule-making to bar "trafficking" in stations.

CBS & ABC revamp option time without major program shakeup.

2nd Canadian TV network gets conditional go-ahead from BBG.

Film extras sign pact for TV commercials.

December 19

CBS & NBC urge repeal of Sec. 315.

FCC moves against management payola.

CBS shuffles news operation, names Salant chmn. of news executive committee.

TV Stations Starting During 1960

With List of Those Which Left Air During Year

Listed in order of on-air and off-air dates.

Dagger (†) indicates educational non-commercial outlet.

U.S. TV STATIONS STARTING

Call Letters	City & State	Channel	Date	Network
KNBS	Walla Walla, Wash.	22	Jan. 3	ABC-TV
KDSJ-TV	Deadwood, S.D.	5	Jan. 6	[1]
†KRET-TV	Richardson, Tex.	23	Feb. 29	—
WSLA	Selma, Ala.	8	March 17	None
†KPEC-TV	Tacoma, Wash.	56	April 1	—
WKBM-TV	Caguas, P.R.	11	April 22	None
WOLE-TV	Aguadilla, P.R.	12	April 22	None
KHJK	Hilo, Hawaii	13	May 15	[2]
†WGTV	Athens, Ga.	8	May 23	—
KORN-TV	Mitchell, S.D.	5	June 12	[3]
WJPB-TV	Weston, W.Va.	5	June 22	ABC-TV
†WGTE-TV	Toledo, O.	30	July 1	—
WPCA-TV	Philadelphia, Pa.	17	July 10	None
KSOO-TV	Sioux Falls, S.D.	13	July 31	NBC-TV
†KERA-TV	Dallas, Tex.	13	Sept. 11	—
†WFSU-TV	Tallahassee, Fla.	11	Sept. 13	—
KCBY-TV	Coos Bay, Ore.	11	Oct. 1	[4]
†KWCS-TV	Ogden, Utah	18	Oct. 3	—
KEYC-TV	Mankato, Minn.	12	Oct. 5	NBC-TV
WXTV	Youngstown, O.	20	Nov. 15	None
KCND	Pembina, N.D.	12	Nov. 15	ABC-TV
KVOG-TV	Ogden, Utah	9	Nov. 23	None
WTVI	Fort Pierce, Fla.	19	Nov. 22	CBS-TV
KEZI-TV	Eugene, Ore.	9	Dec. 19	ABC-TV

[1]Satellite of KRSD-TV Rapid City, S.D., NBC-TV affiliate. [2]Satellite of KHVH-TV Honolulu, ABC-TV affiliate. [3]NBC, but via KSOO-TV Sioux Falls, as affiliated station, when KSOO-TV started July 31. [4]Semi-satellite of KVAL-TV Eugene, Ore., NBC-TV affiliate.

U.S. TV STATIONS LEAVING AIR IN 1960

Call Letters	City & State	Channel	Off Air	Network
KLOR-TV	Provo, Utah	11	March	None
KVUE	Sacramento, Cal.	40	March 21	None
KCIX-TV	Nampa-Boise, Ida.	6	March 24	None
KNBS	Walla Walla, Wash.	22	Dec. 14	ABC

1960 CANADIAN TV STARTERS

Call Letters	City & Province	Channel	Date	Network
CFCY-TV-1	New Glasgow, N.S.	7	Jan. 23	[1]
CJCN-TV	Grand Falls, Nfld.	4	March 1	[2]
CHBC-TV-3	Oliver-Osoyoos, B.C.	8	March 27	[3]
CBWFT	Winnipeg, Man.	6	April 24	CBC[4]
CKOS-TV-1	Dauphin, Man.	8	June 19	[5]
CFCN-TV	Calgary, Alta.	4	Sept. 10	None
CHSA-TV	Lloydminster, Alta.	2	Sept. 25	CBC
CKAM-TV	Campbellton, N.B.	12	Sept. 27	[6]
CHAN-TV	Vancouver, B.C.	8	Oct. 31	None
CBUAT	Trail, B.C.	11	Nov. 1	CBC
CJAY-TV	Winnipeg, Man.	7	Nov. 12	None
CBUAT-1	Nelson, B.C.	9	Nov. 25	[7]

[1]Satellite of CFCY-TV Charlottetown, P.E.I. [2]Satellite of CJON-TV St. John's, Nfld. [3]Satellite of CHBC-TV Kelowna, B.C. [4]French language. [5]Satellite of CKOS-TV Yorkton, Sask. [6]Satellite of CKCW-TV Moncton, N.B. [7]Satellite of CBUAT Trail, B.C.

State aid for ETV was urged by the N.Y. State Board of Regents in their 1961 legislative & budgetary program issued Dec. 22. Specific proposals called for: (1) $1 million to help school districts set up & operate closed-circuit TV to improve classroom instruction. (2) $577,000 to continue programs for elementary & secondary schools telecast on WPIX, and in Cortland, where a closed-circuit system now operates. (3) $500,000 to help the 4 local non-commercial ETV councils chartered by the Regents to present educational & cultural programs over commercial stations. (4) $50,000 to develop college-level TV courses & to plan a state-wide TV network for higher education. (5) $50,000 to set up a production-distribution center for ETV programs via kinescope or tape. The report noted that in 1952 the state received FCC permits for 10 uhf stations, but a plan to use these as a nucleus for a statewide non-commercial ETV & cultural network was never carried out.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

INDUSTRY SEES DU PONT MYLAR TUBE SHIELD: Most tube & set makers have seen demonstrations of du Pont's laminated Mylar implosion plate in the last couple of weeks. At least one tube manufacturer plans to install machinery to make Mylar-shield picture tubes. And a set maker already has made tentative plans to use them in portable sets. Du Pont engineers feel the process is ready for production tests and that Mylar-shield sets could be on market within 12 months.

Du Pont's process for bonding thin layer of polyester film to face of picture tube thus enters into competition with other methods for providing required implosion safety in TV sets: (1) Corning's laminated glass twin-panel bulb, (2) Rauland-Zenith-Conneaut dry-seal vinyl gasket approach, and (3) Pittsburgh Plate Glass's new sealed-to-the tube plate-glass lamination process (Vol. 16:48 p 14, 50 p15), as well as the more conventional external glass or plastic techniques.

We visited du Pont's Chestnut Run Film Lab last week, saw demonstration of Mylar picture shield—and also talked with officials of tube, set & plastic-laminating firms. Many spokesmen preferred to remain anonymous, and some reports are contradictory, but here is the distillation of the Mylar shield story:

What it is: Still considered in "developmental"stage, du Pont's shield consists of a 5-mil (5/1,000 of an inch) thick sheet of transparent Mylar polyester film, cemented to a 1-mil sheet of Mylar with a ½-mil layer of tinted adhesive. Viewing surface of film contains anti-reflective coating. This laminated Mylar sheet is formed & cemented to tube faceplate in tube plant with 10-mil coating of epoxy resin, wrapping around faceplate in manner similar to Corning laminated glass cap (not enclosing entire tube as reported earlier).

Mylar is supplied by du Pont. Plastic laminating firms can then process the raw film into laminated sheets designed for picture-tube shields. Only company currently making the shield material is Lassiter Co. of Charlotte, N.C., a div. of Riegel Paper Corp., best known for manufacture of Fairtex metallic yarn.

Laminated film is to be supplied to tube maker in rolls—probably containing 1,000 ft. of material. It is applied to tube face under heat in a modified drape-forming operation. This requires vacuum-forming machinery, not currently used in tube manufacture. Such machines—which need modification before they can be used in tube-laminating process—are available from several sources for $15-to-$20,000.

• • • •

History of laminated Mylar shield: Du Pont project started more than 4 years ago as joint effort with RCA, which invested in drape-forming machine, now has the only one in tube industry. Some time ago, RCA reportedly lost interest in process, and now has given du Pont permission to offer it to rest of industry. Several conflicting reasons for RCA's back-out are given—cost of process, susceptibility of shield to scratching, reflections in original models—and it's understood RCA has informed its set-making customers that it will not provide samples of Mylar-shield tubes.

Du Pont says its major breakthrough has been in de-glossing process, which overcomes all light-reflection objections, that cost should be lower than Corning bonding system, that scratches on film can't be seen under viewing conditions. At any rate, other set & tube makers are definitely interested.

Advantages & disadvantages: In addition to the debated assets and/or drawbacks mentioned above, as we saw it, Mylar shield seems to provide one strong potential advantage: weight—or, rather, lack of it. Since entire Mylar shield assembly, including cementing resin, weighs less than ½ lb., du Pont says it can cut as much as 15-to-20% from weight of TV set—up to 8 lbs. from 19-in., up to 10 lbs. from 23-in. receiver. This could be strong "plus"—not only in portability, but in shipping expenses for tubes & sets.

Industry doesn't exactly cotton to plastic safety shields, and their disadvantages are cited by opponents & skeptics. But biggest drawback at the moment seems to be that Mylar shield process is untested, that too little is known about it.

"We're not in the TV business," say du Pont officials. "We think we've got something here that's good. But now it's up to the tube & TV industries to make up more samples, play with it, test it, evaluate it. If they think it has some potential, we'll be glad, because selling Mylar is part of our business."

Substantial part of industry is sufficiently intrigued, apparently, to supply heady air of optimism in the neatly-tiled halls of du Pont's trim, modern film lab at Chestnut Run.

More details of Mylar tube shield will be found on p. 23.

CORNING UNWRAPS TV PROMOTION DRIVE: Year-long campaign to inject "excitement" into TV selling—& buying—was outlined last week by Corning Glass Works, biggest manufacturer of picture-tube bulbs. "Operation Snowball," budgeted at about $500,000, could snowball into multi-million-dollar promotion—if substantial number of TV set manufacturers join in.

Aimed at dealers & general public, drive will stress technological advances & features of modern TV sets, de-emphasize price-selling tactics. Among highlights will be "TV Trading Bee," spring national dealer-level promotion aimed at getting TV trade-ins, "1962 TV Demonstration Preview," local fall new-line presentations patterned after new-model auto shows—backed by promotional material, dealer aids, newspaper & magazine campaigns, etc.

Corning made quick switch in its "Operation Snowball" plans. Originally designed as promotion for TV in general, Corning laminated tube in particular (Vol. 16:50 p15), it was revamped at last minute to get wider TV industry support. Reference to laminated tube is soft-pedaled, included as only one possible selling point, in attempt to make campaign less controversial, permit entire industry to join in.

Kick-off reception at New York's Plaza Hotel was hosted by Corning TV bulb sales mgr. Allen W. Dawson, pinch-hitting for electrical products div. vp-gen. mgr. John L. Hanigan, who was snowed in at Corning, N.Y. Among industry topkicks present: Sylvania Home Electronics Corp. Pres. Peter J. Grant, Admiral Sales Corp. TV div. mgr. A. A. Medica, NARDA Chmn. Mort Farr, representatives of set & tube makers.

Corning still hasn't had time to show its revised campaign to all set makers and thus couldn't give list of those manufacturers which will actively support it. It was understood, however, that even GE—which doesn't use any Corning laminated picture tubes in its line—had informally indicated plans for drive were now satisfactory and it would go along.

For details of Corning's "Operation Snowball" plans, see p. 22.

TV-RADIO PRODUCTION: EIA statistics for the week ended Dec. 16 (50th week of 1960):

	Dec. 9-16	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	98,083	110,386	142,056	5,607,050	6,169,029
Total radio	347,572	384,279	397,375	16,723,232	15,123,997
auto radio	111,712	112,297	154,940	6,253,928	5,330,014

INDUSTRY LEADERS CAUTIOUS ABOUT '61: Consumer-electronics sales in 1961 will reach or slightly exceed 1960's level. That's consensus of leaders of the set, tube & parts industry who responded to our annual year-end forecast survey.

Note of extreme caution prevails in nearly all responses. Nobody has gone way out on a limb, and almost all forecasters see 1961 sales as almost a mirror-image of 1960: Where 1960's first half was good and 2nd half poor, 1961 will see a poor first half, with business sharply up in 3rd & 4th quarters. But in one way, 1961 will be sharply better than 1960, according to industry leaders' predictions—last year's nearly disastrous overproduction will be lacking.

Of those manufacturers venturing specific predictions, slightly more than half forecast that TV sales will be a shade better in 1961—but even the most optimistic forecasts specified distributor sales at a high of 6.2 million (vs. this year's 5.7 million), while most stuck at or below the 6-million mark. Consensus was that radio & phono unit sales would about equal 1960's, with total dollar volume higher.

Texts of industry leaders' forecasts begin on page 19.

1960 WASN'T TOO BAD: In 1960's waning days, there's tendency on part of economists to apply the word "recession"—and to predict we'll be out of it by mid-1961. Recession or no, 1960 still turned out better than 1959 (or any other year to date) in consumer-electronics market, with total factory sales estimated at about $2.1 billion, roughly $100 million better than last year.

Nearly all of the gain over 1959 was made in first half of this year, which started out as boom market. In late spring, TV sales began to lag; by fall, phonographs were feeling the slump. But despite increased imports, radios continued to sell somewhat better than hotcakes. And even with the 2nd-half dip, it looks as if TV retail sales were slightly better than 1959, while phono sales have been considerably better—and in each case dollar volume per unit sales increased.

Just a year ago, we forecast "gains on all fronts" for 1960 (Vol. 16:1 p17). Like everyone else in industry, we were over-optimistic in our appraisal of TV sales (we said 6.1-to-6.2 million at retail), but we take what we hope is pardonable pride in pointing out in our 1960 review below just how accurate we were in most of our predictions. Let's look now at the main branches of consumer electronics and how they fared in 1960:

TV: Retail sales totaled about 5,785,000 sets, up slightly from last year's 5,749,000, although distributor sales to dealers were about 5.7 million, well below last year's 6 million. TV production for year was 5.75 million, down considerably from last year's 6.35 million—largely due to heroic last-quarter effort to bring production in line with sharply reduced sales. This effort succeeded, and TV industry enters new year with total inventories about 150,000 sets lower than last New Year's Day.

Biggest TV news of 1960 was continued upgrading of production—and success of this program at the market-place. Average factory price of TV sold this year was about $146 (we predicted $145 last year), up from $141 in 1959. Public increased its purchases of high-end sets, and TV-phono combination sales hit an all-time-high share of market, 3.7% (up from last year's 2.8%). Consoles rose to 45% of sets sold (from 38.7%), table models & portables dropping to 51.3% (from 58.5%). This year saw almost complete replacement of 17-& 21-in. sets by 19- & 23-in., which we also foresaw in our predictions, although the 19-in. set hadn't yet been introduced at the time.

Color TV warmed up a bit but didn't catch fire. (Last year we forecast sales 30-50% higher than 1959. which still sounds about right to us.)

Phono: "Three-channel stereo" bit the dust last year, reverb came along and appeared to be headed for same fate—but phono sales kept rolling. Last-minute sag failed to prevent full year from seeing sales of about 4.5 million units at retail (up from last year's 4.4 million). We had forecast "well over 4 million." Some 75% of phonos sold at retail this year were stereo—up from 62% last year—and average factory price of phonos went up from $87 to $92 (we were a little optimistic when we predicted "nearly $100"). Phono factory sales will total about 4.6 million in 1960—up from 4.3 million.

Radio: Sales were really hot this year—about 10.2 million sets at retail, plus another 6.5 million auto sets (we predicted nearly 10 million & at least 6 million car sets), compared with 8.9 million & 5.56 million in 1959). Radio production in 1960 totaled about 17.5 million (including auto).

FM radio continued its phenomenal increase and set an all-time record. If you include not only FM & FM-AM table models (as EIA does in its figures), but component tuners, TV & phono combinations and imports which contained FM, total sales in 1960 reached about 2 million (we predicted "considerably more than 1.5 million"), compared with 1.4 million in 1959.

Imports: Japanese radio exports to U.S. totaled about 7.5 million units (exactly what we predicted last year), up to an all-time record from 6.1 million last year. Sets with 3 transistors or more totaled 4.4 million, vs. 4 million in 1959. The increase was slight due to Japan's new quota system—tube radios and "toys" (less than 3 transistors) making up most of the increase. About 10,000 TV sets were imported this year—first time there's been significant number brought in.

So much for 1960. What of 1961? On the following pages, you'll find our roundup of industry leaders' forecasts for the coming year. Next week we'll go out on the limb ourselves.

Industry Leaders Forecast 1961 Consumer Electronics Outlook

Text of Responses in Our Annual Survey of TV-Radio-Phono Prospects

Admiral Pres. Ross D. Siragusa:

Last year's lengthy steel strike and the subsequent race to fill pipelines were forerunners of the general weakness that overtook the appliance industry and the nation's economy during 1960.

It takes about a year for the country to recover from the sort of economic indigestion we have been experiencing. Fortunately, manufacturers readjusted their production schedules as soon as the signs of weakness became apparent. As a result, excess inventories have been worked off and production is at a realistic rate.

We foresee a pickup in TV movement by midyear and anticipate that 1961 unit sales will equal this year's 5.7 million and may possibly exceed it.

The radio industry has been experiencing a healthy growth. 1960 will be one of the largest radio years [for] our company and the boom is expected to continue into 1961.

The current squeeze on manufacturing profits will continue into next year, with little change in prices.

Some relief is hoped for from the constant pressure of limitless Japanese electronic exports to this country. We believe the public and members of Congress are becoming increasingly aware of the damage being inflicted on suppliers to the electronics trade and on American workers.

●

Centralab Pres. W. S. Parsons:

We expect Centralab business to be, on the whole, equal to that of 1960, but on top of this we expect to introduce new products into new markets in electronics which should bring us a minimum of 10% increase over 1960. Very frankly, we do not look for the radio and TV entertainment field to show any material gain over 1960.

●

EIA Pres. L. Berkley Davis:

We believe the total [electronics] business will advance another 6% during 1961 to a $10.3-billion total. The prospect for consumer-goods sales will be substantially brightened if FCC, as expected, soon establishes transmission standards for FM-stereo-radio broadcasting.

Three of the industry's principal segments set new sales peaks during 1960. The 1961 pattern is expected to be about the same. The comparative figures for sales at the factory level, in billions of dollars, are:

	1959	1960	% Change	1961	% Change
Consumer products	$2.0	$2.1	+5%	$ 2.2	+5%
Industrial products	1.6	1.75	+9%	1.9	+8%
Military products	4.7	5.0	+6%	5.3	+6%
Replacement components	0.9	0.9	—	0.9	—
TOTAL	$9.2	$9.75	+6%	$10.3	+6%

●

Emerson Radio Pres. Benjamin Abrams:

Based upon a material improvement in Emerson's shipments during the months of October and November, as well as my expectation for the month of December, I am inclined to project a much improved sales picture for 1961 insofar as this company is concerned. We look for an increase in sales of TV and phonographs and a possible "holding of the line" in radio.

Industry-wise, I am inclined to feel that the first 6 months of 1961 may show a decline in sales as compared with the first 6 months of 1960. However, the last 6 months of the year should show a marked improvement, which may more than offset the poor sales of the early part of the year.

●

GE Radio & TV div. gen. mgr. Hershner Cross:

In 1961, TV industry sales are expected to be at the same level as in 1960. There will be an increasing demand for full power-transformer portable units and a re-emphasis on quality performance and set reliability. No

TV-Radio-Phono Predictions at a Glance

Those organizations whose officials made specific predictions for 1961 industry-wide TV, radio or phono sales & output in our survey are listed here with their forecasts:

Admiral—TV sales equal to 1960's 5.7 million units or slightly better, radio boom continuing into 1961.

Centralab—No material gain over 1960 by TV-radio entertainment field.

EIA—Consumer-electronics dollar volume gain 6% to $2.2 billion from 1960's 2.1 billion.

Emerson—Improvement in last 6 months of 1961 may more than offset poor sales of early months.

GE—TV distributor sales at same level as 1960, radio sales slightly lower with pickup toward year's end, distributor console phono sales dropping as much as 7%, portable phonos down 10%.

Motorola—Distributor sales of b&w TV 5.2 million, table radios 3.2 million, clock radios 3 million, portable radios 4.2 million, stereo 2.8 million.

Muter—Production of 6 million TVs, 10.5 million home radios, 5.5 million auto radios, 4 million phonos.

National Video—TV production 5.5-to-5.6 million.

Olympic—Retail TV sales of more than 5.8 million, stereo sales holding up correspondingly.

Packard Bell—TV sales 6-to-6.2 million, phonos 5 million (including 650,000 radio console combinations), home radio 12 million.

Howard W. Sams—Factory sales of 6 million TVs, 10 million home radios, slightly over 6 million auto radios, 6 million phonos.

Sprague Electric—TV retail sales & production of 5.7 million, radios (including auto) dropping to 15-to-15.5 million, entertainment-electronics volume dipping to about $1.8 billion.

Standard Kollsman—TV production & sales of about 6 million.

Stromberg-Carlson—Phono factory sales near this year's 4.9 million, dollar volume rising about $10 million to $450 million.

Sylvania—Retail TV sales 5.9 million, radio 11.8 million, hi-fi & stereo 5 million.

Westinghouse—TV sales 6.1 million, home radio 10.7 million, phonos 3 million, hi-fi 1.5 million.

Zenith—TV distributor sales of 6-to-6.2 million.

significant or immediate increase in consumer demand for color TV is forecast.

Industry-wide radio sales for the coming year will be slightly lower than 1960, with a pick-up toward the end of the year. The 2 highlights of the past year for radio were the rapid growth of the AM-FM business and the continued pressure from foreign competition. Both of these influences are expected to affect the industry during the coming year to an increasing degree.

In the phonograph industry, inventories are in line and a good Christmas business has developed. However, in 1961, distributor sales of console units may decrease as much as 7%, while portable unit sales may be 10% lower than in 1960. Continuation of the industry's efforts toward lessening public confusion regarding stereo and increasing awareness of stereo's true merit can be expected.

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Motorola:

[Estimates 1961 industry-wide distributor sales of black-&-white TV at 5.2 million units, table radios 3.2 million, clock radios 3 million, portable radios 4.2 million, stereo 2.8 million.]

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The Muter Co. Pres. Leslie F. Muter:

We believe that the reduced production in the 4th quarter, as well as the increased movement of sets, should enable the industry to start the new year with a very conservative inventory that will assist production in 1961.

We believe that production will be approximately:

TV sets—6 million.

Radio sets—16 million, including 5.5 million auto sets.

Phono sets—4 million.

●

National Video Corp. Pres. Asher J. Cole:

TV factory sales will probably approximate the total number sold in the year 1960. However, I do believe it will be spread a little better than it was in the current year.

It appears that 1961 will start off cautiously, carefully build up and probably end with a 5,500,000 or 5,600,000 figure. If the general economy is primed by the inauguration of our new president, this could change substantially.

It is my feeling that people generally have money. The banks say they have more on deposit than any time in the past. If the public can gain confidence and react to the various stimuli which will be promulgated by the new administration, then our whole economy can recover quickly. There will be more homes, more people getting married, more families created and more television sets purchased. Our industry is geared to react quickly to demand.

●

Olympic Pres. Morris Sobin:

Despite a general softening of business during the last 6 months, the calendar year 1960 will go down in the TV history books as one of the industry's better years.

The year ahead should equal or exceed the results of 1960. Whereas in 1960 the industry had a strong first half followed by a weakening second half, we can expect just the reverse to be true for 1961. The first half of 1961 will probably continue in a generally soft vein, with prospects for a decided strong pickup in the last half. Since the industry traditionally sells a greater percentage of units during the second half, the sales impetus at that time should provide us with good industry figures for the year as a whole.

Retail TV sales for 1961 should reach over the 5.8 million mark and stereo phonograph sales should hold up correspondingly.

During the first 6 months of 1961 the industry will be hard pressed to "make figures," and the temptation to overproduce will undoubtedly be strong. To keep our industry healthy, we must keep production in balance with sales, and thus avoid excessive inventory buildups & the resulting possibility of price deterioration.

Olympic's consumer-products business for 1960 should approximate the results attained during 1959, and if the anticipated sales pattern for the coming year proves to be correct, we can expect another good year.

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Packard Bell Pres. Robert S. Bell:

TV unit sales will increase to from 6 to 6.2 million in 1961 because of increases in the replacement rate, color set activity and combinations. Dollar volume should increase at a greater rate due to anticipated higher average selling prices.

The total phonograph market should reach 5 million units, of which 650,000 will be stereo-radio console combinations. Console stereo is leveling out because of expanding TV-stereo combination sales. Radio sales could reach the 12-million mark because of a decline in the average price of AM table and clock models, an increasing demand for FM, and an expanding share of the transistor portable market by domestic producers.

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Pilot Radio Sales vp L. M. Sandwick:

The uncertainties of the situation affecting home entertainment products are such that a prediction for 1961 [on] the market as a whole would constitute an unreliable guess and we would not care to hazard such a prediction.

Pilot Radio Corp. continues to concentrate on 2 product lines, i.e. stereophonic high-fidelity component-console instruments and stereophonic high-fidelity components and we are continuing to experience normal growth of both.

The stereo market will not enter the period of stability and growth which it merits until a major segment of the manufacturing fraternity lays aside its competitive differences and embarks on a jointly sponsored program of PR and institutional advertising through its principal trade association.

●

Howard W. Sams & Co. (Sams div.) Pres. J. A. Milling:

Factory unit sales in 1961 should reach 6 million TV, 10 million radios, 6 million phonographs, including hi-fi and portable type, and slightly over 6 million automobile radio.

Improved color TV should add impetus to the over-all TV sales picture. Larger tube sizes, better cabinet styling, automatic tuning, general over-all performance and improved quality are all features which most manufacturers will stress. 1961 will be a year in which dealers must sell demonstrable features & improve performance. A big volume of future sales must come from homes which already have older model receivers.

Japanese imports during 1961 will cut still deeper into small-set sales unless some form of import restrictions is made effective.

Auto-set sales should increase over 1960 because there will be an increased production of small American autos and fewer auto imports.

Sprague Electric Chmn.-Treas. Robert C. Sprague:

The outlook for entertainment electronics in 1961 is certainly far from clear at present, but recent surveys have shown a desire on the part of consumers to step up their buying plans for durable goods. I would expect that sales at retail in the first half of 1961 might be below 1960 by some 10-to-15% but that 2nd half levels should show a favorable comparison, with a possibility of quite strong demand late in the year if business conditions recover as some recent forecasts suggest they will. I look for TV sales & production to be approximately equal at 5.7 million sets for the year, but I look for some decline in radios from the high rate in 1961 to more nearly the 1959 level of 15-to-15.5 million sets. I therefore believe it is realistic to assume a modest drop in the total value of home-entertainment electronics to about $1.8 billion, slightly below the $1.9 billion of 1960, but above the $1.7 billion of 1959.

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Standard Kollsman Pres. J. O. Burke:

It would appear to us that TV production for the year 1961 should level off at around 6 million sets, barring a deepening of the present recession. It is my feeling that with replacements and new homes on a fairly constant basis, the industry can foresee a leveling off of production and sales at a rate of around 6 million sets annually. Standard hopes to continue its pattern of increasing steadily the percentage of sets which contain its tuners.

●

Stromberg-Carlson Pres. James D. MacLean:

First-quarter 1961 automobile production schedules, released in Detroit a few days ago, indicate a relatively strong first quarter for automotive manufacturers despite softness in other areas of the economy. We anticipate that auto radio production will keep pace with passenger car output. Current outlook is for industry auto radio sales in 1961 to approximate the 6.2 million units produced in 1960.

It is anticipated that stereo, which is still relatively new as far as family ownership, will continue to increase its market penetration in 1961. While 65% of total U.S. households have phonographs (vs. 90% for TV), most of these are old monaural units and will be replaced with stereo units in the future. Of importance to the industry also is that dollar volume is rising at a faster rate than unit sales. This can be seen in the fact that consoles, which amounted to only 6.5% of total phonograph sales as recently as 1955, now account for more than 30% of industry output. This fact, coupled with the increasing percentage of stereo vs. monaural phonographs being sold, will raise total factory volume to about $440 million this year, a 20% rise over 1959's $372 million.

While total phonograph unit sales in 1961 will hover at near this year's 4.9 million level, dollar volume will rise about $10 million to $450 million (factory sales).

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Sylvania Home Electronics Corp. Pres. Peter J. Grant:

[Predicts retail sales of 5.9 million TVs, 11.8 million radios (including imports), 5 million stereo & hi-fi units.]

●

Westinghouse TV-Radio div. gen. mgr. O. H. Yoxsimer:

The TV-radio industry will follow the pattern of the expected economic conditions in 1961 by showing relatively little improvement early in the year, but in the latter part we should see an upswing in unit volume as industry inventories become readjusted, and general economic conditions improve.

We believe that TV sales in 1961 will be in the neighborhood of 6.1 million sets; radio, 10.7 million; phonograph 3 million; and high fidelity 1.5 million.

●

Zenith Sales Corp. Pres. Leonard C. Truesdell:

In general it is my opinion that the TV industry will do well to show only a slight gain in 1961.

I think the industry should perhaps think in terms of 6 to 6.2 million units. In favor of this estimate is the fact that the industry had had a disastrous experience from August on during the present year. The general economic condition is expected to improve in the last half of next year so the industry should gain in sales in the last half of 1961 over the last half of 1960.

Also in favor of the above estimate is the fact that the replacement market should be some 300,000 to 400,000 units larger than in 1960 simply because there are more sets getting to the age when repairs are not worthwhile, and, of course, we should expect to trade in more of the small picture-size units on those offering larger pictures.

Against the possibility of an increase of any importance is the fact that the general economic conditions are expected to remain low during the first 6 months of next year. The industry has shown a decline in 1960 for every month from July on. There is no reason to believe that because of a calendar date business will suddenly get better on Jan. 1, 1961. I think the industry will be hard put to equal the first-half sales of 1960.

We must take into consideration another very important factor. During 1961 we will *not* have the benefit of the newness we had in 1960 of the 19-in. & 23-in. sizes. I see no chance for anything exciting in the way of new product developments to help industry sales in 1961.

Underlying all of these facts and perhaps more important than anything else, it is the writer's opinion that our industry has suffered for the past several years because of the very poor TV programs which have been made available. We have just not had programming which would renew or revitalize consumers' interest in viewing TV. These programs have not excited the public sufficiently to create a reason for buying new sets.

RCA Chmn. David Sarnoff's traditional year-end statement announced "record 1960 sales," although no figures were revealed. He was bullish on color: "In 1960," he said in part, "when industry sales of consumer durables eased off and b&w TV dropped 7%, color TV showed the sharpest rise of any major consumer product on the market—up 30% over 1959. RCA's own profit for 1960 on color-receiver sales was measured in 7 figures." He was optimistic about the forthcoming year & decade: "I share the viewpoint of many economists that this softness [of the economy] will continue through the first half of 1961 and that an upturn will occur in the second half of the year. But the month-in, month-out fluctuations of the economic index must not obscure the underlying dynamism of research & technology. This is the enduring reality which guarantees economic growth in the years ahead . . . The products of research, those in being now & those yet to come, will double RCA's sales volume before the '60s end."

More about

MYLAR TUBE SHIELD: Du Pont's Mylar shield for picture utbes (see p. 16) is actually the 3rd route of approach to the laminated-on-the-tube implosion plate —Corning's & Pittsburgh's being the other 2. At Chestnut Run, Del. last week we saw much the same presentation & demonstration now being given on request to tube & set makers. Later we talked with representatives of tube & set manufacturers.

Du Pont showed us four 19-in. portable sets (they happened to be doctored-up Admirals), each with picture from the same channel, and each one labeled with its weight. Here's how they lined up: Set with conventional external implosion glass weighed 39 lb. 8 oz.; with Corning laminated cap, 42 lb. 8 oz.; with modified Corning laminated cap (glass flanges clipped off for mounting in portable cabinet), 40 lb. 8 oz.; with Mylar shield, 36 lb. 2 oz.

We compared image on Mylar-shield set with that on conventional external-glass set, with Corning glare-free treated cap and with standard Corning cap in brightly-lighted room. Both the Corning treated cap and the Mylar shield sufficiently eliminated reflections (daylight streaming through Venetian blinds) to produce satisfactory pictures. Both surfaces looked similar.

Du Pont engineers explained that because Mylar film surface is so close to faceplate, there should be less tendency for the non-reflective surface coating to cut down picture resolution than with implosion plates mounted further from the image. Pictures on all 4 sets appeared identical in color.

Implosion resistance: Implosion tests have been made on 2 versions of the Mylar-capped tube—with & without a metal band around the periphery of the faceplate. Du Pont officials said that it satisfactorily contained implosions, but added that they didn't yet know whether such a tube could be characterized as "implosion proof" as is the Corning laminated tube (Vol. 16:50 p15).

Tubes used with Mylar shield so far have been standard Kimble-type 19- & 23-in. "heavy" tubes designed for use with external implosion glass. Du Pont officials said they didn't know whether it can be used with Corning-type lightweight bulb designed for laminated glass cap.

The Burning Issue

How about scratching & burning? Again pointing out that outer surface of the shield is extremely close to image. du Pont engineers said this characteristic as well as the light-scattering non-reflective coating minimize effect of scratches. Indeed, we couldn't notice any scratches as we viewed the Mylar-shield picture. They added that Mylar, while not nearly as scratch-resistant as glass, is the most resistant plastic film made and the reflective coating is even more so.

Mylar shield will melt or discolor "if you stoke a cigar up real hot and grind it into the surface," they told us. But under ordinary circumstances, it wouldn't be affected. In the demonstration for tube makers, du Pont people placed a lighted cigaret on a sheet of Mylar draped over a piece of plate glass, with no harmful effect, pointing out that heat is diffused by the glass. Melting or burning, they said, is much less of a hazard with Mylar than with the commonly used polystyrene external implosion plates. The whole question of scratch & burn, they said, "is something for tube & set makers to evaluate."

Costs: On one aspect of the cost picture, everyone is agreed—that there's no way to know for sure until somebody tries production. However, du Pont claims that processed laminated film in 23-in. size should cost tube maker about $1 per tube, vs. $1.85 for Corning glass cap. Since Mylar requires only a sliver of epoxy resin to bond it to tube, Du Pont says, there should be more savings over the 1-to-1½ lb. of resin per tube used in the Corning process. The company concedes, however, that processing, labor & equipment costs are unknown.

Production & rebuilding: Using converted drape-forming machinery, a tube maker can process one tube a minute per machine, du Pont engineers told us. Can the Mylar shield be removed from the tube? Since the adhesive takes couple of days to "set" at room temperature, rejects can be easily reprocessed, they said. They weren't certain whether the Mylar shield could be economically removed from used duds for rebuilding.

How Shield is Applied to Tube

Here's how the Mylar shield is shaped & fixed to picture tube in a single operation:

"Adhesive is applied to the edges of a clean picture tube which is then placed in the drape-forming machine, face up. The face of the tube is covered with a relatively thin epoxy adhesive. The Mylar film is clamped above the picture tube, heated, and then draped over the tube face with a combination of motion & vacuum in such a way that no air bubbles are trapped between the film & the glass. A metal band drawn tight around the film & tube holds the film in place until the adhesives harden. The tube is removed from the drape-former as soon as the excess film has been trimmed. It is held face up until the quick-setting epoxy adhesive hardens enough to stand pressure without deforming."

Du Pont hopes to arrange with manufacturers of vacuum-forming production machinery to run off more Mylar-shield tube samples. They declined to state where their current tube samples had been processed.

One tube maker (not the one referred to on p. 16) expressed cautious interest after seeing du Pont presentation & demonstration. National Video Pres. Asher Cole told us he thought process has "possibilities." He added: "We're following this with great interest. We must learn more about it, but we can't get cost answers until there's some production experience. If we could save $1-to-$1.50 per-tube, it could be very valuable. It needs more developmental work."

"We've gotten to the point where we can get general industry opinions," echoes du Pont Lab's Jay J. Stewart. "Now we want to encourage the industry's active participation in further development." He said he believed Mylar-shielded tubes can "comfortably be in production in 12 months."

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Motorola's new address is 9401 W. Grand Ave., Franklin Park, Ill. (NAtional 5-6000).

Obituary

John Fisher, 55, vp-founder of the Astron Corp., died in the TWA-UAL jetliner collision Dec. 16. Others with electronics industry connections: **Arthur Burten,** 35, industrial sales mgr., Astron Corp.; **Herman Mueller,** 41, research chief, Liquidometer special products div.; **Murray T. Wright,** 30, GE missile-development presentation specialist (his father, **Clark M. Wright,** is sub-contracting mgr., Schenectady GE plant); **Lester Mogren,** 36, IBM products field engineer; **David W. Plummer,** 25, IBM systems technician; **George Keenan,** 32, GE installation & service dept. engineer; **Stephen Baltz,** 11, son of William S. Baltz, vp & chief legal counsel, Admiral.

NOV. TV SALES SOFT: TV sales last month were in the same listless groove that they've occupied since last July, unofficial estimates indicate. Preliminary figures show retail sales down about 12%, distributor-to-dealer sales down 15%. November's drop of about 12% at retail follows October's 13% dip, September's 9%, August's 13% (all compared with same 1959 months).

Retail radio sales showed their first tendency to softness in November—dropping below the 1-million mark for the first time since August, and down 5½% from Nov. 1959's retail figure. Thus November was the first 1960 month to see lower radio retail sales than the comparable 1959 month. But distributor sales of radios were 9% ahead.

TV's bright spot was its drastically lowered inventory figure. Stocks at all trade levels were about 130,000 lower than at the end of Nov. 1959, with dealers' inventories down a substantial 223,000, distributors' inventories down 14,000, and manufacturers' stocks up 106,000 from last year.

November TV retail sales totaled about 527,000 vs. 598,000 in November last year, but the 11-month total sales of 5,182,000 (vs. 5,047,000) indicated that the full-year 1960 retail total probably will slightly surpass 1959's 5,749,000. November distributor sales were about 498,000 (vs. 584,000) and year-to-date distributor-to-dealer sales totaled about 5,096,000, down from 1959's comparable 5,449,000.

Radio retail sales in November declined to about 951,000 units from Nov. 1959's 1,017,000, for an 11-month retail total of 8,336,000 (vs. 7,142,000 in 1959), while distributor radio sales climbed to 1,171,000 from 1,079,000 the year before. The 11-month total of distributor radio sales is 8,811,000—substantially ahead of last year's 7,990,000.

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More about

OPERATION SNOWBALL: Objectives of Corning Glass's 12-month TV promotion campaign (see p. 17) are: "(1) To expand the market for TV sets; (2) to encourage more trade-ins & trade-ups; (3) to encourage retail selling by emphasizing product benefits." Drive will be run by Ralf Shockey & Associates.

Among the highlight activities: (1) "TV Trading Bee," to be supported by trade advertising, material for manufacturers, distributors & retailers; ad material to be supplied to newspapers, radio & TV stations, etc. (2) "1962 Demonstration Preview" in fall will get the same treatment, including special newspaper supplements, etc. (3) Promotion programs at large shopping centers, including TV giveaways, etc. The first will be at the North Shore Shopping Center, Peabody, Mass., in March, (4) Christmas campaign, with extensive consumer advertising.

For the trade, the program will include: (1) Exhibit & demonstration program at International Home Furnishings Market, Jan. 6-14 in Chicago. (2) Slide film & other material to acquaint manufacturers, distributors & dealers with the program. (3) Two-week city-wide programs, including all local TV dealers, in cooperation with NARDA chapters. (4) "TV Retailer of the Year" awards. (5) Formation of a retail advisory group of selected dealers "to develop new ideas for expanding the market."

Studies & reports planned: (1) Study of TV retailing, for July presentation, prepared in cooperation with NYU school of retailing. (2) Study of trade-up selling, for Sept. presentation, in cooperation with U. of Pittsburgh school of retailing. (3) A manual of outstanding selling techniques, "The NARDA Method of Selling TV Sets."

Canadian Look at 1961: The closing year was one of recession for Canada's electronics industry (Vol. 16:41 p17). Sales of home-entertainment products dropped off sharply from the peak years of 1955-56. Orders for military electronic equipment also declined. What portends for 1961? Three major leaders of Canadian electronics hold these views:

RCA Victor Co. Pres. J. D. Houlding: "The electronics industry looks to 1961 with mixed feelings. TV-receiver sales in 1960 will be down 15% from the previous year, and except for a reversal of consumer buying behavior, a further reduction in 1961 is possible. From the long term point of view, a growing replacement market will gradually reverse the downward trend of TV-receiver sales. However, the industry badly needs an immediate stimulus which might be provided through elimination of excise taxes, or through authorization of color broadcasting. . . .

"Canadian producers are under increasingly serious pressures from rising imports of radios, tubes and other consumer items. If any change [in prices of consumer products] does occur it will probably be upward because of current unprofitable operating levels. Although the outlook for consumer products is somewhat pessimistic . . . products for communications, broadcasting, industrial and business automation, and for defense, will tend to offset the short term decline in other areas."

Canadian GE Pres. J. Herbert Smith: "Sales of electrical consumer goods are down in 1960, and no substantial increases can be looked for in this product field in 1961. Thus, unless factors come into play which are not at present discernible, the electrical manufacturing industry can look for an over-all reduction of sales in 1961."

Canadian Westinghouse Pres. G. L. Wilcox: "The current cyclical downturn which began early this year is showing little signs of abating. Consumer spending is still sluggish, due to a leveling in total labor income . . . Consumer spending is the big imponderable and the extent to which it will contribute to the over-all level of business in 1961 will be governed largely by the degree of activity in our manufacturing industries. This is the segment of the economy which provides employment for 25% of all working Canadians, pays 29% of all wages & salaries, and accounts for over 30% of the country's total output. It is also the segment of the economy which is losing jobs & wages to other countries at a disturbing rate."

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Trade Personals: **Jack S. Beldon**, ex-pres. of RCA Sales Corp., joins Magnavox TV-radio-phono div. in new post of marketing mgr.; Magnavox sales organization expansion also sees **A. Robert Baggs**, ex-merchandising mgr. of RCA radio & "Victrola" products, named mgr. of radio products & mktg. development; **James Egan**, former zone mgr., promoted to field sales mgr.; **A. Paul Wagner**, former Bell & Howell PR dir., named to similar Magnavox post; **William H. Boedeker Jr.**, ex-GE appointed mgr. of special products & accounts.

Robert Scott, former Thomas Electronics general sales mgr. and onetime Du Mont picture tube sales mgr., joins National Video as sales mgr. . . . **Kendrick R. Wilson Jr.** named chmn. & chief exec. officer, Avco, succeeding Victor Emanuel, who died Nov. 26. **James R. Kerr** named pres., **Col. Earl H. Blaik** named exec. committee chmn.

Donald G. Evans Jr., ex-Westinghouse, named ad & sales promotion mgr., General Precision Link div. . . . **Robert C. Sprague**, chmn. & treas. of Sprague Electric Co., is back at his desk following a week in the hospital for kidney stones.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Allied Radio	1960—qtr. to Oct. 31	—	—	$ 203,090	$0.19	—
	1959—qtr. to Oct. 31	—	—	202,166	.19	—
Famous Players Canadian	1960—9 mo. to Oct. 1	—	$2,332,438	1,429,299	.82	1,737,072
	1959—9 mo. to Oct. 3	—	2,629,184	1,718,233	.99	1,737,072
Filmways	1960—year to Aug. 31	5,721,173	—	33,893[4]	.07	491,473
	1959—year to Aug. 31	4,448,650	—	190,537	.43	447,986
Gibraltar Enterprises[1]	1960—11 mo. to Nov. 30	—	—	745,820	.60	1,250,000
	1959—11 mo. to Nov. 30	—	—	577,331	.46	1,250,000
Jerrold Electronics	1960—6 mo. to Aug. 31	3,205,887	136,509	64,665[5]	.04	—
	1959—6 mo. to Aug. 31	2,915,502	90,439	39,920[6]	.03	—
National Video	1960—6 mo. to Nov. 30	$10,343,900	1,050,100	768,300	1.25	616,667
	1959—6 mo. to Nov. 30	8,290,600	651,926	530,926	.86	616,667
Rollins Bcstg.	1960—6 mo. to Oct. 31	1,853,391	—	229,463	.26	872,867
	1959[2]	—	—	—	—	—
Sterling Television	1960—6 mo. to Sept. 30	596,660[3]	—	16,833[3]	—	450,000
	1959—6 mo. to Sept. 30	378,830	—	13,273	—	450,000
TV Shares Management Corp.	1960—year to Oct. 31	3,063,643	1,490,848	750,848[3]	.74	1,060,000
	1959—year to Oct. 31	2,714,566	1,430,797	702,297	.66	1,060,000

Notes: [1]Includes WICU-TV & WICU Erie, radio WTOD Toledo & WHOO Orlando, headed by Edward Lamb. [2]Not available. [3]Record. [4]After credits totaling more than $52,000. [5]Excludes $133,272 ($208,473 in 1959) net income from CATV systems. [6]Excludes special credit of $283,656 on sale of properties.

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, December 22, 1960

Electronics TV-Radios-Appliances Amusements

Stock	Bid	Asked
Acoustica Associates	19¾	21¾
Aerovox	7¾	8⅝
Allied Radio	23	24⅞
Astron Corp.	1½	1⅞
Baird Atomic	24½	26¼
British Industries	17	18⅝
CGS Labs	6	7⅜
Cetron	3⅝	4¼
Control Data Corp.	68	72½
Cook Elec.	13⅛	14⅛
Craig Systems	15¼	16¾
Dictaphone	28½	30⅞
Digitronics	19½	21½
Eastern Ind.	14	15
Eitel-McCullough	18¼	19⅝
Elco Corp.	15¼	16¾
Electro Instruments	28½	31⅜
Electro Voice	7⅞	8¾
Electronic Associates	29½	32
Erie Resistor	9¼	10¼
Executone	20½	23
Farrington Mfg.	28½	30⅝
FXR	35½	38¾
General Devices	11½	12⅝
G-L Electronics	6¾	7⅞
Granco Products	2¼	3
Gross Telecasting	19½	21½
Haydu	1/16	¼
Hewlett-Packard	31	33
High Voltage Eng.	156	167
Infrared Industries	15½	17⅜
Interstate Engineering	24¼	25⅞
Itek	54	58
Jerrold	6⅞	7¾
Lab for Electronics	47½	50⅞
Lel Inc.	3¾	4½
Magna Theater	2⅜	2¾
Maxon (W. L.)	10½	11⅜
Meredith Pub.	42½	45⅝
Metropolitan Bcstg.	17⅜	18⅜
Milgo Electronics	15¾	17⅜
Narda Microwave	3¾	4½
Nuclear of Chicago	38	41⅜
Official Films	2¼	2⅝
Pacific Automation	4⅞	5⅝
Pacific Mercury	5⅝	6⅜
Philips Lamp	156½	162
Pyramid Electric	2½	2⅞
Radiation Inc.	24¾	27
Howard W. Sams	36½	39¼
Sanders Associates	37	42⅜
Silicon Transistor	4¼	5
Soroban Engineering	40	43⅞
Soundscriber	15¾	17⅜
Speer Carbon	18	19⅞
Sprague Electric	50½	54
Sterling TV	1½	2
Taft Bcstg.	12	13⅜
Taylor Instrument	32	34⅝
Technology Inst.	8¾	9⅝
Telechrome	12¼	13⅝
Telecomputing	7⅜	8⅛
Telemeter	11	12⅝
Time Inc.	73½	77¾
Tracerlab	9½	10¾
United Artists	5⅝	6⅜
United Control	15¾	17⅝
Universal Trans.	¾	1-5/16
Vitro	11⅛	12⅛
Vocaline	2	2½
WJR Goodwill Station	9¾	11
Wells-Gardner	20¾	22¼
Wometco Ent.	13	14⅛

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Avco	Q	$0.12½	Feb. 20	Jan. 27
Daystrom	Q	.30	Feb. 15	Jan. 27
Electronic Associates	Stk.	5%	Jan. 12	Dec. 28
General Dynamics	Q	.25	Feb. 10	Jan. 6
Victoreen Instruments	Stk.	4%	Jan. 16	Dec. 30

Screen Gems will be worth about $23.5 million to Columbia Pictures, its parent, in terms of the 89% interest that Columbia will maintain when the first SG public offering goes on the market next month. An additional 300,000 shares, on which Screen Gems plans to raise about $3 million, will be offered to holders of Columbia Pictures stock at approximately $10 per share. Screen Gems is in a healthy financial position in the often-risky telefilm business; for the fiscal year ended June 30, SG had before-taxes earnings of over $3.1 million, while parent Columbia Pictures had a loss of over $1.2 million. When the offering is concluded, it's estimated that Columbia will have 1.8 shares of Screen Gems for each share of Columbia Pictures outstanding. Thus, stockholders in the parent will have an equity of $18 in Screen Gems stock, plus participation in Columbia's movie activities.

Mergers & acquisitions: Transitron Electronics has canceled its proposed merger with Thermo King, Minneapolis maker of refrigeration equipment for trailer trucks (Vol. 16:35 p15). Transitron Pres. David Bakalar said the action was taken "primarily" because of the "recent decline in Thermo King's rate of earnings." Thermo King Pres. J. A. Numero said the "ground asserted by Transitron is without merit" • Cowles Bcstg. (KRNT-TV & KRNT Des Moines, WHTN-TV Huntington—latter being sold to Reeves Bcstg. & Development) and Cowles Magazines (*Look*) have obtained stockholder approval to merge via an exchange of stock into Cowles Magazines & Bcstg. Inc. • Serrick Corp., Defiance, O. maker of industrial machinery & products, has acquired Utah Radio Products and Utah Radio & Electric, Huntington, Ind. manufacturers of TV-radio equipment & components.

Electro-Science Investors, Dallas-based small-business investment company, has acquired for $2 million in convertible debentures & common stock more than 80% equity in Knapic Electro-Physics, Palo Alto, Cal. manufacturer of silicon & germanium crystals for semiconductor devices.